

KENAI PENINSULA BOROUGH

Kenai Peninsula Borough Assembly

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Blaine Gilman, Assembly President
Brent Johnson, Vice President

MEMORANDUM

TO: Blaine Gilman, Assembly President
Kenai Peninsula Borough Assembly Members

FROM: Willy Dunne, Assembly Member *WD*

DATE: September 6, 2016

RE: Amendments to Ordinance 2016-31, Amending Sections of KPB Chapter 5.18 to Update and Clarify the Borough Sales Tax Code.

To clarify that services such as wildlife viewing and fishing associated with air charter and air taxi flights are taxable I intend to propose the following amendments to this ordinance:

- If the amendment requested by the legal department is approved, I propose the following amendment to the revised version of 5.18.200:

5.18.200. - Exemptions/waivers—Exemptions.

A. The following classes of retail sales, services and rentals are exempt: . . .

11. Sale of passenger seat tickets by commercial airline. Air charter and air taxi sales are exempt, provided that this exemption does not include ground-based wildlife viewing, sport fishing, hunting or other goods or services provided in combination with such air charter and air taxi sales;

- If the amendment requested by the legal department is not approved, amend Section 3 KPB 5.18.200 by inserting the language in **bold and underline** below:

5.18.200. - Exemptions/waivers—Exemptions.

A. The following classes of retail sales, services and rentals are exempt: . . .

11. Sale of passenger seat tickets by commercial airline, [AIR CHARTER AND AIR TAXI SALES ARE EXEMPT] , however flightseeing tours, ground-based wildlife viewing, sport fishing, hunting or any other good or services provided in combination with such flightseeing tours, that take off and return to the same airport or seaplane base on the same day are recreational sales not exempt under this section;