

**ADMINISTRATIVE GUIDELINES
RECORD KEEPING REQUIREMENTS
PROCEDURE 50**

Every person required to be registered for sales tax by the laws of CBJ 69.05 shall keep complete and adequate records from which the Sales Tax Accountants may determine any tax for which such person may be liable.

General requirements:

It is the duty of each taxpayer to prepare and preserve all books of record in a systematic manner conforming to accepted accounting methods and procedures. Records are to be kept, preserved, and presented upon request of the Sales Tax Office to demonstrate:

1. The amounts of gross sales from all sources, however derived, including barter or exchange transactions, whether or not such sales are taxable. These amounts must be supported by original source documents, including but not limited to all purchase and sales invoices and contracts or such other documents as may be necessary to substantiate gross sales;
2. The amounts of all deductions, exemptions, or credits claimed through supporting documentation required by CBJ code or administrative guideline, or such other supporting documentation necessary to substantiate the deduction, exemption, or credit.

The records kept, preserved, and presented must include the normal books of account maintained by an ordinary, prudent business person. Such records may include general ledgers and sales journals, together with all bills, invoices, cash register tapes, or other documents of original entry supporting the books of account entries. The records shall include all federal tax returns and reports and all schedules or work papers used to prepare the sales tax returns.

All such records shall be open for inspection and examination at any time by the Sales Tax Administration, upon reasonable notice, and shall be kept and preserved for a period of three years. CBJ 69.05.090(b).

Out-Of-CBJ Business. An out-of-CBJ business, which does not keep the necessary records in CBJ, shall either produce in CBJ such records as are required for examination by the Sales Tax Office, or, permit the examination of the records by the Sales Tax Accountants at the place where the records are kept. Expenses of travel and lodging will be borne by the merchant who chooses not to make the records available within the City and Borough.

Record Retention. Each person must maintain and keep for a period of three years after the date of filing the period sales tax returns all forms and supporting records for each period return filed. Failure to maintain the proper documentation will result in the loss of any tax exemption, deduction or credit for that period.