



September 21, 2021

CITY AND BOROUGH OF JUNEAU, ALASKA
Finance Department – Sales Tax Division
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****NOTICE OF SALES TAX DISCOUNT CHANGES****

Dear Merchant,

This letter is to inform you of changes to the Optional Timely Filing Discount and the \$1 e-check fee for online payment.

On September 13, 2021, the CBJ Assembly adopted Ordinance 2021-29 to amend the optional timely discount. In an effort to make calculating the discount easier for merchants, the discount is changing from a percentage based discount to a flat rate discount.

Additionally, in February of 2022, the optional discount will only be available to merchants who file their returns online. To make online filing and payment more accessible, we are pleased to inform you that we have successfully negotiated with our vendor to waive the \$1 fee for e-check payments. Effective immediately, there is no longer a convenience fee for paying via e-check.

When and How?

Effective October 13, 2021, merchants will be able to claim an optional flat discount of the first **\$30** due on any return. This \$30 discount cap applies to all annual, monthly, and quarterly filers. As before, the discount cannot create a credit balance. Merchants whose sales tax due is less than \$30 can reduce their tax owed to zero but cannot claim a credit on account.

HOTEL/MOTEL Merchants: The timely filing discount for Hotel/Motel tax has been repealed effective October 13, 2021. Merchants collecting bed tax will still be able to claim the sales tax discount, capped at \$30 per return as outlined above.

Please note, the new discount regulations will apply to returns postmarked on October 13, 2021, or later, and returns filed before that date will fall under the previous code. Revised return forms will be mailed before the end of September. Don't hesitate to contact the Sales Tax office if you are unsure how to apply the discount to your filing.

Timely Filing Discount moves online:

Effective February 1, 2022, the \$30 flat discount will be available only when a return is filed online. Merchants filing paper returns will no longer be eligible for the discount. You can find more information, as well as step-by-step user guides and video tutorials, on our website at <https://juneau.org/finance/sales-tax-online-payment>.

Thank you for your effort in keeping in compliance with the CBJ Sales Tax code. Please contact the CBJ Sales Tax office at the email address or phone number listed above if you have any questions on this matter.

Sincerely,

Erin Russell
Revenue Officer