

Every person making sales, rentals or performing services within CBJ, taxable or exempt, must register and file returns. Every person registered with the Sales Tax Office to conduct business in CBJ must file returns regardless of whether sales were made during the filing period.

Returns are due on or before the last day of the month succeeding the end of each quarter ending March 31, June 30, September 30 and December 31. Returns are due regardless of the level of sales or the amount of tax due.

Documentation supporting gross sales and exemptions claimed must be maintained for three years. These records are subject to examination by the CBJ Sales Tax Office.

## INSTRUCTIONS FOR COMPLETING THE AREAWIDE SALES TAX RETURN FORM

### LINE 1. GROSS SALES

- Includes, but not limited to, revenue derived from: retail sales, sales for resale, services, commercial rentals, bartering and pull tabs gross sales.
- Include all exempt sales in gross sales reported.
- Do not include sales tax with the gross sales reported.
- **Service Providers Only:** If you traveled outside CBJ to provide services during the reporting period, remove those sales from your gross sales. Businesses must maintain documentation for any adjustments to gross sales reported.

### LINE 2. LESS ALL EXEMPT SALES

- If you have granted exemptions and have maintained the proper exemption documentation, you may exempt these sales on Lines 2 A - G.
- The most commonly used exemptions are listed on Lines 2 A -F. If you are reporting an exemption that is not listed, you must specify the exemption by code number on Line 2 G and write a brief description of the exemption claimed. Use a separate line for each exemption claimed. See exemption list on back of instructions.

### LINE 6. OPTIONAL DISCOUNT IF FILED AND PAID TIMELY

- Discount is a flat **\$30** on all returns and filing frequencies.
- If tax due is less than \$30, take the exact amount of tax.
- Discount can reduce tax to zero but cannot create a credit balance.
- Discount will not be allowed if account is delinquent, the return is late, or too much discount is taken.
- The U.S. postmark or online filing date stamp will be used to determine the date filed.

### LINE 7. CREDITS FROM PRIOR PERIODS

- Please verify credits with the Sales Tax Office before taking any credit on this line. Call (907) 586-5215 x 4901.

### LINE 8. LATE FEE

- Add \$25.00 if return is not filed timely. The U.S. postmark or online filing date stamp will be used to determine the date filed.

### LINE 9. LATE PAYMENT PENALTY AND INTEREST

- Late payment penalty is 5% of the unpaid tax balance per month or any fraction thereof to a maximum of 25%.
- Interest accrues on the unpaid tax balance at an annual rate of 10% (multiply the unpaid tax balance by .0083; multiply that amount by the number of months the return is delinquent).
- If you need assistance computing penalties and interest, please call the Sales Tax Office at (907) 586-5215 x 4901. If you do not remit the late fees, penalties and interest with the return, you will be billed.
- Do not use this line for paying prior balances. Only penalty & interest for the period being filed should be reported here.

### LINE 11. DEPOSITS SUMMARY

- For merchants filing quarterly and collecting \$1,000 or more in tax during a month, you are required to remit a monthly deposit by the 15<sup>th</sup> of the following month. Indicate amount deposited each month.

### LINE 12. TOTAL AMOUNT DUE WITH RETURN

- This is the total amount due with your sales tax return.
- Make checks payable to CBJ. Fill in the TOTAL AMOUNT REMITTED with the return on the Line provided at the top of the form. **DO NOT DETACH, SEND IN WHOLE FORM.**

### LINE 13. ACCOUNT CHANGES

- A.** If you have a new address or changes to the address we have on file, write in the changes.
- B.** If you have a business name change, write in the new name. However, if the entity type has changed, you must close the current account and open a new sales tax account.
- C.** If you have closed your business, provide the date of closure and indicate if this is your final return.
- D.** If you have sold or transferred your business, provide the sale or transfer date.
- Provide information on the new owners so that they can be contacted for the registration and reporting requirements.

### LINE 14 SIGN AND DATE

- Returns **must** be signed by a firm member, owner or agent. Unsigned returns will be returned and may be assessed a late filing fee.

### CLAIMING A CREDIT FOR BAD DEBTS AFTER YOU HAVE REMITTED YOUR SALES TAX

**For Accrual Basis Accounting:** You may use the bad debt exemption at the point you determine a receivable account is uncollectible. *If the sales tax was remitted when the account was billed.*

Report the gross amount of bad debts claimed on the front side of the Sales Tax Return, line 2 F and use "Bad Debts" as the description (this will reduce your taxable sales for the current period.)

If you take a bad debt exemption and you are later able to collect on the account, you are required to add the collected amount to your gross sales reported on line 1 of the sales tax return.

**For Cash Basis Accounting:** Cash basis merchants report only the cash they receive. The receipt of an NSF check is not a bad debt.

If you receive an NSF check, you should omit that sale from your gross sales. If you are later able to collect on the NSF check, you are required to include this collection in your gross sales and remit the sales tax due.

**NEED MORE INFORMATION:** Go to our web page at <https://juneau.org/finance/sales-tax-forms> or call the Sales Tax Office (907) 586-5215 x 4901.