



CITY AND BOROUGH OF JUNEAU, ALASKA  
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December 13, 2023

**\*\*NOTICE OF SALES TAX CODE CHANGE\*\***  
**SALES TAX CAP AMOUNT**

Overview of Sales Tax Cap Change		
	2022-2023	2024-2025
Cap on Single Item or Service	\$12,800	\$14,300
Tax on Capped Item or Service	\$640	\$715

This notice is to inform merchants of a change to the Single Item Tax Cap and the Single Service Tax Cap. Current sales tax code language provides a tax cap on the first \$12,800 of the selling price of a single item or a single service.

The sales tax code also stipulates an adjustment to the level of the cap every two years, consistent with Anchorage Consumer Price Index (CPI) data over that period. The last adjustment was effective January 1, 2022.

Based on our review of the 2022-2023 Anchorage CPI data, effective **January 1, 2024**, the single item and single service cap level will be increased to **\$14,300**. As a result, only the first \$14,300 of the selling price of a single item or single service will be subject to the CBJ Sales Tax.

Previous transactions subject to the tax cap would have resulted in sales tax collected of \$640. With this increase, the amount of sales tax to be collected on a "capped" single item or single service is now **\$715**.

Merchants who claim either a single item or single service cap exemption should update their system accordingly so that the correct amount of sales tax will be collected **beginning January 1, 2024**.

Thank you for your effort in keeping in compliance with the CBJ Sale Tax code. Please don't hesitate to contact the CBJ Sales Tax office at the email address or number above if you have any questions on this matter.

Sincerely,

Joey Deluca  
CBJ Revenue Officer