



CITY AND BOROUGH OF JUNEAU, ALASKA
Finance Department – Sales Tax Office
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December 8, 2025

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

Overview of Sales Tax Cap Change		
	2024-2025	2026-2027
Cap on Single Item or Service	\$14,300	\$15,000
Tax on Capped Item or Service	\$715	\$750

This notice is to inform merchants of an upcoming change to the Single Item Tax Cap and the Single Service Tax Cap. The current sales tax code provides a tax cap on the first \$14,300 of the selling price of a single item or a single service.

The sales tax code also requires that this cap be adjusted every two years based on Anchorage Consumer Price Index data. The most recent adjustment took effect on January 1, 2024.

Based on our review of the 2024-2025 Anchorage CPI data, the cap will increase to **\$15,000** effective **January 1, 2026**. As a result, only the first \$15,000 of the selling price of a single item or single service will be subject to the CBJ Sales Tax.

Previously, capped transactions resulted in \$715 in sales tax collected. With this increase, the amount of sales tax to be collected on a "capped" single item or single service will be **\$750**.

Merchants who claim either a single-item or single-service cap exemption should update their systems to ensure the correct amount of tax is collected **beginning on January 1, 2025**.

Thank you for your continued efforts to comply with the CBJ Sales Tax code. If you have any questions, please contact the Sales Tax Office at the email address or phone number listed above.

Sincerely,

Mandy Judy
CBJ Revenue Officer