



# SHORT-TERM RENTAL TASK FORCE (STRTF) MEETING AGENDA

May 15, 2025 at 12:10 PM

Assembly Chambers/Zoom Webinar

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<https://juneau.zoom.us/j/85489869354> or call 1-253-215-8782 Webinar ID: 854 8986 9354

Assembly Chambers at 155 Heritage Way

**A. CALL TO ORDER**

**B. LAND ACKNOWLEDGEMENT**

We would like to acknowledge that the City and Borough of Juneau is on Tlingit land and wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. *Gunalchéesh!*

**C. ROLL CALL**

**D. APPROVAL OF AGENDA**

**E. APPROVAL OF MINUTES**

1. April 3, 2025 STRTF Meeting Minutes - Draft

2. May 1, 2025 STRTF Meeting Minutes - Draft

**F. AGENDA TOPICS**

3. Staff recommended amendment to Ordinance 2025-23

4. Recommendation from Task Force Member Schijvens

5. Report from Task Force Member Coleman

6. Continued discussion/deliberation on draft STR matrix

7. Information only: Public comment forms received to date

*(Since the Excel document doesn't transfer into .pdf format well, copies will be made available to board members via a separate email.)*

**G. STAFF REPORTS**

**H. COMMITTEE MEMBER COMMENTS AND QUESTIONS**

**I. NEXT MEETING DATE**

**J. SUPPLEMENTAL MATERIALS**

**K. ADJOURNMENT**

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, e-mail: [city.clerk@juneau.gov](mailto:city.clerk@juneau.gov).

# SHORT TERM RENTAL TASK FORCE (STRTF)

## MINUTES - DRAFT

April 03, 2025 at 12:10 PM

Assembly Chambers/Zoom Webinar



<https://juneau.zoom.us/j/85489869354> or call 1-253-215-8782 Webinar ID: 854 8986 9354

Assembly Chambers at 155 Heritage Way

**A. CALL TO ORDER** - Chair Bryson called the meeting to order at 12:20 p.m. (late start due to technical issues)

**B. LAND ACKNOWLEDGEMENT** – Read by Committee Member Petersen

**C. ROLL CALL**

**Present:** Chair Wade Bryson, Deputy Mayor Greg Smith, Assemblymember Alicia Hughes-Skandijs, Commissioner Erik Pedersen, Dan Coleman, Patty Collins, Adam Dordea, Carole Triem, Joyce Niven, and Meilani Schijvens

**Absent:** Ryan Kauzlarich

**Staff/Others:** Deputy City Manager Robert Barr, and Meeting Tech Kevin Allen

**D. APPROVAL OF AGENDA** – agenda approved as presented

**E. APPROVAL OF MINUTES** – minutes approved as presented

1. 2025-03-06 Short Term Rental Task Force DRAFT minutes
2. 2025-03-20 Short Term Rental Task Force DRAFT minutes

**F. AGENDA TOPICS**

### 3. Information Item from Task Force Member Dordea

Mr. Dordea shared that a memo came out from the University of Hawaii Economic Research Organization. In the last year Maui looked at changing how they regulate short-term rentals and during that review looked at removing over 6,000 short-term rental condos from the market. The University of Hawaii did a study to determine what the economic impact would be on the community taxation to determine if it would make sense for the community to do that. The Mayor of Maui wanted this policy change to phase out over 3,000 vacation rentals on July 1st of this year, and then the remaining of those by January 1st 2026. The study showed that it would reduce the entire visitor industry in Maui by 15% and reduce their GDP, which is approximately \$900 million by over 4%.

If all of the 6,000 rentals went into long-term housing, it would increase the housing stock by 13%. Mr. Dordea noted that he brought this to the committee because Maui is a very tourist heavy economy, similar to Juneau's and they were looking at this from the impact on affordability and housing. In Juneau we have approximately 2½ - 3% maximum short-term rentals, and many of those are used for multiple situations throughout the year. For every 1% of housing stock returned from short-term rental to long-term is between .5 - 4% reduction in rental rates. The study indicates that if 3% of short terms were brought back into long-term, then, on a \$2000/month rental in Juneau you'd see approximately a \$24 decrease in rent per year. Further, the study states that it would reduce condo prices in Maui by 20 - 40% if all they went on the market immediately which would reduce the property taxes in Maui by approximately \$90 million. The study suggested several other options for policies, such as gradual implementation, lottery-based permit system, and adding a tax to homes vacant for 6+ months. where people can, you know, bid to have a certain number of permits, or an unlimited number of permits and also having a tax on vacant houses.

Mr. Dordea stated his intent in sharing this material was to take a look at other communities and find out what the economic impact for Juneau might be; and keep us from making changes that have unintended consequences we hadn't considered. He would be interested in hearing from Travel Juneau or other organizations that may have data, to avoid doing something that impacts jobs and the economy more than the impact on housing.

#### **4. Information Item from Task Force Member Coleman**

Mr. Coleman noted that he had reviewed the matrix, and included in this STRTF packet was his feedback as it relates to all the elements of the matrix. He gave a high-level overview of the material he'd submitted and his thoughts on each topic. He included, on his matrix feedback, additional ideas for consideration that are based off the Anchorage Assembly's work from October 2023 - March 2025 which included license fee, fines/penalties, owner affidavit, biennial renewal, automatic renewal license transfer limitations and MOU's with hosting platforms.

#### **5. Continued discussion on regulatory considerations and member perspectives**

##### Permitting/Licensing Discussion:

Mr. Coleman stated it was important to consider that if CBJ is going to collect sales tax through the platforms to make a requirement that to be listed on those platforms that your license number is included in the listing.

Mr. Peterson commented that for a larger operator with multiple Airbnb's, a license should be required but if you were an owner/operator or living on the property most of the time, perhaps you could be exempted from that requirement; and there may be an opportunity to use the licensing to differentiate the types of operators.

Ms. Hughes-Skandijs agreed with needing the license number tied to the platforms. Regarding permit and license requirements Ms. Hughes-Skandijs noted these can be customized many ways to accomplish different things and hope the task force can find some consensus so we can use these requirements to create a deterrent effect.

##### Zoning Restrictions – Neighborhood and/or Building & Density Restrictions Discussion:

Chair Bryson asked members if they had any zoning comments, noting that the task force had previously commented that they weren't interested in implementing zoning restrictions.

Ms. Triem stated that if Juneau suddenly becomes the party destination of the country then the Assembly should look at zoning and the areas there may be neighborhood impacts we're not aware of; so, she requested they not take zoning restrictions completely off the table.

Ms. Schijvens noted that in comparing Juneau's short-term rental numbers with other communities, such as Maui, Juneau is just below thresholds to have these type of restrictions. However, if numbers suddenly jump up then it would be good to have some regulations in place.

Mr. Dordea commented that, rather than zoning, if there was a rental where parties were regularly happening, we could use permitting as a way to incorporate those offences, adding a monetary cost to each offence.

Mr. Coleman commented, if the city was going to provide any fiscal incentives for builders they should not allow that to be for short-term rentals.

Ms. Nivens added that if a developer is creating large multi-family units than having the ability to convert a small percentage of those units into Airbnb's to help finance the larger project would be worth the Assembly considering if the goal is to create more housing in Juneau.

Chair Bryson asked members if there was any discussion on density limits as one of the matrix factors; seeing no interest from members this option wouldn't be part of the matrix.

Short-Term Rental Ban Discussion:

Members discussed and noted they are looking at short-term rental regulations at the right point in time while rentals are still within a manageable number; and will allow for clear communication to the Juneau community once the matrix and regulations are finalized.

Cap on STR Units & Minimum Rental Periods Discussion:

Members discussed a potential cap at a higher tier in the matrix. Staff noted that this could be a complex item for them to potentially implement. This topic could fall in the same column as 'if we become the party capital of the country'. Staff would request the task force look at some metrics or triggers for the various tiers of impact, that may not be needed now but are a guideline for future Assembly's. Members noted the task force should take into consideration special events, such as Iron Man, that could trigger a high amount of Airbnb's for a specific amount of time. Another option would be to look at stand-alone units vs. owner/operator occupied and only put a cap on a stand-alone.

Minimum rental periods will be part of the tiered matrix discussion at a later meeting.

Maximum Number of STR Permits per Person Discussion:

Ms. Hughes-Skandijs stated she would be interested in favoring the owner/operator that is using part of their property to help off-set mortgage/housing costs vs. a business entity that runs 15+ units for a living. She commented that when looking at purchasing a house many of them were listed as 'perfect for a short-term rental income' and since the Assembly goal is to get houses on the market so people can buy houses to live in, she would be in favor of a limit.

Mr. Dordea asked how many operators own and operate multiple units and is it going to make an impact.

Mr. Barr replied that he didn't have exact numbers but in general from the registration data we have, the majority of our current STR units are owner/operator and operating a single unit, somewhere around 84%.

Ms. Collins commented that if this is added to the matrix it should be based on dwelling units and not just listings.

Ms. Triem agreed with members and was in favor of leaving this topic on the matrix for consideration and could be tool for future value to look at.

Mr. Coleman shared that if this regulation is considered we need to think about the impact of enforcement and how that would be realistically achievable by staff.

Owner Occupancy Requirements Discussion:

There was discussion among members of what constitutes owner occupancy, how to regulate or enforce those requirements – through licensing or permitting and staff availability to enforce the regulations the task force comes up with.

Residency Requirements Discussion:

Since there are some nuances related to creating residency requirements vs. owner occupancy, it was agreed that continued discussion on this topic would happen when reviewing the matrix.

Platform Data Sharing Discussion:

There is still some data collection that needs to happen and many unanswered questions so this topic will continue to evolve.

**G. STAFF REPORTS**

**H. COMMITTEE MEMBER COMMENTS AND QUESTIONS**

**I. NEXT MEETING DATE – *April 17, 2025 at 12:10 p.m. Assembly Chambers/Zoom***

**J. SUPPLEMENTAL MATERIALS - *None***

**K. ADJOURNMENT**

*There being no further business to come before the Task Force meeting adjourned at 1:30 p.m.*

# SHORT TERM RENTAL TASK FORCE (STRTF)

## **DRAFT** MINUTES

May 01, 2025 at 12:10 PM

Assembly Chambers/Zoom Webinar



<https://juneau.zoom.us/j/85489869354> or call 1-253-215-8782 Webinar ID: 854 8986 9354

Assembly Chambers at 155 Heritage Way

**A. CALL TO ORDER** - Chair Bryson called the meeting to order at 12:10 p.m.

**B. LAND ACKNOWLEDGEMENT** – read by Committee Member Schijvens

We would like to acknowledge that the City and Borough of Juneau is on Tlingit land and wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. *Gunalchéesh!*

**C. ROLL CALL**

**Present:** Chair Wade Bryson, Deputy Mayor Greg Smith, Erik Pedersen, Dan Coleman, Patty Collins, Ryan Kauzlarich (via Zoom), Adam Dordea, Carole Triem, Joyce Niven, and Meilani Schijvens

**Absent:** Alicia Hughes-Skandijs

**Staff/Others:** Deputy City Manager Robert Barr, Municipal Clerk Beth McEwen, CBJ Assistant Attorney Clinton Mitchell, Special Projects Manager Rob Dumouchel, and CBJ Treasurer Ruth Kostik

**D. APPROVAL OF AGENDA**

Mr. Barr explained that there were two red folder items and one verbal update.

- A policy brief from Committee member Dordea
- He noted two proposed amendments that will be going forward to the legislation the STRTF forwarded to the Assembly. It was introduced and is currently scheduled for May 5, Assembly Lands, Housing, Economic Development Committee meeting and then will be up for public hearing and Assembly action at the regular Assembly meeting on Monday, May 19.

**E. APPROVAL OF MINUTES**

**1. April 17, 2025 STRTF Meeting Minutes - Draft**

**F. AGENDA TOPICS**

**2. STR legislation – collect/remit & permit posting update**

Mr. Barr noted that he is going to be providing two staff-recommended amendments to that legislation.

- 1) He said the first one is not in the STRTF packet but to give a verbal report on it, it was based on a recommendation that this body made at its last meeting around the fine amount for not being registered. At the last meeting, they proposed increasing the fine from \$25/day to \$100/day fine. In the original legislation that Mr. Mitchell and he had drafted and which was introduced, proposed a \$100/day fine “or the last nightly amount per rental for a STR not being registered.” The suggested amendment was to strike the “or” clause and just leave the fine at \$100/day.
- 2) The red folder contained his second suggested amendment. Mr. Barr said that he has been having conversations with staff, legal council and AirBnB and there was concern about marketplace facilitators themselves being responsible for operators having valid permits. They weren’t sure if they could care for that through the marketplace facilitators so what this amendment does is to place the responsibility on the STR

owner/operator to obtain a permit while then also requiring that the marketplace facilitator enter that permit number with each listing. That permit field entry would be required and not an optional field. Additionally, the platforms themselves would need to file a report showing all STRs and their permit numbers to ensure that the listings are appropriately registered.

Mr. Barr then answered questions from committee members regarding those proposed amendments.

### 3. Presentation of a Recommendation Option from Task Force Member Schijvens

Ms. Schijvens spoke to her recommended option and stated that there are approximately 70 AirBnB's operating year-round. She has not done a full analysis, but she said that she doesn't see any significant number of AirBnB's being changed over to long-term rental housing units. Ms. Schijvens, in speaking to the big picture, stated that there is a housing shortage in Juneau. There is an opportunity here to have a significant impact on housing and one thing the committee is looking at is how to make sure online STR operators are remitting taxes directly to CBJ. In her analysis of AirBnB's operated last year, it shows that \$1.77M should have been remitted to CBJ. She said she has seen this in other communities as well that a significant dollar amount has not been remitted to the municipality. She suggested that because this would be new revenue, it would also be an opportunity for the Assembly to earmark direct funding in support housing within the community. She went on to provide potential statistics if those dedicated funds were used for housing programs as outlined in her email. She said that she understood that this was a little bit outside of the scope of the committee but wanted to present it to the committee as something they may want to provide as a recommendation to the Assembly.

Committee members then briefly discussed this idea and asked Mr. Barr about what the committee may be able to do with that proposal. Mr. Barr explained that it was up to the committee's discretion but he said that the Manager's Office would always advocate against dedicating funds. He said the Assembly and staff will often indicate an "intent" for the use funds in a certain manner, but the Alaska Constitution prohibits "dedicating" funds. He said that he agreed with Ms. Schijvens that there are likely taxes that aren't currently being collected that need to be collected and that they could be used towards the Assembly's housing goals.

The committee then took up item #5 prior to talking about the matrix.

### 5. Presentation of a Recommendation Option from Task Force Member Collins

Discussion of housing/vacancy rate and how it is impacted by STRs. Ms. Schijvens said she has never seen an 8% vacancy rate in Juneau back to the early 1900s. Additional discussion took place regarding Ms. Collins' recommended option.

Mr. Bryson asked what staff needed for this discussion. Mr. Bryson suggested this may be something they could work on as a homework assignment.

### 4. Continued Discussion and Deliberation on Draft STR Matrix

Chair Bryson said he would like the committee to attempt to complete the remaining 6 items on the Regulations/Draft Matrix. He also noted that if no one was in support of one of the regulatory options, the committee would skip that item.

Level	Seasonal STRs	% of Rental Stock	Year-round STRs	% of Rental Stock
1	<300 <sup>1</sup>	<6.4%	<80	<1.7%
2	300-450 <sup>2</sup>	6.4% - 9.5%	80-130	1.7% - 2.8%
3	450-600	9.5% - 12.7%	130-180	2.8% - 3.8%
4	600-750	12.7% - 15.9%	180-230	3.8% - 4.9%
5	>750	>15.9%	>230	>4.9%

For reference: Juneau has approximately 14,170 housing units. Approximately 1/3<sup>rd</sup>, or 4,723, are considered part of the rental stock.

<sup>1</sup> Staff opted to begin the levels at this number because a significant majority of the task force members have indicated a desire to minimally regulate single STR operators who are utilizing their primary residence and/or ADU as a STR and 300 represents a rough estimate of that type of STR use in our community. This could be alternately cared for by choosing a different impact metric and/or carving out an exemption in regulation.

<sup>2</sup> For the summer of 2024, we are in this range: ~387

The committee moved on to Regulatory Options discussion. Chair Bryson noted that regulations A, B, & C are either already enacted or in the process of being enacted. The committee started discussion with regulatory option G from the list below.

**From Packet Memo for Reference:**

**Regulatory options**

Based on STR Task Force discussions to date, the following regulatory options were included for consideration in the draft matrix below<sup>3</sup>.

- A. Requirement that STR operators obtain a free, annual permit *[previously acted upon]*
- B. Requirement that software platforms post valid STR permit numbers on advertisements *[previously acted upon]*
- C. Requirement that software platforms collect, and remit required taxes *[previously acted upon]*
- D. Institute a fee for the annual permit, increasing per number of STRs permitted per person/entity. *[previously acted upon]*
- E. Increase/change fines for non-compliance of permit terms – currently \$25/day for failing to register. Proposed change to \$100/day or the amount of the gross daily rate last advertised for the rental, whichever is greater. *[previously acted upon]*
- F. Cap the number of STRs permittable per person or entity. *[previously acted upon]*

See below for committee action on each of the following regulatory options:

- G. **Institute an onsite resident requirement for an STR to function on the parcel**
- H. **Institute an onsite resident requirement for an STR to function per dwelling unit (e.g. room rentals only, no whole house)**
- I. **Cap the number of permitted STRs at a specific number, exempt STRs with primary resident occupancy living on [the parcel or in the dwelling unit]**
- J. **Cap the number of permitted STRs at a specific number**
- K. **Propose a STR specific additional sales tax [requires a community-wide vote]**
- L. **Exempt shared-dwelling unit STRs, where an individual dwelling unit is lived in by a full-time resident and individual bedrooms with other shared living spaces are short-term rented, from certain regulations.**

Level	Regulations
1	A, B, C, D-
2	A, B, C, D
3	A, B, C, D
4	A, B, C, D+
5	A, B, C, D+

A minus (-) sign indicates the associated option at a lesser degree of regulatory burden and a plus (+) sign indicates the opposite. As an example, D- could be interpreted as “Fee required, but fee waived for onsite [parcel or dwelling unit] residency.”

- G. **MOTION**: by Ms. Collins to institute an onsite resident requirement for an STR to function on the parcel.



**Motion failed 2 years – 8 days**

**Yeas:** Collins, Triem

**Nays:** Smith, Schijvens, Coleman, Niven, Kauzlarich, Pedersen, Dordea and Bryson

- H. Institute an onsite resident requirement for an STR to function per dwelling unit (e.g. room rentals only, no whole house) – ***no motion was made, and the committee skipped this question.***

- I. **MOTION:** by Ms. Collins to Cap the number of permitted STRs at a specific number, exempt STRs with primary resident occupancy living on @ levels 4 & 5 [the parcel or in the dwelling unit]

**Motion failed 5 years – 5 days**

**Yeas:** Collins, Triem, Smith, Kauzlarich, and Pedersen,

**Nays:** Schijvens, Coleman, Niven, Dordea and Bryson

- J. Cap the number of permitted STRs at a specific number – ***no motion was made, and the committee skipped this question.***

- K. **MOTION:** by Mr. Kauzlarich to Propose a STR specific additional sales tax to all levels [requires a community-wide vote]

**Motion failed 1 years – 9 days**

**Yeas:** Kauzlarich

**Nays:** Schijvens, Collins, Triem, Smith, Coleman, Niven, Pedersen, Dordea and Bryson

- L. **MOTION:** by Ms. Triem to apply L. to all levels as follows: Exempt shared-dwelling unit STRs, where an individual dwelling unit is lived in by a full-time resident and individual bedrooms with other shared living spaces are short-term rented, from certain regulations.

**Motion failed 4 years – 6 days**

**Yeas:** Collins, Triem, Pedersen and Bryson

**Nays:** Schijvens, Smith, Kauzlarich, Coleman, Niven, and Dordea

- M. **MOTION** by Mr. Dordea to add an additional proposed regulation option to grandfather all short-term rentals that are currently registered with CBJ who have historically paid CBJ sales tax and hotel tax upon adoption of the matrix if there were caps included in the matrix.

**Objection and discussion took place regarding the motion. Mr. Dordea withdrew his motion.**

Ms. Triem said that this may not be the right location to make an additional recommendation but she suggested that the committee might recommend the Assembly look at ways to incentivize hotels in the community. She said that may be something they might talk about at a future meeting.

Mr. Dordea provided a brief overview of the red folder item titled: “Policy Brief: Short-Term Rental Regulation in Juneau, Alaska.” The key policy recommendations were:

1. Support compliance through platform cooperation.
2. Avoid blanket caps or residency requirements.
3. Target policies toward actual housing needs.
4. Use data to guide decisions; and
5. Fund a full economic impact study.

Mr. Bryson asked Mr. Barr if there was any additional information that he needed from the committee at this time. Mr. Barr spoke to the process and next steps and go over the draft matrix and they will also need to open the matrix up for public comment.

Mr. Bryson polled the members on whether they hold public testimony at the next meeting or if there are more questions that need to be answered before holding the public testimony. Members expressed a desire to have Mr. Barr provide more information on the KPI. Mr. Barr said that there may not be an achievable consensus and depending on what that looks like, he may or may not be able to bring back the information the committee is wanting to take public testimony.

Mr. Bryson said that everyone has homework to do, and they will hold a regular meeting for the next meeting and bring back all the items previously discussed with the matrix and will determine at that meeting what they will be moving forward to take public testimony on.

**G. STAFF REPORTS**

**H. COMMITTEE MEMBER COMMENTS AND QUESTIONS**

**I. NEXT MEETING DATE**

May 15, 2025 at 12:10pm Assembly Chambers/Zoom Webinar

**J. SUPPLEMENTAL MATERIALS**

**6. RED FOLDER: Staff Requests Amending Section 69.40.025**

**7. RED FOLDER: Policy Brief from STRTF Member Adam Dordea**

**K. ADJOURNMENT**

*Chair Bryson adjourned the meeting at 1:18p.m.*

Staff Requests Amending Section 69.40.020 to Read:

**Amendment \_\_\_\_.**

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(b) Registration numbers are valid for a period of 12 months unless revoked pursuant to code, and must be renewed annually.

(c) Once an applicant has submitted a complete and qualifying registration application along with any applicable fee, the CBJ shall issue a registration number, subject to other existing regulations or laws. The applicant may immediately begin advertising and operating the short-term rental using the registration number. Upon final approval, the CBJ may maintain or issue a new registration number. ~~The CBJ will provide a rental registration number for each registered short term residential rental. The registration number must be displayed on each advertisement or public listing for a short-term residential rental that the operator or operator's designee maintains.~~

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Presented by: The Manager  
Presented: 04/07/2025  
Drafted by: Law Department

**ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

**Serial No. 2025-23(b)**

**An Ordinance Amending the City and Borough Title 69 Code Relating to  
Hosting Platforms.**

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1. Classification.** This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

**Section 2. Amendment of Chapter.** Chapter 69.05, Uniform Sales Tax, is amended as follows:

**Chapter 69.05 UNIFORM SALES TAX**

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**69.05.010 Definitions.**

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Alcoholic beverage* means, but is not limited to, beer, wine, distilled spirits, and all other spirituous, vinous, malt, and other fermented or distilled liquors intended for human consumption and containing more than one-half of one percent alcohol by volume for which a license or permit for its sale or barter is required by AS title 04.

*Buyer, consumer and person* means, without limiting the scope thereof, every individual, receiver, assignee, trustee in bankruptcy, trust estate, firm, copartnership, joint venture, club,

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company, business trust, corporation, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise.

*Digital network* has the same meaning as in AS 28.23.180: any online-enabled application, software, website, or system offered or used by a transportation network company that enables the prearrangement of rides with transportation network company drivers.

*Federally recognized Indian tribe* means an Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior has acknowledged to exist as an Indian tribe pursuant to the Federally Recognized Indian Tribe List Act of 1994, Public Law 103-454, 25 U.S.C. 479a.

*Gross income* means total annual compensation, earned and unearned, taxable and nontaxable, for the calendar year prior to the rebate year, including, but not limited to, wages, interest, dividends, rents, royalties, alimony, pensions, annuities, gains derived from dealings in property, etc. Losses are not considered income for purposes of this definition.

*Marijuana* means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate; "marijuana" does not include fiber produced from the stalks, oil, or cake made from the seeds of the plant, sterilized seed of the plant which is incapable of germination, or the weight of any other ingredient combined with marijuana to prepare topical or oral administration, food, drink, or other products.

*Marijuana products* means concentrated marijuana products and marijuana products that are comprised of marijuana and other ingredients and are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

Marketplace facilitator means a person or entity, including transportation network companies and hosting platforms, that contracts with sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale or rental of the seller's property, product, or services through a physical or electronic marketplace operated by the person, and engages:

(a) Directly or indirectly, through one or more affiliated persons, in any of the following:

- (1) Transmitting or otherwise communicating the offer or acceptance between the buyer and seller;
- (2) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and sellers together;
- (3) Providing a virtual currency that buyers are allowed or required to use to purchase products from the seller; or
- (4) Software development or research and development activities related to any of the activities described in (b) of this subsection (3), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and

(b) In any of the following activities with respect to the seller's products:

- (1) Payment processing services;
- (2) Fulfillment or storage services;
- (3) Listing products for sale;
- (4) Setting prices;
- (5) Branding sales as those of the marketplace facilitator;

- (6) Order taking;
- (7) Advertising or promotion; or
- (8) Providing customer service or accepting or assisting with returns or exchanges.

*Point of delivery* means the location at which the property or a product is delivered or service performed. For products and services delivered or transferred electronically, point of delivery is the billing address of the buyer or consumer.

*Receive* means, for the purposes of point of delivery under CBJ 69.05.020:

- (1) Taking possession of personal property or goods;
- (2) Making first use of services;
- (3) Taking possession or making first use of digital goods, whichever comes first.

The term "receive" does not include temporary possession by a shipping company on behalf of the buyer or consumer.

*Retail sale* means any sale of real or tangible personal property, including barter, credit, installment, and conditional sales, for any purpose other than resale in the regular course of business. The delivery of property in the City and Borough by a seller whose principal place of business is outside the City and Borough to a buyer or consumer is a retail sale made within the City and Borough if such retailer maintains any office, distribution, or sales house, warehouse, or any other place of business, or solicits business or receives orders through any agent, salesman, or other type of representation within the City and Borough.

*Sale for resale* means the sale of tangible personal property to a buyer whose principal business is the resale of the property, whether in the same or an altered form.

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*Seller* means every person making sales to a buyer or consumer, renting property, or performing services for consideration.

*Selling price* and *price* mean the consideration, whether money, credit, rights or other property, expressed in terms of money, paid, given, or delivered by a buyer to a seller all without any deduction on account of the cost of property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expenses whatsoever paid or accrued, and without any deduction on account of losses.

*Services* means all services of every manner and description that are performed or furnished for consideration whether in conjunction with the sale of goods or not, but does not include services rendered by an employee to an employer.

*Transportation network company* has the same meaning as in AS 28.23.180: a corporation, partnership, sole proprietorship, or other entity that uses a digital network to connect transportation network company riders to transportation network company drivers who provide prearranged rides; a transportation network company may not be considered to control, direct, or manage the personal vehicles or transportation network company drivers that connect to the transportation network company's digital network, except where agreed to by written contract.

*Transportation network company driver* has the same meaning as in AS 28.23.180: an individual who:

- (a) Receives connections to potential passengers and related services from a transportation network company in exchange for payment of a fee to the transportation network company; and



(b) Uses a personal vehicle to offer or provide a prearranged ride to riders upon connection through a digital network controlled by a transportation network company in return for compensation or payment of a fee.

(CBJ Code 1970, § 69.10.010; Serial No. 70-26, § 3, 1970; Serial No. 83-66, § 3, 1983; Serial No. 84-46, § 2, 1984; Serial No. 85-44, § 2, 1985; Serial No. 98-12, § 2, 1998; Serial No. 2008-40, § 2, 12-19-2008, eff. 2-1-2009; Serial No. 2016-17, § 2, 5-23-2016; Serial No. 2016-20, § 2, 7-11-2016, eff. 1-1-2017; Serial No. 2018-38(b)(am), § 2, 9-17-2018, eff. 10-18-2018; Serial No. 2021-30, § 2, 9-13-2021, eff. 10-14-2021)

**Cross reference**— Definitions generally, CBJ Code § 01.15.010.

**69.05.020 Imposition of rate.**

- (a) There shall be levied and collected a tax equal to the percentage of the selling price on retail sales and rentals made and services performed within the City and Borough as follows:
- (1) Within the entire City and Borough: One percent.
  - (2) Within the entire City and Borough, an additional three percent.
  - (3) Effective October 1, 2023 within the entire City and Borough, an additional one percent.
  - (4) Subsection (a)(3) of this section shall be automatically repealed on September 30, 2028.
- (b) If parts of a sale, service or rental, or a combination thereof, occur both inside and outside the City and Borough, or occur over a period of time during which two different tax rates apply, the tax shall be the highest rate applicable to any part of the sales, service, or rental and shall be applied to the price of the entire transaction; provided, if

the invoice of the transaction separates and prices the various parts of the transaction in accordance with the location of the parts of the transaction, or the time of the transaction, the different sales tax rates applicable to the separate parts of the transaction shall be applied, but only if each such part of the transaction is a sale, service, or rental which may be made and is regularly offered on a separate basis by the seller or marketplace facilitator. The taxability of a sale of goods is determined by the point of delivery of the tangible personal property. The taxability of a service is determined by the location where the service performed is received. The taxability of a rental made is determined by the place where the rental property is located.

- (c) Subsection (a)(2) and this subsection (c) are automatically repealed on July 1, 2027.
- (d) In addition to the tax levied and collected under subsection (a) of this section, there shall be levied and collected a tax equal to three percent of the selling price on the retail sale of alcoholic beverages sold within the City and Borough.
- (e) In addition to the tax levied and collected under subsection (a), there shall be levied and collected a tax equal to three percent of the selling price on the retail sale of marijuana and marijuana products sold within the City and Borough.

(Serial No. 83-66, § 4, 1983; Serial No. 84-46, § 3, 1984; Serial No. 85-44, § 3, 1985; Serial No. 87-32am, § 2, 1987; Serial No. 90-26, §§ 2, 3, 1990; Serial No. 95-28, §§ 2, 3, 1995; Serial No. 96-33, §§ 2, 3, 1996; Serial No. 98-36, § 2, 1998; Serial No. 2000-29, § 2, 8-7-2000; Serial No. 2000-30, §§ 2, 3, 8-7-00; Serial No. 2005-25(am), § 2, 8-25-2005; Serial No. 2006-28(b), §§ 2, 3, 10-3-2006; Serial No. 2007-46(b), § 2, 8-6-2007; Serial No. 2011-17, § 2, 8-8-2011, eff. 7-1-2012; Serial No. 2012-32, § 2, 8-13-2012, eff. 10-1-2013; Serial No. 2016-20, § 3, 7-11-2016, eff. 1-1-2017; Serial No. 2016-19, § 2, 7-11-2016, eff. 7-1-2017; Serial No. 2017-22(am), § 2, 8-21-2017,

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2 eff. 10-1-2018; Serial No. 2021-30, § 3, 9-13-2021, eff. 10-14-2021; Serial No. 2021-17, § 2, 6-14-  
3 2021, eff. 7-1-2022; Serial No. 2022-34, 8-1-2022, eff. 10-1-2023)

4 **State Law reference**— Authority to impose taxes on alcoholic beverages, AS 04.21.010(c)(2),  
5 (3).

6 **69.05.030 Collection.**

7 (a) Unless authorized by the manager under subsection (b) of this section to include the tax  
8 in the selling price, sellers and marketplace facilitators, and transportation network  
9 companies on behalf of transportation network company drivers, shall add the tax levied  
10 in this chapter to the selling price, rent, or service charge in accordance with a schedule  
11 promulgated by the manager, on file in the sales tax office.

12 (b) The sales tax may be included in the selling price of sales made through coin-operated  
13 devices, sales of food and beverages at concession stands and other places with high  
14 customer volume, metered sales where the sales price is computed by the metering  
15 device, admissions and other taxable sales where the manager determines buyer and  
16 seller convenience would be substantially enhanced, upon specific written authorization  
17 from and under terms and conditions required by the manager.  
18

19 (Serial No. 83-66, § 5, 1983; Serial No. 2018-38(b)(am), § 3, 9-17-2018, eff. 10-18-2018)

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22 **69.05.060 Seller to add tax to selling price.**

23 Every seller or marketplace facilitator collecting and remitting tax on behalf of a seller and  
24 transportation network company collecting and remitting sales tax on behalf of transportation  
25 network company drivers shall add the amount of the tax levied by this chapter to the total  
selling price, and the tax shall be stated separately on any sales receipts or slips, rent receipts,

charge tickets, invoices, statements of account, or other tangible evidence of sale unless the sales tax is permitted to be included in the selling price under subsection 69.05.030(b). (CBJ Code 1970, § 69.10.060; Serial No. 70-26, § 3, 1970; Serial No. 83-66, § 8, 1983; Serial No. 2018-38(b)(am), § 4, 9-17-2018, eff. 10-18-2018)

**69.05.062      Monthly remittance of estimated sales tax.**

- (a) *Monthly deposit report.* Every person making sales, rentals, or performing services within the City and Borough, including marketplace facilitators on behalf of sellers ~~transportation network companies on behalf of transportation network company drivers~~, who incurs sales tax liability or a combined sales tax and hotel-motel tax liability, as levied under chapter 69.05 or chapter 69.07, of \$1,000.00 or more in the month shall, on or before the 15th day of the month following the month in which the tax liability was incurred, complete a monthly deposit report declaring estimated sales tax liability and, if applicable, hotel-motel tax liability, for the month and transmit the report to the City and Borough. If the 15th day is a Saturday, Sunday, or federal, state, or City and Borough holiday, the due date will be extended until the next business day. The United States Postal Service postmark shall determine the date of filing for mailed reports.
- (b) *Amount of monthly remittance.* At the time of transmitting the monthly deposit report, the seller or marketplace facilitator on behalf of sellers ~~transportation network company~~ ~~on behalf of a transportation network company driver~~ shall remit to the City and Borough the total estimated amount of sales tax and, if applicable, hotel-motel tax, due for the month for which the deposit report is filed.
- (c) *Penalties.* A late filing penalty of \$25.00 shall be added to all late-filed monthly deposit reports. In addition, late payment penalties will be assessed on monthly tax deposits

when the seller or marketplace facilitator responsible for collecting and remitting sales tax on behalf of a seller ~~the transportation network company responsible for collecting and remitting sales tax on behalf of a transportation network company driver~~ fails to remit at least 80 percent of the total monthly sales tax and hotel-motel tax deposit due on or before the 15th day of the month following the month for which the deposit is required. The late payment penalty will be equal to one percent per month or fraction thereof of the total delinquent monthly deposit balance due. The delinquent amount shall be the difference between the total tax deposit due for the month and the amount of the deposit remitted by the seller or marketplace facilitator on behalf of a seller ~~transportation network company on behalf of a transportation network company driver~~. The delinquent monthly payment penalty will be assessed on the 16th day of each month or fraction of a month from the date of delinquency to the date of total payment or the due date of the sales tax return covering the monthly payment period, whichever is earlier.

- (d) *Filing period adjustments.* In addition to the monthly deposit and reporting requirements set forth in subsections (a) and (b) of this section, sellers or marketplace facilitators on behalf of sellers ~~transportation network companies on behalf of a transportation network company driver~~ are required to file period returns and remit the remaining unpaid sales tax due as required in subsection 69.05.070(a) or subsection 69.05.100(c). If the sales tax due and payable by the seller or marketplace facilitator on behalf of a seller ~~transportation network company on behalf of a transportation network company driver~~, as required in section 69.05.070, is less than the total amount of the monthly sales tax deposits remitted to the City and Borough

during that filing period, the excess balance will be applied to the seller's or marketplace facilitator's next monthly sales tax deposit, unless the seller or marketplace facilitator elects in writing to have the balance refunded.

(e) Any seller who operates their business exclusively through a marketplace facilitator is not responsible for collecting or remitting any sales tax under this chapter, provided that the sales tax is being collected and remitted by the marketplace facilitator on their behalf.

(Serial No. 91-34am, § 2, 1991; Serial No. 2018-38(b)(am), § 5, 9-17-2018, eff. 10-18-2018)

**69.05.070      Periodic returns, penalties, and interest for delinquency.**

(a) Every person and marketplace facilitator making or facilitating sales, rentals, or performing services within the City and Borough, ~~and transportation network companies on behalf of transportation network company drivers,~~ shall on or before the last day of the month, unless the last day of the month is a Saturday, Sunday, or federal, state, or City and Borough holiday in which case the due date will be extended until the next business day, immediately following the end of each filing period complete a return for the required filing period setting forth the total amount of all sales, rentals and services, regardless of whether such transactions are taxable or nontaxable, the amount of sales tax due, and such other information as the City and Borough may require, and sign and deliver or mail the return to the City and Borough Manager. Periodic returns shall be filed for the calendar quarters ending on March 31, June 30, September 30, and December 31, unless the seller or marketplace facilitator on behalf of a seller ~~transportation network company on behalf of a transportation network company driver~~ is allowed or directed by the City and Borough manager to

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2 file for a different time period as authorized in this section and section 69.05.100. A  
3 seller, other than a governmental agency, making only exempt sales may be allowed,  
4 upon written request to the City and Borough treasurer or the manager, to file returns  
5 for periods which vary from the standard calendar quarter and which cover time  
6 periods up to one year.

- 7  
8 (b) The tax levied under this chapter, whether or not collected from the buyer, except for  
9 credit transactions covered in subsection (c) of this section, must be remitted by the  
10 seller or marketplace facilitator on behalf of a seller ~~transportation network company~~  
11 ~~on behalf of a transportation network company driver~~ to the City and Borough at the  
12 time of transmitting the return, and if not so remitted or if the return is not timely  
13 filed, such tax is delinquent. A late filing penalty of \$25.00 shall be added to all late  
14 returns. The postmark shall determine the date of filing mailed returns. In addition, a  
15 late payment penalty of five percent per month or any fraction thereof, until a total  
16 late payment penalty of 25 percent has accrued shall be added to all returns until such  
17 tax, penalty, and interest thereon have been paid. Such penalty shall be assessed and  
18 collected in the same manner as the tax is assessed and collected. In addition to these  
19 penalties, interest on the delinquent tax from the due date until paid shall accrue and  
20 be collected in the same manner the delinquent tax is collected. The annual interest  
21 rate on delinquent tax shall be five percent per year above the Wall Street Journal  
22 Prime Rate, or similar published rate, on January 2nd each year, rounded to the  
23 nearest full percentage point, as determined by the finance director; provided,  
24 however, that if such calculated rate would fall below ten percent per year, the  
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interest rate shall be ten percent per year, and if the calculated rate would exceed 15 percent per year, the interest rate shall be 15 percent per year.

- (c) The seller or marketplace facilitator on behalf of a seller ~~transportation network company on behalf of a transportation network company driver~~ shall report and remit sales tax to the City and Borough on the same basis, cash or accrual, the seller or marketplace facilitator ~~transportation network company~~ uses for reporting federal income tax. A seller or marketplace facilitator reporting on the accrual basis shall be allowed a tax credit for sales tax previously paid by the seller or marketplace facilitator on any sale, service, or rental made on credit to the extent the seller or marketplace facilitator declares such debt to be uncollectible and a bad debt for federal income tax purposes. Such bad debt credit must be claimed on a timely filed quarterly sales tax report within two years from the date of sale in which the bad debt arose.
- (d) Except as otherwise provided herein, all returns, reports, and information required to be filed with the City and Borough under this chapter, and all information deducible from such filed returns, reports, and information, shall be kept confidential and are not subject to public inspection. Except upon court order, such returns, reports, and information shall be made available only to employees of the City and Borough whose job responsibilities are directly related to such returns, reports, and information; to the person supplying such returns, reports, and information; and to persons authorized in writing by the person supplying such returns, reports, and information. The following information shall be made available to the public: the name and address of sellers and marketplace facilitators collecting and remitting sales tax on behalf of ~~sellers transportation network companies collecting and remitting sales tax on behalf~~



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2 of ~~transportation network company drivers~~; whether or not a business, including a  
3 marketplace facilitator, ~~transportation network company, or transportation network~~  
4 ~~company driver~~ is registered to collect sales tax in the City and Borough; whether or  
5 not a business, including a marketplace facilitator, ~~transportation network company or~~  
6 ~~transportation network company driver~~ is current in filing sales tax returns and in  
7 remitting sales tax, the amount of sales tax due, and the number of returns not filed;  
8 and the names and exemption numbers of nonprofit agencies which have received a  
9 nonprofit exemption number from the manager. The manager may, from time to time,  
10 publish the names of sellers and marketplace facilitators collecting and remitting sales  
11 tax on behalf of sellers ~~transportation network companies collecting and remitting~~  
12 ~~sales tax on behalf of transportation network company drivers~~ delinquent in remitting  
13 sales taxes and the amount thereof including the "doing business as" name under  
14 which the seller or marketplace facilitator ~~transportation network company~~ is doing  
15 business when the sales tax delinquency being published arises from that business;  
16 provided that the names of sellers or marketplace facilitators ~~transportation network~~  
17 ~~companies~~ who have signed a confession of judgment for the delinquent sales taxes,  
18 penalties, and interest, and a stipulation to postpone execution on the judgment, and  
19 who are current in their sales tax payments under such stipulation as of the date on  
20 which the names are submitted to the publisher, will not be published. Information  
21 may also be made available to the public in the form of statistical reports if the  
22 identities of particular sellers or transportation network companies is not revealed by  
23 the reports.  
24  
25

(e) The City and Borough may permit the proper officer of the United States, of a state, or other municipality to inspect tax returns or reports filed under this title, or may furnish to the officer a copy of the tax return, if the other jurisdiction grants substantially similar privileges to the City and Borough, and if the City and Borough determines that other jurisdiction provides adequate safeguards for the confidentiality of the returns and reports, and that the returns and reports will be used for tax purposes only.

(f) Very small business annual filing. The quarterly filing requirements of subsection (a) are waived and an annual filing is allowed for a seller that anticipates having \$20,000.00 or less of gross sales in the subsequent calendar year. A seller that elects to file annually is required to begin making quarterly filings in the calendar quarter that gross annual sales exceed \$20,000.00. Failure of a seller to begin making quarterly filings after gross annual sales exceed \$20,000.00 shall result in the imposition of penalties and interest described in subsection (b).

(CBJ Code 1970, § 69.10.070; Serial No. 70-26, § 3, 1970; Serial No. 76-19, §§ 2, 3, 1976; Serial No. 81-67, § 2, 1981; Serial No. 83-66, § 9, 1983; Serial No. 85-44, §§ 4, 5, 11, 1985; Serial No. 86-51, § 2, 1986; Serial No. 88-01, § 2, 1988; Serial No. 91-34am, §§ 3, 4, 1991; Serial No. 96-32, §§ 2, 3, 1996; Serial No. 2005-46, § 2, 11-21-2005; Serial No, 2007-56, § 2, 9-24-2007; Serial No. 2018-38(b)(am), § 6, 9-17-2018, eff. 10-18-2018; Serial No. 2022-61, § 2, 11-30-2022, eff. 12-31-2022)

**State Law reference**— Interest on delinquent sales taxes, AS 29.45.650(d).

**69.05.080 Sellers’ compensatory collection amount.**

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2 All sellers and persons rendering sales tax returns to the City and Borough, including  
3 marketplace facilitators collecting and remitting tax on behalf of sellers ~~transportation network~~  
4 ~~companies collecting and remitting tax on behalf of transportation network drivers~~, shall be  
5 allowed to compensate themselves for costs incurred in the collection, recordkeeping,  
6 remittance, and accounting for the tax imposed by taking \$30.00 of the tax due as a tax  
7 collection discount to reduce the tax to be remitted on any period return that is timely filed  
8 with a remittance of all sales tax due, provided, however, that the tax collection discount may  
9 reduce the tax to zero but shall not result in a credit. The deduction may not exceed \$30.00 for  
10 any filing period, and may not be taken if any sales tax, penalty, or interest is due for any  
11 previous filing period. Effective February 1, 2022, the deduction may not be taken if any  
12 submittal method other than the CBJ online portal is used for the filing of a return.  
13 (CBJ Code 1970, § 69.10.080; Serial No. 70-26, § 3, 1970; Serial No. 83-66, § 10, 1983; Serial  
14 No. 85-44, § 6, 1985; Serial No. 91-34am, § 5, 1991; Serial No. 2010-19, § 2, 6-28-2010; Serial  
15 No. 2018-38(b)(am), § 7, 9-17-2018, eff. 10-18-2018; Serial No. 2021-29(b), § 2, 9-13-2021, eff.  
16 10-14-2021)  
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18 **69.05.090 Assessment limitation periods; recordkeeping.**

19  
20 (a) A seller's tax liability, or the liability of a marketplace facilitator collecting and  
21 remitting sales tax for a seller ~~transportation network company collecting and~~  
22 ~~remitting sales tax for a transportation network company driver~~, under this chapter  
23 may be determined and assessed for a period of three years after the date the return  
24 was filed with the City and Borough manager. No civil action for the collection of such  
25 tax may be commenced after the expiration of the three-year period except an action  
for taxes, penalties, and interest due for those filing periods that are the subject of a

written demand or assessment made under section 69.05.100 within the three-year period, unless the seller or marketplace facilitator ~~transportation network company~~ waives the protection of this section.

(b) In order to facilitate the administration and enforcement of the provisions of this chapter, each seller or person otherwise engaged in business within the City and Borough, including marketplace facilitators collecting and remitting sales tax on behalf of sellers ~~transportation network companies collecting and remitting sales tax on behalf of transportation network company drivers~~, shall maintain and keep for a period of three years after the date of filing all of the period sales tax reports, forms, and supporting records and other records prescribed by the manager. The failure to maintain adequate records to allow documentation of the taxability of each transaction will result in the loss of any tax exemption, deduction, or credit for that particular transaction. Upon the request of the City and Borough manager, a seller or marketplace facilitator collecting and remitting sales tax on behalf of a seller ~~transportation network company collecting and remitting sales tax on behalf of transportation network company drivers~~ shall make available for examination in the City and Borough the books, records, and other documents of the seller or marketplace facilitator ~~transportation network company~~ unless the manager authorizes the examination to be conducted at a different location.

(CBJ Code 1970, § 69.10.090; Serial No. 70-26, § 3, 1970; Serial No. 83-66, § 11, 1983; Serial No. 91-34am, § 6, 1991; Serial No. 2018-38(b)(am), § 8, 9-17-2018, eff. 10-18-2018)

**69.05.100 Delinquency; failure to submit return or to remit taxes; assessments.**

(a) Whenever the manager reasonably believes a return contains inaccurate reporting or whenever any seller or marketplace facilitator ~~transportation network company~~ has become delinquent in the submission of the required filing period return or in remitting sales taxes, the City and Borough manager shall mail to the delinquent seller's or marketplace facilitator's ~~transportation network company's~~ last known address a written demand by certified mail, return receipt requested, for submission of the corrected or required sales tax return and remittance within ten days. In the event of noncompliance with such demand, the City and Borough manager may make a sales tax assessment against the delinquent seller or marketplace facilitator ~~transportation network company~~, the assessment to be based on an estimate of the gross taxable revenue received by the seller or marketplace facilitator on behalf of the seller ~~the transportation network company on behalf of the transportation network company driver~~ during the filing period in question. A copy of the assessment shall be sent to the seller or marketplace facilitator ~~transportation network company~~ at the seller's or marketplace facilitator's ~~transportation network company's~~ last known address by certified mail, return receipt requested. The seller or marketplace facilitator ~~transportation network company~~ shall have a right to a hearing before the manager at which time the seller or marketplace facilitator ~~transportation network company~~ shall make available for examination the books, papers, records, and other documents pertaining to the sales and revenue for the period involved in the assessment. The seller or marketplace facilitator ~~transportation network company~~ may exercise the right to a hearing by delivering to the manager, within 15 days of the date the notice was mailed, a written request for a hearing. The manager shall establish a date and

time for a hearing to be held within ten days of receipt of the request unless a later time is mutually agreeable. The hearing officer conducting the hearing shall issue an amended assessment upon a determination that an amendment should be made. The amended assessment, or the original assessment if no amendment is made within five days of the hearing, shall be the final assessment for the purpose of determining the seller's liability to the City and Borough. If no timely request for a hearing is made, the original assessment shall be the final assessment 30 days after the mailing of the notice of the original assessment unless the seller or marketplace facilitator ~~transportation network company~~ has submitted an accurate return within the 30 days.

(b) The City and Borough may file a civil action for collection of any taxes, penalty, or interest due before or after making a demand or assessment under subsection (a) of this section.

(c) Whenever any seller or marketplace facilitator ~~transportation network company~~ fails to submit the required filing period return or remit taxes after notice given as provided in subsection (a) of this section, the City and Borough manager may require such seller or marketplace facilitator ~~transportation network company~~ to submit returns and remit taxes on a monthly or more frequent basis.

(CBJ Code 1970, § 69.10.100; Serial No. 70-26, § 3, 1970; Serial No. 83-66, § 12, 1983; Serial No. 91-34am, § 7, 1991; Serial No. 2018-38(b)(am), § 9, 9-17-2018, eff. 10-18-2018)

**69.05.104 Protest of tax.**

(a) A buyer who protests the payment of the tax levied under this chapter shall pay the tax and shall provide the seller, any marketplace facilitator collecting and remitting sales tax on behalf of a seller ~~transportation network company collecting the sales tax~~

~~on behalf of a transportation network company driver~~, and the sales tax administrator with a written statement of protest within five working days of the sale that identifies the sale, rental, or service that is the subject of the tax protested, the amount of tax paid, the buyer's and seller's name, mailing address, telephone number, and the basis for the protest.

(b) If the seller or a marketplace facilitator that has collected or remitted sales tax on behalf of a seller ~~transportation network company that has collected or remitted sales tax on behalf of a transportation network company driver~~ protests liability for sales tax, penalties, or interest, the seller or marketplace facilitator ~~transportation network company~~ shall pay the tax, penalties, and interest under a written protest filed before or with the payment and setting forth the basis for the protest. No appeal from the sales tax board of appeals nor any action for a refund may be filed or maintained nor may a defense to nonpayment be maintained in a civil action unless the amount in dispute has been paid under protest as provided in this subsection. A protest accompanying a payment shall be deemed waived unless the protestor files an appeal under this chapter pursuant to and within 90 days of the protest.

(c) An appeal from the sales tax board of appeals or an action for a refund may be filed, maintained, or both without the payment under protest otherwise required by subsection (b) of this section:

- (1) Upon a finding by the director of finance that:
  - (A) The seller or the marketplace facilitator on behalf of the seller ~~transportation network company on behalf of the transportation network~~

~~company driver~~ has registered for the sales tax and filed returns according to the schedule specified in this chapter;

- (B) The contested liability arises from an audit finding;
  - (C) The contested liability is not of a kind regularly remitted by similarly situated sellers; and
- (2) Subject to the requirement that if the appeal or action for refund is denied, interest, but not penalty, shall be charged notwithstanding relief under this subsection.

(Serial No. 83-66, § 13, 1983; Serial No. 85-44, § 7, 1985; Serial No. 2001-04am, § 2, 2-26-2001; Serial No. 2018-38(b)(am), § 10, 9-17-2018, eff. 10-18-2018)

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**69.05.130 Sale of business; final tax return; liability of purchaser.**

- (a) If any seller or marketplace facilitator collecting and remitting sales tax on behalf of sellers ~~transportation network company collecting and remitting sales tax on behalf of transportation network company drivers~~ sells, assigns, transfers, conveys, leases, forfeits, or abandons the business to another person, the seller or marketplace facilitator ~~transportation network company~~ shall make a final sales tax return within 15 days after the date of selling, assigning, transferring, conveying, leasing, forfeiting, or abandoning the business showing that all tax obligations imposed by this chapter have been paid. The purchaser, successor, transferee, lessee, assignee, creditor, or secured party shall withhold a sufficient portion of the purchase money to pay the amount of such sales taxes, penalties, and interest as may be due and unpaid to the City and Borough. If the purchaser, assignee, transferee, lessee, successor, creditor, or secured



1  
2 party fails to withhold from the purchase money, or fails to otherwise provide for or  
3 make the payment of the taxes, interest, and penalties owed by the business as provided  
4 in this chapter, the purchaser, assignee, transferee, lessee, successor, creditor, or  
5 secured party shall be personally liable for the payment of the taxes, penalties and  
6 interest accruing and unpaid to the City and Borough on account of the operation of the  
7 business of any former owner, owners, operators, or assigns.

- 8  
9 (b) Before the sale, lease, assignment, transfer, or other disposition of the business is  
10 completed, the seller or marketplace facilitator ~~transportation network company~~ shall  
11 file with the City and Borough manager an informational notice identifying the name  
12 and address of each person or entity involved in the transaction, the nature of the  
13 transaction, and the effective date of the transaction.

14 (CBJ Code 1970, § 69.10.130; Serial No. 70-26, § 3, 1970; Serial No. 83-66, § 17, 1983; Serial  
15 No. 85-44, § 10, 1985; Serial No. 87-11, § 2, 1987; Serial No. 2018-38(b)(am), § 11, 9-17-2018,  
16 eff. 10-18-2018)

17 **69.05.140 Lien for tax, interest, and penalty**

- 18  
19 (a) The tax, interest, and penalty imposed under this chapter in addition to the lien filing  
20 fee under subsection (b) of this section shall constitute a lien in favor of the City and  
21 Borough upon the assets, including all real and personal property, of every person  
22 making taxable sales or of a marketplace facilitator responsible for collecting and  
23 remitting sales tax on behalf of sellers ~~transportation network company responsible for~~  
24 ~~collecting and remitting sales tax on behalf of transportation network company drivers~~  
25 within the City and Borough. The lien arises upon delinquency and continues until  
liability for the amount is satisfied or the property of the delinquent person is sold at

foreclosure sales. The lien is not valid as against a prior mortgagee, pledgee, purchaser, or judgment creditor until notice of the lien is filed in the office of the recorder for the City and Borough recording district in the manner provided for federal tax liens in AS 40.19.

- (b) Fees for the filing and releasing of liens shall be as follows:
- (1) Filing of liens, \$25.00 plus the recorder's office filing fee;
  - (2) Release of liens, \$25.00 plus the recorder's office filing fee.

The rates in this subsection may be changed by the manager from time to time to reflect the costs of providing municipal services generally.

(CBJ Code 1970, § 69.10.140; Serial No. 70-26, § 3, 1970; Serial No. 83-66, § 18, 1983; Serial No. 2018-38(b)(am), § 12, 9-17-2018, eff. 10-18-2018)

**State Law reference**— Lien, AS 29.45.650(e).

**69.05.145 Collected taxes.**

Taxes collected under this chapter by a seller or marketplace facilitator on behalf of sellers ~~transportation network company on behalf of transportation network company drivers~~ shall belong to the City and Borough and shall be held by the seller or marketplace facilitator ~~transportation network company~~ in trust for the City and Borough until paid over as provided in this chapter.

(Serial No. 83-66, § 19, 1983; Serial No. 2018-38(b)(am), § 13, 9-17-2018, eff. 10-18-2018)

**69.05.170 Registration.**

A person, firm, copartnership, corporation, or other business entity, including a transportation network company drivers and other sellers using marketplace facilitators, shall register with the manager before making retail sales, rendering services, or making rentals

1  
2 within the City and Borough. A marketplace facilitator that collects and remits sales tax on  
3 behalf of a seller ~~transportation network company that collects and remits sales tax on behalf~~  
4 ~~of a transportation network company driver~~ shall notify such seller ~~transportation network~~  
5 ~~company driver~~ of the registration requirement under this section. Nothing in this section shall  
6 be construed to require a marketplace facilitator ~~transportation network company~~ to register  
7 with the manager.

8 (Serial No. 83-66, § 20, 1983; Serial No. 2018-38(b)(am), § 14, 9-17-2018, eff. 10-18-2018)

9 \*\*\*

10  
11 **Section 3. Amendment of Chapter.** Chapter 69.07, Hotel-Motel Room Tax, is  
12 amended as follows:

13 **Chapter 69.07 HOTEL-MOTEL ROOM TAX**

14 **69.07.010 Definitions.**

15 The following words, terms and phrases, when used in this chapter, shall have the  
16 meanings ascribed to them in this section, except where the context clearly indicates a different  
17 meaning:

18 *Guest* means an individual, corporation, partnership or association paying monetary or  
19 other consideration for the use of a sleeping room or rooms in a hotel-motel.

20 *Hosting platform* means a marketplace facilitator that facilitates the booking, rental, or  
21 sale of a hotel-motel, residence, or room to transients.

22 *Hotel-motel* means a structure, or portions of a structure, occupied or intended or designed  
23 for occupancy by transients for dwelling, lodging or sleeping purposes and includes any hotel,  
24 motel, inn or similar structure.  
25

Marketplace facilitator means a person or entity, including transportation network companies and hosting platforms, that contracts with sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale or rental of the seller's property, product, or services through a physical or electronic marketplace operated by the person, and engages:

(a) Directly or indirectly, through one or more affiliated persons, in any of the following:

- (1) Transmitting or otherwise communicating the offer or acceptance between the buyer and seller;
- (2) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and sellers together;
- (3) Providing a virtual currency that buyers are allowed or required to use to purchase products from the seller; or
- (4) Software development or research and development activities related to any of the activities described in (b) of this subsection (3), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and

(b) In any of the following activities with respect to the seller's products:

- (1) Payment processing services;
- (2) Fulfillment or storage services;
- (3) Listing products for sale;
- (4) Setting prices;
- (5) Branding sales as those of the marketplace facilitator;

- (6) Order taking;
- (7) Advertising or promotion; or
- (8) Providing customer service or accepting or assisting with returns or exchanges.

*Operator* means a person, firm, corporation or other legal entity who furnishes, offers for rent or otherwise makes available in the City and Borough rooms in a hotel-motel or residence for monetary or other consideration, whether acting directly or through a marketplace facilitator, agent, or employee.

*Person* means an individual natural person.

*Rent* and *rents* mean the amount paid or promised, in terms of money, as consideration for the use by a transient of a room in a hotel, motel, or other place of public accommodation.

*Transient* means a person who occupies or rents a suite, room, or rooms in a hotel-motel for fewer than 30 consecutive days for the purpose of habitation.

(Serial No. 80-36, § 3, 1980)

**Cross reference**— Definitions generally, CBJ Code § 01.15.010.

**State Law reference**— "Hotel or boardinghouse" defined, AS 08.56.070(2).

**69.07.020     Impositions of hotel-motel room rental tax.**

- (a)     The City and Borough hereby levies a tax on hotel-motel, residence, or private room rentals for transients equal to nine percent of the room rent from January 1, 2020, to December 31, 2034. The tax imposed under this chapter shall automatically return to seven percent on January 1, 2035. The tax shall be applicable to all room rentals for transients unless the rental is specifically exempted from taxation by constitution or other valid law.

- (b) Each guest is responsible for the room rental tax imposed by this chapter and the tax shall be due and payable at the time the rent is paid. The tax shall apply to all rentals where the guest or transient indicates that the room will be occupied by the transient for less than 30 days. Room rentals for transients which continue for 30 or more consecutive days shall not be taxable for rentals on and after the 30th consecutive day. Rentals which are less than 30 consecutive days shall be subject to the tax even if the room or rooms were originally taken with the intent to use or occupy for 30 or more consecutive days. Any unpaid tax shall be due and payable when the transient ceases to occupy or use space in the hotel-motel.
- (c) Every ~~hotel-motel~~ operator or hosting platform that facilitates room rental ~~renting rooms~~ subject to taxation under this chapter shall collect the taxes imposed by this chapter from the transient guest at the time of collection of the charge for the room and shall transmit the same quarterly to the City and Borough. The tax imposed shall be shown on the billing to the guest as a separate and distinct item.
- (d) The tax imposed under this chapter shall not be levied on any sales or use tax levied under chapter 69.05 nor shall the tax imposed under chapter 69.05 be levied on the tax levied under this chapter.

(Serial No. 80-36, § 3, 1980; Serial No. 80-57, §§ 2, 3, 1981; Serial No. 84-34, § 2, 1984; Serial No. 88-17, § 2, 1988; Serial No. 2019-36, § 2, 8-19-2019, eff. 1-1-2020)

**State Law reference**— "Hotel or boardinghouse" defined, AS 08.56.070.

\*\*\*

**69.07.045      Monthly remittance of estimated hotel-motel tax.**

- 1
- 2 (a) *Monthly deposit report.* Every ~~hotel-motel~~ operator or hosting platform who incurs hotel-
- 3 motel tax liability or a combined sales tax and hotel-motel tax liability, as levied
- 4 under chapter 69.05 or this chapter, of \$1,000.00 or more in the month shall, on or
- 5 before the 15th day of the month following the month in which the tax liability was
- 6 incurred, complete a monthly deposit report declaring estimated hotel-motel tax liability
- 7 and, if applicable, sales tax liability for the month and transmit the report to the City
- 8 and Borough. If the 15th day is a Saturday, Sunday or federal, state or City and
- 9 Borough holiday, the due date will be extended until the next business day. The United
- 10 States Postal Service postmark shall determine the date of filing for mailed reports.
- 11
- 12 (b) *Amount of monthly remittance.* At the time of transmitting the monthly deposit report,
- 13 the operator or hosting platform shall remit to the City and Borough the total estimated
- 14 amount of hotel-motel and, if applicable, sales tax due for the month for which the
- 15 deposit report is filed.
- 16
- 17 (c) *Penalties.* A late filing penalty of \$25.00 shall be added to all late-filed monthly deposit
- 18 reports. In addition, late payment penalties will be assessed on monthly tax deposits
- 19 when the operator or hosting platform fails to remit at least 80 percent of the total
- 20 monthly hotel-motel tax and sales tax deposit due on or before the 15th day of the
- 21 month following the month for which the deposit is required. The late payment penalty
- 22 will be equal to one percent per month or fraction thereof of the total delinquent
- 23 monthly deposit balance due. The delinquent amount shall be the difference between
- 24 the total tax deposit due for the month and the amount of the deposit remitted by the
- 25 seller. The delinquent monthly payment penalty will be assessed on the 16th day of each
- month or fraction of a month from the date of delinquency to the date of total payment

1  
2 or the due date of the hotel-motel tax return covering the monthly payment period,  
3 whichever is earlier.

- 4 (d) *Funding period adjustments.* In addition to the monthly deposit and reporting  
5 requirements set forth in subsections (a) and (b) of this section, operators or hosting  
6 platforms are required to file period returns and remit the remaining unpaid hotel-  
7 motel tax due as required in subsections 69.07.050(a) or 69.07.080(c). If the hotel-motel  
8 tax due and payable by the operator or hosting platform, as required in  
9 section 69.07.050, is less than the total amount of the monthly hotel-motel tax deposits  
10 remitted to the City and Borough during that filing period, the excess balance will be  
11 applied to the operator's or hosting platform's next monthly hotel-motel tax deposit,  
12 unless the operator elects in writing to have the balance refunded.

13  
14 (Serial No. 91-35am, § 2, 1991)

15 **69.07.050 Period returns, penalties and interest for delinquency.**

- 16 (a) Every operator or hosting platform shall on or before the last day of the month, unless  
17 the last day of the month is a Saturday, Sunday, or federal, state, or City and Borough  
18 holiday in which case the due date will be extended until the next business day,  
19 immediately following the end of each filing period complete a return for the required  
20 filing period setting forth the total of all hotel-motel mom rentals, regardless of whether  
21 such transactions are taxable or nontaxable, the amount of hotel-motel tax due, and  
22 such other information as the City and Borough may require, and sign and deliver or  
23 mail the same to the City and Borough manager's office. Period returns shall be filed for  
24 the calendar quarters ending on March 31, June 30, September 30, and December 31  
25



1  
2 unless the seller is allowed or directed by the City and Borough manager to file for a  
3 different time period as authorized in subsection 69.07.080(c).

4 (b) The tax levied under this chapter, whether or not collected from the buyer, except for  
5 credit transactions covered in subsection (c) of this section, must be remitted by the  
6 seller to the City and Borough at the time of transmitting the return, and if not so  
7 remitted or if the return is not timely filed, such tax is delinquent. A late filing penalty  
8 of \$25.00 shall be added to all late returns. The postmark shall determine the date of  
9 filing mailed returns. In addition, a late payment penalty of five percent per month or  
10 any fraction thereof, until a total late payment penalty of 25 percent has accrued, shall  
11 be added to all returns until such tax, penalty and interest thereon have been paid.  
12 Such penalty shall be assessed and collected in the same manner as the tax is assessed  
13 and collected. In addition to these penalties, interest at a rate of 15 percent per year on  
14 the delinquent tax from the date of delinquency until paid shall accrue and be collected  
15 in the same manner the delinquent tax is collected.

16  
17 (c) The operator or hosting platform shall report and pay over the tax to the City and  
18 Borough on the same basis, cash or accrual, the seller uses for reporting federal income  
19 tax. An operator or hosting platform reporting on the accrual basis shall be allowed a  
20 tax credit for tax previously paid by the operator or hosting platform on any rental made  
21 on credit to the extent the operator or hosting platform declares such debt to be  
22 uncollectible and a bad debt for federal income tax purposes. Such bad debt credit must  
23 be claimed on a timely filed quarterly tax report covering the quarter during which the  
24 operator or hosting platform declares the transaction a bad debt for federal income tax  
25 purposes.

(Serial No. 80-36, § 3, 1980; Serial No. 85-12, § 2, 1985; Serial No. 91-35am, § 3, 1991)

\*\*\*

**69.07.080 Delinquency failure to submit return.**

- (a) Whenever any operator or hosting platform has become delinquent in the submission of the required filing period return for a period of 30 days, the manager shall make written demand by certified mail, return receipt requested, upon the delinquent operator or hosting platform for submission of the required hotel-motel tax return within ten days. In the event of noncompliance with such demand, the City and Borough manager shall make a hotel-motel tax assessment against the delinquent operator or hosting platform, the assessment to be based on an estimate of the gross transient rental revenue received by the operator or hosting platform during the filing period in question and such assessment shall be referred to the City and Borough collector and the City and Borough attorney for appropriate action to recover such tax.
- (b) Whenever any operator or hosting platform fails to submit the required filing period return after notice given as provided in subsection (a) of this section, or such return is reasonably believed by the manager to contain incorrect reporting, the manager may notify such operator or hosting platform in writing by certified mail, return receipt requested, that a hearing will be held upon the matter at a specified place and time, which shall not be less than 15 days after the date of the notice. The operator or hosting platform shall be present at the hearing and make available to the manager for inspection the operator's or hosting platform's books, papers, records, and other memoranda pertaining to gross transient rental revenue required to make a determination of tax liability, if any. In the event of noncompliance by the operator or

hosting platform, the manager may take such legal action, civil or criminal, or both, as provided for in this chapter or the civil or criminal statutes of the state, or both.

(c) Whenever any operator or hosting platform fails to submit the required filing period return after notice given as provided in subsection (a) of this section, the manager may require such operator or hosting platform to submit returns and remit taxes on a monthly or more frequent basis.

(Serial No. 80-36, § 3, 1980; Serial No. 91-35am, § 6, 1991)

**69.07.090 Suits for collection.**

Taxes due but not paid or taxes collected but not transmitted may be recovered in an action at law against the transient guest, ~~or the hotel-motel operator,~~ or hosting platform. Tax returns shall be prima facie proof of taxes collected but not transmitted.

(Serial No. 80-36, § 3, 1980)

**69.07.100 Prohibited acts.**

- (a) No person may fail or refuse to pay the tax imposed by this chapter when it is due and payable to an operator or hosting platform authorized to collect the tax.
- (b) No operator or hosting platform may fail or refuse to make the quarterly returns required by this chapter.
- (c) No operator or hosting platform may fail or refuse to pay to the City and Borough in the manner provided in this chapter the tax imposed under this chapter.
- (d) No operator or hosting platform may advertise or state to the public or to any guest or renter, directly or indirectly, that the tax or any part of it will be assumed or absorbed by the operator, ~~or the hotel-motel,~~ or hosting platform, or that the tax will not be added to the rental, or that it will be refunded, nor may an operator or hosting platform absorb

or fail to add the tax or any part of it or refund any tax, or fail to separately state the tax to the renter or guest.

(Serial No. 80-36, § 3, 1980)

\*\*\*

**Section 4. Amendment of Chapter.** Chapter 69.40, Short-Term Residential Rental Registration Program, is amended as follows:

**Chapter 69.40 SHORT-TERM RENTAL REGISTRATION PROGRAM.**

**69.40.010 Definitions.**

The following words, terms, and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Guest* means an individual, corporation, partnership, or association paying monetary or other consideration for the use of a short-term rental.

*Hosting platform* means a marketplace facilitator that facilitates the booking, rental, or sale of a hotel-motel, residence, or room to transients.

*Marketplace facilitator* means a person or entity, including transportation network companies and hosting platforms, that contracts with sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale or rental of the seller's property, product, or services through a physical or electronic marketplace operated by the person, and engages:

- (a) Directly or indirectly, through one or more affiliated persons, in any of the following:

- (1) Transmitting or otherwise communicating the offer or acceptance between the buyer and seller;
- (2) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and sellers together;
- (3) Providing a virtual currency that buyers are allowed or required to use to purchase products from the seller; or
- (4) Software development or research and development activities related to any of the activities described in (b) of this subsection (3), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and
- (b) In any of the following activities with respect to the seller's products:

  - (1) Payment processing services;
  - (2) Fulfillment or storage services;
  - (3) Listing products for sale;
  - (4) Setting prices;
  - (5) Branding sales as those of the marketplace facilitator;
  - (6) Order taking;
  - (7) Advertising or promotion; or
  - (8) Providing customer service or accepting or assisting with returns or exchanges.

*Operator* means a person, firm, corporation, or other designated legal entity, who furnishes, offers for rent, or otherwise makes available in the City and Borough rooms in a hotel-motel or residence for monetary consideration, whether acting directly or through a marketplace

~~facilitator, agent, or employee offers for rent or otherwise makes available in the City and Borough rooms for monetary or other consideration.~~

*Person* means an individual natural person.

*Property and properties* means real estate offered by an operator as a short-term residential rental.

*Rent and rents* means the amount paid or promised, in terms of money, as consideration for the use by a transient of a room in a hotel, motel, or other place of public accommodation.

*Short-term residential rental* means a dwelling unit that is rented, leased, or otherwise advertised for occupancy for a period of less than 30 days.

*Transient* means a person who occupies or rents a unit, room, or rooms for fewer than 30 consecutive days for the purpose of habitation.

(Serial No. 2023-26(c)(am), § 2, 7-10-20223, eff. 10-9-2023)

**69.40.020      Registration required.**

- (a) The operator of a short-term residential rental must register with the CBJ sales tax office on a form or platform specified by the CBJ prior to offering a unit for rent.
- (b) Registration numbers are valid for a period of 12 months and must be renewed annually.
- (c) The CBJ will provide a rental registration number for each registered short-term residential rental. ~~The registration number must be displayed on each advertisement or public listing for a short term residential rental that the operator or operator's designee maintains.~~
- (d) There is no fee for registration.
- (e) The operator shall provide the CBJ with the following at the time of registration:

- 1
- 2 (1) Their state business license number.
- 3 (2) Name, address, phone number, and email address for the operator or operator's
- 4 designee.
- 5 (3) A general description of the short-term residential rental unit, to include
- 6 address, property type, number of bedrooms, and capacity.
- 7
- 8 (f) If there is a change in the information submitted pursuant to subsection (e) of this
- 9 section, a new registration must be completed within 30 business days.
- 10 (g) The property owner of the short-term rental is responsible for taxes, fees, interest,
- 11 and/or penalties associated with the rental unless such payment obligations are made
- 12 through a hosting platform as required elsewhere in this chapter.

13 (Serial No. 2023-26(c)(am), § 2, 7-10-20223, eff. 10-9-2023)

14 **69.40.025 Registration posting.**

- 15 (a) Prior to the posting of any rental on a hosting platform, the operator utilizing a hosting
- 16 platform to facilitate the rental shall obtain a valid rental registration number and shall
- 17 provide the hosting platform with their CBJ issued permit number. The registration
- 18 number must be displayed on each advertisement or public listing for a short-term
- 19 residential rental that the operator or operator's designee maintains.
- 20
- 21 (b) Hosting platforms shall notify operators who are seeking to utilize their services to rent
- 22 property in the City and Borough of Juneau of the operator's obligation to obtain a
- 23 registration permit under subsection (a) of this section. Hosting platforms shall not post
- 24 an operator's listing without such registration permit number being previously provided
- 25 to the hosting platform. Upon notification by the City Manager or a CBJ sales tax office
- employee that an operator's rental registration is not valid, the hosting platform must

promptly remove any listings of said operator from their platform. Any property with a registration number that has been notified as no longer valid shall be considered an unregistered property 48 hours after notification has been given.

(c) Hosting platforms shall provide monthly reports of all existing Juneau-based short term rentals and their permit numbers in excel or csv format for compliance and review by CBJ staff.

**69.40.030      Penalty.**

(a) Renting, or offering for rent, a short-term residential rental without complying with the registration requirement in section 69.40.020 is prohibited.

(b) An operator required to register a property pursuant to this chapter who offers or uses such property without being registered is subject to a penalty in the amount of ~~\$100~~~~\$25.00~~ per violation. A separate violation shall be deemed committed each day during or on which a property is offered or used as a short-term residential rental without registration. Such operator may not offer or use, or continue to offer or use, such property for a short-term residential rental, unless and until the penalty is paid and the property is properly registered.

(c) If a marketplace facilitator has not removed any listings of an operator from their platform within 48 hours after notification by the City Manager or a CBJ sales tax office employee that the operator’s rental registration is not valid, the marketplace facilitator shall be subject to a penalty in the amount of \$100 per violation. A separate violation shall be deemed committed each day during or on which such a property is advertised after 48 hours of notice.

(Serial No. 2023-26(c)(am), § 2, 7-10-20223, eff. 10-9-2023)



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**Section 5. Effective Date.** This ordinance shall be effective 30 days after its adoption.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Beth A. Weldon, Mayor

Attest:

\_\_\_\_\_  
Elizabeth J. McEwen, Municipal Clerk

**Motion: Recommendation to the City and Borough of Juneau Assembly Regarding Use of STR Tax Revenues**

Whereas, the STR Task Force has previously recommended that online short-term rental (STR) platforms such as Airbnb and VRBO collect and remit all applicable CBJ taxes directly to the City and Borough of Juneau (CBJ); and

Whereas, AirDNA data indicates that STRs in Juneau generated approximately \$12.6 million in total revenue in 2024, which translates to an estimated \$1.77 million in potential CBJ tax collections; and

Whereas, there is a significant need in Juneau for increased housing access and affordability, including new housing development, support for first-time homebuyers, healthy home rehabilitation, and rental support for low-income residents;

**Be it resolved that the STR Task Force recommends the CBJ Assembly dedicate revenues collected from online STR facilitators to support housing in Juneau.**

Examples of the the types of housing support needed in the community include new housing construction; rehabilitation and repair of existing homes to promote safe and healthy housing conditions; down payment assistance for homebuyers; and rental vouchers for low-income households. Organizations experienced in housing program delivery—such as the Tlingit Haida Regional Housing Authority and the Juneau Community Foundation—should be considered as potential recipients.

Notes:

- Assuming \$400K to construct a new house such funding could build 4 new houses per year
- Assuming \$150K to construct a new apartment/condo such funding could build 12 new multi-family housing units per year
- Assuming \$70K for housing quality improvement work per unit, such funding could support make 25 homes in the community safer to live in annually.
- Assuming \$20K for downpayment assistance, such funding could support 88 families in home purchases annually.
- Assuming \$11.8K for low income rental vouchers, such funding could support 150 low-income rental families annually

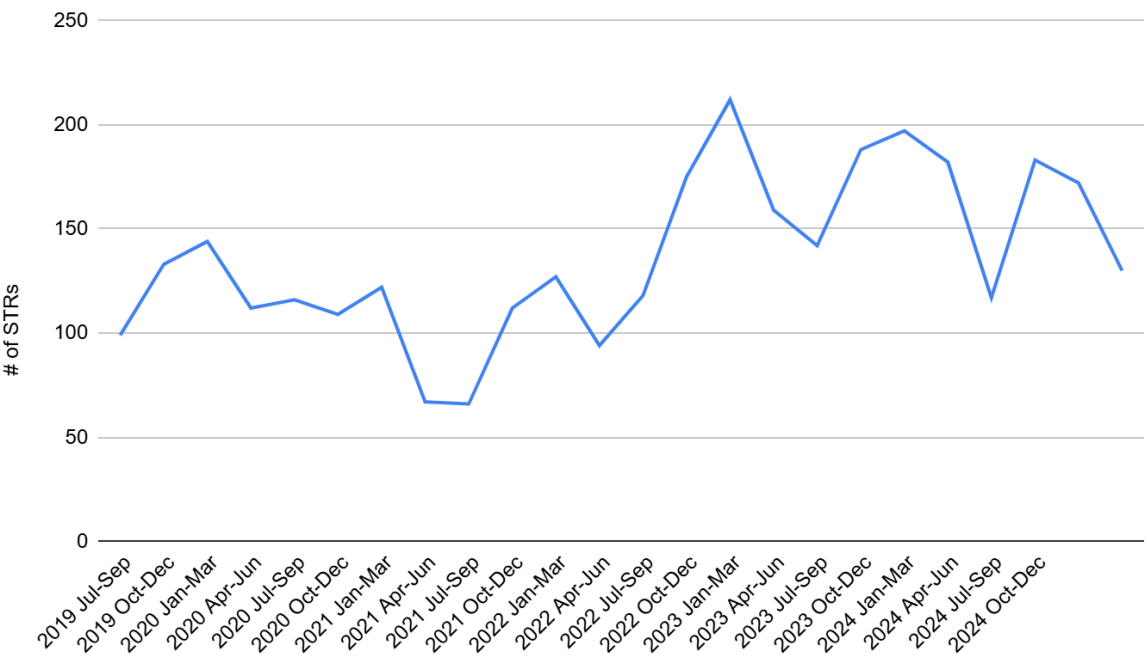
Hello STR Task Force,

While performing our “homework assignment” for this meeting I found some data that I thought could be helpful to consider as we determine how to assign the different levels of the STR matrix.

**Tax Data Shows STRs Declined Since Q3 2022**

I asked Mr. Barr for the most recent non-hotel bed tax data for 2019-2024 and found an interesting trend. The number of non-hotel operators reporting bed tax peaked in the quarter of Ironman and has since been on a declining trend.

# of STRs Reporting Bed Tax 2019-2024



**2024 Non-Hotel Bed Tax and Gross Income Data**

CBJ Finance reported that in 2024, non-hotel bed tax contributed \$643,402. If you include the bed and sales tax together, that is a total of \$1,000,847 in income. The total impact through gross sales was \$12,097,722. This includes only the direct impact to CBJ. The gross sales does not include any of the many indirect benefits to the local economy through employment and additional local spending by owners and guests. In addition, our recommendation to the Assembly to require STR platforms to collect and remit bed/sales tax to CBJ should cause these numbers to increase in the future.

### **STR and Vacancy Rates After Tight Regulations**

I researched and found several markets where strict STR regulations were implemented to improve vacancy rates and rental prices. However, the data I found shows that STR and vacancy rate, or rental prices, are often not correlated in these complex markets. There are several examples where STR bans went into place and vacancy rates actually went down, while long term rental rates and hotel rates increased higher than national averages. This occurred in New York City, Amsterdam, Barcelona, and Whitehorse.

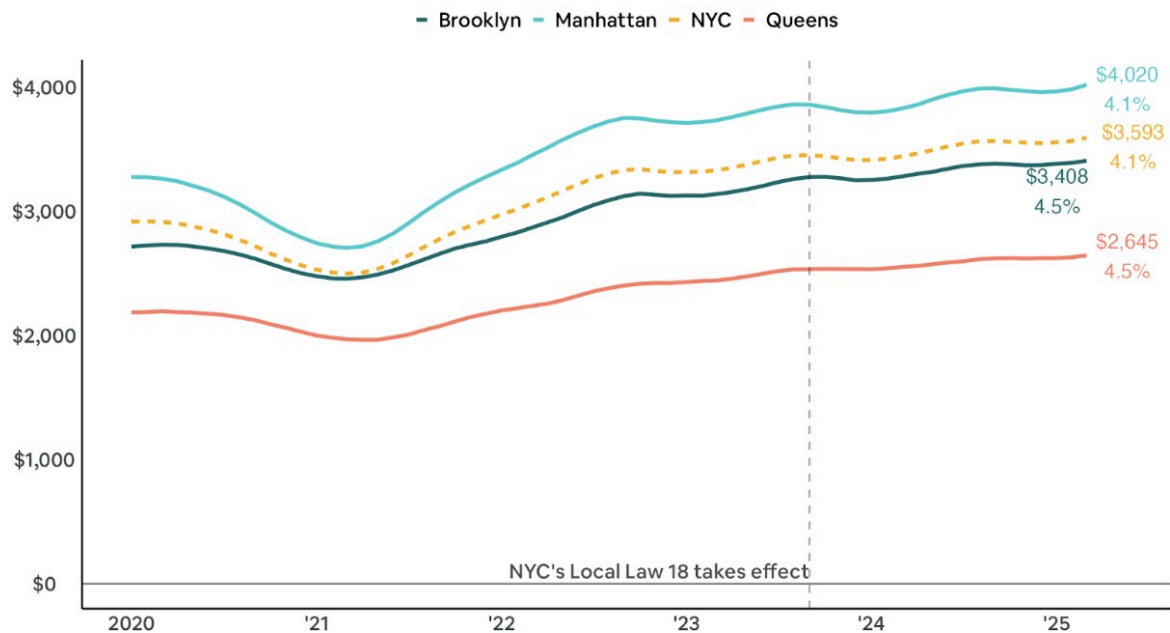
Amsterdam: A 30 nights per year cap rule was introduced on STRs in 2019. The number of Airbnbs declined by 54% between 2019 and 2024. However, long term rental costs increased by 34% between the same period of time, compared to 13% growth across the Netherlands overall. (1,2,3)

Barcelona: A moratorium on new short term rentals has been in place since 2014. Airbnb worked with the municipality to enforce the regulations starting in 2018. As a result, the number of STR listings decreased by 24% between 2018 and 2024. However, long term rents increased by 37% during the same period of time, compared to 9% growth across Spain overall. (3)

Whitehorse: Even our neighbors in the Yukon have seen markets not behaving as expected. Between 2019 - 2021, median rents increased by 12.2%. At the same time, STR supply decreased by 100 listings, according to the Yukon Bureau of Statistics.(4,5)

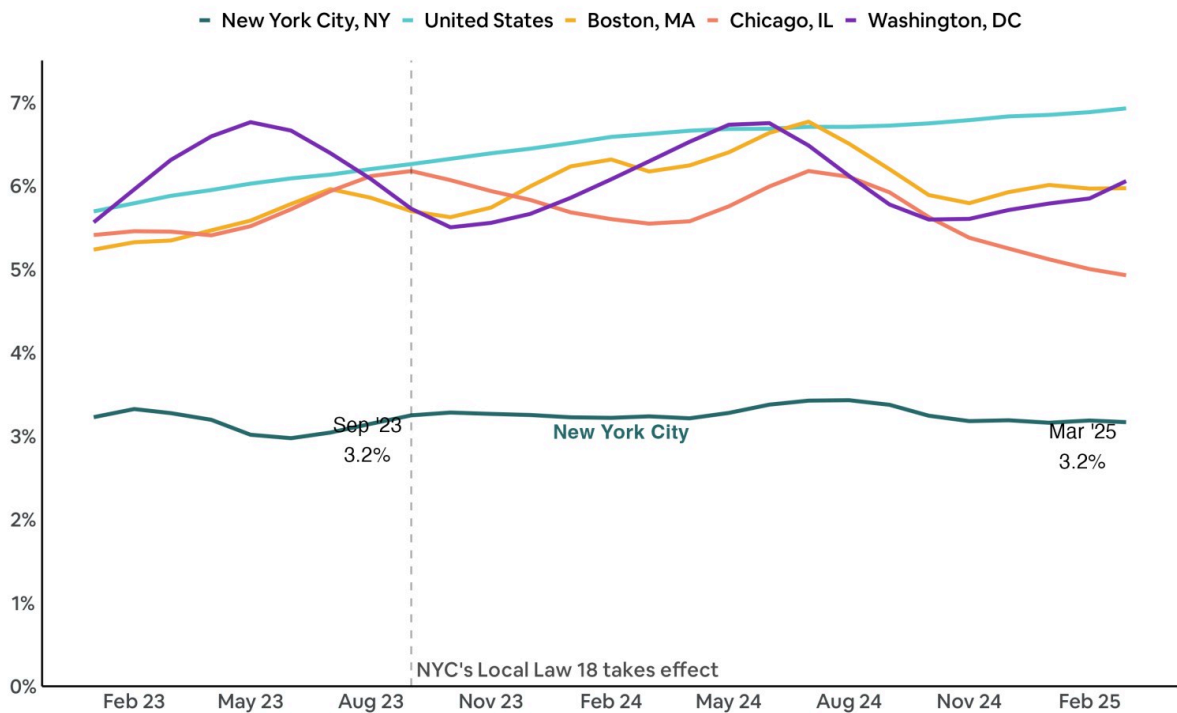
New York City: An STR ban has been in place since late 2023. It has not increased housing availability or affordability. Vacancy rates have remained unchanged at record lows. Rents have continued to rise at higher than state and national averages. In addition, the hotel costs for visitors have increased at rates higher than national averages. Below are some graphs showing that the STR ban in NYC has not encouraged housing availability or development:

Rent in New York City  
StreetEasy's Rent Index  
% change since August 2023



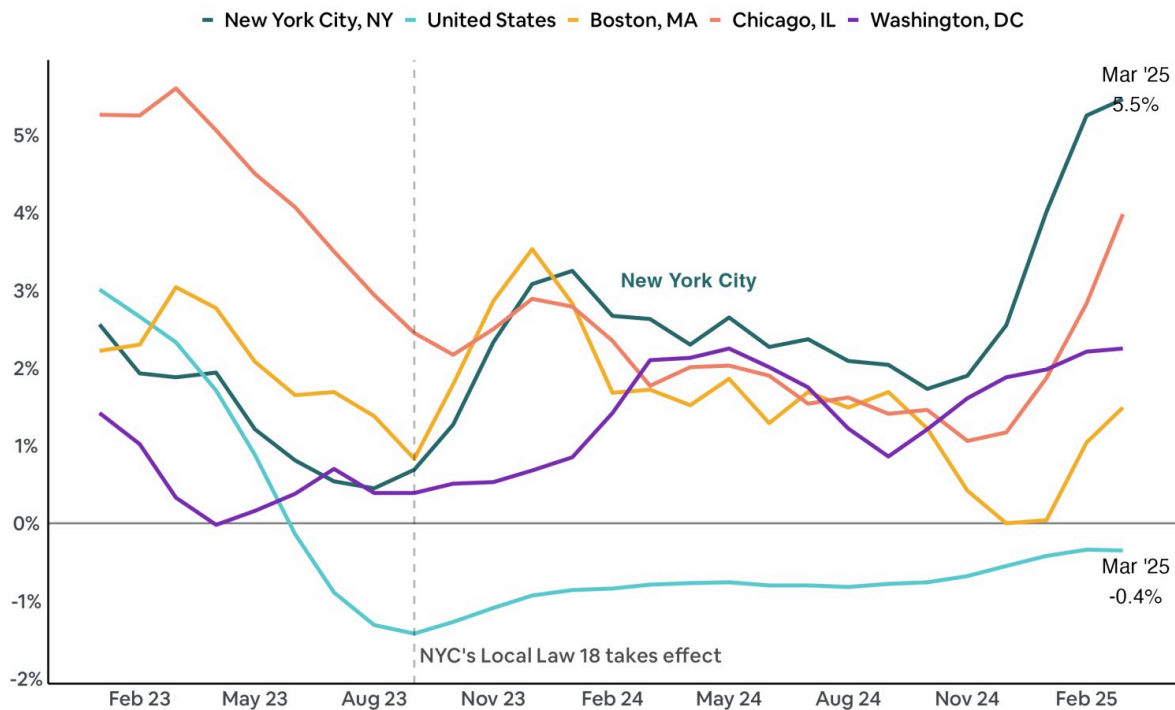
Source: StreetEasy

New York City vacancy rates remain unchanged since September 2023  
City-level Vacancy Index\*



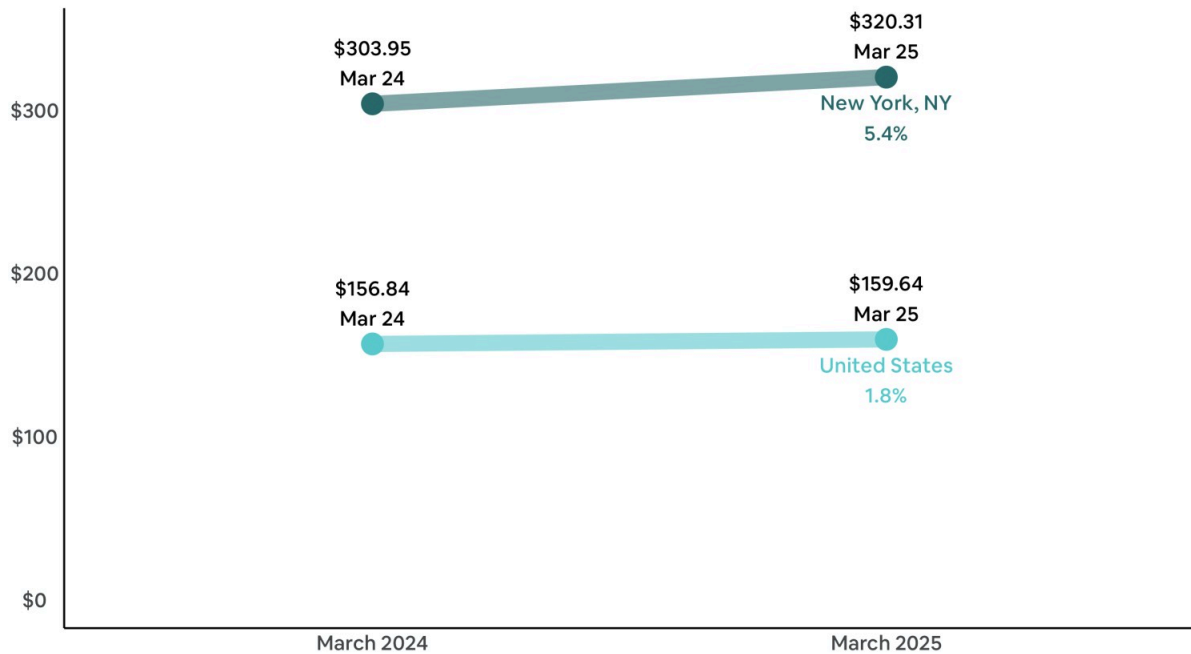
Source: Apartment List; \*Ratio of vacant units to total units  
Data Available: [www.apartmentlist.com/research/category/data-rent-estimates](http://www.apartmentlist.com/research/category/data-rent-estimates)

New York City rent growth continues to outpace peer cities  
Year-over-year change in Rent Index



Source: Apartment List  
Data Available: [www.apartmentlist.com/research/category/data-rent-estimates](http://www.apartmentlist.com/research/category/data-rent-estimates)

New York, NY hotel rates up 5.4% in the last year, compared to 1.8% Nationwide  
Average Daily Rate (ADR) 12-month moving average\*  
% change from previous year



Source: CoStar, Market Report

I tried to find other municipal regulatory models that limit STRs based on vacancy rate, in an attempt to encourage long term rentals. The closest regulatory tool that I could find that placed STR restrictions based on vacancy rates is in Bellingham, WA. Their rental vacancy rates have been extremely low, around 2-3% since 2016. (6) Their target healthy vacancy rate is 5-7%. (7)

Bellingham currently has strict regulation of STRs. They will only consider lifting the strict regulations if vacancy rates increase above 4%:

*“If the citywide housing vacancy reaches four percent or higher, the city council shall review whether short-term rentals should be allowed in nonprimary residences in residential general use type areas.” (8)*

Nearly all of the other municipalities I researched used a flat rate of allowed STRs when they applied a limit or restriction. I could not find any municipalities that regulated based on a measure of affordability. Bellingham was the only municipality I found that used vacancy rate as a minimum to allow expansion of STRs.

If we choose vacancy rate to adjust the matrix we could create unintended consequences. One example would have occurred when vacancy rates increased during COVID. That would have allowed for STR growth during a time of temporary rising vacancy rates. Even if it is averaged out over time, there could be a temporary bump from a single short-term event that could increase STRs. This method also relies on data from the State of Alaska, which may not be available in the future.

I think the best method is to set the levels of the matrix using the number of STRs/available housing. The denominator could include all housing, or just all rental housing. Then the tool will provide a more stable, predictable measure for STR owners/operators to plan for the future. This data is based on CBJ and federal census data, which may be more reliable than data from the State in the future.

Thank you for your time and consideration.

Sincerely,  
Dan Coleman

- 1) [https://ec.europa.eu/eurostat/databrowser/view/prc\\_hicp\\_aind\\_custom\\_1514466/default/table](https://ec.europa.eu/eurostat/databrowser/view/prc_hicp_aind_custom_1514466/default/table)
- 2) <https://www.numbeo.com/cost-of-living/city-history/in/Amsterdam>
- 3) <https://news.airbnb.com/new-analysis-shows-stringent-str-regulations-have-failed-to-improve-the-housing-situation-in-amsterdam-and-barcelona/>
- 4) <https://neighbourlynorth.com/researchnote/>
- 5) <https://yukon.ca/sites/default/files/2025-02/fin-yukon-rent-survey-october-2024.pdf>
- 6) <https://maps.cob.org/resources/images/pcd/HousingStatsStoryMap/VacancyRates.jpg>
- 7) <https://cob.org/services/planning/key-housing-questions#:~:text=A%20healthy%20vacancy%20rate%20is,and%20around%20%25%20for%20homeowners.>
- 8) <https://bellingham.municipal.codes/BMC/20.10.037>

**Analysis of Hotel vs Non-Hotel Operators****Room Tax and Gross Sales***prepared by CBJ Sales Tax 2/18/2025*

Year	Quarter	# of Merchants**		Room Tax Reported		Gross Sales Reported***	
		Hotels	Non-Hotels	Hotels	Non-Hotels	Hotels	Non-Hotels
2019	Jan - Mar	16	99	\$ 205,935	\$ 15,698	\$ 5,762,645	\$ 695,535
2019	Apr - Jun	18	133	\$ 446,988	\$ 61,346	\$ 9,973,120	\$ 1,348,218
2019	Jul - Sep	18	144	\$ 648,815	\$ 95,146	\$ 13,330,786	\$ 1,903,298
2019	Oct - Dec	16	112	\$ 191,953	\$ 11,903	\$ 5,063,922	\$ 541,459
2020*	Jan - Mar	16	116	\$ 211,964	\$ 13,402	\$ 4,594,276	\$ 546,252
2020	Apr - Jun	16	109	\$ 126,400	\$ 15,719	\$ 3,089,493	\$ 593,248
2020	Jul - Sep	16	122	\$ 311,248	\$ 54,347	\$ 6,057,470	\$ 1,083,043
2020	Oct - Dec	15	67	\$ 172,979	\$ 16,052	\$ 3,882,607	\$ 611,839
2021	Jan - Mar	15	66	\$ 164,174	\$ 18,943	\$ 4,526,018	\$ 667,612
2021	Apr - Jun	18	112	\$ 491,589	\$ 83,661	\$ 8,623,043	\$ 1,591,311
2021	Jul-Sep	18	127	\$ 915,221	\$ 150,719	\$ 13,647,234	\$ 2,465,859
2021	Oct - Dec	15	94	\$ 257,163	\$ 25,371	\$ 5,061,338	\$ 853,970
2022	Jan - Mar	16	118	\$ 291,505	\$ 39,492	\$ 6,481,366	\$ 1,042,306
2022	Apr - Jun	18	175	\$ 766,898	\$ 168,531	\$ 12,809,361	\$ 2,739,653
2022	Jul-Sep	19	212	\$ 1,192,613	\$ 285,576	\$ 18,573,988	\$ 4,253,578
2022	Oct - Dec	17	159	\$ 298,429	\$ 44,900	\$ 6,147,372	\$ 1,220,093
2023	Jan - Mar	18	142	\$ 376,569	\$ 50,706	\$ 8,148,320	\$ 1,324,575
2023	Apr - Jun	19	188	\$ 926,690	\$ 165,160	\$ 15,903,233	\$ 2,755,692
2023	Jul-Sep	19	197	\$ 1,137,057	\$ 261,655	\$ 18,192,292	\$ 4,163,077
2023	Oct - Dec	18	182	\$ 317,796	\$ 64,288	\$ 5,897,875	\$ 1,408,429
2024	Jan - Mar	19	117	\$ 396,934	\$ 64,832	\$ 8,033,247	\$ 1,719,049
2024	Apr - Jun	17	183	\$ 862,874	\$ 211,900	\$ 14,423,312	\$ 3,760,230
2024	Jul-Sep	18	172	\$ 1,273,505	\$ 295,257	\$ 19,858,527	\$ 4,740,382
2024	Oct - Dec	16	130	\$ 322,709	\$ 71,413	\$ 6,041,604	\$ 1,878,016

\* Hotel/Motel Tax Rate Increase Effective January 1, 2020 (from 7% to 9%)

\*\* Represents the number of merchants filing non-zero dollar returns for that period

\*\*\* Represents gross sales reported by merchants submitting bed tax; not limited to only room sales.



**Reminder of charge**

Create a matrix that evaluates and recommends various regulatory actions for STRs to improve housing availability in Juneau. This matrix should look at both short and long-term regulatory options in order to inform not only options to address the current STR and housing landscape, but also be the basis for the Assembly to take future action without the need to revisit this process if the landscape should change.

**Impact levels – staff draft**

Core to the matrix requires defining levels of housing availability/affordability impact at which various regulatory options would be considered. The task force may wish to either:

- 1) Revise the staff provided draft definitions below
- 2) Especially if unable to reach consensus, recommend the Assembly engage in research or attempt at the Assembly level to define impact levels.

Note: the task force may wish to further debate whether the quantitative measurement should be the number of **year-round** versus the number of **seasonally** operated STRs, or an entirely different metric.

- Using a **year-round** number (270+ days, full home), the task force could reasonably assume the vast majority of those units are only available for short-term rentals in any given year in the community. By using this number, the task force may miss the impact of seasonal STRs that, for whatever reason, are not available at any point in the year for longer-term rentals because of their seasonal status.
- Using a **seasonal** number, the task force would address any concerns about missing long-term rental impacts; however, this would discount the value of off-season long-term rentals (e.g. legislature) to the extent those are being provided by seasonal STR operations.
- Regardless of which quantitative measurement used, the task force could care for any real or perceived deficiencies by adjusting the recommended regulatory options associated with each level.

Level	Seasonal STRs	% of Rental Stock	Year-round STRs	% of Rental Stock	Rental Vac. Rate	Rental Cost Burden
1	<300 <sup>1</sup>	<6.4%	<80	<1.7%	> 8%	< 15%
2	300-450 <sup>2</sup>	6.4% - 9.5%	80-130	1.7% - 2.8%	> 8%	< 20%
3	450-600	9.5% - 12.7%	130-180	2.8% - 3.8%	> 6%	< 25%
4	600-750	12.7% - 15.9%	180-230	3.8% - 4.9%	> 4%	< 30%
5	>750	>15.9%	>230	>4.9%	< 4%	> 30%

<sup>1</sup> Staff opted to begin the levels at this number because a significant majority of the task force members have indicated a desire to minimally regulate single STR operators who are utilizing their primary residence and/or ADU as a STR and 300 represents a rough estimate of that type of STR use in our community. This could be alternately cared for by choosing a different impact metric and/or carving out an exemption in regulation.

<sup>2</sup> For the summer of 2024, we are in this range: ~387

For reference: Juneau has approximately 14,170 housing units. Approximately 1/3<sup>rd</sup>, or 4,723, are considered part of the rental stock. **RVR and RCB added as options for consideration from 5/1 meeting, data source: AKDOL.**

**Regulatory options**

Based on STR Task Force discussions to date, the following regulatory options were included for consideration in the draft matrix below<sup>3</sup>. **[5/15/25: The Task Force has acted / made preliminary decisions on all options at the 4/17 and 5/1 meetings]**

- A. Requirement that STR operators obtain a free, annual permit
- B. Requirement that software platforms post valid STR permit numbers on advertisements
- C. Requirement that software platforms collect and remit required taxes
- D. Institute a fee for the annual permit, increasing per number of STRs permitted per person/entity.
- E. Increase/change fines for non-compliance of permit terms – currently \$25/day for failing to register. Proposed change to \$100/day or the amount of the gross daily rate last advertised for the rental, whichever is greater.
- F. Cap the number of STRs permittable per person or entity.
- G. Institute an onsite resident requirement for an STR to function on the parcel
- H. Institute an onsite resident requirement for an STR to function per dwelling unit (e.g. room rentals only, no whole house)
- I. Cap the number of permitted STRs at a specific number, exempt STRs with primary resident occupancy living on [the parcel or in the dwelling unit]
- J. Cap the number of permitted STRs at a specific number
- K. Propose a STR specific additional sales tax [requires a community-wide vote]
- L. Exempt shared-dwelling unit STRs, where an individual dwelling unit is lived in by a full time resident and individual bedrooms with other shared living spaces are short-term rented, from certain regulations.

**Draft Matrix**

Based on the above, the task force may consider the below a starting point for discussion as it develops a matrix for public comment and eventual submission to the Assembly:

Level	Regulations
1	A, B, C, <b>E, F</b>
2	A, B, C, <b>D-, E, F</b>
3	A, B, C, <b>D, E, F</b>
4	A, B, C, <b>D+, E, F</b>
5	A, B, C, <b>D+, E, F</b>

A minus (-) sign indicates the associated option at a lesser degree of regulatory burden and a plus (+) sign indicates the opposite. As an example, D- could be interpreted as “Fee required, but fee

<sup>3</sup> Regulatory categories the task force elected not to pursue include: zoning restrictions, neighborhood and/or building restrictions, density limits, bans, caps on STR days of operation, and minimum rental periods.

waived for onsite [parcel or dwelling unit] residency.” Red text (all regulatory options listed other than A, B, and C) represent actions taken by the task force beginning at the 4/17/25 meeting. Additional context below.

Staff did not have a sense of where the task force would collectively place items E through L as a starting point and look to the task force for continued discussion on those and any other potential options.

The next two tasks for the STR task force are to:

- 1) Discuss and confirm or change the metrics used for the impact levels section of the matrix
- 2) Discuss and confirm or change the regulatory options at each level within the matrix

Notes:

A is already in place; existing code (69.40.020(f)) requires notification to CBJ within 30 days of any changes to the registration (e.g. sale/transfer of property) which allows the permit to move from seller to buyer.

B, C are pending public hearing and adoption at the next Regular Assembly Meeting in accordance with the recommendation of the STR Task Force.

E is partially proposed to change, as noted above, and is a staff recommendation.

#### **4/17/25 Actions**

- D- defined as no fee (current state)
- D defined as some fee that covers administrative costs
- E fine defined at \$100/day, with an initial no-fine warning
- F – task force intent to further define the cap number later in the process

#### **5/1/25 Actions**

- G, H, I, J, K, L – no action / failed votes

