ORDINANCE NO. 518

AN ORDINANCE AMENDING PMC 3.16.050, SALES TAX EXEMPTIONS, BY ADDING SUBSECTION V EXEMPTING 501(c)(3) ORGANIZATIONS FROM PAYING SALES TAX ON PURCHASES OF CERTAIN UTILITIES.

THE CITY OF PALMER, ALASKA, ORDAINS:

<u>Section 1.</u> Classification. This ordinance shall be of a permanent nature and shall become a part of the City of Palmer Code of Ordinances.

<u>Section 2.</u> Severability. If any provisions of this ordinance, or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

<u>Section 3.</u> PMC 3.16.050 is amended by adding subsection V to read as follows:

V. Purchases of utility services (other than cable television), including the installation and connection charges and fees, by an organization holding a valid 501(c)(3) exemption letter from the Internal Revenue Service, provided said organization proves to the city that it holds the 501(c)(3) exemption. Upon presentation of such proof to the city, the city shall notify utilities of the sales tax exemption.

Section 4. Publication and Effective Date. This ordinance shall become effective thirty (30) days following its adoption. Publication shall be by making copies available to the public, and further it shall be published by being printed and included in the Palmer Municipal Code at its next regular supplementation and printing. Publication may also be made by posting a copy hereof on the City Hall bulletin board for a period of ten (10) days following its adoption. A notice of public hearing shall be given by such posting at least five (5) days before final passage.

> First Reading: May 27, 1997 Public Hearing & Second Reading: June 10, 1997

Adopted by the City Council of the City of Palmer, Alaska, this 10th day of June, 1997.

Change Contractor THOMAS C. SMITH, CITY CLERK

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P. SUINOTTE, MAYOR

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