

ORDINANCE NO. 4391

AN ORDINANCE to amend and reordain Article F (TAX ON PERSONS PURCHASING TELEPHONE AND WATER SERVICES), of Chapter 2 (TAXATION), Title 3 (FINANCE, TAXATION AND PROCUREMENT) of The Code of the City of Alexandria, Virginia, 1981, by adding thereto a new SECTION 3-2-71 (CELLULAR TELEPHONE TAX).

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Article L, Chapter 2, Title 3 of The Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained by adding thereto a new Section 3-2-71 to read as follows:

Sec. 3-2-71 Cellular telephone tax.

(a) Terms used in this section shall have the meanings set forth in Section 58.1-3812 of the Code of Virginia, 1950, as from time to time amended. Said definitions shall be applicable unless the context of this section clearly indicates to the contrary.

(b) There is hereby levied and imposed on all taxable purchases by a consumer of mobile local telecommunication service a tax equal to 10 percent of the monthly gross charge made to the consumer for each mobile local telecommunication service telephone number; provided, however, that the tax shall not exceed \$3.00 per month for each such telephone number. This tax shall be applicable to all persons, corporations and other entities whose service address is in the City of Alexandria.

(c) A service provider of mobile local telecommunication services shall collect the tax from the consumer by adding the tax to the monthly gross charge for such services. The tax shall, when collected, be stated as a distinct item separate and apart from the monthly gross charge. Until the consumer pays the tax to the service provider, the tax shall constitute a debt of the consumer to the City. If any consumer refuses to pay the tax, the

service provider shall notify the director of finance. After the consumer pays the tax to the service provider, the taxes collected shall be deemed to be held in trust by the service provider until remitted to the director of finance.

(d) The director of finance shall be responsible for collecting the tax imposed in this section. The director shall have the authority to adopt appropriate regulations and procedures to facilitate and expedite the collection of said taxes. All such regulations and procedures shall be consistent with state law and other provisions of this code.

(e) Each service provider shall report and remit to the director of finance the amount of tax billed during each calendar month to consumers with a service address in the City of Alexandria. All such remittances shall be reported and paid over to the director not later than the fifteenth day of the second calendar month following the month in which they are collected, or the first business day thereafter.

(f) Any consumer is entitled to a refund from the city equal to the amount of the tax the consumer paid to a jurisdiction outside of the Commonwealth, for mobile local telecommunication service taxed by the city, if such tax was legally imposed in such other jurisdiction. The amount of any such credit or refund shall not exceed the tax paid to the City of Alexandria.

(g) Any consumer who fails to pay the tax imposed in this article when due to the service provider and any service provider who fails to remit said taxes to the director of finance in accordance with this section shall be liable for interest and penalties. The interest and penalties for a consumer or service provider shall be computed in the same manner as interest and penalties are computed for failure to pay or remit utility taxes imposed by this article.

Section 2. That this ordinance shall become effective September 1, 2005.

WILLIAM D. EUILLE  
Mayor

Final Passage: May 2, 2005

C:\Documents and Settings\kyakubow\Local Settings\Temp\notesC9812B\4391.wpd