

ORDINANCE NO. 487

AN ORDINANCE to amend the Code of the City of Alexandria, Virginia, enacted as a whole July 2, 1940, and made effective August 5, 1940, by adding a chapter thereto designated Chapter VII-B, relating to taxation of bank and trust company stock.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALEXANDRIA, VIRGINIA AS FOLLOWS:

Section 1. That the Code of the City of Alexandria, Virginia enacted as a whole July 2, 1940, and made effective August 5, 1940, be and the same hereby is amended by adding a chapter thereto designated as Chapter VII-B to read as follows:

CHAPTER VII-B

Taxation of Bank and Trust Company Stock

Sec. 1. MEANING OF WORD "BANK".

For the purposes of this chapter the meaning of the word "bank" shall be as defined in Section 89, Chapter 8, of the Tax Code of Virginia.

Sec. 2. COPY OF REPORT TO BE FURNISHED.

Each bank, as defined in this chapter, located in the City of Alexandria, shall, as of the first day of January in each year, deliver to the commissioner of revenue of the city a copy of the report which such bank is required to furnish to such commissioner of revenue by Section 90, Chapter 8, of the Tax Code of Virginia. Such copy shall be filed with the commissioner of revenue on the first day of February of each year.

Sec. 3. TAXATION OF BANK STOCK; LIEN, ETC.; ASSESSMENT LISTS.

There is hereby levied against each stockholder of each bank located in the City of Alexandria for each calendar year a tax at the rate of forty cents on each one hundred dollars of value of such stock, the value of which is to be determined as set forth in Section 90, Chapter 8, of the Tax Code of Virginia. No tax is levied or shall be assessed on the shares of any preferred stock issued by any such bank and sold to the Reconstruction Finance Corporation while owned and held by it.

It shall be the duty of the commissioner of revenue, as soon as he receives the copy of the report required by this chapter to be furnished, to assess each such stock-

holder upon the taxable value of the shares of stock owned by him a tax at the rate above levied, and extend the amount thereof on a list to be made by him. The commissioner of revenue shall certify two copies of such assessment list, and transmit one to the bank, one to the city collector of taxes, and he shall retain the original in his office. The assessment list so transmitted to said bank shall be notice to the bank of the tax assessed against its stockholders and each of them and shall have the legal effect and force of a summons upon suggestion formally issued and regularly served. The tax so assessed upon each stockholder in such bank shall be a lien upon the stock standing in his name and upon dividends thereof due and to become due, no matter in whose possession found, subsequent only to the lien of the state for its tax thereon, and shall have priority over all liens by execution, garnishment or attachment process sued out by creditors of the stockholder. The bank shall hold the dividends or other funds belonging to the stockholder and in its custody at the time the assessment list is received or that thereafter shall come under its control and apply the same to the payment of the tax assessed, and when thus applied it shall be acquitted and discharged from all liability to the stockholder for money so disbursed.

No taxes shall be assessed or extended on such shares of stock issued by any bank located in the city as are owned by any other bank in the State of Virginia whether organized under the laws of this State or under the laws of the United States, but the value of such shares of stock so exempt in the hands of the bank owning the same shall nevertheless be included in capital, surplus and undivided profits of the bank owning the stock if located in the City of Alexandria.

Sec. 4. TIME AND MANNER OF PAYMENT OF TAX BY BANKS.

Every bank in the City of Alexandria, on or before the first day of June in each year, shall pay to the city collector of taxes the city taxes assessed against its stockholders. The city collector of taxes shall give to such banks paying such taxes duplicate receipts upon forms to be prescribed by the state department of taxation.

Sec. 5. PROCEEDINGS FOR COLLECTION OF TAXES AGAINST STOCKHOLDERS OF BANKS.

Should any bank located in the City of Alexandria fail to pay the taxes assessed against its stockholders, as provided in this chapter, on or before the first day of June in

each year, then, or as soon thereafter as practicable, it shall be the duty of the city collector of taxes to collect the taxes so assessed, and to this end he shall have all the authority and power vested in treasurers by Chapter 8 of the Tax Code of Virginia. Should the taxes assessed against such stockholders be not paid or collected as hereinbefore provided, the lists aforesaid shall stand and be treated and have the legal effect of tax tickets regularly made out against each of said stockholders named in said lists as to which tax the right of levy and distress has accrued to the City of Alexandria, and the city tax collector shall proceed to collect the same by levy or distress and possess all and singular the authority and power conferred upon him by law to collect other city taxes.

Sec. 6. PENALTY UPON BANKS FOR FAILURE TO COMPLY.

Any bank which shall fail or neglect to comply with any provision of this chapter shall be fined not less than one hundred nor more than three hundred dollars.

Sec. 7. BANKS WHICH HAVE BRANCHES.

In the event the City of Alexandria has imposed and collected the tax authorized by this chapter for any tax year on the stockholders of any bank located in the City of Alexandria which has one or more branches located in another city or town in the State of Virginia, or in other cities or towns in the state, the City of Alexandria shall in that year pay each city or town in which any such branch is located a sum equal to forty cents on each one hundred dollars of such proportion of the taxable value of the shares of stock in such bank whose branch or branches are located in such other city or town as the deposits through such branch or branches in such other city or town bear to the total deposits of the bank as of the beginnings of the tax year.

Sec. 8. EFFECT.

If any section, part or provision of this chapter should be declared invalid for any reason by a court of final jurisdiction, such section, part or provision shall cease to operate, but the remainder of the chapter and every part thereof shall continue in full force and effect.

William T. Wilkins,
Mayor.

Approved December 23, 1946.