

Ordinance No. 829

AN ORDINANCE to amend Chapter 17 as amended, of The Code of the City of Alexandria, Virginia, 1953, by adding a new article thereto numbered VII, which Chapter 17 relates to LICENSES and license taxes and which new Article VII provides for the imposing and levying of a tax on persons purchasing certain utility services, defines certain terms, fixes the amount of the tax, provides for the collection thereof, and prescribes penalties for violations.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Chapter 17 as amended, of The Code of the City of Alexandria, Virginia, 1953, be, and the same hereby is amended by adding thereto a new article numbered VII to read as follows:

ARTICLE VII. TAX ON PERSONS PURCHASING CERTAIN UTILITY SERVICES.

Sec. 17-109. Words, phrases and terms defined.

The following words and phrases, when used in this chapter in relation to utility taxes, shall, for the purposes of this chapter, have the following respective meaning except where the context clearly indicates a different meaning;

(a) Person. The word "person" shall include individuals, firms, partnerships, associations, corporations and combinations of individuals of whatever form and character.

(b) Utility Service. The phrase "utility service" shall include a local exchange telephone service, electricity service, gas service, and water service furnished in the corporate limits of the City of Alexandria.

(c) Purchaser. The word "purchaser" shall include every person who purchases a utility service.

(d) Seller. The word "seller" shall include every person whether a public service corporation or a municipality, or not, who sells or furnishes a utility service.

Sec. 17-110. Tax rate and levy.

Beginning October 1, 1954 and continuing thereafter unless otherwise changed, there is hereby imposed and levied by the City of Alexandria, Virginia upon each and every purchaser of a utility service a tax for general purposes in the amount of ten per centum (10%) of the charge (exclusive of any Federal or State tax thereon) made by the seller against the purchaser with respect to each utility service, which tax in every case shall be collected by the seller from the purchaser and shall be paid by the purchaser unto the seller for the use of the City of Alexandria at the time that the purchase price or such charge shall become due and payable under the agreement between the purchaser and the seller; provided, however, that in case any monthly bill submitted by any seller for service shall exceed Fifty Dollars (\$50.00), there shall be no tax computed on so much of said bill as shall exceed

Fifty Dollars (\$50.00) and that in case any quarterly bill submitted by any seller for service shall exceed One Hundred Fifty Dollars (\$150.00), there shall be no tax computed on so much of said bill as shall exceed One Hundred Fifty Dollars (\$150.00).

Sec. 17-111. Duty of seller.

(a) It shall be the duty of every seller in acting as the tax collection medium or agency for the City of Alexandria to collect from the purchaser for the use of the city the tax hereby imposed and levied at the time of collecting the purchase price charged therefor, and the taxes collected during each calendar month or billing period shall be reported and paid by each seller to the City Collector by the 15th day of the second calendar month thereafter, together with the name and address of any purchaser who has refused to pay his tax.

(b) In all cases where the seller collects the price for utility service in stated periods, the tax hereby imposed and levied shall be computed on the amount of purchase during the month or period according to each bill rendered, provided the amount of tax to be collected shall be the nearest whole cent to the amount computed.

(c) Each and every seller shall keep complete records showing all purchases in the city, which records shall show the price charged against each purchaser with respect to each purchase, the date thereof, and the date of payment thereof, and the amount of tax imposed hereunder and such records shall be kept open for inspection by the duly authorized agents of the city during regular business hours on business days, and the duly authorized agents of the city shall have the right, power and authority to make such transcripts thereof during such times as they may desire.

Sec. 17-112. Power to City Collector to prescribe forms, make regulations, and extend time of payment.

(a) The City Collector is hereby authorized to prescribe forms for the filing of any report or the payment of any funds as set forth in Article VII.

(b) The City Collector is hereby authorized to make and establish rules and regulations, not inconsistent with this article to help carry out the provisions of this article.

(c) The City Collector is hereby authorized to extend, for good cause shown, the time of filing any return required to be filed by the provisions of this article, provided, however, no such extension shall exceed a period of 90 days.

Sec. 17-113. Exemptions.

The United States of America, diplomatic personnel exempted by the laws of the United States, the State of Virginia, and the political subdivisions, boards, commissions and the authorities and agencies thereof, including the City of Alexandria are hereby exempt from the payment of the tax imposed and levied by this subsection with respect to the purchase of utility services used by such governmental agencies. The tax hereby imposed and levied shall not apply to the purchase of

bottled water, or service from the Alexandria, Virginia Sanitation Authority.

The tax hereby imposed and levied shall not apply to purchasers of utility services by and for the exclusive benefit of any local unincorporated religious congregation, church or religious society or branch or division thereof located within the City of Alexandria, provided such utility services are used in and for property being devoted primarily to religious purposes at the time of said purchases; nor shall said tax apply to purchases of utility services to be used in any school or schools conducted within the City of Alexandria by any such local unincorporated religious congregation, church or religious society or branch or division thereof.

Sec. 17-114. Provision applicable to telephone service.

The tax hereby imposed and levied on purchasers with respect to telephone service shall apply to all charges made for local telephone exchange service except as follows:

(a) **Coin box telephones:** the total amount of the guaranteed charge on each bill rendered for semi-public coin box telephone service shall be included in the basis for the tax with respect to the purchaser of such service, but no other tax shall be imposed on telephone service paid for by inserting coins in coin operated telephones;

(b) **Flat rate service:** with respect to flat rate and flat message rate service, the tax shall apply only to the amount payable for local area service and shall not apply to any specific charge for calls to points outside the City of Alexandria or to any general charge or rate differential payable for the privilege of calling points outside the City of Alexandria;

(c) **Message rate service:** where purchasers of telephone service are charged on a message rate basis, the tax shall apply only to the basic charge for such service and shall not apply to any charge for additional message units.

Sec. 17-115. Provisions applicable to gas service.

There is excluded from the tax imposed by this article so much of the charge (exclusive of any Federal or State tax thereon) made by the seller against any purchaser who uses gas service for space heating purposes from a main or central unit as is in excess of Five Dollars (\$5.00) for any month or portion of a month.

Sec. 17-116. Duty of City Collector

The City Collector shall be charged with the power and duty of collecting the taxes imposed and levied under this article.

Sec. 17-117. Penalties.

Any purchaser failing, refusing or neglecting to pay the tax hereby imposed or levied and any seller violating the provisions hereof and any officer, agent or employee of any seller violating the provisions hereof shall be guilty of a misdemeanor and shall be punished by a

fine of not less than Ten Dollars (\$10.00) nor more than Three Hundred Dollars (\$300.00) or by imprisonment in jail for not more than three months, or by both such fine and imprisonment. Each failure, refusal, neglect or violation and each day's continuance thereof shall constitute a separate offense. Such conviction shall not relieve any person from the payment, collection and remittance of said tax as provided in this article.

Sec. 17-118. Effective date of levy.

The tax hereby levied or imposed under this article with respect to the purchase of any utility service shall apply to charges first appearing on bills rendered on and after October 1, 1954 and thereafter, until otherwise changed except that as to electricity and gas service, the tax shall apply to billings based on meter readings on and after October 1, 1954.

Sec. 17-119. Saving clause.

If any section, subsection, sentence, clause, phrase, part or provision of this article shall be declared unconstitutional, void, or invalid for any reason, the validity of the remaining portions of this article shall not be affected thereby but shall continue in full force and effect.

Section 2. That this ordinance shall be published in a newspaper of general circulation in the City not later than five days following its introduction together with a notice containing the time and place for a public hearing. The Clerk of the Council shall note the date of introduction and first reading, the date of publication, the date of the public hearing, and the date of the second reading and final passage in the minutes of the meeting. This ordinance shall become effective the date of its final passage.

MARSHALL J. BEVERLEY
Mayor

Final Passage: September 14, 1954