

## CONSUMERS ELECTRIC UTILITY TAX ORDINANCE

WHEREAS, certain changes have been made by the Virginia General Assembly in the method allowed for calculating the consumer utility taxes as to tax electric power consumption; and

WHEREAS, the Town of Parksley, in order to comply with those changes, must enact a new Consumer Electric Utility Tax Ordinance,

NOW, THEREFORE, notwithstanding any other Ordinance or other enactment heretofore adopted and currently in force in the Town of Parksley be it ordained by the Town of Parksley, as follows:

### I. DEFINITIONS

Consumer means every person, who, individually or through agents, employee, officers, representative or permittees, makes a taxable purchase of electricity in the Town of Parksley.

Kilowatt hours kWh Delivered means 1,000 watts of electricity delivered in a one hour period by and electric to an actual consumer; except that in the case of eligible costumer-generators (sometimes called co generators) as defined in Virginia Code s56-59, it means kWh supplied from the electric grid to such costumer-generator; minus the kWh generated and fed back to the electric grid by such costumer-generators.

Person means any individual, corporation, company or other entity.

Residential consumer, means the owner or tenant of property used primarily for residential purposes, including but not limited to, apartment houses and other multiple family dwelling.

Service provider means a person who delivers electricity to a consumer.

Used primarily relates to the larger portion of the use for which electric utility service is furnished.

### II TAX RATE; LEVY; PROCEDURE AS TO PAYMENT

(a) In accordance with Virginia Code s58.1-3814, effective January 1, 2001, there is hereby imposed and levied a monthly tax on each purchase of electricity delivered to consumers by a service provider, classified as determined by such provider, as follows:

(1) Residential Consumers: Such as tax shall be rate of \$0.00305 on each kWh delivered monthly to residential consumers by a service provider monthly.

(2) Non-residential consumers: Such tax shall on non-residential consumers shall be at the rates per month for the classes of non-residential consumers as a set forth below:

(i) Commercial consumers- Such tax shall be the rate of \$0.00271 on each kWh delivered monthly to commercial consumers.

(ii) Industrial consumers- Such tax shall be at the maximum rate allowed by law on each kWh delivered monthly to industrial consumers.

(3) The conversion of tax pursuant to this Ordinance to monthly kWh delivered shall not be effective before the first meter reading after December 31, 2000 prior to which time the tax previously imposed by the Town of Parksley shall be in effect.

The United States of America, the Commonwealth of Virginia and any political subdivision thereof, including the Town of Parksley.

(b) Exemptions: The following consumers of electricity are exempt from the tax imposed by this Ordinance.

(c) Billing, Collection and remittance of tax: The service provider shall bill the electricity consumer tax to all users who are subject to the tax and to whom it delivers electricity and shall remit the same to the Town of Parksley on a monthly basis. Such taxes shall be paid by the service provider to the Town of Parksley in accordance with Virginia Code s58.1-3814, paragraphs F and G and Virginia Code s58.1-2901. If any consumer receives and pays for electricity but refuses to pay the tax imposed by this Section, the service provider shall notify the Town of Parksley of the name and address of such consumer. If any consumer fails to pay a bill issued by a service provider, including the tax imposed by this Section, the service provider must follow its normal collection procedures and upon collection of the bill or any part thereof must apportion the net amount collected between the charge for electric service and the tax and remit the tax portion to the Town of Parksley.

Any tax paid by the consumer to the service provider shall be deemed to be held in trust by such provider until remitted to the Town of Parksley.

(d) Computation of bills not on monthly basis. Bills shall be considered as monthly bills for the purpose of this Ordinance if submitted 12 times per year of approximately one month each. Accordingly, the tax for a bi-monthly bill (approximately 60 days) shall be determined as follows: (i) the kWh will be divided by 2; (ii) a monthly tax will be calculated using the rates set forth above; (iii) the tax determined by (ii) shall be multiplied by 2; (iv) the tax in (iii) may not exceed twice the monthly “maximum tax”.

### III PENALTIES

Any Consumer of electricity failing refusing or neglecting to pay the tax imposed and levied under this Ordinance, and any officer, agent or employee of any service provider violating the provisions of this Ordinance shall, upon conviction thereof be guilty of a class 2 misdemeanor. Each such failure, refusal, neglect or violation shall constitute a separate offense. Such conviction shall not relieve any person from the payment, collection and remittance of the tax as provided in this Ordinance.

Attest: Denise L. Bernard  
Clerk

Thomas W. Young  
Mayor