

## LILBURN DEAN

Upon motion by J. L. Porter and unanimously approved by the Board of Supervisors to accept the recommendation of the Russell County Planning Commission to grant a junkyard permit to Lilburn Dean.

## COLLEGE BUS REQUEST

Upon motion by Danny Brown, second by Dr. Roy Smith and unanimously approved by the Board of Supervisors to grant permission for the Department of Social Services to use the college bus on July 22, 1981, for a foster care trip.

## MINUTES APPROVED

Upon motion by Danny Brown and unanimously approved by the Board of Supervisors to approve the minutes of June 1, 3, 15, 18 and 26 and July 1, 1981, and waive the reading thereof.

Dr. Roy Smith noted that he voted AYB on all minutes but abstained for those of June 15, 1981, as he was not present for that meeting.

## UTILITY TAX ORDINANCE

The Board of Supervisors discussed the proposed Utility Tax Ordinance.

Chairman, Harold Mitchell, temporarily relinquished chair to make a motion.

Upon motion by Harold Mitchell and duly passed by the Board of Supervisors to adopt a Utility Tax Ordinance for Russell County as follows:

AN ORDINANCE, enacted imposing a tax on persons in Russell County, Virginia, purchasing certain utility services on a maximum of twenty percentum (20%) of the charge made by the seller, to provide certain limitations thereon, to provide revenue for the General Fund of Russell County, Virginia, pursuant to Section 58-587.1 and 58-617.2 of the Code of Virginia, as amended, 1980.

BE IT ORDAINED: By the Board of Supervisors of Russell County, Virginia, that pursuant to Section 58-587.1 and 58-617.2 of the Code of Virginia, as amended, 1980;

SECTION I: DEFINITIONS

For the purpose of this ordinance, the following words and phrases shall have the meanings respectively ascribed to them by this section:

Residential, Commercial, or Industrial:

The residential, commercial, or industrial rate shall apply to each purchaser of electric, gas, and telephone service in accordance with the purchaser's classification as residential, commercial, or industrial, as designated by the seller of the utility service within Russell County. The phrase "commercial" shall include, in addition to the normal word usage, buildings having a single meter for the furnishing of electricity or gas to two or more dwelling units, or having a central telephone switchboard furnishing telephone service to two or more dwelling units.

Person:

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

Purchaser of Utility Service:

The word "purchaser" used in this ordinance shall be deemed to include all consumers of said services as contemplated in Section 58-587.1 and 58-617.2 of the Code of Virginia, as amended.

Seller:

The word "Seller" as used herein shall include any organization, firm, corporation, cooperative, sanitary district, municipality, or any other provider of the utility service covered herein of whatever nature or type of organization, the same may be, and shall specifically include, all suppliers and sellers of utility services contemplated in Sections 58-587.1 and 58-617.2 of the 1950 Code of Virginia, as amended.

Utility Service:

The phrase "utility service" shall include local exchange telephone service, electric, and gas service furnished within Russell County.

Venue for the Purposes of Section 10:

For purposes of this ordinance, the word "venue" shall mean the place where a utility service is performed.

SECTION 2: TAX

There is hereby imposed and levied by Russell County upon each and every purchase of a utility service a tax for general purposes in the following amounts:

(a) On purchasers of electric service or gas delivered in pipe line for residential purposes, the tax shall be in the amount of twenty percentum (20%) of the charge, exclusive of any federal or state tax thereon, made by the seller against the purchaser with respect to such residential electric service; provided, however, that in any case a monthly bill submitted by the seller for electric or gas utility service for residential purposes shall exceed Fifteen Dollars (\$15.00), there shall be no tax computed on so much of such bill as shall exceed Fifteen Dollars (\$15.00), except that there shall be no tax computed on bills submitted for electric service for water heating where a separate meter is used solely for the water heating service or on bills submitted for unmetered electric or gas service.

(b) On purchasers of electric or gas service for commercial purposes, the tax shall be in the amount of ten percentum (10%) of the charge, exclusive of any federal or state tax thereon, made by the seller against the purchaser with respect to such commercial electric service; provided, however, that in any case any monthly bill submitted by the seller for electric or gas service for commercial purposes shall exceed Two Hundred Dollars (\$200.00), there shall be no tax computed on so much of such bill as shall exceed the said Two Hundred Dollars (\$200.00).

(c) On purchasers of electric or gas service for industrial purposes, the tax shall be in the amount of twenty percentum (20%) of the charge, exclusive of any federal or state tax thereon, made by the seller against the purchaser, with respect to such industrial electric or gas service, provided, however, that in any case any monthly bill submitted by the seller for electric or gas service for industrial purposes shall exceed One Thousand Dollars (\$1,000.00); then such tax shall be computed at a rate of 2% on all charges over \$1,000.00.

(d) On purchasers of telephone service for residential or commercial or industrial purposes, the tax shall be in the amount of twenty percentum (20%) of the charge, exclusive of any federal or state tax thereon, made by the seller against the purchaser with respect to such telephone service for residential purposes shall exceed Ten Dollars (\$10.00), there shall be no tax computed on so much of such bill as shall exceed Ten Dollars (\$10.00); and provided further, that in any case any monthly bill for telephone service for commercial or industrial purposes shall exceed Twenty-five Dollars (\$25.00), there shall be no tax computed on so much of such bill as shall exceed Twenty-five Dollars (\$25.00); provided however, no tax shall be imposed on services or equipment furnished by Telephone Companies subject to public utility regulation during any

by or available from person other than Telephone Companies subject to public utility regulation.

In the event that bills shall be rendered for utility services herein stated on a basis other than one month or two months, the tax imposed hereby shall be computed pro rata as if such bill was rendered on a monthly basis with the rates and maximums herein applied.

Each purchaser of the specified utility service shall pay the tax imposed and levied by this ordinance at the time the purchase price is paid to the seller of the utility service. In the event a purchaser makes a partial payment, the tax must be paid at the time the final portion of the purchase price is paid.

SECTION 3: REQUIREMENTS PARTICULARLY APPLICABLE  
TO TELEPHONE SERVICE

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

(a) Coin Box Telephone. 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 to only the amount payable for local area service, and shall not apply to any specific charge for calls to points outside the County, or to any general charge or rate differential payable for the privilege of calling points outside Russell County.

(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.

SECTION 4: COLLECTION OF TAX

The County Treasurer is charged with the power and duty of collecting the taxes imposed and levied under this ordinance from the sellers of the utility services.

SECTION 5: PRESCRIPTION OF FORMS FOR REPORTS, ETC.

The County Treasurer may prescribe forms for filing of any report or the payment of any funds set forth in this ordinance.

SECTION 6: DUTY OF SELLER GENERALLY

(a) It shall be the duty of every seller in acting as the tax collection medium or agency for the County to collect from the purchasers for use of Russell County, the tax imposed and levied by this ordinance at the time of collecting the purchase price charge therefor, and the taxes collected during each calendar month or billing period shall be reported and paid by each seller to the County Treasurer by the last day of the second calendar month thereafter, together with the name and address of any purchaser who has paid his total purchase price, but has failed to pay the tax imposed and levied under this section.

(b) In all cases where the seller collects the price for utility service in stated periods, the tax imposed and levied by this ordinance 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.

SECTION 7: RECORDS TO BE KEPT BY SELLER

Each seller shall keep complete records showing all purchasers in the County, 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 for inspection by the duly authorized agents of the County, during regular business hours on business days; and the duly authorized agents of Russell County shall have the right, power, and authority to make such transcripts thereof during such times as they may desire.

SECTION 8: EXTENSION OF TIME FOR FILING RETURN

The County Treasurer may extend, for good cause shown, the time of filing any return required to be filed by the provisions of this ordinance; provided however, no such extension shall exceed a period of ninety (90) days.

SECTION 9: EXEMPTION FROM ORDINANCE

The United States of America, diplomatic personnel exempted by the laws of the United States, the state and the political subdivisions, boards, commissions, and the authorities and agencies thereof, churches and residences of ministers owned by a religious body, are hereby exempt from the payment of the tax imposed and levied by this ordinance with respect to the purchase of utility services used by such agencies.

SECTION 10: PENALTIES

Any purchaser who fails to pay the tax imposed or levied by this ordinance and any seller violating the provisions of this ordinance and any officer, agent, or employee of any seller violating the provisions of this ordinance 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).

Upon failing to pay the tax when the total purchase price is paid or when the final portion of a purchase price paid in partial payment is made, each day's continuance of failure to pay shall constitute a separate offense.

Such conviction shall not relieve any person from the payment, collection and remittance of such tax as provided in this ordinance.

SECTION 11: SEVERABILITY

Should any article, section, subsection or provision of this consumer utility tax ordinance be declared by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of this consumer utility tax ordinance as a whole, or any part thereof, other than the part so declared to be invalid or unconstitutional.

SECTION 12: EFFECTIVE DATE

This ordinance shall be in full force and effect on the third day of July, 1981, and the utility companies covered under this ordinance are to implement the collection of this tax within 45 days of the effective date.

YEA: Harold B. Mitchell, J. L. Porter and Danny L. Brown

NAY: Dr. Roy R. Smith

SCHOOL OPERATING BUDGET FY 81-82

Upon motion made by Danny Brown and duly passed by the Russell County Board of Supervisors that School Operating Budget for Fiscal Year 1981-82, after having been advertised pursuant to law and public hearing held on the 26th day of June, 1981, be approved in the amount of \$13,334,929 and tax levy set at sixty-five cents (0.65); and that no salary decreases under the 8% increase