

ORDINANCE NO. 2005-053

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF JUN 28 2005

AN ORDINANCE AMENDING SECTION 3.32.170 OF CHAPTER 3.32 OF THE SACRAMENTO CITY CODE PERTAINING TO THE UTILITY USER TAX LOW-INCOME CITIZEN REFUND PROGRAM

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Section 3.32.170 of the Sacramento City Code is hereby amended to read as follows:

3.32.170 Low-Income Citizen Refunds and Credits.

A. Notwithstanding the provisions of Section 3.32.160 of this Chapter, refunds or credits may be made to certain service users as provided in this Section.

B. A refund of the telephone, additional telephone, and cable television user taxes imposed by Sections 3.32.030, 3.32.040, and 3.32.090 of this Chapter may be made upon valid application under the following conditions:

1. The service user is a "head of household;" and
2. The "household income" of the service user, as that term is defined in Section 20504 of the Revenue and Taxation Code, shall not exceed twenty-five thousand dollars (\$25,000) for the calendar year ending in the fiscal year in which application for the refund is made; and
3. The "gross income" of the service user, as that term is defined in Section 17071 of the Revenue and Taxation Code, shall not exceed twenty-five thousand dollars (\$25,000) for the calendar year ending in the fiscal year in which application for the refund is made; and
4. The utility services for which the service user has paid tax were delivered to such service users residence and such residence is located within the city; and
5. The service user has paid the tax imposed by Sections 3.32.030, 3.32.040,, and 3.32.090 of this Chapter (or the tax imposed by (i) Sections 3.32.030 and 3.32.040 of this Chapter or (ii) Section 3.32.090 of this Chapter if only

FOR CITY CLERK USE ONLY

ORDINANCE NO. 2005-053

DATE ADOPTED: JUN 28 2005

telephone or cable television service is provided to the individual's residence) for all or part of the twelve (12) months of the calendar year ending in the fiscal year in which application for the refund is made; and

6. The service user has made no other application for a refund in the same calendar year.

C. The amount of the refund made pursuant to subsection B of this Section shall be the total amount of the eligible tax for the calendar year ending in the fiscal year in which application for refund is made. The eligible tax is the tax paid as follows:

1. The tax imposed by Sections 3.32.030 and 3.32.040 of this Chapter but not to exceed the total annual tax on the "lifeline flat rate service" rate as published by the largest local provider as of June 1st of the calendar year.
2. The tax paid as imposed by Section 3.32.090 of this Chapter but not to exceed the total annual tax on the "economy basic" service rate as published by the largest local provider as of June 1st of the calendar year.

D. The refund provided for in subsections B and C of this section shall be applied for on or before March 15th, in the year following the calendar year for which the tax is imposed on a form prescribed by the city and shall be payable by the city periodically on a timely basis as the validity of the applications made is established, but no later than June 30th of that year.

E. As used in this Section, "head of household" means the person filing or who would file a federal income tax return as a head of household, or a single individual, or the husband or wife if a joint return is filed, but in such case, the individual applying for the refund must additionally declare that his or her spouse has not also applied for a refund for the same period of time.

F. The director of finance may audit applications made pursuant to this Section and may require such proof as necessary to document conditions of eligibility. The director may deny in whole or in part refunds for applications found by the director to be in noncompliance, and the director shall seek repayment of any refund amounts paid by the city in excess of the amount for which the service user is qualified under subsection B or C of this Section.

G. A credit in an amount equal to the electrical user and additional electrical user taxes imposed by Sections 3.32.050 and 3.32.060 of this Chapter may be issued to a low-income service user under the following conditions:

1. The electrical energy was delivered to the service user's residence and such residence is located within the City; and

2. The service user is duly-enrolled in a low-income assistance program provided by the person supplying the electrical energy. For the purposes of this subdivision, a low-income assistance program includes, but is not limited to, the Sacramento Municipal Utility District's Energy Assistance Program; and
 3. The eligibility criteria of the low-income assistance program of the person supplying electrical energy are based, in whole or in part, on the Federal Poverty Guidelines.
- H. A credit in an amount equal to the gas user and additional gas user taxes imposed by Sections 3.32.070 and 3.32.080 of this Chapter may be issued to a low-income service user under the following conditions:
1. The gas was delivered to the service user's residence and such residence is located within the City; and
 2. The service user is duly-enrolled in a low-income assistance program of the person selling the gas. For the purposes of this subdivision, a low-income assistance program includes, but is not limited to, Pacific Gas and Electric Company's California Alternative Rates for Energy Programs; and
 3. The discount and eligibility criteria of the low-income assistance program of the person selling the gas are established by the California Public Utilities Commission.
- I. Notwithstanding Sections 3.32.050(C), 3.32.060, 3.32.070(D), and 3.32.080 of this Chapter, a person who supplies electrical energy or sells gas shall not be required to collect and remit the taxes that are imposed by Sections 3.32.050, 3.32.060, 3.32.070, and 3.32.080 from a service user who qualifies for a credit pursuant to subsection G or H of this Section; provided, however, where a person is not required to collect and remit taxes pursuant to this subsection, the person shall in its monthly remittance to the City include a statement of the total taxes that have been imposed pursuant to Sections 3.32.050, 3.32.060, 3.32.070, and 3.32.080, but that have not been collected as a result of the credit provided for in subsections G and H of this Section.
- J. The city council shall review annually the refund and credit policies and procedures established by this ordinance to determine how to continue the program.

FOR CITY CLERK USE ONLY

ORDINANCE NO. 2005-053
DATE ADOPTED: JUN 28 2005

DATE PASSED FOR PUBLICATION: JUN 21 2005
DATE ENACTED: JUN 23 2005
DATE EFFECTIVE: JUL 29 2005

HEATHER FARGO

MAYOR

ATTEST:

SHIRLEY CONCOLINO
CITY CLERK

FOR CITY CLERK USE ONLY

2005-053

ORDINANCE NO. _____

DATE ADOPTED: JUN 23 2005