



CITY OF SACRAMENTO

27

DEPARTMENT OF FINANCE
DIVISION OF REVENUES AND COLLECTIONS
915 I STREET SACRAMENTO, CA 95814
ROOM 104 TELEPHONE (916) 449-5681

CITY MANAGER'S OFFICE
RECEIVED
MAR 18 1980

March 17, 1980

City Council
Sacramento, California

Honorable Members in Session:

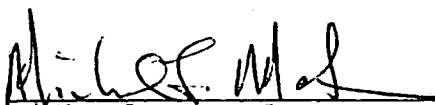
SUBJECT: Utility Users Tax Refund

SUMMARY

The City of Sacramento has received approximately \$154,000 of Utility Users Tax from Pacific Telephone customers based upon fees ordered refunded by the California Public Utilities Commission in Decision No. 91337. Per the attached letter from Pacific Telephone, the City has two methods of refunding the tax collected. We have chosen the option of having Pacific Telephone process the tax refund along with their refund because it is the most efficient method. The revenues of May/June will be reduced by half the amount of the tax refund with the balance being reduced from a subsequent payment.

For City Council information with no action required.

Respectfully Submitted,


Michael L. Medema
Revenues & Collections Officer

FOR CITY COUNCIL INFORMATION:


Walter J. Slupe
City Manager

FILED
By the City Council
Office of the City Clerk

MAR 25 1980

MLM:am
Attachment

March 25, 1980
All Districts



Pacific Telephone

140 New Montgomery Street
San Francisco, California 94105
Phone (415) 421-9000

March 11, 1980

Mr. Michael Medema
Revenues & Collection Officer
City of Sacramento
City Hall
915 "I" Street, Rm. 104
Sacramento, CA 95814

Dear Mr. Medema:

As you know, the California Public Utilities Commission in Decision No. 91337 ordered Pacific Telephone to refund certain telephone rates. The refunds will be made in two steps, the first before July, 1980 and the second a year later.

We feel it is appropriate to also refund the related Utility Users Tax, and Pacific Telephone will be happy to assist you in doing this. We propose to use the procedure outlined below and will await your decision subject to the time limits noted.

Most of Pacific's rate refunds will be by a credit on current telephone bills. We are also willing to include on those bills an additional credit for the utility users tax refund. For business customers who have discontinued service and residence customers who were customers on February 13, 1980 but terminate service before the refunds are made, the refunds will be made by check. We are willing to add the amount of the tax refund due from you to our check so both refunds can be accomplished at one time.

We will make these tax refunds only if calculated and distributed uniformly in accordance with Pacific's plan and then only if you authorize us to recover them from you through a credit against current tax collections.

We can accomplish the computer programming for the credits on the bills and the processing of checks in time to permit them to accompany our required refunds, only if you return the authorization before April 15, 1980. Without such authorization, we must look to you to process the claims. We are willing to assist you by providing a list of our customers and the amount of the tax refund applicable to each under our plan.

To authorize us to proceed as outlined, please sign and return the enclosed extra copy of this letter in the self-addressed envelope provided.

We will be glad to provide you with available information and look forward to your response. If you have any questions, please call me at 415/542-1456.

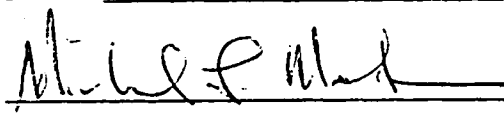
Very truly yours,

J. J. HAGARTY
J. J. HAGARTY
General Representative

Enclosure

You are authorized to proceed with the tax refunds as outlined above and shall be allowed credits of all tax amounts so refunded.

City of Sacramento

By 

Date 3-13-80