

AN ORDINANCE OF THE COUNTY OF MIDDLESEX, VIRGINIA PERTAINING  
TO TELECOMMUNICATION SERVICE CONSUMERS TAX

BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF MIDDLESEX  
COUNTY, VIRGINIA, THAT THE FOLLOWING ORDINANCE IS HEREBY  
ADOPTED:

**ARTICLE 1 Definitions.**

Definitions.

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

COMMERCIAL OR INDUSTRIAL USER -- The owner or tenant of property used  
primarily for commercial or industrial purposes who pays for utility service for such  
property.

DWELLING UNIT -- One or more rooms designed or intended for occupancy by a single  
family.

MOBILE LOCAL TELECOMMUNICATION SERVICE -- Any two-way mobile or  
portable local telecommunication service, including cellular mobile radio  
telecommunication service and specialized mobile radio.

MULTIPLE-FAMILY DWELLING -- A building or a portion thereof containing two or  
more dwelling units, but not including hotels or motels.

PURCHASER -- Every person who purchases a utility service.

RESIDENTIAL USER -- The owner or tenant of property used primarily for residential  
purposes who pays for utility service in or for such property, including but not limited to  
apartment houses, trailer parks and other multiple-family dwellings or accommodations.

SELLER -- Every person who sells or furnishes a utility service and who comes within  
the provisions of Title 58.1, Chapter 26, Article 2 of the Code of Virginia.

UTILITY SERVICE -- Local telecommunication service furnished within the county.

**ARTICLE 2 Utility service tax levied; amount;  
exclusions.**

### *Section A. Generally.*

There is hereby imposed and levied by the county, upon each purchaser of a utility service, other than mobile local telecommunication services, a tax in the amount of 20% per month of the charge, exclusive of any federal tax thereon, made by the seller against the purchaser with respect to each utility service, provided that such tax shall not be applicable to any charge in excess of \$10 per month for residential customers. In the case of any multiple-family dwelling, accommodation or trailer park served by a master meter, the tax is limited to the lesser of 20% of the net bill or 20% of an amount calculated at \$10 times the dwelling units served. For commercial and industrial users, the tax is limited to 20% of a monthly ceiling of \$10 for each utility. Bills shall be considered monthly bills if submitted 12 times per year for periods of approximately one month each.

### *Section B. Tax on Mobile Service*

There is hereby imposed and levied by the county, upon each purchaser of mobile local telecommunication service with a consumer service address located in the county, a tax in the amount of 10% of the monthly gross charge to a consumer of mobile local telecommunication, provided that such tax shall not be applicable to any amount so charged in excess of \$20 per month for each mobile service consumer.

## **ARTICLE 3     Applicability to telephone service.**

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

*Section A.* No tax shall be imposed on telephone service paid for by inserting coins in coin-operated telephones.

*Section B.* 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 county or to any general charge or rate differential payable for the privilege of calling points outside the county.

*Section C.* 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 D.* Local telephone service of a type not taxed by the United States as of September 1, 1966.

## **ARTICLE 4 Exemptions.**

The United States of America, the state and political subdivisions, boards, commissions and authorities thereof, any public safety agency as defined in Virginia Code §58.1-3813, churches, hospitals and all other charitable, nonprofit organizations are hereby exempted from the payment of the tax imposed and levied by this article with respect to the purchase of utility services used by such governmental agencies, churches, hospitals and other charitable, nonprofit organizations.

## **ARTICLE 5 Duty of purchaser to pay.**

The tax imposed by this article shall be paid by the purchaser to the seller, for the use of the county, at the time that the purchase price or charge for the utility service becomes due and payable under the agreement between the purchaser and the seller.

## **ARTICLE 6 Duty of seller to collect, report and remit.**

It shall be the duty of every seller, in acting as the tax collecting medium or agency for the county, to collect from the purchaser, for the use of the county, the tax imposed and levied by this article, at the time of collecting the purchase price charged for the utility service. The tax collected during each calendar month shall be reported by each seller to the Commissioner of the Revenue, and each seller shall remit the amount of tax shown by such report to have been collected to the Commissioner of the Revenue on or before the last day of the first calendar month thereafter, together with the name and address of any purchaser who has refused to pay his/her tax. The required report shall be in the form required by the Commissioner of the Revenue.

## **ARTICLE 7 Seller's records.**

Each seller shall keep complete records showing all purchases of utility service 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 under this article. Such records shall be kept open for inspection by the duly authorized agents of the county at reasonable times, and the duly authorized agents of the county shall have the right, power and authority to make transcripts thereof.

## **ARTICLE 8     Disposition of revenues derived from tax.**

Revenues derived from the tax imposed by this article shall be placed in the general fund of the county to be used to offset expenditures approved by the Board of Supervisors.

## **ARTICLE 9     Violations and penalties.**

Any purchaser failing, refusing or neglecting to pay the tax imposed and levied by this article and any seller violating the provisions of this article, and any officer, agent or employee of any seller violating the provisions hereof, shall be guilty of a Class 4 misdemeanor. Each failure, refusal, neglect or violation and each day's continuance thereof shall constitute a separate offense.

All prior ordinances of the County of Middlesex in conflict with the provisions of this ordinance are hereby repealed.

Adopted by the Board of Supervisors of Middlesex County, Virginia, on the 20th day of September 2005, as follows: This ordinance shall be effective January 1, 2006.

	YES	NO
Fred S. Crittenden	X	
Kenneth W. Williams	X	
John D. Miller, Jr.	X	
Wayne H. Jessie, Sr.	X	