Title 4. Revenue and Finance

Chapter 4.36. UTILITY USERS TAX

§ 4.36.060. Video users tax.

A. There is imposed a tax upon every person using video services in the city from a video service supplier. The tax imposed by this section shall be at the rate of 7% of the charges made for such video services, and shall be collected from the service user by the video service supplier, or its billing agent.

B. As used in this section, the term "charges" shall apply to all services, components and items that are:

1. Necessary for or common to the receipt, use or enjoyment of video service; or

2. Currently are or historically have been included in a single or bundled rate for video service by a local video service supplier to a class of retail customers. The term "charges" shall include, but is not limited to, the following charges:

a. Franchise fees and access fees (PEG), whether designated on the customer's bill or not,

b. Initial installation of equipment necessary for provision and receipt of video services,

c. Late fees, collection fees, bad debt recoveries, and return check fees,

d. Activation fees, reactivation fees, and reconnection fees,

e. All programming services (e.g., basic services, premium services, audio services, video games, pay-per-view services, and electronic program guide services),

f. Equipment leases (e.g., converters, remote devices),

g. Service calls, service protection plans, name changes, changes of services, and special services (e.g., no promotional mail), and

h. The leasing of channel access.

C. As used in this section, the term "charges" shall include the value of any other services, credits, property of every kind or nature, or other consideration provided by the service user in exchange for the video services.

D. The tax administrator, from time to time, may survey the video service suppliers in the city to identify the various components of video service that are being offered to customers within the city, and the charges therefor. The tax administrator, thereafter, may issue and disseminate to such video service suppliers an administrative ruling identifying those components:

1. That are necessary for or common to the receipt, use or enjoyment of video service; or

2. Which currently are or historically have been included in a bundled rate for video service by a local distribution company. Charges for such components shall be subject to the tax of subsection **A** above.

E. The tax imposed by this section shall be collected from the service user by the video service supplier, its billing agent, or a reseller of such services. In the case of video service, the service user shall be deemed to be the purchaser of the bulk video service (e.g., an apartment owner), unless such service is resold to individual users, in which case the service user shall be the ultimate purchaser of the video service. The amount of tax collected in one month shall be remitted to the tax administrator, and must be received by the tax administrator on or before the twenty-fifth (25th) day of the following month.

(Prior code § 5-164.43.2; Ord. 5354 § 7, 2003)