

COMMONWEALTH OF VIRGINIA

ROBERT S. TUCKER
DIRECTOR
TEL: (804) 371-9480
pstmail@scc.virginia.gov

P. O. BOX 1197
RICHMOND, VIRGINIA 23218

FAX (804) 371-9797

STATE CORPORATION COMMISSION PUBLIC SERVICE TAXATION DIVISION Electric Utility Consumption Tax Monthly Report Pursuant to §§ 58.1-2900 through 58.1-2903

Date _____ Month of Billing _____ Company I/D Number _____
(SCC assigned)

(Service Provider) (Contact Person)

(Address) (City, State, Zip Code)

Monthly Billing

Number of Kilowatt Hours Subject to Consumption Tax	* Total KWH Billed	* State Consumption Tax	* Special Regulatory Tax
No. Kilowatt Hours @ 0 - 2,500	_____	_____	_____
No. Kilowatt Hours @ 2,501 - 50,000	_____	_____	_____
No. Kilowatt Hours @ 50,000 +	_____	_____	_____
Total	=====	=====	=====

**Less: Unpaid Taxes to Service Provider
Pursuant to §58.1-2901(A) (_____) (_____)

Plus: Net Collections of Delinquent Taxes _____

Excess Local Consumption Tax Collected
Pursuant to § 58.1-2901(F) _____

Tax Remitted _____

10% Penalty For Late Payment _____

Grand Total Remitted =====

*If the Consumption Tax computed above includes amounts submitted by Municipal Electric Companies, please attach a separate addendum showing each amount by locality and tiers as provided by the Municipals. (Responsibility of accuracy of information rests with the Municipals.)

**Consumption Tax computed above includes kilowatt hours associated with dusk to dawn lighting. Yes _____ No _____

I, _____, _____
(Name) (Title)

of the corporation named above, on oath, do say that this return has been prepared from the original records of the company, that I have read it and that it is true to the best of my knowledge, information, and belief; and hereby acknowledge same, this _____ day of _____, 20____.

Telephone Number: (____) _____

Email Address: _____

Make checks payable to the
TREASURER OF VIRGINIA
and send with this notice to:
**PUBLIC SERVICE TAXATION DIVISION
STATE CORPORATION COMMISSION
P.O. BOX 1197
RICHMOND, VIRGINIA 23218**

**THE ABOVE FORM MUST BE RETURNED WITH YOUR REMITTANCE ON OR BEFORE THE LAST DAY OF THE
SUCCEEDING MONTH OF COLLECTION**

ELECTRIC UTILITY CONSUMPTION TAX
§§ 58.1-2900—2903 of the Code of Virginia

§ 58.1-2900 (Effective January 1, 2001) **Imposition of tax**

A. Effective January 1, 2001, there is hereby imposed, in addition to the local consumer utility tax of Article 4 (§ 58.1-3812 et seq.) of Chapter 38 and subject to the adjustments authorized by subdivision A 5 and by § 58.1-2902, a tax on the consumers of electricity in the Commonwealth based on kilowatt hours delivered by the incumbent distribution utility and used per month as follows:

1. Each consumer of electricity in the Commonwealth shall pay electric utility consumption tax on all electricity consumed per month not in excess of 2,500 kWh at the rate of \$0.00155 per kWh, as follows:

State consumption tax rate	Special regulatory tax rate	Local consumption tax rate
\$0.00102/kWh	\$0.00015/kWh	\$0.00038/kWh

2. Each consumer of electricity in the Commonwealth shall pay electric utility consumption tax on all electricity consumed per month in excess of 2,500 kWh but not in excess of 50,000 kWh at the rate of \$0.00099 per kWh, as follows:

State consumption tax rate	Special regulatory tax rate	Local consumption tax rate
\$0.00065/kWh	\$0.00010/kWh	\$0.00024/kWh

3. Each consumer of electricity in the Commonwealth shall pay electric utility consumption tax on all electricity consumed per month in excess of 50,000 kWh at the rate of \$0.00075 per kWh, as follows:

State consumption tax rate	Special regulatory tax rate	Local consumption tax rate
\$0.00050/kWh	\$0.00007/kWh	\$0.00018/kWh

4. The tax rates set forth in subdivisions 1, 2, and 3 are in lieu of and replace the state gross receipts tax (§ 58.1-2626), the special regulatory revenue tax (§ 58.1-2660), and the local license tax (§ 58.1-3731) levied on corporations furnishing heat, light or power by means of electricity.

5. The tax on consumers under this section shall not be imposed on consumers served by an electric utility owned or operated by a municipality if such municipal electric utility elects to have an amount equivalent to the tax added on the bill such utility (or an association or agency of which it is a member) pays for bundled or unbundled transmission service as a separate item. Such amount, equivalent to the tax, shall be calculated under the tax rate schedule as if the municipal electric utility were selling and collecting the tax from its consumers, adjusted to exclude the amount which represents the local consumption tax if the locality in which a consumer is located does not impose a license fee rate pursuant to § 58.1-3731, and shall be remitted to the Commission pursuant to § 58.1-2901. Municipal electric utilities may bundle the tax in the rates charged to their retail customers. Notwithstanding anything contained herein to the contrary, the election permitted under this subdivision shall not be exercised by any municipal electric utility if the entity to whom the municipal electric utility (or an association or agency of which it is a member) pays for transmission service is not subject to the taxing jurisdiction of the Commonwealth, unless such entity agrees to remit to the Commonwealth all amounts equivalent to the tax pursuant to § 58.1-2901.

6. The tax on consumers set forth in subdivisions 1, 2, and 3 shall only be imposed in accordance with this subdivision on consumers of electricity purchased from a utility consumer services cooperative to the extent that such cooperative purchases, for the purpose of resale within the Commonwealth, electricity from a federal entity that made payments in accordance with federal law (i) in lieu of taxes during such taxable period to the Commonwealth and (ii) on the basis of such federal entity's gross proceeds resulting from the sale of such electricity. Such tax shall instead be calculated by deducting from each of the respective tax amounts calculated in accordance with subdivisions 1, 2, and 3 an amount equal to the calculated tax amount multiplied by the ratio of the total cost of power supplied by the federal entity, including facilities rental, during the taxable period to the utility consumer services cooperative's total operating revenue within the Commonwealth during the taxable period. The State Corporation Commission may audit the records and books of any utility consumer services cooperative that determines the tax on consumers in accordance with this subdivision to verify that the tax imposed has been correctly determined and properly remitted.

B. The tax authorized by this chapter shall not apply to municipalities' own use or to use by divisions or agencies of federal, state and local governments.

C. For purposes of this section, "kilowatt hours delivered" shall mean in the case of eligible customer-generators, as defined in § 56-594, those kilowatt hours supplied from the electric grid to such customer-generators, minus the kilowatt hours generated and fed back to the electric grid by such customer-generators.

§ 58.1-2901 (Effective January 1, 2001) **Collection and remittance of tax**

A. The service provider shall collect the tax from the consumer by adding it as a separate charge to the consumer's monthly statement. Until the consumer pays the tax to such service provider, the tax shall constitute a debt of the consumer to the Commonwealth, localities, and the State Corporation Commission. If any consumer receives and pays for electricity but refuses to pay the tax on the bill that is imposed by § 58.1-2900, the service provider shall notify the State Corporation Commission of the name and address of such consumer. If any consumer fails to pay a bill issued by a service provider including the tax that is imposed by § 58.1-2900, the service provider shall follow its normal collection procedures with respect to the charge for electric service and the tax, and upon collection of the bill or any part thereof shall (i) apportion the net amount collected between the charge for electric service and the tax and (ii) remit the tax portion to the State Corporation Commission and the appropriate locality. After the consumer pays the tax to the service provider, the taxes collected shall be deemed to be held in trust by such provider until remitted to the State Corporation Commission and the appropriate locality.

When determining the amount of tax to collect from consumers of an electric utility that is a cooperative which purchases, for the purpose of resale within the Commonwealth, electricity from a federal entity that made payments during such taxable period to the Commonwealth in lieu of taxes in accordance with a federal law requiring such payments to be calculated on the basis of such federal entity's gross proceeds from the sale of electricity, the service provider shall deduct from each of the respective tax amounts calculated in accordance with § 58.1-2900 an amount equal to the calculated tax amounts multiplied by the ratio that the total cost of the power, including facilities rental, supplied by said federal entity to said cooperative for resale within the Commonwealth bears to said cooperative's total operating revenue within the Commonwealth for the taxable period. The State Corporation Commission may audit the records and books of said cooperative to verify that the tax imposed by this chapter has been correctly determined and properly remitted.

B. A service provider shall remit monthly to the Commission the amount of tax paid during the preceding month by the service provider's consumers, except for (i) amounts added on the bills to utilities owned and operated by municipalities which are collected by the entity providing transmission directly to such utilities (or an association or agency of which the municipality is a member), which they shall remit directly to the Commission and (ii) the portion which represents the local consumption tax, which portion shall be remitted to the locality in which the electricity was consumed and shall be based on such locality's license fee rate which it imposed. Amounts of the tax that are added on the bills to utilities owned and operated by municipalities, which are collected by the entity providing transmission directly to such utilities (or an association or agency of which the municipality is a member), shall be remitted monthly by such entity to the Commission, except that the portion which represents the local consumption tax shall be remitted to the locality in which the electricity was consumed and shall be based on such locality's license fee rate which it imposed.

C. The electric utility consumption tax shall be remitted monthly, on or before the last day of the succeeding month of collection. Those portions of the electric utility consumption tax that relate to the state consumption tax and the special regulatory tax shall be remitted to the Commission; the portion that relates to the local consumption tax shall be remitted to the localities. Failure to remit timely will result in a ten percent penalty.

D. Taxes on electricity sales in the year ending December 31, 2000, relating to the local consumption tax, shall be paid in accordance with § 58.1-3731. Monthly payments in accordance with subsection C shall commence on February 28, 2001.

E. For purposes of this section, "service provider" means the person who delivers electricity to the consumer.

F. The portion of the electric utility consumption tax relating to the local consumption tax replaces and precludes localities from imposing a license tax in accordance with § 58.1-3731 and the business, professional, occupation and license tax in accordance with Chapter 37 (§ 58.1-3700 et seq.) on electric suppliers subsequent to December 31, 2000, except as provided in subsection D. If the license fee rate imposed by a locality is less than the equivalent of the local consumption tax rate component of the consumption tax paid under subsection A of § 58.1-2900, the excess collected by the Commission shall constitute additional state consumption tax revenue and shall be remitted by the Commission to the state treasury.

G. The Department of Taxation may audit the books and records of any electric utility owned and operated by a municipality (or an association or agency of which the municipality is a member) to verify that the tax imposed by this chapter has been correctly determined and properly remitted to the Commission.

§ 58.1-2902 (Effective January 1, 2001) **Electric utility consumption tax relating to the special regulatory tax; when not assessed or assessed only in part**

A. The Commission may in the performance of its function and duty in levying the electric utility consumption tax relating to the special regulatory tax, omit the levy on any portion of the tax fixed in § 58.1-2900 as is unnecessary within the Commission's sole discretion for the accomplishment of the objects for which the tax is imposed, including a reasonable margin in the nature of a reserve fund.

B. The Commission shall notify all service providers collecting the tax on consumers of electricity of any change in the electric utility consumption tax relating to the special regulatory tax not later than the first day of the second month preceding the month in which the revised rate is to take effect.

§ 58.1-2903 (Effective January 1, 2001) **Use of electric utility consumption tax relating to special regulatory tax**

The electric utility consumption tax relating to the special regulatory tax paid into the treasury under this chapter shall be deposited into a special fund used only by the Commission for the purpose of making appraisals, assessments and collections against electric suppliers as defined in §§58.1-400.2 and 58.1-2600 and public service corporations furnishing heat, light and power by means of electricity and for the further purposes of the Commission in investigating and inspecting the properties or the service or services of such electric suppliers and public service corporations, and for the supervision and administration of all laws relative to such electric suppliers and public service corporations, whenever the same shall be deemed necessary by the Commission.