

AN ACT

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Columbia
Official Code*

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend section 47-2501 of the District of Columbia Official Code to tax natural gas based on the number of therms delivered to consumers, to tax home heating oil based on the number of gallons delivered to consumers, and to clarify the definition of a residential ratepayer definition for utility tax amendments in the Ballpark Omnibus Financing and Revenue Act of 2004; and to amend Title 47 of the District of Columbia Official Code to make technical amendments to utility tax rates of the utility taxes to be deposited in the Ballpark Revenue Fund and to correct the basic tax rate for electricity users.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Natural Gas and Home Heating Oil Taxation Relief and Ratepayer Clarification Act of 2006".

TITLE I. NATURAL GAS AND HOME HEATING OIL TAXATION RELIEF AND RATEPAYER CLARIFICATION.

Sec. 101. Section 47-2501 of the District of Columbia Official Code is amended as follows:

Amend
§ 47-2501

(a) Subsection (a) is amended as follows:

(1) The lead-in text is amended to read as follows:

“(a) Before the 21st day of each calendar month, each telephone company that sells public utility services or commodities within the District, and each nonpublic utility who sells artificial gas that is delivered, by any method of delivery, to an end-user in the District shall.”

(2) Paragraph (1) is amended by striking the phrase “the delivery of heating oil to an end-user in the District or sale of natural or artificial gas” and inserting the phrase “or the sale of artificial gas” in its place.

(3) New paragraphs (5) and (6) are added to read as follows:

“(5) After December 1, 2005, pay to the Mayor:

“(A) 11% of these gross receipts from the sales included in bills rendered after December 1, 2005, for nonresidential customers and 10% of these gross receipts from sales included in bills rendered after December 1, 2005, for residential customers for a telephone

company;

“(B) 11% of these gross receipts from deliveries made after December 1, 2005, for nonresidential customers and 10% of these gross receipts from deliveries made after December 1, 2005, for residential customers for a person who delivers heating oil to an end-user in the District; or

“(C) 11% of those gross receipts from the sales of artificial gas delivered by any method after December 1, 2005, for nonresidential customers and 10% of those gross receipts from sales of artificial gas delivered by any method after December 1, 2005, for residential customers by a nonpublic utility to an end-user in the District.

“(6) After September 30, 2006, pay to the Mayor:

“(A)(i) 11% of these gross receipts from the sales included in bills rendered after September 30, 2006, for nonresidential customers and 10% of these gross receipts from sales included in bills rendered after September 30, 2006, for residential customers for a telephone company;

“(ii) For the purposes of sub-subparagraph (i) of this subparagraph, in determining whether a particular customer is a residential or nonresidential customer, a telephone company may rely upon existing customer classifications, such as “individual,” “consumer,” “enterprise,” “business,” “corporate,” or “government.”

“(B) 11% of those gross receipts from the sales of artificial gas delivered by any method after September 30, 2006, for nonresidential customers and 10% of those gross receipts from sales of artificial gas delivered by any method after September 30, 2006, for residential customers by a nonpublic utility to an end-user in the District.”

(b) Subsection (a-2) is amended by striking the phrase “pursuant to subsection (a)(3) and (4) of this section” and inserting the phrase “pursuant to subsection (a)(3), (4), (5), and (6) of this section” in its place.

(c) New subsections (a-3) and (a-4) are added to read as follows:

“(a-3) For sales included in bills rendered after December 1, 2005, before the 21st day of each month beginning January 2006, each gas company that provides distribution services to District customers shall:

“(1) File an affidavit with the Mayor indicating the number of therms of natural gas delivered for final consumption in the District for the preceding billing period; and

“(2)(A)(i) Pay to the Mayor a tax of \$0.0703, beginning December 2, 2005 and ending September 28, 2006, for each therm of natural gas delivered to end-users in the District for the billing period;

“(ii) Pay to the Mayor a tax of \$0.0707, beginning September 29, 2006, for each therm of natural gas delivered to end-users in the District for the preceding billing period; and

“(B)(i) Pay to the Mayor an additional tax of \$0.00983, beginning December 2, 2005 and ending September 28, 2006, for each therm of natural gas delivered to

nonresidential end-users in the District for the billing period;

“(ii) Pay to the Mayor an additional tax of \$0.00707, beginning September 29, 2006, for each therm of natural gas delivered to nonresidential end-users in the District for the preceding billing period.

“(iii) Revenues received by the District pursuant to this subparagraph shall be deposited in the Ballpark Revenue Fund established by § 10-1601.02. Payments under this subparagraph shall be in addition to any other payments under this section.

“(iv) For the purposes of this subparagraph, for meter readings on or after June 28, 2006, residential end-use customers with group-metered accounts shall be residential customers. Group-metered accounts shall include service to any multiple dwelling building or property with 4 or more dwelling units.

“(3) Each gas company that provides distribution services to District customers shall be allowed to recover the tax imposed under paragraph (1) of this section in its rates as a surcharge on customers’ bills.

“(4) The tax imposed under paragraph (1) of this subsection shall be reflected as a separate line item on each bill for distribution services sent by each gas company that provides distribution services to District.

“(a-4)(1) For sales included in bills rendered after September 30, 2006, before the 21st day of each month beginning November 1, 2006, each person who delivers heating oil to an end-user in the District shall:

“(A) File an affidavit with the Mayor indicating the number of gallons of home heating oil delivered for final consumption in the District for the preceding billing period; and

“(B)(i) Pay to the Mayor a tax of \$0.17, beginning October 1, 2006, for each gallon of home heating oil delivered to end-users in the District for the preceding billing period; and

“(ii)(I) Pay to the Mayor an additional tax of \$0.017, beginning October 1, 2006, for each gallon of home heating oil delivered to nonresidential end-users in the District for the preceding billing period.

“(II) Revenues received by the District pursuant to this subparagraph shall be deposited in the Ballpark Revenue Fund established by § 10-1601.02. Payments under this subparagraph shall be in addition to any other payments under this section.

“(III) For the purposes of this sub-subparagraph, beginning July 1, 2006, in determining whether a particular customer is a residential or nonresidential customer, all deliveries to a personal place of dwelling shall be considered residential, including end-users living in cooperative housing associations, condominiums, and apartment communities.

“(2) Any gross receipts from sales made on or after October 1, 2006, that are not included in bills rendered after September 30, 2006, and taxed under subsection (a-4) of this section shall be taxed at the appropriate rates provided in subsection (a)(5) of this section and

reported in the affidavit due on October 21, 2006.

“(3) Each person who delivers heating oil to an end-user in the District shall be allowed to recover the tax imposed under paragraph (1) of this section in its rates as a surcharge on customers’ bills.

“(4) The tax imposed under paragraph (1) of this subsection shall be reflected as a separate line item on each bill for heating oil delivered to an end-user in the District sent by each person who delivers heating oil to end-users in the District.”.

Sec. 102. Section 47-3902(b) of the District of Columbia Official Code is amended by adding a new paragraph (3) to read as follows:

Amend
§ 47-3902

“(3) For the purposes of subparagraph (1) of this paragraph, in determining whether a particular customer is a residential or nonresidential customer, a wireless telecommunications company may rely upon existing customer classifications, such as "individual," "consumer," "enterprise," "business," "corporate," or "government.”.

TITLE II. UTILITY TAX TECHNICAL AMENDMENTS.

Sec. 201. Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-368.03(d)(2) is repealed.

(b) Section 47-2501 is amended as follows:

Amend
§ 47-368.03
Amend
§ 47-2501

(1) Subsection (a-1) is repealed.

(2) Subsection (a-2) is amended by striking the phrase “One-eleventh of the total tax collected” and inserting the phrase “One-eleventh of the total tax collected from nonresidential customers” in its place.

(3) Subsection (d-1)(1)(B) is amended as follows:

(A) Sub-subparagraph (i) is amended by striking the phrase “a tax of \$0.0077” and inserting the phrase “a tax of \$0.007” in its place.

(B) Sub-subparagraph (ii)(I) is amended to read as follows:

“(ii)(I) Pay to the Mayor a tax of \$0.0007 for each kilowatt-hour of electricity delivered to nonresidential end-users in the District of Columbia for the preceding calendar month.”.

(4) Subsection (e) is amended by striking the word “necessary” and inserting the phrase “necessary or appropriate” in its place.

(c) Section 47-3902(d) is amended by striking the phrase “One-eleventh of the total tax collected” and inserting the phrase “One-eleventh of the total tax collected from nonresidential customers” in its place.

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§ 47-3902

Sec. 202. Applicability.

(a) Section 201(a) and (b)(1) through (3) shall apply as of January 1, 2005.

(a) Section 201(c) shall apply as of April 8, 2005.

Note,
§ 47-368.03
§ 47-2501
§ 47-3902

TITLE III. FISCAL IMPACT STATEMENT; EFFECTIVE DATE.

Sec. 301. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 302. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

Chairman
Council of the District of Columbia

Mayor
District of Columbia