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ORDINANCE NO. 610 -O

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AN ORDINANCE IMPOSING A PRIVILEGE TAX UPON ELECTRIC UTILITIES

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The City Council of the City of Troutdale finds as follows:

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1. On March 8, 1994, the City Council adopted Ordinance No. 605, an ordinance granting a non-exclusive electric utility franchise to Portland General Electric Company. The franchise was accepted by Portland General Electric Company, through execution of an "Acceptance of Franchise" on March 30, 1994, and delivery of the acceptance to the City on April 4, 1994.
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2. Under Section 9C of Ordinance No. 605, the City retained the right to impose a privilege tax on electric utilities operating within the city limits, which privilege tax did not exceed 1.5% of gross revenues as defined in that ordinance.
 3. The City has the authority to impose a privilege tax under the Troutdale Charter as well as state statute.

Based on the above findings,

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF TROUTDALE THAT:

Section 1. Privilege Tax Imposed. A privilege tax is imposed on the gross revenues of any electric public utility providing electricity to customers or users within the Troutdale city limits in the amount of one and one-half percent (1-1/2%) of those revenues. As used herein, "electric public utility" means a "public utility" as defined by ORS 757.005(1) that provides electricity directly or indirectly to or for the public. Any privilege tax shall be in addition to any franchise fee imposed by a franchise ordinance.

Section 2. Definition of "Gross Revenue." As used in this ordinance, "gross revenue" means revenues received by an electric public utility from the sale of electric energy within the City. "Gross revenues" includes revenues from the use, rental or lease of operating facilities of an electric public utility other than residential-type space and water heating equipment. Gross revenues do not include proceeds from the sale of bonds, mortgage or other evidence of indebtedness, securities or stock, or sales at wholesale prices by one public utility to another when the utility purchasing the service is not the ultimate consumer, and revenue from joint pole use.

1 **Section 3. Payment Dates.** The tax owed for calendar year 1996 shall be paid on or before April
2 1, 1997. For each year thereafter the tax shall be paid on or before April 1 based on the
3 revenues received the previous calendar year. Prior to April 1, 1997 payments shall be made on
4 or before the following dates based on revenues received during the periods shown:

<u>Payment Date</u>	<u>Revenue Period</u>
5 April 1, 1995	October 1, 1994 through February 28, 1995
7 October 1, 1995	March 1, 1995 through July 31, 1995
8 April 1, 1996	August 1, 1995 through December 31, 1995

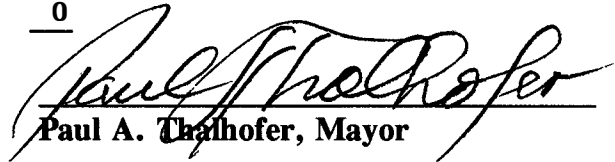
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10 **Section 4. Interest on Late Payments.** In the event the privilege tax is not paid on or before the
11 due date, interest shall be owed on the tax in the amount of 8% from the date due to the date
12 on which payment is received by the City, compounded daily.

13 **Section 5. Use of Proceeds.** The proceeds derived from the privilege tax imposed by this
14 ordinance shall be used for the undergrounding of utilities along or in public rights-of-way.

15 **Section 6. Effective Date.** This ordinance takes effect October 1, 1994.


16 **PASSED BY THE COMMON COUNCIL OF THE CITY OF TROUTDALE**
17 **THIS 9TH DAY OF AUGUST, 1994.**

18 YEAS: 5
19 NAYS: 1 (BURGER-KIMBER)
20 ABSTAINED: 0

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22 Paul A. Chalhofer, Mayor

23 Dated: August 10, 1994

24 **ATTEST:**

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26 George Martinez
27 Deputy City Recorder

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