



CITY OF SACRAMENTO

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OCT 9 1980

October 9, 1980

JACK R. CRIST
DIRECTOR OF FINANCE

FRANK MUGARTEGUI
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DEPARTMENT OF FINANCE

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SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5738

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: UTILITY USER'S TAX REBATE PROGRAM

SUMMARY

This report provides the Council with an overview of the City's experiences under the subject program and requests adoption of the attached Ordinances which 1) increases the maximum amount of the rebate from \$30.00 to \$36.00 per year and 2) simplifies the procedures for receiving the rebate.

BACKGROUND

The attached Ordinance Amendments having the current Senior Citizens' and 100% Disabled Persons' Utility User's Tax Refund Ordinances incorporating the Staff's recommended policy changes the Council approved with the adoption of the FY 1980-81 City Budget. The policy change is as follows —

For Calendar Year 1980, the minimum Utility User's Tax Refund will be \$30.00 per household without support (no receipts), with a maximum of \$36.00 providing it can be supported.

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1979 Program Overview

Exhibit I provides the Council with statistical information and history for the City's Utility User's Tax Rebate Program from its inception. A few items of interest pertaining to the 1979 program are as follows —

- Overall program participation increased 89%
- Senior Citizen participation increased by 1915 households or 90% receiving refunds
- This was the 1st year 100% Disabled were granted the subject refunds, 460 refunds were issued

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CONT. TO
10-21-80

Refund checks were mailed approximately 45-60 days ahead of prior years' mailings (4,084 mailed 6/20/80, balance of 412 mailed in September following review of denial appeals, etc.).

1980 Program

Two (2) major goals for the Calendar Year 1980 rebate are to 1) have a more aggressive program of publicizing the Utility User's Tax Refund, and 2) have all refund checks mailed on or before June 30, 1981.

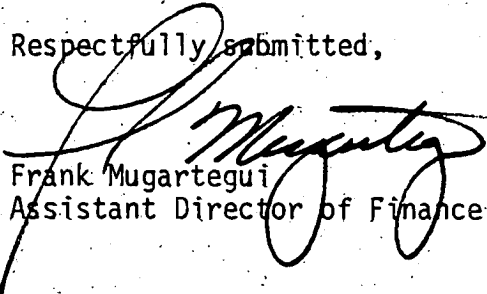
FINANCIAL

Funding in the amount of \$218,000 has been appropriated for the 1980 Utility User's Tax Rebate in the FY 1980-81 Budget.

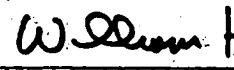
RECOMMENDATIONS

It is recommended that the attached two (2) Ordinances be enacted incorporating the City Council's earlier approved policy changes for the Calendar Year 1980 Utility User's Tax Rebate Program for the Senior Citizens and the 100% Disabled Persons residing in the City of Sacramento.

Respectfully submitted,


Frank Mugartegui
Assistant Director of Finance

RECOMMENDATION APPROVED:


Walter J. Slife
City Manager

October 14, 1980
All Districts

FA:80441:FM/ml
Attachments

cc: E. Goldman
L. Tretheway

CITY OF SACRAMENTO

Utility User's Tax Rebate Program
Statistical Information and Program History

| | Program Year | | | | | | |
|---|--|---|--|------|------|------|------|
| | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 |
| <u>Program Qualifications</u> | | | | | | | |
| Senior Citizen: Income of less than | \$ 6,500 | \$ 6,500 | \$ 9,600 | | | | |
| 100% Disabled (No Income restriction) | - | - | 1st year Included in Program | | | | |
| Amount of Rebate for Utility User's Tax Paid | 50% or \$6.00 whichever is less | 50% or \$12.00 whichever is less | 100% or \$30.00 whichever is less | | | | |
| Period Covered | 6 months | 12 months | 12 months | | | | |
| <u>Program Experience</u> | | | | | | | |
| Declaration Forms Mailed | 100,000 | 91,600 | 92,500 | | | | |
| Declaration Forms Received | 3,040 | 2,507 | 4,729 | | | | |
| Denials Made | 791 | 386 | 233 | | | | |
| Refunds Granted — | | | | | | | |
| Senior Citizens | 2,249 | 2,121 | 4,036 | | | | |
| 100% Disabled | -- | -- | 460 | | | | |
| Amount of Refund — | | | | | | | |
| Senior Citizens | \$13,302 | \$24,917 | \$101,776 | | | | |
| 100% Disabled | -- | -- | 12,907 | | | | |
| Average Refund | \$5.91 | \$11.75 | \$25.51 | | | | |
| TOTAL PROGRAM COST | \$18,642 | \$27,478 | \$120,419 | | | | |

SUMMARY OF CHANGES

Section 41.63 Disabled person's refund
Section 40.62 Senior Citizens' Refund

~~(3)--The declaration and certificate referred to in paragraph (a)(3) must be filed with the city on or before April 15 of each year on a form prescribed by the City of Sacramento.~~

(d) The application for refund hereunder must be filed with the City on or before April 15 of each year on a form prescribed by the City and shall be payable in June of each year for the preceding calendar year.

(b) The amount of refund referred to in subsection (a) shall be thirty dollars (\$30.00) for the calendar year 1980. For the year 1981 and following, the refund shall be as established by resolution of the City Council provided that if no amount of refund is so established, the amount shall then be that of the previous year.

~~(b)--The amount of the refund referred to in subsection (a) shall be 100% of the amount of the tax paid during the preceding calendar year or \$30.00, whichever is less.--The refund shall be payable during June of each year for the preceding calendar year.~~

(c)the amount of refund referred to in subsection (a) shall be 100% of the amount of tax paid during the preceding calendar year or \$36.00, whichever is less if the application referred to in subsection (a) is accompanied by a declaration signed under penalty of perjury that such individual is totally and permanently disabled as defined herein, and together with such declaration, a certification from a qualified physician stating that the individual is totally and permanently disabled as defined herein is submitted. Such declaration shall be accompanied by proof of payment of tax in a form acceptable to the Director of Finance.

ORDINANCE NO.

4434

FOURTH SERIES

OCT 21 1980

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AN ORDINANCE AMENDING SECTION 41.63 TO THE
SACRAMENTO CITY CODE RELATING TO AN EXEMPTION
FROM THE UTILITY USER'S TAX FOR PERSONS WHO
ARE TOTALLY AND PERMANENTLY DISABLED

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

SECTION 1.

Section 41.63 of the Sacramento City Code is hereby amended to
read as follows:

Sec. 41.63 Disabled person's refund.

(a) Notwithstanding the provisions of Sec. 41.61, a refund may
be made to certain service users under the following conditions:

(1) The individual making application for a refund must
be totally and permanently disabled. As used herein, "totally
and permanently disabled" means that an individual is unable to
engage in any substantial gainful activity by reason of a medi-
cally determinable physical or mental impairment which can be
expected to last for a continuous period of twelve (12) months
or more, or can be expected to result in death.

(b) The amount of refund referred to in subsection (a) shall be
thirty dollars (\$30.00) for the calendar year 1980. For the year
1981 and following, the refund shall be as established by resolution
of the City Council provided that if no amount of refund is so
established, the amount shall then be that of the previous year.

(c) Notwithstanding the provisions of subsection (b) to the contrary,
the amount of refund referred to in subsection (a) shall be
one hundred per cent (100%) of the amount of tax paid during the
preceding calendar year or thirty six dollars (\$36.00), which-
ever is less if the application referred to in subsection (a) is
accompanied by a declaration signed under penalty of perjury that
such individual is totally and permanently disabled as defined
herein, and together with such declaration, a certification from
a qualified physician stating that the individual is totally and
permanently disabled as defined herein is submitted. Such
declaration shall be accompanied by proof of payment of tax in
a form acceptable to the Director of Finance.

(d) The application for refund hereunder must be filed with the
City on or before April 15 of each year on a form prescribed by
the City and shall be payable in June of each year for the pre-
ceding calendar year.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK

ORDINANCE NO.

4435

FOURTH SERIES

APPROVED
BY THE CITY COUNCIL

AN ORDINANCE AMENDING SECTION 41.62 OF THE SACRAMENTO CITY CODE RELATING TO ELIGIBILITY FOR AND AMOUNT OF THE SENIOR CITIZENS' UTILITY USER'S TAX REFUND

OCT 21 1980

OFFICE OF THE
CITY CLERK

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

Section 41.62 of the Sacramento City Code is hereby amended to read as follows:

Sec. 41.62 Senior Citizens' Refund

(a) Notwithstanding the provisions of Sec. 41.61, a refund may be made to certain service users under the following conditions:

(1) The individual making application for the refund is over sixty-five (65) years of age, that such individual is a "head of household," that such individual has paid the tax imposed by Sections 41.52, 41.53 and 41.54 (or the tax imposed by one or two of those sections if only one or two of the services is provided to the individual's residence) for the twelve (12) months of the preceding calendar year including the amount so paid, that the combined annual gross income of the household of which such individual is head is less than nine thousand six hundred dollars (\$9,600) for the preceding calendar year, that the utility services for which such individual has paid tax were delivered to such individual's residence, and that such individual has made no other application for a refund for the same calendar year.

(b) The amount of the refund referred to in subsection (a) shall be thirty dollars (\$30.00) for the calendar year of 1980. For the year 1981 and following, the refund shall be as established by resolution of the City Council, provided that if no amount of refund is so established, the amount shall then be that of the previous year.

(c) Notwithstanding the provisions of subsection (b) to the contrary, the amount of refund referred to in subsection (a) shall be one hundred percent (100%) of the amount of tax paid during the preceding calendar year or thirty-six dollars (\$36.00), whichever is less, for the calendar year 1980 if the application referred to in subsection (a) is accompanied by a declaration under penalty of perjury as to the facts qualifying an individual for a refund as set forth in subsection (a)(1), together with proof of payment of tax in a form acceptable to the Director of Finance. For the years 1981 and following, the maximum dollar amount of refund provided for by this subsection shall be as established by resolution of the City Council, provided that if no amount is

so established, the amount shall then be that of the previous year.

(d) The refund provided for in subsection (b) or (c) shall be applied for on a form prescribed by the City on or before April 15 and shall be payable in June of each year for the preceding calendar year.

(e) As used herein, "head of household" shall mean the person filing or who would file a federal income tax return as a head of household, or a single individual, or the husband or wife if a joint return is filed, but in such case, the individual applying for the refund must additionally declare that his or her spouse has not also applied for a refund for the same period of time.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK