

**CITY OF EMERYVILLE  
COMMUNICATION USERS' TAX ADMINISTRATIVE RULINGS AND  
INTERPRETATION (2.0)**

**Authority.** Pursuant to Section 3-3.516 (b) of the City of Emeryville Utility Tax Ordinance (Ord. #07-14), the Tax Administrator hereby adopts the following administrative rulings and administrative interpretation:

**A. Administrative Ruling (Prepaid Telecommunication Service).** To facilitate the accurate application, collection and remittance of the City's "communication users' tax", this Ruling is adopted with the intent of providing the following general guidance to the tax-collecting utilities and their agents:

*The communications tax shall apply to prepaid telecommunication service to the extent that it is practicable for the service supplier to collect the correct tax imposed under this Article from the end user. "Impracticality" does not arise when direct sales are made by the service provider (or by a reseller) to the end users, whether such sales take place over the internet or through retail stores owned or franchised by the service provider (or by a reseller). In such cases, the communications users tax should be collected and remitted to the City.*

**B. Administrative Ruling (Private Communication Services).** Pursuant to Section 3-3.505 (b), the sourcing of charges for the use of private communication services shall be as follows:

- 1. Service for a separate charge related to a customer channel termination point is sourced to each level of jurisdiction in which such customer channel termination point is located.*
- 2. Service where all customer termination points are located entirely within one jurisdiction or levels of jurisdiction is sourced in such jurisdiction in which the customer channel termination points are located.*
- 3. Service for segments of a channel between two customer channel termination points located in different jurisdictions and which segment of channel are separately charged is sourced fifty percent in each level of jurisdiction in which the customer channel termination points are located.*
- 4. Service for segments of a channel located in more than one jurisdiction or levels of jurisdiction and which segments are not separately billed is sourced in each jurisdiction based on the percentage determined by dividing the number of customer channel termination points in such jurisdiction by the total number of customer channel termination points.*

**C. Administrative Ruling [Best Practices Policy 1.0 Version (9)].** Best Practices Policy 1.0 Version (9), as previously adopted by administrative ruling, is inapplicable to Ch. 3.20 (Ord. #07-14).

**D. Administrative Interpretations.** To facilitate the accurate application, collection and remittance of the City's "communication users' tax", this Ruling is adopted with the intent of providing the following general guidance to the tax-collecting utilities and their agents:

*1. The following terms referenced in the ordinance shall have the following meanings:*

*a. "Paging service" means a "telecommunications service" that provides transmission of coded radio signals for the purpose of activating specific pagers; such transmissions may include messages and/or sounds.*

*b. VoIP (voice over internet protocol) means the digital process of making and receiving real-time voice transmissions over any Internet Protocol network.*

*c. "800 service" means a "telecommunications service" that allows a caller to dial a toll-free number without incurring a charge for the call. The service is typically marketed under the name "800", "855", "866", "877", and "888" toll-free calling, and any subsequent numbers designated by the Federal Communications Commission.*

*d. The reference to "911 service" in the definition of "telecommunication services" does not refer to the California 911 surcharge, but rather refers to "900 service", which means an inbound toll "telecommunications service" purchased by a subscriber that allows the subscriber's customers to call in to the subscriber's prerecorded announcement or live service. "900 service" does not include the charge for: collection services provided by the seller of the "telecommunications services" to the subscriber, or service or product sold by the subscriber to the subscriber's customer. The service is typically marketed under the name "900" service, and any subsequent numbers designated by the Federal Communications Commission.*

**Limitation.** The above rulings and interpretations are intended to give general guidance and should not be viewed as providing a definite answer to all factual situations, as the exact application of the tax will depend on the nature of the service, the manner in which it is billed (e.g., bundled or unbundled), and other factors that could bear on whether the communication users' tax is applied or not applied.

**Effective and Expiration Dates.** This Ruling shall automatically expire on January 1, 2015, so that the conditions then existing may be reviewed, and the Administrative

Ruling may be thereafter revised, as appropriate, and then re-adopted. Nothing herein, however, shall preclude the Tax Administrator from revising or rescinding this Administrative Ruling, and the interpretations herein, at any time.

Chief Financial Officer and UUT Tax Administrator  
City of Emeryville

Kara R.

Date: February 14, 2011

