



Legislation Details (With Text)

File #: 14-5220 **Name:**
Type: Ordinance **Status:** Agenda Ready
File created: 4/18/2016 **In control:** City Council Special Meeting
On agenda: 5/5/2016 **Final action:**
Title: Introduction and First Reading. Consideration. Passage on First Reading of an Ordinance to Amend and Reordain Section 3-2-102 (Levy and Rate) of Article I (Tax on Sale of Cigarettes) of Chapter 2 (Taxation) of Title 3 (Finance, Taxation and Procurement) of the Code of the City of Alexandria, Virginia, 1981, as Amended.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 14-5220_ordinance cover cigarette tax.pdf, 2. 14-5220_ordinance cigarette tax.pdf

Date	Ver.	Action By	Action	Result
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City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 29, 2016
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Introduction and First Reading. Consideration. Passage on First Reading of an Ordinance to Amend and Reordain Section 3-2-102 (Levy and Rate) of Article I (Tax on Sale of Cigarettes) of Chapter 2 (Taxation) of Title 3 (Finance, Taxation and Procurement) of the Code of the City of Alexandria, Virginia, 1981, as Amended.

ISSUE: Consideration of an ordinance to increase the City’s cigarette tax from \$1.15 to \$1.26 per pack.

RECOMMENDATION: That City Council pass the proposed ordinance on first reading on May 5, and schedule for public hearing, second reading and final passage on May 14. The new fee will be effective July 1, 2016.

DISCUSSION: As part of the City’s FY 2017 Add/Delete process, City Council proposed increasing the City’s cigarette tax rate from \$1.15 per pack to \$1.26 per pack to generate additional revenue to support City health-

related initiatives. The increase will become effective July 1, 2016.

FISCAL IMPACT: The 11 cent increase per pack is estimated to produce an additional \$160,555 in revenues for health-related initiatives in FY 2017.

ATTACHMENTS:

Attachment I: Cigarette Tax Ordinance Cover

Attachment II: Cigarette Tax Ordinance

STAFF:

Laura B. Triggs, Deputy City Manager

Morgan Routt, Director, Office of Management and Budget

Kendel Taylor, Director, Finance Department