



City of Alexandria

City Council Chambers at
Del Pepper Community
Resource Center
4850 Mark Center Drive
Alexandria, VA 22311

Legislation Text

File #: 14-2727, Version: 1

City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 7, 2014

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER /s/

DOCKET TITLE:

Public Hearing, Second Reading and Final Passage 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. [ROLL-CALL VOTE]

ISSUE: Consideration 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.

RECOMMENDATION: That City Council pass the proposed ordinance (Attachment I) following the public hearing and second reading on Saturday, May 17, 2014.

DISCUSSION: As part of the City's FY 2015 budget development process, City Council increased the cigarette tax rate from \$1.00 to \$1.15 per pack to generate additional revenue to support City services. The increase will become effective July 1, 2014.

FISCAL IMPACT: The additional \$0.15 increase per pack is estimated to produce an additional \$210,000 in revenues for FY 2015.

ATTACHMENTS:

Attachment I: Cigarette Tax Ordinance Cover

Attachment II: Cigarette Tax Ordinance

STAFF:

Laura B. Triggs, Chief Financial Officer/Director of Finance

Nelsie L. Smith, Director, Office of Management and Budget
Christina Zechman-Brown, Assistant City Attorney