



## Legislation Text

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**File #:** 2269-2021, **Version:** 1

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**BACKGROUND:** The Department of Finance and Management requests establishing an Agency Sub-Fund entitled “Petroleum Activity Tax”, which is authorized to hold/reserve funds for later remittance to the State of Ohio related to Petroleum Activity Tax.

The Petroleum Activity Tax (PAT) is a tax on the supplier of motor fuel and measured by the supplier’s gross receipts from the first sale, transfer, exchange, or other disposition of motor fuel in Ohio to a point outside of the distribution system. It has been determined by the State of Ohio that the City’s sale of Compressed Natural Gas to entities external to the City fall under this definition and are therefore subject to this tax.

**FISCAL IMPACT:** There are no specific expenditures identified in this ordinance. However this ordinance does authorize the establishment of an agency sub-fund and the payment of Petroleum Activity Taxes as determined by the State of Ohio.

**EMERGENCY DESIGNATION:** Emergency designation is requested so that this Agency Sub-Fund can be established quickly and remittance of PAT payments can commence without delay.

To authorize the City Auditor to create an Agency Sub-Fund entitled Petroleum Activity Tax for the purpose of holding and reserving proceeds for later remittance to the State of Ohio in connection with the State’s Petroleum Activity Tax; to authorize the expenditure of said funds received for such purposes; and to declare an emergency (\$0.00).

**WHEREAS,** the Department of Finance and Management seeks to establish a an Agency Sub-Fund entitled “Petroleum Activity Tax”, which is authorized to hold/reserve funds for later remittance to the State of Ohio related to Petroleum Activity Tax; and

**WHEREAS,** the purpose of this Agency Sub-Fund is to hold/reserve funds for later remittance to the State of Ohio related to Petroleum Activity Tax; and

**WHEREAS,** a portion of each sale of compressed natural gas to entities external to the City shall be withheld and deposited into the Agency Sub-Fund for later remittance to the State of Ohio ; and

**WHEREAS,** an emergency exists in the usual daily operation of the Finance and Management Department to authorize the establishment of an Agency Sub-Fund for the purpose of reserving funds for later remittance to the State of Ohio in connection with the Petroleum Activity Tax, thereby preserving the public health, peace, property, safety, and welfare;  
**NOW, THEREFORE**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS**

**SECTION 1.** That Agency Sub-Fund “Petroleum Activity Tax” shall be established, Sub-Fund 330505, to hold/reserve funds for later remittance to the State of Ohio related to Petroleum Activity Tax.

**SECTION 2.** That a portion of each sale of compressed natural gas to entities external the City shall be withheld and deposited into the Agency Sub-Fund for later remittance to the State of Ohio.

**SECTION 3.** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.