

**CITY COLLECTOR OF THE CITY OF CHARLESTON
CITY SERVICE FEE ADMINISTRATIVE REGULATIONS**

§ 1 Purpose and Effect.

These administrative regulations and the forms referenced herein are promulgated by the City Collector of the City of Charleston pursuant to § 2-739, 2-742 and 2-744 of Article VIII, Chapter 2 of the Code of the City of Charleston, all relating to administration of and compliance with the city service fee (the “Fee”). Unless the context otherwise requires, capitalized terms in these regulations shall have the same meaning as ascribed to those terms in Article VIII, Chapter 2 of the Code of the City of Charleston (the “Code”).

§ 2 Guidelines for Orderly Collection and Payment of Fee.

(a) *Effective Date.* The Fee accrues each calendar week during which an individual Employee or Self-Employed Individual is Employed in Charleston. A calendar week begins each Sunday and runs through the next succeeding Saturday. The Fee is effective for all calendar weeks and no proration is allowed. The entire Fee is due if an individual is an Employee or Self-Employed Individual to whom the Fee applies for any part of a calendar week.

(b) *Employer Withholding and Remittance.* For each individual who is an Employee to whom the Fee applies, that individual’s Employer shall withhold from that Employee’s paycheck the entire amount of the Fee. For an Employer that follows a payroll cycle other than on a weekly or bi-weekly basis, the Employer may elect to withhold and an Employee may pay a computed Fee based upon the Employer’s payroll cycle.

(c) *Prior Payment Form.* Notwithstanding anything herein to the contrary, an Employer who receives in good faith and retains a properly completed Prior Payment Form (Form CSF-1) from an Employee shall be relieved from withholding the Fee with respect to that Employee for periods ending on and after the Employer’s receipt of the properly completed Prior Payment Form. By completing the form, the Employee agrees to notify the Employer of any change in employment that would render the Prior Payment Form inapplicable. The Form is not effective upon issuance of notice by the City Collector of disallowance of the Form.

(d) *Self-Employed Individual; Withholding and Remittance.* Every Self-Employed Individual who is not Employed by an Employer and who has not had the Fee deducted or withheld by an Employer, shall file a City Service Fee Return, and pay to the City Collector all such Fees that are due and owing. If a Self-Employed Individual operates as a sole proprietor or single member LLC, the Self-Employed Individual may request authorization from the City Collector to annually report the Fee. Upon receipt of the request, the City Collector shall approve or deny the request within thirty (30) days of receipt. If approved, the Self-Employed Individual must remit the Fee on a calendar year basis with a due date of January 31 following the end of

the year. Penalty and interest will be applied against any return that is postmarked after January 31.

(e) *Self-Employed Remittance with Employer Form.* If a Self-Employed Individual to whom the Fee applies is a member or partner of an entity that is an Employer subject to the withholding requirements of Section 2(b) of these regulations and that Self-Employed Person is entitled to or otherwise regularly receives a periodic distribution or draw from the Employer, the Self-Employed Individual shall remit the Fee to the Employer as though the Self-Employed Individual were an Employee and the Employer shall collect and remit the Fee from each such Self-Employed Individual along with all amounts withheld from Employees in accordance with these regulations.

(f) *Failure to Withhold or Remit.* An Employer required to withhold the Fee that fails to withhold the Fee with respect to any period with respect to any Employee shall be personally liable for the Fee and all interest and penalties accrued thereon. An Employer that withholds the Fee with respect to any period with respect to any Employee that fails to remit the Fee to the City Collector when due shall be personally liable for the Fee and all interest and penalties accrued thereon. An Employer that receives the Fee from a Self-Employed Individual in accordance with Section 2(e) and that fails to remit the Fee to the City Collector when due shall be personally liable for the Fee and all interest and penalties accrued thereon.

(g) *Self-Employed Individuals; Remittance With Separate Form.* If a Self-Employed Individual to whom the Fee applies for any reason fails to remit the Fee to an Employer in accordance with Section 2(e) of these regulations, then the Self-Employed Individual shall directly remit the Fee to the City Collector on or before the due date.

§ 3 Return to Accompany Remittance.

Each remittance to the City Collector shall be accompanied by a City Service Fee Return with respect to the applicable reporting period. A City Service Fee Return shall be fully completed and legible and shall be signed by the Employer or Self-Employed Individual, as the case may be, where indicated. Failure to file a complete, legible and signed City Service Fee Return with a remittance may render a remittance materially incomplete and the remittance may be deemed not to be made for purposes of § 2-741 of the Code (dealing with delinquent accounts) until the appropriate City Service Fee Return is filed.

§ 4 Reporting Period; Due Dates.

Each calendar quarter ending March 31, June 30, September 30, and December 31 shall constitute a separate reporting period. All Fees withheld and received by an Employer shall be remitted to the City Collector before the expiration of one month from the end of the reporting period in which it accrues. For all Self-Employed Individuals, the Fee shall be remitted in

accordance with the reporting periods identified in this Section or if approved by the City Collector, within one month following the end of the calendar year.

§ 5 Records.

Every Employer required to remit a Fee for a reporting period shall maintain the applicable records used to calculate and report the Fees for three years after the City Service Fee Return is filed with respect to a particular reporting period. The records maintained should include, but not be limited to, Prior Payment Forms, City Service Fee Returns, and Employee Information. Upon request, the Employer shall promptly provide copies of these records to the City Collector or make the records available for reasonable inspection at an accessible location within the City.

§ 6 Refund Claims.

All refund claims shall be on the Refund Claim Form (Form CSF-3). The claim must be filed within 3 years after the fee is paid over to the City Collector by the Employer. However, if the Employer remits the fee prior to the due date, then the claim must be filed no later 3 years after the due date of the remittance. The time period for filing refund claims is strictly enforced and cannot be waived.

§ 7 Privacy Act Statement.

Disclosure of a Social Security Number (SSN) to the City of Charleston is voluntary. If you do not wish to disclose your SSN, you may provide an alternative identification number. The City of Charleston solicits this information pursuant to West Virginia Code § 8-13-13 and the Charleston City Code. The City of Charleston will not disclose your SSN or any other personal information you provide to any other entity or party. The City of Charleston requests this information to facilitate the verification of withholding and payment of service fees.

§ 8 Confidentiality; Retention and Disclosure of Information.

All remittance forms filed by Employers and Self-Employed Individuals concerning the Fee and all information, worksheets and forms reviewed or requested by the City are considered to be confidential records. The City retains the right to destroy extraneous information submitted in connection with the Fee that is neither requested nor used for Fee administration purposes. The City reserves the right to disclose or publish information consisting of names and delinquent amounts (or estimates thereof) concerning the Fee after notice of delinquency is sent to the last known address of the delinquent Employer or Self-Employed Individual.

If the Code and these administrative regulations do not answer your questions about the application of the Fee, please submit your questions in writing to the City Collector at the following address: email citycollector@cityofcharleston.org or U.S. mail: City Collector 915 Quarrier Street Charleston, WV 25301.

FORMS

| <i>Number</i> | <i>Title</i> |
|---------------|-------------------------|
| CSF-1 | Prior Payment Form |
| CSF-2 | City Service Fee Return |
| CSF-3 | Refund Claim Form |