

AN ORDINANCE TO AMEND ORDINANCE NO. THIRTY-EIGHT (38) (BUSINESS AND OCCUPATION TAX) AS AMENDED BY ORDINANCE NO. SIXTY-TWO (62) AND ALL OTHER ORDINANCES AMENDING SAID ORDINANCE, INCLUDING ORDINANCE NO. TWO HUNDRED THREE (203) THE PURPOSE OF THIS ORDINANCE BEING TO REVISE THE TAX RATES PROVIDED UNDER SAID ORDINANCES AS AMENDED, FOR COAL PRODUCTION, LIMESTONE OR SANDSTONE QUARRIED OR MINED AND MANUFACTURED PRODUCTS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MANNINGTON:

That Ordinance No. Thirty-eight (38) (Business and Occupation Tax) as amended by Ordinance No. Sixty-two (62), and as amended by other ordinances including Ordinance No. Two Hundred Three (203), (being Business and Occupation Tax, Article One of Chapter Thirty-four of the Municipal Code of the City of Mannington) be amended as follows: That Sections Three and Four of said Article One of Chapter Thirty-four of the Municipal Code of the City of Mannington be amended and re-enacted to read as follows:

Sec. 34-1-3. Severance, extraction and production of coal and other natural resource products.

Upon every person exercising the privilege of engaging or continuing within this city in the business of severing, extracting, reducing to possession and producing for sale, profit or commercial use any natural resource products, the amount of such tax to be equal to the value of the articles produced as shown by the gross proceeds derived from the sale thereof by the producer, except as otherwise provided, multiplied by the respective rates as follows: Coal, one percent; limestone or sandstone quarried or mined, one and five-tenths percent; oil, two and two-tenths percent, natural gas, in excess of the value of five thousand dollars, four and three-tenths percent; blast furnace slag, two and two-tenths percent; sand, gravel or other mineral products not quarried or mined, two and two-tenths percent; timber, one and one-tenth percent; other natural resource products, one and four-tenths percent. The measure of this tax is the value of the entire production in this city, regardless of the place of sale or the fact that the delivery may be made to points outside the city: Provided, however, that for the purposes of the production of oil classification, and the production of natural gas classification, as set forth in this section, multiple co-owners of oil or natural gas, in place, lessees thereof or others being vested with title and ownership to part or all of the oil and gas, as personal property, immediately after severance, extraction, reduction to possession and production, except royalty recipients, in kind, shall be deemed to be a "group or combination acting as a unit" and one "person," as defined in section one of this article, if not otherwise defined therein, whenever engaged in the business of producing oil or natural gas through common use, by joint or separately executed contracts, of the same independent contractor driller or operator's services; and notwithstanding provisions of private contracts for separate deposit of gross receipts in separate members' accounts or for members of such group or combination to take in kind any proportionate part of such natural resources.

Lessees, sublessees or other denominated lessees are considered to be producers of all of the oil or natural gas produced, regardless of any payment, in kind, to lessors, sublessors or other denominated lessors of a part of such natural resources as rents

or royalties. Recipients of royalties or rents, in kind, in cash or otherwise are taxable on their gross income pursuant to the provisions of section ten of this article.

Sec. 34-1-4. Manufacturing, compounding or preparing products; processing of food excepted.

Upon every person engaging or continuing within this city in the business of manufacturing, compounding or preparing for sale, profit, or commercial use, either directly or through the activity of others in whole or part, any article or articles, substance or substances, commodity or commodities, or electric power produced by public utilities or others and not taxed under other provisions of this article, or newspaper publishing (including all gross income or proceeds of sale from circulation and advertising), the amount of the tax to be equal to the value of the article, substance, commodity or electric power or newspaper, manufactured, compounded or prepared for sale, as shown by the gross proceeds derived from the sale thereof by the manufacturer or person compounding or preparing the same except as otherwise provided, multiplied by a rate of three-tenths of one percent. The measure of this tax is to the value of the entire product manufactured, compounded or prepared in this city for sale, profit or commercial use, regardless of the place of sale or the fact that deliveries may be made to points outside the city. However, the dressing and processing of food by a person, firm or corporation, which food is to be sold on a wholesale basis by such person, firm or corporation, shall not be considered as manufacturing or compounding, but the sale of these products on a wholesale basis shall be subject to the same tax as is imposed on the business of selling at wholesale as provided in section five of this article.

It is further provided, however, that in those instances in which the same person partially manufactures, compounds or prepares products within this city and partially manufactures, compounds or prepares such products outside of this city the measure of his tax under this section shall be that proportion of the sale price of the product that the payroll cost of manufacturing within this city bears to the entire payroll cost of manufacturing the product; or at the option of the taxpayer, the measure of his tax under this section shall be the proportion of the sales value of the articles that the cost of operations in the City of Mannington bears to the full cost of manufacture of the articles.

The rates provided for in this ordinance, shall be retroactive back to the 1st day of July, 1976.

Passed by the City Council the 19<sup>th</sup> day of July, 1976.

James H. Powell  
Mayor

ATTEST:

Dezell R. Clark  
City Clerk