

**RULES AND REGULATIONS PUBLIC
PASSENGER VEHICLE TAX**

ADOPTED UNDER THE AUTHORITY OF ARTICLE 28, SECTION 24
of the Baltimore City Code

January 9, 2014

RULES AND REGULATIONS PUBLIC PASSENGER VEHICLE TAX

1.0. Background

The City's Public Passenger Vehicle Tax is found in Section 24 of Article 28 of the Baltimore City Code. It was originally enacted *as* a tax on privately owned buses over fixed routes. In 2013, it *was* repealed and re-enacted *as* a tax on taxi cabs and limousines operating in the City of Baltimore.

These rules and Regulations are established to provide detail for implementation of the City Code and clarify its operationalization. If conflicts arise between the Rules and Regulations, and the City Code, the City Code is the authoritative source.

2.0. Tax is Imposed

An excise tax is levied and imposed on every person who operates a passenger-for-hire service within, from, or to Baltimore City. A person is defined *as* an individual, a partnership, firm, association, Limited Liability Company, corporation, or other entity of any kind, a receiver, a trustee, a guardian, and personal representative, fiduciary or other representative of any kind.

In most cases this will mean the tax is levied on the taxi cab permit holder or the carrier service permit holder, in the case of limousines.

The tax is not imposed on a governmental entity, an instrumentality or unit of a government entity.

3.0. Tax Amount

The amount of the tax imposed is 25 cents for each passenger being transported, for a fee, on any 1 trip between points within Baltimore City; from a point within Baltimore City to a point outside of Baltimore City; or from a point outside Baltimore City to a point within Baltimore City.

4.0 Exemptions

The following entities/operators are exempt from the Public Passenger Vehicle Tax:

1. Transportation services operated by or under contract with:
 - a. A unit of the federal, State, or local government or an exempt nonprofit entity
 - b. An ambulance

- c. A funeral limousine, coach, service wagon or similar vehicle

Specifically exempt are:

(1) TRANSPORTATION SERVICES OPERATED BY OR UNDER CONTRACT WITH:
(I) A UNIT OF FEDERAL, STATE, OR LOCAL GOVERNMENT; OR
(II) A NONPROFIT ENTITY THAT IS EXEMPT FROM TAXATION UNDER § 501 (C) (3) OR
§ 501 (C) (4) OF THE INTERNAL REVENUE CODE;
(2) AN AMBULANCE THAT IS CLASSIFIED AS A CLASS C (FUNERAL AND AMBULANCE)
VEHICLE UNDER STATE TRANSPORTATION ARTICLE § 13-91.4, IS OWNED OR
OPERATED BY A LICENSED AMBULANCE SERVICE OR BY A VOLUNTEER FIRE COMPANY
OR RESCUE SQUAD, AND IS BEING USED TO TRANSPORT AN INDIVIDUAL WHO IS SICK,
INJURED, WOUNDED, OR OTHERWISE INCAPACITATED; OR
(2) A FUNERAL LIMOUSINE, COACH, SERVICE WAGON, OR SIMILAR VEHICLE THAT IS
CLASSIFIED AS A CLASS C (FUNERAL AND AMBULANCE) VEHICLE UNDER STATE
TRANSPORTATION ARTICLE § 13-91.4, IS OWNED OR OPERATED BY A LICENSED
FUNERAL ESTABLISHMENT, FUNERAL DIRECTOR, OR MORTICIAN, AND IS BEING USED
TO
TRANSPORT INDIVIDUALS TO, FROM, OR DURING A FUNERAL SERVICE. Article 28,
Baltimore City Code

5.0. Reporting & Payment

The operator of the passenger for hire service or an agent of the operator must remit the tax to the Finance Director on a monthly basis. A report of service transactions must accompany the report in a form specified by the Finance Director. This form is available online from the Finance Department.

Failure to Report

If an operator fails to make a report, remit the tax or keep records as required, the Finance Director may attempt to obtain other available information on which to base an estimate of the tax due. Based on this information, the Finance Director may determine the amount of tax due and assess the tax including any interest and penalties that would have accrued. The Finance Director will notify the operator of the amount of tax due via mail sent to the operator's last known address. The tax is due within 10 days from the date of the notice.

Taxpayer Records

The taxpayer must keep and maintain complete and accurate records of all passenger-for-hire service for a period of 3 years. The data includes a daily log of each trip including:

1. Pickup point
2. Drop-off point
3. Total fare

The taxpayer must make these records available, at all times during business hours, for inspection and audit by the Director of Finance or other authorized agent of the City. In lieu of a separate log for the City, the taxpayer may maintain logs as mandated by the Maryland Public Service Commission as long as the above information is included.

Where to File Report & Payment

Checks should be made out to: **Baltimore City Finance Director**

And mailed to:

Baltimore City Revenue Collection
200 N. Holliday Street
Baltimore, MD 21202

Reporting & Payment Deadline

The report and payment must be filed before the 25th day of the month of the month following the month in which the service was provided in order to avoid interest and penalties. For example, the July monthly report and payment must be filed and payment made by August 24th.

Who Must Report

The operator/owner of the passenger for-hire vehicle must report and payment to the City. The owner/operator may assign the reporting and payment of the tax to a third party, such as an association. The association may then report and remit the payment on behalf of each individual owner/operator. In all circumstances, however, the owner/operator will be liable for reporting and payment.

AN OPERATING GROUP OR ASSOCIATION, AS DESCRIBED IN COMAR 20.90.02.08 ("OPERATING ASSOCIATIONS"}, MAY REMIT THE TAXES, SUBMIT THE REPORTS, AND MAINTAIN THE RECORDS OTHERWISE REQUIRED BY THIS SUBTITLE FOR AND ON BEHALF OF TAXICAB SERVICE OPERATORS ASSOCIATED WITH THAT OPERATING GROUP OR ASSOCIATION. Article 28 Baltimore City Code

For example: Mr. Smith owns a vehicle that performs for-hire passenger services. Mr. Smith is responsible for ensuring the tax is paid on a monthly basis. Mr. Smith is a member of an official association which provides a tax reporting service. The Association may report and make payment for all Association sponsored vehicles that opt-in to the service. The Association may then report and make payment on behalf of the owner/operator. If, under any circumstance, the Association fails to pay, the owner/operator remains liable for the tax.

Cessation of Business Deadline

If an operator sells its business or otherwise ceases to do business any tax payable becomes immediately due and payable. Both the report and full tax payment must be made within 3 days of sale or cessation of business to avoid penalties and interest.

6.0 Penalties

If the report and payment are not remitted when due, the operator must pay the Finance Director in addition to the tax:

1. Interest at the rate of 1% for each month or fraction of a month that the payment is late.
2. A penalty of 10% of the amount of tax due must also be paid.

Failure to report and make payments, pay interest or penalties will result in a lien on the property of the person liable for payment.

The City Finance Department also reserves the right to report any non-payment of taxes, penalties, or interest to the State of Maryland for the purposes of preventing vehicle registration or other remedies available from the State, including the a request to the Maryland Public Service Commission for cancellation of the appropriate permit(s).

Additionally, any person found in violation of any provision of this subtitle or of a rule or regulation under this subtitle, is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000, imprisonment of not more than 12 months or both.

7.0 Reporting Form



CITY OF BALTIMORE

DEPARTMENT OF FINANCE
BUREAU OF REVENUE COLLECTIONS
MISCELLANEOUS TAX/LICENSE UNIT
200 HOLLIDAY STREET
BALTIMORE, MARYLAND 21202-3683

THIS RETURN MUST BE FILED BY THE
25TH DAY OF THE MONTH FOLLOWING
THE MONTH IN WHICH THE SERVICE
WAS PROVIDED. YOU MUST FILE A
RETURN EVEN IF NO TAX IS DUE.

MAKE CHECK OR MONEY
ORDER PAYABLE TO
"DIRECTOR OF FINANCE"

PUBLIC PASSENGER VEHICLE TAX

RETURN
FOR MONTH OF

ABC TAXI INC/XYZ CAB ASSOCIATION LLC CITY TAX ID: X-XXX-XXX
AARON A AARDVARK
111 ANY STREET
ANYWHERE MD 22222

January

2013

YEAR

VEHICLE PERMIT NUMBER	NUMBER OF TRIPS	NUMBER OF PASSENGERS	TAX RATE	TAX
			\$.25	\$0.00
			\$.25	

TOTAL TAX DUE

\$0.00

I DECLARE UNDER PENALTY OF PERJURY THAT THIS RETURN (INCLUDING
ANY ACCOMPANYING STATEMENTS) HAS BEEN PREPARED FROM COMPANY
RECORDS AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IS A TRUE,
CORRECT AND COMPLETE RETURN.

INTEREST

\$0.00

(1% PER MONTH OR FRACTION THEREOF

\$0.00

SIGNED

DATE

PENALTY

(10% OF THE TAX)

TITLE

TOTAL AMOUNT DUE

\$0.00

(TAX, INTEREST, AND PENALTY)

PUBLIC PASSENGER VEHICLE TAX

RETURN
FOR MONTH OF

January

2013

YEAR

ABC TAXI INC/XYZ CAB ASSOCIATION LLC
AARON A AARDVARK
111 ANY STREET
ANYWHERE MD 22222

(1% PER MONTH OR FRACTION THEREOF

PENALTY

\$0.00

(10% OF THE TAX)

TOTAL DUE

\$0.00

These rules and regulations are effective this day or January 9, 2014 and have been filed with the City of Baltimore Department of Legislative Reference.

Issued and Approved:

Hs Beach
Director of Finance

1/9/14
Date

Vicki T. Vane
Law Department

January 9, 2014
Date

[Signature]
Legislative Reference

1/9/14
Date