

and an undertaking filed with her, in such amount and with such securities as a Justice of the Supreme Court shall approve, to the effect that if such proceeding is dismissed or the tax confirmed, the applicant will pay all costs and charges which may accrue in the prosecution of such proceeding; or, at the option of the applicant, such undertaking may be in a sum sufficient to cover the tax, interest, penalties, cost and charges aforesaid, in which event the applicant shall not be required to pay such tax, interest and penalties as a condition precedent to the granting of such order. Except in the case of a willfully false or fraudulent return with intent to evade the tax, no assessment of additional tax shall be made after the expiration of more than three (3) years from the date of the filing of a return; provided, however, that where no return has been filed as required by this Local Law the tax may be assessed at any time.

Section 8.0 - Mailing of Notice

Any notice authorized or required under the provisions of this Local Law may be given by mailing the same to the Person for whom it is intended, in a postpaid envelope, addressed to such Person at the address given by her in the last return filed by her under this Local Law or, if no return has been filed, then to such address as may be obtainable. The mailing of such notice shall be presumptive evidence of the receipt of the same by the Person to whom addressed. Any period of time which is determined according to the provisions of this Local Law by the giving of notice shall commence to run from the date of mailing of such notice.

Section 9.0 - Penalty for Failure to File Return or Pay Tax

Any Person failing to file a return or a corrected return or to pay any tax or any portion thereof within the time required by this Local Law shall be subject to a penalty of five per centum (5%) of the amount of tax due, plus one per centum (1%) of such tax for each month of delay or fraction thereof, except the first month, after such return was required to be filed or such tax became due; but the Treasurer, for cause shown, may extend the time for filing any return and if satisfied that the delay was excusable, may remit all or any portion of the penalty fixed by the foregoing provisions of this section.

Section 10.0 - Refunds

If, within one (1) year from the payment of any tax or penalty, the payer thereof shall make application for a refund thereof and the Treasurer or the court shall determine that such tax or penalty or any portion thereof was erroneously or illegally collected, the Treasurer of such Village shall refund the amount so determined. For like cause and within the same period, a refund may be so made on the initiative of the Treasurer. However, no refund shall be made of a tax or penalty paid pursuant to a determination of the Treasurer as hereinbefore provided unless the Treasurer, after a hearing as hereinbefore provided or of her own motion, shall have reduced the tax or penalty or it shall have been established in a proceeding under Article 78 of the Civil Practice Law and Rules of the State of New York that such determination was erroneous or illegal. All refunds shall be made out of moneys collected under this Local Law. An application for a refund made as hereinbefore provided shall be deemed an application for the revision of any tax or penalty complained of, and the Treasurer may receive additional evidence with respect thereto. After making her determination, the Treasurer shall give notice thereof to the Person interested, and she shall be entitled to an order to review such determination under said Article 78 of the Civil Practice Law and Rules, subject to the provision hereinbefore contained relating to the granting of such an order.

Section 11.0 - Action to Enforce Payment

Whenever any Person shall fail to pay any tax or penalty imposed by this Local Law, the Village Attorney shall, upon the request of the Treasurer, bring an action to enforce payment of the same. The proceeds of any judgment obtained in any such action shall be paid to the Treasurer of said Village. Each such tax and penalty shall be a lien upon the property of the Person liable to pay the same, in the same manner and to the same extent that the tax and penalty imposed by §§ 186-a of the Tax law is made a lien.

Section 12.0 - Tax Constitutes Part of Utility's Operating Costs

The tax imposed by this Local Law shall be charged against and be paid by the Utility and shall not be added as a separate item to bills rendered by the Utility to customers or others but shall constitute a part of the operating costs of such Utility.

Section 13.0 Powers of Treasurer

In the administration of this Local Law, the Treasurer shall have the power to make such reasonable rules and regulations, not inconsistent with law, as may be necessary for the exercise of her powers and the performance of her duties and to prescribe the form of blanks, reports and other records relating to the administration and enforcement of the tax, to take testimony and proofs, under oath, with reference to any matter within the line of her official duty under this Local Law and to subpoena and require the attendance of witnesses and the production of books, papers and documents.

Section 14.0 - Disclosure of Information

14.1 - Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Treasurer, or any agent, Clerk or employee of the Village, to divulge or make known in any manner the amount of Gross Income or Gross Operating Income or any particulars set forth or disclosed in any return under this Local Law. The officer charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the Village in an action or proceeding under the provisions of this Local Law or on behalf of the State Tax Commission in an action or proceeding under the provisions of the Tax Law of the State of New York or on behalf of any party to any action or proceeding under the provisions of this Local Law, when the returns or facts shown thereby are directly involved in such action or proceeding; in either of which events, the court may require the production of, and may admit in evidence, so much of said returns or of the facts shown thereby as are pertinent to the action or proceeding, and no more.

14.2 - Nothing herein shall be construed to prohibit the delivery to a Person, or her duly authorized representative, of a copy of any return filed by him, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the publication of delinquent lists showing the names of Person who have failed to pay their taxes at the time and in the manner provided for by this Local Law, together with any relevant information which, in the opinion of the Treasurer, may assist in the collection of such delinquent taxes, or the inspection by the Village Attorney or other legal representatives of the Village of the return of any Person who shall bring action to set aside or review the tax based

thereon or against whom an action has been instituted in accordance with the provisions of this Local Law.

14.3 - Any offense against the foregoing secrecy provisions of this Local Law shall be punishable by a fine not exceeding Five Hundred Dollars (\$500.00) or by imprisonment not exceeding three (3) months or both, and if the offender is an officer, agent, clerk or employee of the Village, she shall be dismissed from office and shall be ineligible to hold any office or employment in the Village for a period of two (2) years thereafter.

14.4 - Notwithstanding any provisions of this Local Law, the Treasurer may exchange with the chief fiscal officer of any city or any other Village in the State of New York information contained in returns filed under this Local Law, provided that such city or other Village grants similar privileges to the Village and provided that such information is to be used for tax purposes only. The Treasurer shall, upon request, furnish the State Tax Commission with any information contained in such returns.

Section 15.0 - Disposition of Taxes and Penalties

All taxes and penalties received by the Treasurer under this Local Law shall be paid into the treasury of the Village and shall be credited to and deposited in the general fund of the Village.

Section 16.0 - Severability

Each separate provision of this Local Law shall be deemed independent of all other provisions herein, and if any provisions shall be deemed or declared invalid, all other provisions hereof shall remain valid and enforceable.

Section 17.0 - Repealer

This Local Law shall supercede all prior local laws, ordinances, rules and regulations relative to the taxation of income of utilities doing business within the Village of Victory and they shall be, upon the effectiveness of this Local Law, null and void, to the extent that they are in conflict with any provision hereof.

Section 18.0 - Effective Date

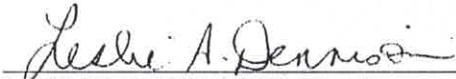
This Local Law shall take effect immediately upon adoption and filing with the Secretary

of State, as provided in Section 27(3) of the Municipal Home Law of the State of New York.

ENACTED this 4th day of September, 2001 by the Board of Trustees of the Village of Victory, Saratoga County, New York.

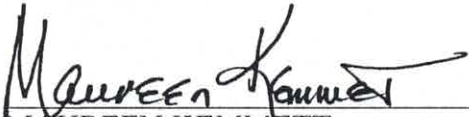

GEORGE SULLIVAN, Mayor


AGATHA WHITE, Trustee


LESLIE DENNISON, Trustee

[SEAL]

ATTEST:


MAUREEN KEMMETT,
Deputy Village Clerk
Village of Victory

(Complete the certification in the paragraph that applies to the filing of this local law and strike out that which is not applicable.)

1. (Final adoption by local legislative body only.)

I hereby certify that the local law annexed hereto, designated as local law No. 1 of 2001 of the ~~(County)(City)(Town)~~(Village) of Victory was duly passed by the Board of Trustees on Sept. 4 2001, in accordance with the applicable provisions of law.
(Name of Legislative Body)

~~2. (Passage by local legislative body with approval, no disapproval or repassage after disapproval by the Elective Chief Executive Officer*.)~~

~~I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved)(repassed after disapproval) by the _____ and was deemed duly adopted on _____ 20____, in accordance with the applicable provisions of law.
(Name of Legislative Body)
(Elective Chief Executive Officer)*~~

3. (Final adoption by referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved)(repassed after disapproval) by the _____ on _____ 20____. Such local law was submitted to the people by reason of a (mandatory)(permissive) referendum, and received the affirmative vote of a majority of the qualified electors voting thereon at the (general)(special)(annual) election held on _____ 20____, in accordance with the applicable provisions of law.
(Name of Legislative Body)
(Elective Chief Executive Officer)*

4. (Subject to permissive referendum and final adoption because no valid petition was filed requesting referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved)(repassed after disapproval) by the _____ on _____ 20____. Such local law was subject to permissive referendum and no valid petition requesting such referendum was filed as of _____ 20____, in accordance with the applicable provisions of law.
(Name of Legislative Body)
(Elective Chief Executive Officer)*

* Elective Chief Executive Officer means or includes the chief executive officer of a county elected on a county-wide basis or, if there be none, the chairperson of the county legislative body, the mayor of a city or village, or the supervisor of a town where such officer is vested with the power to approve or veto local laws or ordinances.

5. (City local law concerning Charter revision proposed by petition.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the City of _____ having been submitted to referendum pursuant to the provisions of section (36)(37) of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of such city voting thereon at the (special)(general) election held on _____ 20____, became operative.

6. (County local law concerning adoption of Charter.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the County of _____ State of New York, having been submitted to the electors at the General Election of November _____ 20____, pursuant to subdivisions 5 and 7 of section 33 of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of the cities of said county as a unit and a majority of the qualified electors of the towns of said county considered as a unit voting at said general election, became operative.

(If any other authorized form of final adoption has been followed, please provide an appropriate certification.)

I further certify that I have compared the preceding local law with the original on file in this office and that the same is a correct transcript therefrom and of the whole of such original local law, and was finally adopted in the manner indicated in paragraph _____, above.

Maureen Kemmett
Clerk of the County legislative body, City, Town or Village Clerk or officer designated by local legislative body
Maureen Kemmett, Deputy Village Clerk, Village of Victory
Date: September 4, 2001

(Seal)

(Certification to be executed by County Attorney, Corporation Counsel, Town Attorney, Village Attorney or other authorized attorney of locality.)

STATE OF NEW YORK
COUNTY OF WASHINGTON

I, the undersigned, hereby certify that the foregoing local law contains the correct text and that all proper proceedings have been had or taken for the enactment of the local law annexed hereto

Michael J. Catalfimo
Signature
VILLAGE ATTORNEY, MICHAEL J. CATALFIMO
Title

~~County~~
~~City~~ of Victory
~~Town~~
Village

Date: 9/4/01