



ORDINANCE NO. 28394

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AN ORDINANCE relating to business license fees; amending Chapter 6B.20 of the Tacoma Municipal Code to increase business license fees.

WHEREAS, in 2012, the annual business license fee was raised from \$80 to \$90, and a license fee of \$25 was created for businesses with less than \$12,000 in annual gross income, and

WHEREAS business license fees have not been updated since that time, and

WHEREAS the proposed amendment will increase business license fees for gross income thresholds between \$12,000 and \$250,000, from \$90 to \$110; and for gross income thresholds over \$250,000, from \$90 to \$250, and

WHEREAS the proposed fees will become effective on January 1, 2017, and will result in additional revenue of approximately \$3.8 million for the 2017-2018 Biennium; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

That Chapter 6B.20 of the Tacoma Municipal Code is hereby amended as set forth in the attached Exhibit "A."

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney



EXHIBIT "A"

**Chapter 6B.20
ANNUAL BUSINESS LICENSE**

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Sections:

- 6B.20.010 License required.
- 6B.20.020 License fee.
- 6B.20.030 *Repealed.*
- 6B.20.040 Date of payment.
- 6B.20.050 License required to be posted at each business location.
- 6B.20.060 Statute of limitations – Unlicensed licensees.

6B.20.010 License required.

It shall be unlawful for any person to engage in business activities ~~with the City or~~ within the City, whether his or her office or place of business is located within and/or outside City limits, without first obtaining a license pursuant to the provisions of this chapter. For purposes of this chapter, this license is referred to as an "annual business license."

6B.20.020 License fee.

Pursuant to Section 6B.20.010, there is hereby imposed an annual business license fee as shown in subsection C, of \$90, effective for all annual business license fees due on or after January 1, 2012, which shall be prorated in the amount of one-half of the annual fee as to all first-time registrants commencing business after June 30, with the following exceptions:

- A. Any charitable organization that has been exempted from payment of taxes to the federal government under Section 501(c)(3) of the Internal Revenue Code shall pay an annual administrative fee of \$25.
- B. In the case where business is transacted at two or more locations by one licensee, each additional location shall pay an annual administrative fee of \$25.

C.

<u>Year</u>	<u>Gross Income</u>	<u>Annual Fee</u>	<u>Pro-rated fee 1st year (start July 1 - Dec 31)</u>
<u>2006 – 2011</u>	<u>Less than \$10,000</u>	<u>Zero</u>	<u>Zero</u>
<u>2006 – 2011</u>	<u>\$10,000 or more</u>	<u>\$80</u>	<u>\$40</u>
<u>2012 and after</u>	<u>Less than \$12,000</u>	<u>\$25</u>	<u>\$25</u>
<u>2012 – 2016</u>	<u>\$12,000 or more</u>	<u>\$90</u>	<u>\$45</u>
<u>2017 and after</u>	<u>Between \$12,000 and \$250,000</u>	<u>\$110</u>	<u>\$55</u>
<u>2017 and after</u>	<u>More than \$250,000</u>	<u>\$250</u>	<u>\$125</u>

~~C. Those persons whose gross business income is derived from activity occurring both within and without the City and is less than \$12,000 annually shall pay an annual administrative fee of \$25.~~

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