

Title 6 Administrative Provision Amendments

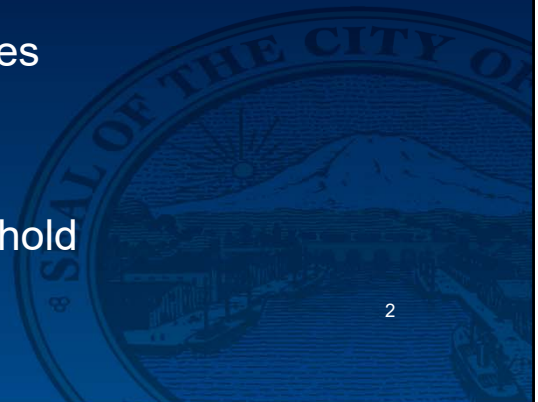
City of Tacoma
Finance/Tax & License

Government Performance Finance Committee
October 2, 2018



Overview

- Updating Tax & License Administrative Procedures
 - Waivers of late filing penalties
 - Refunding license fees
 - Pro-rated license fees
 - New minimum license threshold



Background

- 2005 – last time a comprehensive review was done of Title 6
- 2017 – Legislature passed Engrossed House Bill 2005 requiring minimum license threshold

3

Penalty Waiver - Current

- One time if the taxpayer is:
 - Not currently licensed (new businesses)
 - Was unaware of need to file
 - Paid license and taxes within 30 days of being notified by the City
- Anytime if the circumstance is:
 - Beyond the persons control
 - Due to reasonable cause

4

Penalty Waiver - New

- Keep current waiver reasons
- Add option for new business waiver when approved payment agreement is on file
- New type of waiver if business has two years of good filing history

5

License Fees

- Clarifying refund language
 - Adding “anticipated” to gross income in annual business license chapter
 - Refunds may not be granted based on actual gross income
- Removing pro-rated fees
 - More options available now with three income tiers of fees

6

License Model Ordinance

- Requirements:
 - Add definition of engaging in business to license code
 - Minimum licensing threshold
 - \$2,000 income generated in the City
 - Business is located outside of City

7

Next Steps

- Late October - First Reading

8

Title 6 Administrative Amendments

City of Tacoma
Finance/Tax & License

**Government Performance Finance Committee
October 2, 2018**

