



Tacoma Municipal Code

Subtitle 6B – License Code Amendments

Finance Department – Tax & License Division

**Government Performance and Finance
Committee Meeting**

May 6, 2025



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OVERVIEW



- Increase minimum license threshold required for out-of-city businesses
- Increase regulatory license fees
- Update title of Home Occupation License
- General clean-up of language throughout Subtitle 6B

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BACKGROUND



- In 2018, a statewide Business License Model Ordinance was established.
- The ordinance includes a mandatory definition of “engaging in business” and a minimum threshold exemption for out-of-city businesses.
- In 2018 the minimum threshold was set at \$2,000.
- Regulatory license fees are set at an amount that covers administration and regulation of the licensed activity.

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ISSUE



- Business License Minimum Threshold
 - Increase from \$2,000 to \$4,000 effective January 1, 2026
- Regulatory License Fees
 - Adjusted to cover costs to review, inspect, administer license
 - Increase to 13 license fees
 - Decrease to one license fee
- Title of Home Occupation updated to Residential Business

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ISSUE



- Defined “mailing” to provide three additional days for service when mailing by USPS
- Added responsibilities of property owners engaged in rental business activity
- Updated “Applicant” to “Licensee”
- Added required exemptions to 6B.20 – Annual Business License
- Added denial reasons to 6B.170 – Door-to-Door Solicitors License

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NEXT STEPS



City Council:

First Reading – June 3, 2025

Second Reading – June 10, 2025

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