

RJM/ldh
9/26/97
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Amend RMC 5.04
Business Licenses

ORDINANCE NO. 1953

ORIGINAL

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, RELATING TO BUSINESS LICENSING REQUIREMENTS, AMENDING SECTIONS 5.04.080 AND 5.04.130 OF THE REDMOND MUNICIPAL CODE, AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE.

WHEREAS, RCW 35A.82.020 authorizes code cities to impose business licensing requirements and excises upon business transacted within such a city to the extent permitted by the general laws; and

WHEREAS, the City has acted upon this authority by enacting business licensing and other requirements which are set forth in Title 5 of the Redmond Municipal Code; and

WHEREAS, the City amended the provisions of Chapter 5.04 of the Redmond Municipal Code in Ordinance No. 1924 by, among other things, modifying the method for calculation of business license fees; and

WHEREAS, the City Council created an Ad Hoc Budget Committee to further study business licensing issues in the City; and

WHEREAS, the Committee has reviewed the City's business license requirements, reviewed comments received from the public, and made recommendations regarding further amendments to the City's business licensing code; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. Section 5.04.080 of the Redmond Municipal Code is hereby amended to

read as follows:

5.04.080 Fees — Payment. (a) Except as otherwise provided by this chapter, every person engaging in business within the city shall pay an annual business license fee based upon the number of employees of the business. For an initial license, the number of employees shall be the number employed at the time of application. For all renewals, the number of employees shall be the sum of the total of the number of employees as of the end of each calendar quarter for the preceding year divided by the total number of calendar quarters the company engaged in business within the city for the preceding year.

Example:

<i>Calendar Quarter</i>	<i>Employee Count</i>
3/31/97	378
6/30/97	498
9/30/97	482
12/31/97	<u>532</u>
<i>Total</i>	1,890
<i>(in business for full year)</i>	<i>Divide by 4 =</i>
<i>Count to report on business</i>	473
<i>license application</i>	

Provided, however, that any business with gross annual revenues of \$1,500.00 or less derived from business transacted within the city shall pay an annual license fee of \$15.00.

(b) The annual license fee shall be calculated as follows:

(1) Based fee: \$10.00 per employee.

(2) Surcharge: \$55.00 per employee.

Provided, however, that the surcharge provided by this subsection shall expire after December 31, 2000.

(c) If, at any time during the year it appears that the number of employee was under-reported at the time of application or renewal, an additional license fee and a penalty on the additional license fee shall be due. The penalty shall be equal to twenty percent (20%) per annum of the additional fee, plus any accounting, legal or administrative expenses incurred by the city in determining the under-reporting or in collecting the tax and penalty.

(d) The license fee for a business required to be licensed under this chapter and not located within the city's corporate limits shall be calculated based upon the total number of employees of the business actually working within the city. If the number of employees is not known at the time of renewal the business shall estimate the maximum number of employees they anticipate using in Redmond during the year based on the previous year's experience.

(e) Businesses doing business in the city but who have no employees physically working within the city shall pay a base fee of \$10.00 and a surcharge of \$55.00 for a total of \$65.00.

(f) The annual license fee shall become due and payable on January 1st of each calendar year. The business license fee shall not be prorated for any part of any year. Provided, however, that the annual license fee for the 1997 licensing year shall not become due and payable until March 1, 1997.

(g) Payment made by draft or check shall not be deemed a payment of the fee unless and until the same has been honored in the usual course of business, nor shall acceptance of any such check or draft operate as an acquittance or discharge of the fee unless and until the check or draft is honored.

(h) If any person required by the terms and provisions of this chapter to pay a license fee for any period fails or refuses to do so, he shall not be granted a license for the current period until the delinquent license fee, together with penalties, has been paid in full. Any license fee due and unpaid under this chapter and any penalties thereon, shall constitute a debt to the city and may be collected in court proceedings in the same manner as any other debt in like amount, which remedy shall be in addition to all other existing remedies.

Section 2. Section 5.04.130 of the Redmond Municipal Code is hereby amended to

read as follows:

5.04.130 Exemptions. The provisions of this chapter shall not apply to:

(1) Any instrumentality of the United States, the State of Washington, or political subdivision thereof with respect to the exercise of governmental functions;

(2) Any farmer, gardener, or other person who sells, delivers or peddles any fruits, vegetables, berries, butter, eggs, fish, milk, poultry, meat or any farm produce or edibles raised, caught, produced or manufactured by such person in the state;

(3) Family day care home occupations;

(4) Any nonprofit business operated without private profit, for a public, charitable, educational, literary, fraternal or religious purpose, upon furnishing proof to the Finance Director of its nonprofit status;

(5) Any apartment or condominium, residential rental or leasing activity which does not involve more than four residential units at any one location within the city;

(6) Any insurers or their agents, as those terms are defined in RCW 48.01.050 and RCW 48.17.010, respectively, who represent insurance companies or sell insurance to the public and are properly licensed by the state. Provided, however, that this exemption shall not apply to insurance brokers or solicitors, as said terms are defined in RCW 48.17.020 and RCW 48.17.030, respectively;

(7) Newspaper carriers under the age of 18; or

(8) Any person, business, enterprise, firm, or corporation which the city is forbidden to license or tax under state or federal law.



Section 3. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 4. Effective Date. This ordinance, being an exercise of a power specifically delegated to the City legislative body, is not subject to referendum, and shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

CITY OF REDMOND


MAYOR ROSEMARIE IVES

ATTEST/AUTHENTICATED:



CITY CLERK, BONNIE MATTSON

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

By 

FILED WITH THE CITY CLERK:	September 29, 1997
PASSED BY THE CITY COUNCIL:	October 7, 1997
SIGNED BY THE MAYOR:	October 8, 1997
PUBLISHED:	October 11, 1997
EFFECTIVE DATE:	October 16, 1997
ORDINANCE NO. _____	1953