### **ORDINANCE #581**

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF YACOLT, WASHINGTON, AMENDING TITLE 5 OF THE YACOLT MUNICIPAL CODE, (BUSINESS LICENSES AND REGULATIONS), TO ALIGN THE TOWN OF YACOLT WITH THE WASHINGTON STATE BUSINESS LICENSE SERVICE; RATIFYING PREVIOUS CONSISTENT ACTION BY THE TOWN; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR SUMMARY PUBLICATION BY TITLE.

Whereas, the Town of Yacolt, ("Town" or "Yacolt"), requires certain businesses to obtain business licenses from the Town;

Whereas, RCW 35.90 requires that smaller towns and cities administer their business licensing through the Washington State Department of Revenue's Business Licensing Service, ("BLS"), by 2027;

Whereas, the Town will begin to administer its business licensing through BLS starting in 2020;

Whereas, BLS has requested that the Town make changes to the Yacolt Municipal Code, ("YMC"), to align the YMC with the business practices of BLS; and,

**Whereas**, the Town Council is in regular session this 15<sup>th</sup> day of June, 2020, and all members of the Town Council have had notice of the time, place, and purpose of said meeting:

# NOW THEREFORE, be it Ordained by the Town Council of the Town of Yacolt, Washington:

- **Section 1 Amendment of Chapter 5.05 Business Licenses**: Chapter 5.05 of the YMC [Business Licenses] is hereby amended as set forth below. New text is shown by underline. Deleted text is shown by strikethrough.
  - **1.1 Section Headings**: The section headings for Chapter 5.05 are amended by adding two new Section headings, and deleting the current Section heading for 5.05.070, as follows:

5.05.045	Business license application.
5.05.046	Business license renewal – Penalties.
5.05.070	Method of business license payment.

**1.2 - Section 5.05.020, Definitions**: Section 5.05.020 is amended by adding one new definition, as follows:

"Business Licensing Service" or "BLS" means the office within the Washington State Department of Revenue providing business licensing services to the Town of Yacolt.

**1.3 - Section 5.05.030, Exemptions**: Section 5.05.030 of the YMC, [Exemptions], is hereby amended as set forth below. New text is shown by underline. Deleted text is shown by strikethrough.

The provisions of this chapter shall not apply to:

- A. Persons selling personal property at wholesale to dealers;
- B. Newspaper delivery people;
- C. Merchants or their employees delivering goods in the regular course of business;
  - D. Persons conducting garage sales;
- E. Sales or solicitations conducted by a charitable, religious, patriotic or philanthropic organization; provided, however, that such organization, association or corporation shall furnish all of its members, agents and representatives conducting solicitation credentials, stating the name of the organization, the name of the agent and the purpose of the solicitation.
- F. To the extent set forth in this section, the following persons and businesses shall be exempt from the registration, license and/or license fee requirements as outlined in this section chapter:
- 1. Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000, and who does not maintain a place of business within the town, shall be exempt from the general business license requirements in this section chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.
- 2. If a person, or its employees, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the town but the following, it need not register and obtain a business license:
  - a. Meeting with suppliers of goods and services as a customer.
- b. Meeting with government representatives in their official capacity other than those performing contracting or purchasing functions.
- c. Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of directors member or attendee engaging in business such as a member of a board of directors who attends a board meeting.
- d. Renting tangible or intangible property as a customer when the property is not used in the town.
  - e. Conducting advertising through the mail.
  - f. Soliciting sales by phone from a location outside the town.
- 3. A seller located outside the town merely delivering goods into the town by means of common carrier is not required to register and obtain a business license; provided, that it engages in no other business activities in the town. Such activities do not include those in subsection (F)(2) of this section.
- **1.4 Section 5.05.040, Business License Required**: Section 5.05.040 is amended by replacing the Section in its entirety with the following text:
  - A. No person may engage in any business activity in the town without first having obtained through the Business Licensing Service (BLS) and being the holder of a valid and existing license to do so, as approved by the Town Clerk, to be known as a business license, issued through BLS under the provisions of this chapter as hereafter provided, and without paying the license fee as set forth in the town's fee schedule for business license issuance. Such business license

issued will expire on the date established by the Business Licensing Service, and must be renewed through BLS on or before that date to continue to engage in business in the Town after that date. Renewals of business licenses are charged a town renewal fee as set forth in the town's fee schedule for business license issuance.

- B. The business license is personal and nontransferable. In case the same person conducts business at two or more separate places in the town on a permanent basis, a separate license for each place at which business is transacted is required, but for such additional licenses no additional fee will be required, provided also that only one license per location is required regardless of whether the person operates multiple types of business at the same location. In the event two or more persons each operate their own business at the same location, each person must obtain their own licenses for their respective business. Each license will be numbered, and show the name, and place of the business of the taxpayer, and such other information as the Clerk of the town deems necessary, and shall at all times be conspicuously posted in the place of business for which it is issued. If the place of business of the taxpayer is changed, the taxpayer must notify the Business License Service sufficiently before the change to allow review and approval by the Town Clerk before business is commenced at the new location. A change of location may require submitting a new application for license as provided for in this chapter.
- C. No person to whom a license has been issued pursuant to this chapter may allow any other person for whom a separate license is required to operate under or display such license.
- **1.5 Section 5.05.045, Business License Application**: A new Section 5.05.045 is hereby added to the YMC to read as follows:

## 5.05.045 Business license application.

Applications for the business license provided under this chapter are made through the Business Licensing Service (BLS). The application must include all information required for all licenses requested, as well as the total fees due for all licenses, including the application handling fee required by RCW 19.02.075. The application must be reviewed and approved by the Town Clerk in order for the license to be issued through BLS. Business may not be conducted within the town until the town business license has been approved and issued.

**1.6 - Section 5.05.046, Business License Renewal – Penalties**: A new Section 5.05.046 is hereby added to the YMC to read as follows:

# 5.05.046 Business license renewal – Penalties.

- A. The town business license provided for under this chapter expires on the date established by the Business Licensing Service (BLS), and must be renewed on or before that date in order to continue conducting business in the town.
- B. The license renewal is submitted through BLS, and must include all information required to renew all licenses held, as well as the total fee due for all licenses being renewed, including the renewal application and handling fee required by RCW 19.02.075.
- C. The term of the town business license and respective town license fee may be prorated as necessary to synchronize the license expiration date with that of the business license account maintained by BLS.

- D. Failure to complete the license renewal by the expiration date will incur the late renewal penalty required by RCW 19.02.085 in addition to all other fees due.

  E. Failure to complete the renewal within 120 days after expiration will result in the cancellation of the town business license and will require submitting a new application for a business license as provided for in this chapter in order to continue engaging in business in the town.
- 1.7 Section 5.05.070, Method of Business License Payment: Section 5.05.070 of the YMC, [Method of business license payment], is hereby deleted from the YMC in its entirety.
- **1.8 Section 5.05.080, Sale or Transfer of Business**: Section 5.05.080 is amended by replacing the Section in its entirety with the following text:

Upon the sale or transfer of ownership of a business account for which a license fee is required by this chapter, the original license will be invalid and the purchaser or transferee is responsible for obtaining their own license prior to commencing business in the town under the acquired business.

Section 2 - Amendment of Section 5.10.010 - Transient Merchants, Peddlers, Hawkers and Canvassers - License Required: Section 5.10.010 of the YMC, [License required], is hereby amended as set forth below. New text is shown by underline. Deleted text is shown by strikethrough.

It shall be unlawful for any peddler, hawker, canvasser or transient merchant as defined in YMC 5.10.020 to engage in any such business within the town of Yacolt without first obtaining a license therefor in compliance with the provisions of this chapter. The license required under this chapter is separate from and in addition to the business license issued under Chapter 5.05 YMC, which may also be required when applicable to business activities of the applicant.

- Section 3 Ratification of Actions: Notwithstanding any other term of this Ordinance, prior acts of the Town consistent with the terms of Sections 1 and 2 above are hereby ratified and confirmed.
- Section 4 Savings Clause: All terms of YMC 5.05 and 5.10 shall remain in full force and effect until the effective date of this Ordinance.
- **Section 5 Severability**: If any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is declared unconstitutional or invalid for any reason by a court of competent jurisdiction, or its application to any person or circumstances is held invalid, the remaining portion of this Ordinance shall remain in full force and effect, and the application of the provision to other Persons or circumstances shall not be affected.
- **Section 6 Effective Date**: This Ordinance shall take effect immediately upon adoption and publication of the following summary, according to law.

## **Town of Yacolt - Summary of Ordinance #581**

The Town Council of the Town of Yacolt adopted Ordinance #581 at its regularly scheduled Town Council meeting held on June 15, 2020. The content of the Ordinance is summarized in its title as follows:

"AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF YACOLT,

WASHINGTON, AMENDING TITLE 5 OF THE YACOLT MUNICIPAL CODE, (BUSINESS LICENSES AND REGULATIONS), TO ALIGN THE TOWN OF YACOLT WITH THE WASHINGTON STATE BUSINESS LICENSE SERVICE; RATIFYING PREVIOUS CONSISTENT ACTION BY THE TOWN; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR SUMMARY PUBLICATION BY TITLE."

The effective date of the Ordinance is June 24, 2020.

A copy of the full text of the Ordinance will be mailed upon request to the undersigned at the Town of Yacolt Town Hall, P.O. Box 160, Yacolt, WA 98675: (360) 686-3922.

Published this 24<sup>th</sup> day of June, 2020. Dawn Salisbury, Town Clerk

**Section 7 - Codification of Ordinance**: Upon the effective date of this Ordinance, the Town Clerk is directed to send a copy hereof to Code Publishing Company of Seattle, Washington, so that the provisions of this Ordinance may be promptly reflected in the YMC.

**PASSED** by the Town Council of the Town of Yacolt, Washington, at a regular meeting thereof this 15<sup>th</sup> day of June, 2020.

TOWN OF YACOLT

Attest:

Dawn Salisbury, Town Clerk

Approved as to Form:

David W. Ridenour, Town Attorney

Ayes:

Nays:

Absent:

Abstain:

#### TOWN CLERK'S CERTIFICATION

I hereby certify that the foregoing Ordinance is a true and correct copy of Ordinance #581 of the Town of Yacolt, Washington, entitled "AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF YACOLT, WASHINGTON, AMENDING TITLE 5 OF THE YACOLT MUNICIPAL CODE, (BUSINESS LICENSES AND REGULATIONS), TO ALIGN THE TOWN OF YACOLT WITH THE WASHINGTON STATE BUSINESS LICENSE SERVICE; RATIFYING PREVIOUS CONSISTENT ACTION BY THE TOWN; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR SUMMARY PUBLICATION BY TITLE.", as approved according to law by the Town Council on the date therein mentioned. The Ordinance has been published or posted according to law.

Attest:

Dawn Salisbury, Town Clerk

Published:

Ordinance Number: 581