

Town of Cathlamet, Washington

ORDINANCE 637-20

AN ORDINANCE AMENDING TOWN OF CATHLAMET ORDINANCE NO. 616 AND 272 AND CHAPTER 5.05, 3.75, 5.14, AND 18.55 OF THE CATHLAMET MUNICIPAL CODE RELATING TO BUSINESS LICENSES

WHEREAS, Chapter 5.05 of the Cathlamet Municipal Code requires business licenses for certain business activities within the corporate limits of the Town of Cathlamet and establishes license fees for such licenses; and

WHEREAS, in 1977, lawmakers passed the Business License Center Act (Chapter 19.02 RCW) to streamline and combine into a one-stop process the application and renewal of the state licenses most commonly held by businesses; and

WHEREAS, Chapter 35.90 RCW, requires any municipality with a general business license to participate in the combined state and local licensing service by December 2022 or it may no longer require its business licenses thereafter; and

WHEREAS, the Town desires will be utilizing the combined licensing service agreement with the state Department of Revenue (Revenue) Business Licensing Service (BLS); and

WHEREAS, the Business Licensing Service (BLS) agent has recommended revisions to our current CMCs;

NOW, THEREFOR, BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF CATHLAMET AS FOLLOWS:

Section 1. CMC 3.75.020 shall be amended and read as follows:

(1) Business license fee – in town (basic annual fee)

\$25.00 / \$2,001 to \$3,000;

\$50.00 / \$3,001 to \$10,000;

\$75.00 / \$10,001 and up

(2) Business registration fee – out of town (business not having officers or facilities within the town, and with gross income derived from in-town business in excess of the threshold stated in 5.05.060(6)) \$75.00

(5) Fireworks permit fee \$50.00 annual

(6) *Repealed by Ord. 432.*

(7) Film application fee (nonrefundable) \$20.00

Permit fee depending upon impact \$50.00 to \$300.00 per day

Section 2. CMC 5.05.010 shall be amended to add the following subsections:

(8) "Nonresident business" means a business located outside the Cathlamet town limits and without having any offices or facilities within the town but entering the town to conduct business.

(9) "Business Licensing Service" or "BLS" means the office within the Washington State Department of Revenue providing business licensing services to the town.

Section 3. CMC 5.05.020 shall be amended as follows:

(1) There is hereby levied and shall be collected from every person an annual town license fee for the act and privilege of engaging in business within the town of Cathlamet. Such fee is

calculated against the gross proceeds of sales, or the gross income of the business, as the case may be, as specified in CMC 3.75.020

(2) Any business, profession, or service within the town, which claims a gross income, sales or revenue of \$10,000 or less annually, or any nonresident business claiming such revenue being below the threshold stated in CMC 5.05.060(6), must make a disclosure of their business records if so requested by the town clerk. Any failure to disclose records upon request will be deemed conclusive failure to qualify for a reduced license fee or license exemption, whichever is the case, and such person will be charged the difference between the license fee claimed and the maximum fee imposed under CMC 3.75.020(1) or (2), whichever is applicable.

Section 4. CMC 3.75.025 shall be amended as follows:

- (1) A town business license must be obtained prior to commencing business in the town. Application for the town business license is made through the Business Licensing service and must include all information required for all licenses requested, the total fees due for all licenses, and the application handling fee required by RCW 19.02.075.
- (2) The town clerk may assess a separate fee and or penalty, payable directly to the town, of any person who fails to obtain the license prior to engaging in business. The penalty may be assessed at the rate of 20 percent of the town license fee payable, plus one percent interest per month, or fraction thereof, on the town license fee, payable directly to the town for the period between having engaged in business in the town and when the license therefore was obtained.
- (3) A person found to have knowingly made a false statement related to the application for a town business license may be subject to a \$100.00 penalty imposed by and payable directly to the town in addition to any other penalties that may be provided by the code of the town of Cathlamet and the laws of the state of Washington.

Section 5. CMC 5.05.030 shall be amended as follows:

5.05.030 License renewal – License term.

A license issued under the provision of this chapter, and through the Business Licensing Service (BLS) expires on the date established by BLS and must be renewed on or before that date to continue engaging in business in the town.

- (1) Application for renewal of the license is made through BLS and must include all information required to renew all licenses involved, the total fees due for all licenses, and the renewal application handling fee required by RCW 19.02.075.
- (2) The license term and respective fee amount may be prorated as needed to synchronize the license expiration date with the expiration date of the business license account maintained by BLS.
- (3) 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.

(4) Failure to complete the license renewal within 120 days after the expiration date will result in the cancellation of the license and will require application for a license, as provided for in this chapter, to continue in business in the town. The town clerk may require payment of all past due fees prior to approving the new license.

Section 6. CMC 5.05.040 shall be repealed.

Section 7. CMC 5.05.050 shall be amended as follows:

- (1) Any person operating different businesses at different locations, or the same type of business at multiple locations in the town is required to obtain a separate license for each business or business location.
- (2) A person operating different, but related businesses at the same location is required to obtain only one license for such multiple business activities. Related businesses are defined as business activities which may ordinarily and normally be operated together.
- (3) If two or more persons each operate their own business at the same physical location, each such person must obtain a separate license for their respective business.

Section 8. CMC 5.05.060 shall be amended as follows:

The licensing requirements of this chapter do not apply to:

- (1) Persons engaged in the business of selling agricultural products grown or produced from their own lands within Wahkiakum County;
- (2) Amateur athletic contests produced under the auspices of any school or amateur organizations;
- (3) Any person in respect to his employment as an employee or servant as distinguished from that of an independent contractor, or person required to collect a sales tax on his work or to file a business and occupation return to the state of Washington under Chapter 82.04 RCW;
- (4) Any nonprofit corporation or organization recognized as tax exempt by the Internal Revenue Service under a provision of 26 USC § 501(c) of the federal internal revenue code. An organization claiming such a license exemption must provide proof of the tax-exempt status if so requested by the town clerk;
- (5) Occasional sales of food or merchandise by a voluntary organization of Wahkiakum County for any nonprofit religious, educational or community service;
- (6) Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the town is equal to or less than \$2,000 and who does not maintain a place of business within the town.

Section 9. CMC 5.05.070 shall be amended as follows:

Any person violating or failing to comply with the provisions of this chapter will, upon conviction thereof, be punished by a fine not to exceed \$50.00. Any person who engages in or carries on any business without first obtaining a business license so to do as herein provided shall be guilty of a violation for each day, or fraction thereof during which business is so engaged in or carried on; and any person who fails or refuses to obtain a license and pay the license fee as herein provided on or before the due date thereof shall be deemed to be operating without having a license to do so.

Section 10. CMC 5.05.080 shall be amended as follows:

The town clerk must keep full and complete records of all license fees received hereunder and by whom paid, which records shall be open to public inspection. It is the duty of the town clerk to require all persons engaging in any business activity requiring a business license to procure such license, and to enforce the collection of any fee therefore in the manner provided in this chapter.

Section 11. A new section shall be added to CMC Chapter 5.14 to read as follows:

5.14.175 Licenses separate from business license.

The various licenses required by this chapter are each separate from and in addition to the town business license issued under Chapter 5.05 CMC, which may also be required when applicable.

Section 12. CMC 18.55.020 shall be amended as follows:

(j) In addition to obtaining a permit from the town, a home occupation must also obtain and maintain a business license as provided for in Chapter 5.05 CMC.

Section 13. This Ordinance shall take effect and be in force five days from and after its passage, approval and publication as required by law.

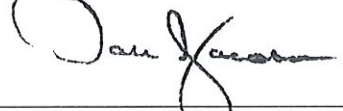
Passed first reading: November 16, 2020; Passed second, third, and final reading: December 7, 2020.
Passed by the Town Council of the Town of Cathlamet, at a regular meeting thereof this 7th day of December, 2020.

ATTEST:



Sarah Clark, Clerk-Treasurer

APPROVED:



Dale Jacobson, Mayor

Approved As To Form:



Fred Johnson, Town Attorney