



# BUSINESS LICENSE MODEL ORDINANCE REQUIREMENTS

City of Camas - 2019

# What is a Business License?

License to legally conduct business within the City.

RCW 35A.82.020      Code cities may “exercise the authority authorized by general law for any class of city to license and revoke the same for cause, to regulate, make inspections and to impose excises for regulation or revenue in regard to all places and kinds of business, production, commerce, entertainment, exhibition, and upon all occupations, trades and professions and any other kind of lawful activity...”

Any city may require a general business license for any person or company “engaging in business” within city limits. This includes businesses that are physically located within the city, as well as businesses that are physically located elsewhere but engage in business within the city.

# Threshold Options

## Threshold Exemption

- *With gross proceeds of sales, or gross income of the business in the City is equal to or less than \$2,000 (a higher threshold is the City's choice) AND who does not maintain a place of business in the City shall be exempt from the general business license requirements.*

## Threshold with Fee-free License/Registration Option:

- *Same as above BUT shall submit a business license registration to the Director or designee. The threshold does not apply to regulatory license requirements or activities that require a special permit. (Fireworks, Solicitors, etc)*

# Model Language for Engaging in Business Definition

- Engaging in business means:
  - *Commencing*
  - *Conducting*
  - *Or Continuing in business*
- Also:
  - *Exercise of Corporate or Franchise Powers*
  - *Liquidating a business*



Without being  
all inclusive,  
activities  
requires a  
business  
license:

- Owning, renting, leasing, maintaining or having the right to use, or using tangible personal property, intangible personal property, or real property permanently or temporarily located in the City
- Owning, renting, leasing, using or maintaining an office, place of business, or other establishment in the City
- Soliciting sales
- Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance
- Providing technical assistance or service
- Installing, constructing, or supervising installation or construction
- Soliciting, negotiating, or approving franchise, license, or other agreements
- Collecting current or delinquent accounts
- Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials
- Providing disinfecting and pest controls, employment and labor pool services, home nursing care, janitorial services, appraising, landscape services, security services, surveying and real estate services
- Professional services
- Meeting with customers or potential customers even when no sales or orders are solicited
- Agents, representatives, independent contractors, brokers etc
- Investigating or resolving customer complaints
- In-store stocking of products or goods
- Delivery of goods

# Need not register or obtain business license if:

Meeting with suppliers of goods and services as a customer

Meeting with government representatives other than performing contract or purchasing functions

Attending meetings excludes board of director meetings and training of a product just purchased

Renting tangible or intangible property as a customer when the property is not in the City

Attending but not participating in a trade show or multiple vendor event

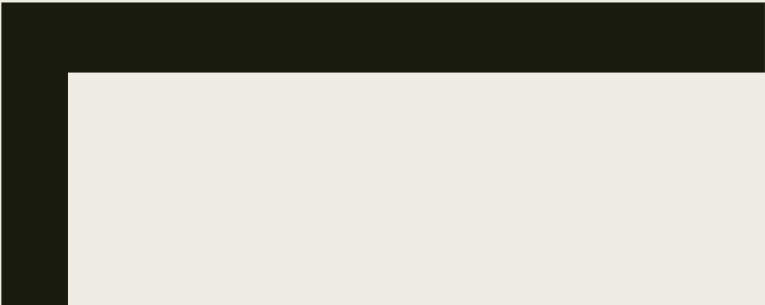
Conducting advertising through the mail

Soliciting sales by phone from a location outside the City


## Also excluded:

- A seller located outside the City merely delivering goods into the City by means of a common carrier





The City expressly intends that engaging in business includes any activity sufficient to establish nexus for purposes of applying the license fee under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.



## Final Legal





## Business License Ordinance

*State-Wide Model Language*

*Update Chapter 5 Business Taxes,  
Licenses and Regulations*



## Business License Schedule for Set-up



## Business Licensing Services Agreement

## Next Steps

# Business Licensing Services Agreement

- Purpose: Partner's Agent for the purpose of collecting, processing and disbursing information, licenses, and fees
  - *Confidential Licensing Information*



# Agreement Includes Services from BLS:

*Distribute and process initial and renewal internet applications for the City*

*Collect and process license fees and licensing information received from applicants and licensees. Disburse collected fees as directed*

*Issues License*

*Provide routine reports on business licenses*

*Maintain images of all documents*

*Provide technical assistance*

*Provide training on database*

*Modify database as necessary as code changes*

*Timely notify of changes in the BLS database*

# Agreement Includes City's Obligations

- Timely provide all information requested to participate in the program
- Follow all requirements using BLS applications, license document and UBI number
- Obtain and maintain at City's costs all equipment and online services to use BLS Database and perform necessary testing
- Ensure BLS Licensing and IT staff are available to DOR
- Provide timely notice of changes
- Provide statistical data such as FTE savings, change in number of licensees, etc.



# Compensation

- \$0 unless:
  - *Reimburse for Ad Hoc informational reports*
  - *Reimburse for changes to BLS process*
  - *City's costs for any possible travel-related expenses*



# Confidentiality

- Business License Data
  - *May be used for official purposes only*
  - *Only accessed by City employees*
- Business licensing information must not be disclosed to non-parties unless:
  - *Ordered under any judicial or administrative proceedings or*
  - *Otherwise expressly authorized by Revenue in writing*





ANY  
QUESTIONS