

CHAPTER 6.08

BUSINESS ACTIVITIES

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6.08.010: Definitions:

(1) “Business” means all activities, occupations, trades, independent contractors, pursuits or professions located or engaged in within the City with the object of gain, benefit, or advantage, directly or indirectly. Each business location shall be deemed a separate business except separate locations for storage only.

(2) “City” means the City of Kennewick, Washington.

(3) “Employee” means any person who performs work, labor, or services for a business and is on the business payroll. The term “employee” also includes self-employed persons, sole proprietors, owners, managers, partners, and all full-time, part-time, and temporary employees on the business payroll.

(4) “Gross Revenue” means the value proceeding or accruing from the sale of tangible personal property or for services rendered, without any deduction on account of the cost of property sold, the cost of materials used, labor costs, interest, discount paid, delivery costs, taxes or any other expense whatsoever, paid or accrued, and without any deduction on account of losses, and the value proceeding or accruing by reason of the transaction of the business engaged in, and includes gross proceeds of sales, compensation for the rendition of services, gains realized from trading in stocks, bonds, or other evidences of indebtedness, interest, discount, rents, royalties, fees, commissions, dividends, and other emoluments however designated, all without any deduction on account of the cost of tangible property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expense whatsoever, paid or accrued, and without any deduction on account of losses.

(5) “Independent Contractor” means a person who contracts to do a piece of work according to his own methods and subject to the employer’s control only as to the end product of his or her work. An independent contractor performs work but is not considered an “employee.”

(6) “Person” means any individual, independent contractors, partnership, joint venture, company, firm, corporation, association, receiver, assignee, trustee, trust, estate, club or any group of individuals dentistry, law, accountancy, surveying, engineering, or any of the

other learned professions separately licensed by the state, shall be considered a person who must obtain the license required by Section 6.08.020, whether a member of a partnership or not, but a partnership consisting of professional members only shall not be required to have a separate license.

(7) “Value Proceeding or Accruing” means the consideration, whether money, credits, rights, or other property, expressed in terms of money, actually received or accrued. The term shall be applied, in each case, on a cash receipts or accrual basis according to which method of accounting is regularly employed in keeping the books of the taxpayer. (Ord. 5066 Sec. 1, 2004: Ord. 5008 Sec. 4, 2003: Ord. 2542 Sec. 2 (part), 1980)

6.08.015: Class: Business Licenses are Class I Licenses. (Ord. 2542 Sec. 2 (part), 1980)

6.08.020: License Required: It is unlawful for any person to engage in business within the City that is conducted, operated, engaged or practiced in whole or in part from real property located within the City without having first obtained a business license from the City. If more than one business is conducted on a single premises, a separate license shall be required for each separate business conducted, operated, engaged in or practiced. If a business is conducted from more than one premises in the City, a separate license shall be required for each premises within the City. (Ord. 5008 Sec. 5, 2003: Ord. 2542 Sec. 2 (part), 1980: Ord. 1043 Sec. 6, 1960)

6.08.030: Authority: The provisions of this Chapter shall be deemed an exercise of the power of the City to license for revenue. (Ord. 2542 Sec. 2 (part), 1980: Ord. 1043 Sec. 7, 1960)

6.08.110: Multiple Businesses: Where more than one of any of the businesses for which a license is required is carried on by the same person in the same location, then such person shall pay the highest license fee in this Chapter required for any such businesses and no license fee shall be required for the other businesses there carried on. (Ord. 2542 Sec. 2 (part), 1980: Ord. 1043 Sec. 13, 1960)

6.08.150: License Fee:

(1) Fees for the annual license issued hereunder shall be the sum of fifty-five dollars (\$55.00) plus five dollars (\$5.00) for each employee:

- (a) For the purpose of computing the number of employees, the total number of hours worked by each employee within the City limits of Kennewick during the twelve (12) month period immediately preceding the year for which the license fee is payable shall be added together and divided by nineteen hundred and twenty (1,920), the work hour figure used by the Washington State Department of Labor and Industries, rounded to the nearest whole number. Employers without a full year history would need to estimate the number of employee hours that will be worked during the calendar year.
- (b) The license fee to be paid by each business or occupation which commences business during the license year shall be based on the estimated number of employees of that business or occupation for the remainder of the license year.

(2) Business licenses required to be obtained pursuant to this chapter shall be issued immediately upon approval and renewed annually for a twelve-month period commencing January 1 annually of the year following approval.

(3) All businesses required to obtain licenses shall obtain the same prior to engaging in or conducting business within the license term. Failure to obtain a business license prior to engaging in or conducting business shall require expedited review.

(4) Businesses that require an expedited review of their application shall pay a fee of \$100.00. Expedited review is required for businesses that need review in less than the processing time under the provisions of 6.01.070(c).

(5) The business name and address of each licensed business is for the purposes of Chapter 42.17 RCW a public record, subject to request for public record disclosure. (Ord. 5066 Sec. 2, 2004: Ord. 5008 Sec. 6, 2003: Ord. 2542 Sec. 2 (part), 1980: Ord. 2419 Sec. 1, 1979: Ord. 1287 Sec. 1, 1964: Ord. 1043 Sec. 17, 1960)

6.08.160: Administrative Fee Review:

(1) A licensee can seek administrative relief to the fee calculation if the licensee can demonstrate one of the following conditions:

- (a) The licensee fee calculation is inconsistent with the intent of Title 6 licensing provisions.
- (b) The licensee fee places an undue burden on a particular business compared to the fee calculations of other businesses of similar size and classification.
- (c) The license fee causes undue hardship on a particular business that would preclude efficient and cost effective management of the business.

(2) Any dispute concerning the final determination of the fee calculation following an administrative review shall be resolved in accordance with Chapter 4.04. (Ord. 5066 Sec. 14, 2004)

6.08.250: Trade Shows, Expositions and Fairs: Trade shows, expositions, fairs and other temporary activities, the purpose of which is to display wares, take orders or promote products and services collectively for a period not exceeding ten days, shall be taxed at the rate of \$15.00 per exhibitor except businesses already holding a Kennewick business license will be issued a supplemental license for the period of the activity. In no case will the total business license for such a fair exceed \$300.00. The promoter is responsible for the collection and payment of the fees imposed under this Section and otherwise in this code in accord with such rules and regulations as the License Officer may impose. (Ord. 5008 Sec. 7, 2003: Ord. 3051 Sec. 2, 1987)

6.08.280: Other Businesses - Fee: All other persons engaged in business shall pay fifty-five dollars (\$55.00) plus five dollars (\$5.00) for each employee as set forth in Section 6.08.150. A credit shall be allowed for regulatory fees imposed under Chapters 6.17, 6.23, 6.33, 6.35, 6.47, and 6.60. (Ord. 5066 Sec. 3, 2004: Ord. 5008 Sec. 8, 2003: Ord. 3835 Sec. 2, 1998: Ord. 3097 Sec. 8, 1987: Ord. 3083 Sec. 1, 1987: Ord. 3010 Sec. 2, 1986: Ord. 2899 Sec. 3, 1986: Ord. 2542 Sec. 2 (part), 1980: Ord. 2419 Sec. 1, 1979: Ord. 1043 Sec. 31, 1960)

6.08.290: Exemptions:

- (1) The provisions of 6.08.280 shall not apply to:
 - (a) Any person, firm or corporation which the City of Kennewick is forbidden to tax by law;
 - (b) Accredited public or private schools, colleges or universities, as to their education endeavors, churches and other religious bodies as to their religious activities, fraternal organizations and lodges as to their fraternal and lodge activities, civic and charitable organizations, including nonprofit hospitals and

clinics, as to their civic and charitable activities, but not as to any business activities by these entities. All business activities for profit are taxed under this Chapter;

(c) Transitory businesses such as traveling shows, entertainers, circuses, etc.; and

(d) Utilities to the extent taxed by Chapter 3.70.

(2) Small Businesses. Persons who do not have gross revenues in excess of \$12,000.00 per year from business activities of the previous calendar year shall be exempt from all but \$10.00 of the renewal license fee, but in computing gross revenue, revenue from outside the City shall be included.

(3) Contributions Authorized. Any entity exempt by law or ordinance is authorized to make a contribution to the General Fund as if the exemption were not provided. (Ord. 3322 Sec. 3, 1991; Ord. 2975 Sec. 1 (part), 1986; Ord. 2542 Sec. 2 (part), 1980)

6.08.340: Licenses to Be Obtained by March First: All persons engaged in business shall procure their license to operate before the first day of March. (Ord. 2542 Sec. 2 (part), 1980; Ord. 1043 Sec. 41, 1960)

6.08.350: Late Payment Fee: All businesses required to renew a license shall pay all fees by March 1 of the current year. Any business which fails to pay the license fee within said period of time shall, in addition to any other penalties provided for in this chapter, be assessed an amount equal to fifty percent of the license fee for said business as a penalty for such late payment. (Ord. 5008 Sec. 9, 2003; Ord. 2542 Sec. 2 (part), 1980; Ord. 1197 Sec. 3, 1962; Ord. 1043 Sec. 42, 1960)

6.08.360: Collection by Civil Action: The City shall have the power to institute suit or action in any court of competent jurisdiction for the purpose of collecting any license fees and late payment fees that are due and payable. (Ord. 2542 Sec. 2 (part), 1980; Ord. 1043 Sec. 44, 1960)