

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 6432

AN ORDINANCE AMENDING BELLEVUE CITY CODE SECTION (BCC) 4.03.025, AS PREVIOUSLY AMENDED, TO ADD A THRESHOLD EXEMPTION FOR BUSINESS REGISTRATION/LICENSE REQUIREMENTS AS REQUIRED BY STATE LEGISLATION CREATING A MODEL MUNICIPAL BUSINESS LICENSE ORDINANCE.

WHEREAS, in 2017 the Washington State Legislature passed EHB 2005 (RCW 35.90) requiring that cities with business licenses and local business and occupation (B&O) taxes adopt a new B&O model municipal business license ordinance that includes a minimum threshold (or occasional sale) exemption to establish when out-of-town or transient businesses are required to be licensed (threshold exemption);

WHEREAS, all business license cities must adopt this model business license ordinance by January 1, 2019; and failure to meet this deadline will result in the city being unable to enforce its business license registration requirements;

WHEREAS, the Washington State Legislature provided cities with two separate options for a minimum threshold exemption;

WHEREAS, the minimum threshold exemption adopted in Section 1 of this Ordinance reduces administrative and registration burdens on the Bellevue business community and the City

WHEREAS, the City Council reasonably believes that the adoption of this Ordinance is in furtherance of the health, safety and welfare of the citizens of and those doing business within the City.

NOW THEREFORE,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Bellevue City Code Section 4.03.025 is hereby amended to read as follows:

Any person who engages in any business as defined in BCC 4.09.030L or performs any act which is subject to the provisions of Chapter 4.04 BCC, Admission Tax Code; Chapter 4.09 BCC, Business and Occupation Tax Code; Chapter 4.10 BCC, Utility Occupation Tax Code; or Chapter 4.14 BCC, Gambling Tax Code, even if such person is not subject to any tax imposed thereby, shall apply under such rules

and regulations as the department may prescribe and, upon approval, receive from the department a registration certificate applicable to all such business engaged in or activity performed.

No person shall engage in any business without being registered in compliance with the provisions of this section except the following:

A. Threshold Exemption: 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 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 (or higher threshold as determined by city) and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter.

2.) The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

B. Any farmer who is exempt from the business and occupation tax pursuant to BCC 4.09.090(J); or

C. Any "family" as defined in BCC 4.03.020(E).

D. Any person who performs activities subject to the provisions of Chapter 4.09 BCC and meets the requirements of BCC 4.09.030(L)(4) and/or L(5). This exemption does not apply to any person engaged in activities that are subject to the provisions of other chapters of BCC Title 4. (Ord. 5605 § 1, 2005; Ord. 5436 § 1, 2003.)

Section 2. This Ordinance shall take effect and be in force thirty days after its passage and legal publication.

Section 3. The changes made by this ordinance shall be enforced effective January 1, 2019

Passed by the City Council this 5<sup>th</sup> day of November, 2018  
and signed in authentication of its passage this 5<sup>th</sup> day of November,  
2018.

(SEAL)



John Chelminiak  
John Chelminiak, Mayor

Approved as to form.

Nicholas Melissinos, Interim City Attorney

Siona D. Windsor  
Siona D. Windsor, Assistant City Attorney

Attest:

Charmaine Arredondo  
Charmaine Arredondo, City Clerk

Published November 8, 2018,