Introduced by: Mayor Eberhart

Date: April 7, 2014

ORDINANCE NO. 5944

AN ORDINANCE TO AMEND FAIRBANKS GENERAL CODE CHAPTER 14, ARTICLE XIII BUSINESS LICENSING

WHEREAS, proposed Ordinance No. 5943 would repeal and reenact FGC Chapter 14, Article III Transient Vendors; and

WHEREAS, Ordinance No. 5943 is being proposed in conjunction with the present ordinance in order to make business licensing fair and uniform for all entities; and

WHEREAS, shortening the due date for obtaining a business license streamlines processing, reduces opportunities for misplacement, and helps ensure timely compliance by allowing staff to send reminder notices during a month in which quarterly billings are not already being conducted,

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

<u>Section 1</u>. Fairbanks General Code Chapter 14, Article III, is hereby amended as follows [new text in **underlined bold** font; deleted text in strikethrough font]:

Sec. 14.601. City business license required.

- (a) By last day of March February of each year, every person and other legal entity required to obtain a state business license shall obtain an annual city business license, in addition to any other license required by this Code, if the person or legal entity maintains business premises within the city limits, delivers goods or provides services within the city limits, or otherwise does business in the city limits.
- (b) The city clerk shall provide for a system of issuing city business licenses, and keep records of all holders of general city business licenses. The clerk may propose regulations, subject to approval by the city council, relating to the issuance of city general business licenses.
- (c) The following information shall be required to be provided for issuance of a city business license, and updated annually:
 - (1) The name of the business owner;
 - (2) The name(s) under which the entity does business;
 - (3) The mailing address of the owner;
 - (4) The mailing and physical address of the business;

- (5) Reserved A contact telephone number and email address;
- (6) The number of employees recorded on all of the prior year's employer security contribution reports filed with the State of AlaskaReserved;
- (7) A statement of the general nature of the business and the Standard Industrial Classification Number (SIC No.);
- (8) A selection shall be made within an appropriate range indicating the total estimated gross receipts received from all business activities for the prior year inside the city limits (except as provided under_section 14-602(b)), which shall be treated as confidential proprietary information by the city and not disclosed to the public or accessed by any city employees who do not have a legitimate work-related need to access the information.
- (d) No permit required under chapter 10, building and building regulations, may be issued except upon the presentation of a business license properly issued in compliance with this section.
- (e) No occupational license or permit may be issued under any provision of the City Code except upon the presentation of a business license properly issued in compliance with this section.

Sec. 14.602. License fee registration.

- (a) The annual license registration shall be based on gross receipts from the prior year as set forth below regardless of the number of physical locations in the city where the business is conducted. For 2011, the license fee schedule is shown below. For calendar years 2012 and beyond, The fee schedule shall be adjusted as part of the annual budget estimate by the estimated annual change in the Anchorage Consumer Price Index (CPI-U) with subsequent year adjustment to reflect the actual change. Starting in 2012, the fee schedule shall be removed from the City Code and instead shall be published in the City Schedule of Fees and Charges for Service with fees rounded to the nearest dollar. The minimum license fee shall remain at \$25.00 until further amendment by ordinance.
- (b) Any business entity that does not have an established business premises in the Fairbanks North Star Borough but that provides one-time or intermittent contractual products or services within the city must obtain a City of Fairbanks business license prior to delivery of such products or services. The business license fee amount shall be calculated from the chart in subpart (a) and based upon the estimated gross proceeds (receipts) of the products/services provided under each contract. This subsection does not change or modify the five-day exemption found in section 14-604(b).

Sec. 14.603. Failure to obtain business license.

Any person who violates any of the provisions of this article shall be guilty of a misdemeanor and, exclusive of any civil penalties specifically provided for in this article, shall be punished as provided in F.G.C. section 1-15.

Sec. 14.604. Exemptions.

- (a) Those business owners whose only business activity is to ship tangible property or provide intangible services to buyers within the city in response to an order (whether by phone, mail or internet) without the physical presence of any owner, employee or agent in the city.
- (b) Those business owners who are only physically present in the city for short visits (whether at trade shows, special events, sales visits, etc.), so long as their presence does not exceed five days a calendar year covered by a multi-vendor permit issued under FGC Chapter 14 Article III Multi-Vendor Event.
- (c) Even if required by state law to have a state business license, those business owners anyone making isolated or casual sales within the city, such as "garage" or yard sales.

Section 2. That the effective date of this ordinance shall be the 26th day of April 2014.

John Eberhart, Mayor

AYES:

Anderson, Gatewood, Staley, Hilling, Matherly, Walley

NAYS:

None

ABSENT:

None

ADOPTED:

April 21, 2014

ATTEST:

APPROVED AS TO FORM:

Janey Hovenden, MMC, City Clerk

Paul Ewers, City Attorney