

ORDINANCE NO.: 2011-093

Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 11, Licenses, Permits and Miscellaneous Business Regulations, Article II, Business and Professional Licenses, Sec. 11-32 Definitions to add Boardinghouse and Roominghouse, and Charitable purpose, Sec. 11-34 License fee, Sec. 11-35 Registration of businesses; application for license; Sec. 11-36 Deductions from gross income; exemptions; determination of classification; Sec. 11-49 Classification rate schedules

BE IT ORDAINED by the Mayor and Council this ____ day of _____, 2011, that the 1998 Code of Ordinances of The City of Columbia, South Carolina, Chapter 11, Licenses, Permits and Miscellaneous Business Regulations, Article II, Business and Professional Licenses, Sec. 11-32 Definitions to add Boardinghouse and Roominghouse, and Charitable purpose, Sec. 11-34 License fee, Sec. 11-35 Registration of businesses; application for license; Sec. 11-36 Deductions from gross income; exemptions; determination of classification; Sec. 11-49 Classification rate schedules, are amended to read as follows:

Sec. 11-32. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Boardinghouse and Roominghouse mean any dwelling, other than a hotel or motel, in which more than three persons who are not members of the owners or operator's family are housed or lodged in rooms used or intended to be used for living and sleeping but not for cooking or eating purposes, for compensation, with or without meals being provided. Any dwelling in which such accommodations are offered in ten or more rooms shall be considered to be a hotel or motel.

Business means a calling, occupation, profession or activity engaged in with the object of gain, benefit or advantage, either directly or indirectly. A charitable organization shall be deemed a business unless the entire proceeds of its operation are devoted to charitable purposes.

Charitable Purpose means any purpose described in Section 501(c)(3) of the Internal Revenue Code, or any benevolent, philanthropic, patriotic, or eleemosynary purpose which does not result in personal gain to a sponsor, organizer, officer, director, trustee or person with ultimate control of the organization. A charitable organization shall be deemed a business subject to a license tax unless the entire net proceeds of its operation, after necessary expenses, are devoted to charitable purposes. Compensation in any form to a sponsor, organizer, officer, director, trustee or person with ultimate control of the organization shall not be deemed a necessary expense of operation.

Gross income means the total revenue of a business received or accrued for one calendar year collected or to be collected by a business within the city, excepting therefrom income from business done wholly outside of the city on which a license tax is paid to some other municipality or a county and fully reported to the city. The gross income for business license purposes shall conform to the total income reported to the Internal Revenue Service, as defined by section 61 of the Internal Revenue Code for income tax purposes, or the state insurance commission, without deductions. In the case of brokers or agents, gross income shall mean gross commissions retained.

Person means any individual, firm, partnership, cooperative nonprofit membership, corporation, joint venture, professional association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a business in the absence of the principals.

Sec. 11-34. License Fee.

(a) The required license fee shall be paid for each business subject to this article, according to the applicable rate classification, on or before April 15 in each year, ~~except for businesses physically located outside the city limits which are required to make applications for business licenses prior to operation within the city limits.~~ A separate license shall be required for each place of business and for each classification of business conducted at one place. If gross income cannot be separated for classifications at one location, the license fee shall be computed on the combined gross income for the classification requiring the highest rate. A license fee based on gross income shall be computed on the gross income for the preceding calendar or fiscal year, and on a 12-month projected income based on the monthly average for a business in operation for less than one year. The fee for a new business shall be computed on the estimated probable gross income stated in the license application for the balance of the calendar year. No license fee shall be prorated.

(b) Unless otherwise specifically provided, all minimum fees and rates shall be multiplied by 200 percent for nonresidents and itinerants having no fixed principal place of business within the city.

Sec. 11-35. Registration of businesses; application for license

The owner, agent or legal representative of every business subject to this article, whether listed in the classification index or not, shall register the business and make application for a business license on or before April 15 of each year, ~~except for businesses physically located outside the city limits which are required to make applications for business licenses prior to operation within the city limits. A license for a bar must be issued in the name of the individual who has been issued a State Alcohol License and will have actual control and management of the business.~~

~~a~~ A new business shall be required to have a business license and obtain all necessary approvals and clearances as required by city ordinances prior to operation within the city.

Application shall be on a form provided by the license inspector, which shall contain the social security number and/or the federal employer's identification number, the business name as reported on the South Carolina income tax return, and all information about the applicant and the business deemed necessary to carry out the purposes of this article by the license inspector. The applicant shall certify under oath that the information reported or estimated is true, that the gross income is accurately reported or estimated for a new business, without any unauthorized deductions, and that all assessments and personal property taxes due and payable to the city have been paid. Insurance agents employed by more than one company shall be licensed as brokers.

~~Business License renewal applicants within the municipal limits shall be required to submit copies of portions of state and federal income tax returns reflecting gross income figures. Business License renewal applicants within the municipal limits shall be required to submit proof of payment of any business-~~

related fees, assessments, and/or personal property taxes, including any late fees or penalties.

Sec. 11-36. Deductions from gross income; exemptions; determination of classification

(a) No deductions from gross income shall be made by businesses subject to this article except for income from business done wholly outside of the city on which a license tax is paid to some other municipality or a county, or income which cannot be taxed pursuant to state law. The applicant for a license under this article shall have the burden to establish the right to a deduction by satisfactory records and proof.

(b) No person shall be exempt from the requirements of this article by reason of the lack of an established place of business within the city, unless exempted by state or federal law. The license inspector shall determine the appropriate classification for each business. No person shall be exempt from this article by reason of the payment of any other tax, unless exempted by state law, and no person shall be relieved of the liability for the payment of any other tax by reason of the application of this article.

(c) Charitable organizations which have exemptions from state and federal income taxes shall be exempt from a business license tax only in cases where the sponsors, organizers, directors, trustees, or persons who exercise ultimate control of the organization receive no part of the proceeds of operation, and all proceeds are devoted to charitable purposes as defined by this ordinance and by Section 501(c)(3) of the Internal Revenue Code. Payment of necessary costs of operation and wages to non-management employees will not disqualify a charitable organization from exemption.

Sec. 11-49. Classification rate schedules.

The license fee for each class of business shall be computed in accordance with the following:

Code	SIC Code	Business	Rate
001	2011	ABATTOIRS: On gross income not exceeding \$5,000.00 On each additional \$1,000.00 or fraction thereof	30.25 -1.20
A05		Amusement Machines, coin-operated (except gambling) Music machines, juke boxes, kiddie rides, video games, pool tables, pin tables, with levers and other amusement machines without free play feature licensed by SC Department of Revenue pursuant to SC Code §12-21-2720(A)(1) and (A)(2) [Type I and Type II] Operator of machine \$12.50 per machine, PLUS \$12.50 business license for operation of all machines (Not on gross income) [SC Code §12-21-2746]	
015	7999	BATHHOUSES On gross receipts not exceeding \$5,000.00 On each additional \$1,000.00 or fraction thereof	30.25 -1.20

019	7021	BOARDINGHOUSES AND TOURIST HOMES ROOMINGHOUSES: On gross receipts not exceeding \$5,000.00 On each additional \$1,000.00 or fraction thereof	12.10 1.20
022	7251	BOOTBLACKS (on and off street): On gross receipts not exceeding \$5,000.00 On each additional \$1,000.00 or fraction thereof	5.50 1.20
B39	1500	CONTRACTORS: See Contractors.	
	1524	On gross contract business not exceeding \$1,000.00 (a) On each additional \$500.00 or fraction thereof of gross (b) contract business. Not to be prorated 5. Before any electrical or plumbing contractor shall be issued a business license, he must obtain a master's license in his respective field. Subcontractors furnishing labor for and/or supervision over construction or providing any type of contractual service shall be held liable for payment of the license fees set forth in this section on the same basis as are prime contractors. Where a permit is required to be issued by the inspection division before work can be undertaken, no such permit shall be issued unless the contractor seeking the permit has filed an application for a business license with the city and paid a license fee in accordance with the provisions of this article. 6. It shall be necessary on each job for the contractor to do the following: (a) Post in plain view a sign identifying the contractor with the job; and (b) If applicable, provide proper decals for each and every vehicle at the job site as provided in this section. 7. In accordance with section 11-72; It shall be required of each electrical, plumbing, mechanical, general or service contractor who shall individually or through an entity construct, service or repair buildings of any type within the city limits to purchase two decals for each and every vehicle used at a job site at a cost of \$3.00 per set; as set forth in section 11-72. Decals will be issued annually in conjunction with the renewal of business licenses and may be purchased throughout the year as circumstances may dictate.	12.10 -6.05
046	7393	DETECTIVE AGENCIES: On gross receipts not exceeding \$10,000.00 On each additional \$1,000.00 or fraction thereof Application must be approved by the city council before a license may be issued.	30.25 2.40
048	4212	DRAYING, each vehicle: On gross receipts not exceeding \$5,000.00 On each additional \$1,000.00 or fraction thereof	12.10 1.20
049	7216	DRY CLEANING AND LAUNDERING: On gross receipts not exceeding \$10,000.00 On each additional \$1,000.00 or fraction thereof	30.25 1.20

A49	7216	On each pickup station: If the main plant is in the city If the main plant is outside the city:	12.10
E49	7216	On gross receipts not exceeding \$10,000.00 On each additional \$1,000.00 or fraction thereof The term "pickup station" as used in this subsection shall include all business establishments where clothing and/or linen may be left by persons to be taken to a dry cleaning or laundry plant to be laundered, cleaned or pressed.	30.25 1.20
051	7361	EMPLOYMENT AGENCIES: On gross receipts not exceeding \$10,000.00 On each additional \$1,000.00 or fraction thereof A \$1,000.00 fidelity bond must accompany the application for a license.	60.50 1.20
058	5261	FRUITS, WATERMELONS AND CHRISTMAS TREES, PUMPKIN STANDS & FIREWORKS (SEASONAL): must comply with section 17-258 (7) (i) On gross receipts not exceeding \$5,000.00 \$10,000 On each additional \$1,000.00 or fraction thereof Health department approval is necessary before issuing a new or renewal license.	12.10 24.20 1.20
H63	6711	HOLDING, INVESTMENT AND DEVELOPMENT COMPANIES (proprietorships with five or more units, joint ventures, partnerships, trusts and corporations). A unit is a single-family quarters or office space. On gross receipts not exceeding \$250,000.00 On each additional \$1,000.00 or fraction thereof (rental property located inside city limits) On each additional \$1,000.00 or fraction thereof (rental property located outside the city limits)	11.00 1.65 .28
H65	4789	HORSE-DRAWN CARRIAGES: On gross receipts not exceeding \$10,000.00 On each additional \$1,000.00 or fraction thereof	121.00 1.20
066	5963	HUCKSTERS: On gross receipts not exceeding \$5,000.00 On each additional \$1,000.00 or fraction thereof No license shall be prorated. Health department approval is necessary before issuing a new or renewal license.	30.25 1.20

A67	5963	ICE CREAM VENDORS – PEDDLER RATE & REQUIREMENTS APPLY On gross receipts not exceeding \$2,500.00 On each additional \$1,000.00 or fraction thereof For sale of prepackaged ice cream and frozen dessert only. Health department approval is necessary before issuing a new or renewal license.	30.25 -1.20
E69	6411	Transients agents: On gross premiums not exceeding \$25,000.00 On each additional \$1,000.00 or fraction thereof For the purpose of computing and collecting the license fee on any insurance company, other than life, having an agent in the city or issuing policies of any nature covering any property, real or personal, or covering any risk: (a) the city shall compute and collect 1.2 percent of the gross amount of all premiums collected by the agent of fire companies, whether the property or risk is located in the city or not, and (b) the city shall compute and collect 1.2 percent of the gross amount of all premiums collected by the agents of other insurance companies, whether the property or risk is located in the city or not. The gross referred to in this subsection shall include new and renewal business, and include all premiums received either in cash or by note, draft or other acceptance in lieu of cash without deduction from gross premiums for any dividend or return or deposit premium or any part thereof or for credit on premiums for any reason whatsoever; provided that no such computation or collection shall be made on any premium collected upon a risk located in another municipality within the state, upon which any other municipality assesses or collects a business license fee. Any person who solicits insurance in behalf of any insurance or bonding company or who takes or transmits, other than for himself, any application for insurance or any policy of insurance to or from the company or who advertises or otherwise gives notice that he will receive or transmit such applications, or who shall receive or deliver a policy or certificate of insurance of any company or shall examine or inspect any risk, or receive or collect or transmit any premium or do or perform any other act or thing in the making or the consummating of any contract of insurance for or with any such company, other than for himself, or who shall examine into and adjust or aid in the adjusting of any loss for or on behalf of any insurance company, whether such acts are done at the instance or request or by the employment of such insurance company or not, shall be held to be acting as the agent of the company for which the act is done or the risk is taken and shall be deemed to engage in the insurance business in the city within the meaning of this article. It is hereby declared that it shall be conclusively presumed that the premium charged for the issuance of any policy covering any property real or personal or risk located within the city was collected within the city.	242.00 -2.40

077	MERCHANTS, RETAIL:
	5531 Automobile accessory stores
	5999 Awning and tent makers and dealers
	5462 Bakeries, retail

- 5521 Battery repairs and sales, exclusive of filling stations
- 5941 Bicycle agents and repair shops
- 5211 Building materials, retail
- 5999 Business machines, safes, cash registers and related sales
- 5441 Candy dealers, retail
- 5999 Cash register dealers
- 5982 Coal dealers and vendors, retail
- 5441 Confectioners, retail
- 5651 Clothing, retail
- 5462 Doughnut shops, retail
- 5912 Drugstores and apothecaries
- 5651 Dry goods, retail
- 5411 Grocery stores
- 5451 Ice cream dealers, retail
- 7399 Interior decorators
- 5944 Jewelry stores
- 5211 Lumberyards, retail
- 5399 Military stores
- 5994 Newsstands
- 5399 Novelties, all types
- 5261 Nurseries, plants and flowers, retail
- 5999 Pet shops
- 7395 Photograph and picture developers, not licensed as photographers
- 5499 Poultry and produce dealers, retail
- 5211 Sashes, blinds, metal awnings or other related products
- 5722 Sewing machine dealers
- 5812 Soda fountains
- 5699 Tailors
- 5531 Tire dealers, retreading and recapping
- Other related types of retail sales not listed in this section
- On gross receipts not exceeding \$10,000.00
- On each additional \$1,000.00 or fraction thereof

077E

In lieu of the license described in this subsection, a participant in a single annual event of not more than ten days in length may be issued a permit at the rate of \$10.00 on gross receipts of not more than \$10,000.00 and \$1.20 on each additional \$1,000.00 of gross receipts or fraction thereof. This permit will be valid only for the time period specified thereon and can be obtained for one event annually. Inspections prior to the issuance of a permit will be waived, but inspections may be conducted during the event.

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NEWSPAPERS, daily or daily except Sunday, weekly or biweekly, morning or afternoon:

On gross receipts not exceeding \$20,000.00	60.50
On each additional \$1,000.00 or fraction thereof	1.20

094	5441	PEANUT VENDORS from box or basket container: On gross receipts not exceeding \$10,000.00 On each additional \$1,000.00 or fraction thereof Not allowed to sell on Main Street, or within one block of Main Street, from the State House to Elmwood Avenue.	24.20 1.20
095	5963	PEDDLERS, all classes not otherwise provided for in this section: On gross receipts not exceeding \$5,000.00 On each additional \$1,000.00 or fraction thereof No license shall be prorated. MUST COMPLY WITH SECTION 17-258	121.00 3.00
H65	4789	PEDICABS On gross receipts not exceeding \$10,000.00 On each additional \$1,000.00 or fraction thereof	121.00 1.20
A96	7221	PHOTOGRAPHERS: Itinerants: On gross receipts not exceeding \$10,000.00 On each additional \$1,000.00 or fraction thereof Not prorated. An itinerant photographer within the meaning of this subsection is defined as any person who is not a bona fide resident of the city.	121.00 60.50 3.00 2.40
E52		ENTERTAINMENT: Establishments/facilities primarily engaged in organizing, promoting, and/or managing live performing arts productions, sports events, and similar events, such as concerts and festivals, held in arenas, stadiums, auditoriums or other related facilities that they manage and operate. An individual promoter/performer will not be required to obtain a separate business license if the establishment/facility has obtained one as described in this classification. On gross income not exceeding \$50,000.00 On each additional \$1,000.00 or fraction thereof The establishment/facility will be required to report and pay on a monthly basis the gross generated from ticket sales (less the admission tax paid to the state), gross retail merchandise and any other gross related to the performance/event on a form created and supplied by the license division. At year end, when all monthly payments have been received and processed, one business license will be issued to the facility Double rate does not apply	150.00 100.00 3.00 2.00
019	7021	ROOMINGHOUSES AND BOARDINGHOUSES: On gross receipts not exceeding \$5,000.00 On each additional \$1,000.00 or fraction thereof	12.10 1.20

414	4811	<p>TELEPHONE COMPANIES: On gross receipts from customers' premises telecommunications equipment, intrastate long distance tolls, service work charges, and directory, miscellaneous and supplemental services billed to customers located within the city. Charges billed to customers located within the city shall be deemed to have been apportioned by the company according to services rendered within the city. See Section 11-50 for rates and franchise information</p> <p>On gross receipts not exceeding \$25,000.00 275.00</p> <p>On the next \$175,000.00, per \$1,000.00 —5.50</p> <p>Over \$200,000.00, per \$1,000.00 —1.10</p> <p>Telephone companies occupying public streets pursuant to franchise may pay a fee in lieu of a business license fee, or receive a credit for business license fees as provided by the franchise agreement.</p>
115	6516	<p>TRAILER PARKS:</p> <p>On gross receipts exceeding \$5,000.00 60.50</p> <p>On each additional \$1,000.00 or fraction thereof 1.20</p> <p>Approval must be obtained from the building official and the health department before a license may be issued.</p>
120	5982	<p>WOOD DEALERS: PEDDLER RATE & REQUIREMENTS APPLY</p> <p>On gross receipts exceeding \$5,000.00 30.25</p> <p>On each additional \$1,000.00 or fraction thereof —1.20</p>

This ordinance shall be effective as of January 1, 2012.

Requested by:

Business License Administrator

MAYOR

Approved by:

City Manager

Approved as to form:

ATTEST:

Holly Palmer Beeson

Assistant City Attorney

City Clerk

Introduced:
Final Reading: