

FILED
CITY OF SEATTLE

2016 JUL 19 PM 3:42

CITY CLERK

Seattle Rule 5-003

Business license tax certificate suspension and revocation

(1) Acts justifying refusal to renew or revocation of business license tax certificate. SMC 5.55.230 governs the refusal to renew and revocation of business license tax certificates. The Department may refuse to renew or revoke a business license tax certificate if:

- (a) The license was procured by fraud or false representation of fact;
- (b) The licensee has failed to comply with any provisions of Chapters 5.32, 5.35, 5.37, 5.40, 5.45, 5.46, 5.48, 5.52, or 5.55 of the Seattle Municipal Code; or
- (c) The licensee is in default in any payment of any license fee or tax under Title 5 or Title 6 of the Seattle Municipal Code.
- (d) The property at which the business is located has been determined by a court to be a chronic nuisance property as provided in SMC Chapter 10.09.

(2) Date refusal to renew or revocation takes effect. No revocation of, or refusal to renew a license issued pursuant to the provisions of SMC Chapter 5.55 shall take effect until thirty (30) days after the mailing of the notice thereof by the Director by certified mail, and if appeal is taken as prescribed in SMC 5.55.230, until final action by the Hearing Examiner. If the licensee does not timely appeal, the refusal to renew or revocation becomes final effective 30 days after the date the notice was mailed.

(3) Definition.

Business license tax certificate. The term "business license tax certificate," as used in this section, has the same meaning as the term used in SMC 5.55.

(4) Procedure.

(a) Notice required. The Director, or his or her designee, shall notify a licensee in writing by certified mail of the refusal to renew or revocation of his or her license and the grounds therefor. Licensees shall ensure that their current mailing address is on file with the Department. Mailing to the licensee's most recent address on file with the Department shall be sufficient notice. If notice is mailed to such address, actual receipt of the notice is not required to effectuate refusal to renew or revocation of the license.

(b) Appeal. A licensee may, within thirty (30) days from the date that the refusal to renew or revocation notice was mailed to the licensee, appeal from such refusal to renew or revocation by filing a written notice of appeal ("petition") setting forth the grounds therefor with the Office of the Hearing Examiner. The licensee must provide a copy of the petition to the Director and the City Attorney on or before the date the petition is filed with the Hearing Examiner in order to perfect the appeal. The hearing shall be conducted in accordance with the procedures for hearing

contested cases in the Seattle Administrative Code (Chapter 3.02 of the Seattle Municipal Code). The Hearing Examiner shall set a date for hearing the appeal and notify the licensee by mail of the time and place of the hearing. After the hearing, the Hearing Examiner shall make appropriate findings of fact, and conclusions of law. The Hearing Examiner shall affirm, modify, or overrule the refusal to renew or revocation. If the Hearing Examiner modifies or overrules the Director's action, it may reinstate the license, or may impose any terms upon the continuance of the license that the Hearing Examiner may deem advisable.

(c) Action stayed upon appeal. The refusal to renew or revocation action is stayed upon appeal pending final action by the Hearing Examiner.

(d) Surrender of license required. All licenses which are refused to be renewed or revoked shall be surrendered to the City on the effective date of such refusal to renew or revocation. It is unlawful for any licensee to engage in business after its business license tax certificate has been refused to be renewed or revoked.

(e) License fee nonrefundable. Upon the refusal to renew or the revocation of any license, no portion of the license fee shall be returned to the licensee.

(f) Order shall be posted. A final refusal to renew or revocation order shall be posted in a conspicuous place at the main entrance to the licensee's place of business and shall remain posted until the business license tax certificate has been reinstated.

(5) Reinstatement of business license tax certificate. A business license tax certificate that has not been renewed because of the refusal of the Director, or that has been revoked shall not be reinstated until:

(a) All amounts due have been paid, or arrangements for payment have been approved by the Director;

(b) The licensee has posted with the Department a bond or other security in an amount equal to at least one-half its future estimated average annual tax liability; and

(c) All conditions imposed by the Director and/or the Hearing Examiner have been fulfilled.

(d) A period of one year has passed since the effective date of the refusal to renew or the revocation of the license.

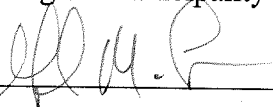
DIRECTOR'S CERTIFICATION

I, Glen M. Lee, Finance Director of the City of Seattle, do hereby certify under penalty of perjury of law, that the within and foregoing is a true and correct copy as adopted by the City of Seattle, Department of Finance and Administrative Services.

DATED this 14 day of July 2016.

CITY OF SEATTLE,

a Washington municipality

By: 

Glen M. Lee, Finance Director

Department of Finance and Administrative Services

Effective date: July 14, 2016

MEMORANDUM

TO: Monica Martinez Simmons, City Clerk

FROM: Glen Lee, Finance Director
Joseph Cunha, City Tax Administrator, and
Mark Watterson, Tax Audit Manager
License & Tax Administration

DATE: July 19, 2016

RE: The Official Published Notice:
**Director's Business Tax Rules amendments and adoption for SMC
Chapter 5.45 effective July 14, 2016**

FILED
CITY OF SEATTLE
2016 JUL 19 PM 3:41
CITY CLERK

Please file the attached paperwork concerning the following amended City of Seattle "Tax Rules":

- 5-002 Business License Requirements
- 5-003 Business license suspension and revocation
- 5-004 Transfer of business license
- 5-005 Time payments
- 5-007 Penalties
- 5-008 Recordkeeping requirements
- 5-009 Limitations on tax assessments
- 5-012 Refunds
- 5-030 Persons making sales through a direct seller's representative
- 5-034 Finance charges, carrying charges, interest and penalties
- 5-039 Employees distinguished from persons engaging in business
- 5-043 Engaging in business
- 5-064 Credit losses, bad debts, recoveries
- 5-127 Sales to, and by, the State of Washington, counties, cities, school districts and other municipal subdivisions
- 5-129 Tribes and Tribal members/Citizens
- 5-132 Leased departments
- 5-133 Warranties and maintenance agreements
- 5-404 Sales of meals
- 5-481 Motor carriers - Trucking
- 5-531 Sales of real property, standing timber, minerals, natural resources
- 5-901 Admission tax exemption

Please file the attached paperwork concerning the following adopted City of Seattle "Tax Rule":

5-193 Waterborne Transportation

An Affidavit of Publication for the "Notice of Proposed Rule Hearing and Opportunity to Comment" that went to the *Daily Journal of Commerce* for publication on May 27, 2016 is also included in this packet. The required public hearing was held on June 16, 2016 at 10:00 A.M. in Seattle Municipal Tower.

If we can provide any additional information, please let us know. You may contact Mark Watterson, Tax Audit Manager (206) 233-7095 for any questions.

STATE OF WASHINGTON -- KING COUNTY

--SS.

337883

No.

CITY OF SEATTLE:FINANCE&ADMIN

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

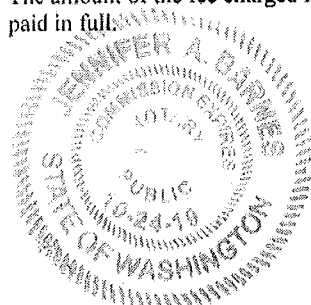
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:PROPOSED RULE MAKING

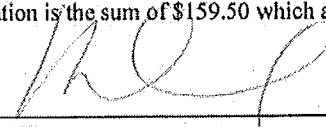
was published on


05/27/16

The amount of the fee charged for the foregoing publication is the sum of \$159.50 which amount has been paid in full.



Affidavit of Publication



05/27/2016 

Subscribed and sworn to before me on

Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

NOTICE OF PROPOSED RULE MAKING HEARING AND OPPORTUNITY TO COMMENT

The Director of Finance, acting under the authority of Seattle Municipal Code Chapters 3.02 and 5.55, proposes to adopt new rules for implementing the Seattle Business License Tax Ordinances (Seattle Municipal Code Chapters 5.45 and 5.49). Please note that although these rules are applicable to SMC 5.45 and 5.49, the individual rules may also apply to other chapters of the City's Tax Code, including but not limited to, SMC 5.30 (Definitions), SMC 5.32 (Revenue Code), SMC 5.35 (Commercial Parking Tax), SMC 5.40 (Admissions Tax), SMC 5.48 (Business Tax - Utilities), SMC 5.52 (Gambling Tax), and SMC 5.55 (General Administrative Provisions). The following rules are proposed for adoption or amendment and will become effective as of July 15, 2016:

Seattle Rule 5-002 Business license requirements

Seattle Rule 5-003 Business license suspension and revocation

Seattle Rule 5-004 Transfer of business license

Seattle Rule 5-005 Time payments

Seattle Rule 5-007 Penalties

Seattle Rule 5-008 Recordkeeping requirements

Seattle Rule 5-009 Limitations on tax assessments

Seattle Rule 5-012 Refunds

Seattle Rule 5-030 Persons making sales through a direct seller's representative

Seattle Rule 5-034 Finance charges, carrying charges, interest and penalties

Seattle Rule 5-039 Employees distinguished from persons engaging in business

Seattle Rule 5-043 Engaging in business

Seattle Rule 5-064 Credit losses, bad debts, recoveries

Seattle Rule 5-127 Sales to, and by, the state of Washington, counties, cities, school districts and other municipal subdivisions

Seattle Rule 5-129 Tribes and tribal members/citizens

Seattle Rule 5-132 Leased departments

Seattle Rule 5-133 Warranties and maintenance agreements

Seattle Rule 5-193 Waterborne transportation

Seattle Rule 5-404 Sales of meals

Seattle Rule 5-481 Motor carriers - Trucking

Seattle Rule 5-531 Sales of real property, standing timber, minerals, natural resources

Seattle Rule 5-901 Admission tax exemption

PUBLIC HEARING AND COMMENT:
The Department of Finance and Administrative Services has scheduled a public hearing on the proposed rule changes for 10 a.m. to noon, on June 16, 2016. The hearing will be held in a conference room on the 40th floor of the Seattle Municipal Tower, Suite 4090, located at 700 Fifth Ave. All interested persons are invited to present data, views or arguments, with regard to the proposed rules, orally at the hearing or in writing at or before the hearing.

Written comments should be mailed or delivered to:

Department of Finance and Administrative Services

Attn: Mark Watterson, Tax Manager

License and Tax Administration

700 Fifth Ave. - Suite 4250

P.O. Box 34214

Seattle, WA 98124-4214

The public may inspect copies of the proposed rules at the License and Tax Administration offices, 700 Fifth Ave., Suite 4250. If you would like a copy of the proposed rules, please call (206) 235-3769, FAX (206) 684-5170, email: tax@seattle.gov, or submit a written request to the address above.

Glen Lee, Finance Director, Department of Finance and Administrative Services

Date of publication in the Seattle Daily Journal of Commerce, May 27, 2016.

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