

**2015 BUDGET LEGISLATION FISCAL NOTE**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Legislative	Tony Kilduff/4-3580	N/A

**Legislation Title:**

AN ORDINANCE relating to the Department of Finance and Administrative Services; increasing the business license fee, and amending Section 5.55.030 of the Seattle Municipal Code.

**Summary of the Legislation:**

This legislation would increase the business license fee from \$45.00 to \$55.00 for businesses with annual revenues less than \$20,000 and from \$90.00 to \$110.00 for businesses with annual revenues greater than that starting in 2015.

**Background:**

The City charges a license fee for most businesses that operate in the City—there are certain exceptions. The fees have not been adjusted since 2005 when they were increased from \$75.00 to \$90.00. The proposed increase generally reflects inflation since 2005.

     **This legislation does not have any financial implications.**

  **X**   **This legislation has financial implications.**

General Subfund revenues will increase.

**Summary of Changes to Revenue Generated Specifically from this Legislation:**

	<b>Revenue Source</b>	<b>2015 Proposed</b>	<b>2016 Proposed</b>
<b>Total Fees and Charges Resulting From Passage of This Ordinance</b>	Business License Fees	\$1,100,000	\$1,100,000

(If new revenue is for a partial year, provide estimate for full year in the notes section below.)

Revenue Change Notes: All new revenues are addressed in standalone legislation.

**Anticipated Total Revenue from Entire Program, Including Changes Resulting from this Legislation:**

Fund Name and Number	Revenue Source	Total 2015 Revenue	Total 2016 Revenue
<b>TOTAL</b>			

Total Revenue Notes:

**Other Implications:**

- a) **Does the legislation have indirect financial implications, or long-term implications?**  
 Yes this indirectly affects the City's costs for developing File Local (please see item c) below).
- b) **What is the financial cost of not implementing the legislation?**  
 \$1.1 million in General Subfund revenues.
- c) **Does this legislation affect any departments besides the originating department?**  
 Yes, the Department of Finance and Administrative Services, will need to modify tax filing forms and various systems, including educational and customer support services, to administer the fee change. Additionally the FileLocal Agency (the multi-city online tax filing system the City is spearheading development of) will have to undertake a re-coding of its system to accommodate this fee change. The FileLocal system is in testing phase now and this change may cause some delays given the timing. The City would need to coordinate this modification with the FileLocal agency.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**  
 None.
- e) **Is a public hearing required for this legislation?**  
 No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
 No.
- g) **Does this legislation affect a piece of property?**  
 No.
- h) **Other Issues:**  
 None.

List attachments to the fiscal note below: None.

Tony Kilduff  
LEG Business License FISC  
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