

ORDINANCE NO. 3542

AN ORDINANCE to amend Article A (GENERAL PROVISIONS) and Article C (NONREGULATORY LICENSES) of Chapter 1 (BUSINESS LICENSES), Title 9 (LICENSING AND REGULATION) of The Code of the City of Alexandria, Virginia, 1981, as amended, as follows: by amending and reordaining subsection (2) of Section 9-1-2 (DEFINITIONS) and Section 9-1-7 (PROCEDURE FOR OBTAINING LICENSES); by repealing Section 9-1-11 (PARTIAL PAYMENT WHEN TAX IS BASED ON GROSS RECEIPTS) and adding a new Section 9-1-11 (EXEMPTIONS), by amending and reordaining Section 9-1-17 (RECORDS AND REPORTS REQUIRED WHEN TAX BASED ON GROSS RECEIPTS), subsection (d) of Section 9-1-21 (REFUNDS) and Section 9-1-23 (ZONING); by repealing Section 9-1-35 (TAX INSPECTOR--DUTIES, POWER AND AUTHORITY; DEPUTY) and adding a new Section 9-1-35 (CERTAIN BRANCH OFFICE OPERATORS); by amending and reordaining subsection (59) of and by adding new subsections (60) and (61) to Section 9-1-71 (PROFESSIONAL OCCUPATIONS AND BUSINESSES); by amending and reordaining subsections (a)(1)(o) and (a)(2)(nn) of and by adding new subsections (a)(1)(p), (a)(2)(oo) and (a)(2)(pp) to Section 9-1-72 (PERSONAL SERVICES); by amending and reordaining subsection (106) of and by adding new subsections (107), (108), (109), (110), (111) and (112) to Section 9-1-73 (BUSINESS SERVICES AND OCCUPATIONS); by amending and reordaining subsection (30) and by adding a new subsection (31) to Section 9-1-74; by adding a new subsection (e) to Section 9-1-79 (CONTRACTORS AND CONTRACTING); by adding new subsections (80), (81), (82) and (83) to Section 9-1-75 (RETAIL MERCHANTS--GENERALLY), and by repealing Section 9-1-36 (SAME--ENFORCEMENT OF CHAPTER), Section 9-1-37 (SAME--POWER OF ARREST), subsections (1)(n) and (2)(e) of Section 9-1-72 (PERSONAL SERVICES), subsections (5) and (50) of Section 9-1-73 (BUSINESS SERVICES AND OCCUPATIONS), subsections (a)(41) and (a)(46) of Section 9-1-75 (RETAIL MERCHANTS--GENERALLY), and Section 9-1-80 (CONTRACTORS PERFORMING A SINGLE CONTRACT).

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That the initial paragraph and subsection (2) of Section 9-1-2 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 9-1-2 Definitions.

The following words and phrases, when used in this chapter, shall have the following assigned meanings:

* * *

(2) Director. Use of the title "director" in this chapter shall mean the director of the department of finance of the city, also known as the director of finance, and shall include any duly authorized representative.

Section 2. That Section 9-1-7 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 9-1-7 Procedure for obtaining licenses.

All persons subject to this chapter shall make application for licenses to the director of finance at his office in the city hall. The director shall annually furnish to such persons, at the appropriate time, application forms for renewal of their licenses for the following year. The director shall furnish to persons beginning a business, profession, trade or occupation during a license year license application worksheets which, after completion by such persons, shall be used by the director to prepare the license application. In cases where the license tax is based upon actual gross receipts, the director shall require a sworn statement from the applicant of the amount of such gross receipts and, in the case of a beginning business, profession, trade or occupation, the director shall require an estimate of the gross receipts expected in the first full year of conducting the business, profession, trade or occupation. The gross receipts reported with the application, whether actual or estimated, shall show an amount for the business, profession, trade or occupation conducted by the applicant in the city and an amount for that conducted by the applicant outside of the city.

Section 3. That Section 9-1-11 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is repealed, and that Article A, Chapter 1, Title 9 of said code be and the same hereby is amended by adding a new Section 9-1-11 to read as follows:

Sec. 9-1-11 Exemptions.

(a) The license tax levied in accordance with this chapter shall not be imposed upon the following businesses, professions, trades and occupations:

(1) those exempt from the license tax under section 58.1-3703(B) of the Code of Virginia (1950), as amended;

(2) those exempt from taxation pursuant to section 501(c) of the Internal Revenue Code of 1954 in accordance with a determination letter from the Internal Revenue Service; and

(3) those with gross receipts totalling less than \$5,000 for the entire tax year.

(b) The exemption granted by subsection (a)(2) shall not apply to any portion of the gross receipts from an activity of the business, profession, trade or occupation which is not wholly related to the purpose or function that qualifies the entity for an exemption under section 501(c) of the Internal

Revenue Code of 1954.

(c) The director shall determine whether a business, profession, trade or occupation is exempt under the provisions of this section and whether any portion of the gross receipts of an otherwise exempt entity is not exempt under subsection (b).

(d) The provisions of this section shall not relieve any person of the duty to comply with section 9-1-5.

Section 4. That Section 9-1-17 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 9-1-17 Records and reports required when tax is based on gross receipts.

(a) Every person liable for a license tax under this chapter which is based in whole or in part upon gross receipts shall keep accurate and correct accounts in a manner which will reflect true tax liability. These accounts may be kept on either a cash or an accrual basis but the system of accounts shall be the same as that used for federal income tax.

(b) Such records shall at all times be kept available for audit by the director.

Section 5. That subsection (d) of Section 9-1-21 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 9-1-21 Refunds.

* * *

(d) Following receipt of an application for a refund, the director shall remit to the taxpayer any refund which is due, less any other taxes then due and owing to the city by the taxpayer.

Section 6. That Section 9-1-23 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 9-1-23 Zoning compliance.

The director shall not issue a license for any business, profession, trade or occupation until receipt of a certification from the director of planning and community development that the activity to be licensed is permitted by title 7, chapter 6 of this code to occur at the location identified by the license applicant, pursuant to section 9-1-8, as the place where the activity will be conducted.

Section 7. That Section 9-1-35 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is repealed, and that Article A, Chapter 1, Title 9 of said code be and the same hereby is amended by adding a new Section 9-1-35 to read as follows:

Sec. 9-1-35 Certain Branch Office Operators.

Every person engaged in the business of operating in the city a branch office of a business, profession, trade or occupation, which office is not otherwise taxed under this chapter, shall pay for the privilege of doing so an annual license tax of \$30. The term "branch office," as used in this section, shall mean an office which ordinarily performs administrative functions, does not produce gross receipts or any other base for measuring the volume of the business it conducts in the city, and is not the principal office of a business, profession, trade or occupation.

Section 8. That the initial paragraph and subsection (59) of Section 9-1-71 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby are amended and reordained, and that said section is amended by adding thereto new subsections (60) and (61), all to read as follows:

Sec. 9-1-71 Professional occupations and businesses.

Every person engaged in one or more of the following professions, occupations or businesses in the city shall pay for the privilege of doing so an annual license tax of \$30 or \$0.58 per \$100 of the gross receipts from such profession, occupation or business, whichever amount is greater:

* * *

(59) dietician;

(60) midwife;

(61) other professional occupations or businesses.

Section 9. That the initial paragraph and subsections (a)(1)(o) and (a)(2)(nn) of Section 9-1-72 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby are amended and reordained, and that said section is amended by adding thereto new subsections (a)(1)(p), (a)(2)(oo) and (a)(2)(pp), all to read as follows:

Sec. 9-1-72 Personal services.

(a) Every person conducting, operating or engaging in any one or more of the following personal service businesses or occupations in the city shall pay for the privilege of doing so an annual license tax of \$30 or \$0.35 per \$100 of the gross

receipts from such businesses or occupations, whichever amount is greater:

(1) The business of operating:

* * *

- o. bed and breakfast establishments;
- p. other personal services.

(2) The business of:

* * *

- nn. fitness consultant;
- oo. pet sitting services;
- pp. other personal services.

Section 10. That the initial paragraph of Section 9-1-73 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is amended and reordained, and that said section be and the same hereby is amended by adding thereto new subsections (107), (108), (109), (110), (111) and (112), all to read as follows:

Sec. 9-1-73 Business services and occupations.

Every person conducting, engaging in or operating one or more of the following business services or occupations in the city shall pay for the privilege of doing so an annual license tax of \$30 or \$0.35 per \$100 of the gross receipts from the business or occupation, whichever amount is greater:

* * *

- (106) freelance photographer;
- (107) freelance writer;
- (108) inventory services;
- (109) quick copy services;
- (110) residential and commercial cleaning;
- (111) water treatment consultant;
- (112) other business services or occupations.

Section 11. That the initial paragraph and subsection

(30) of Section 9-1-74 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby are amended and reordained, and that said section be and the same hereby is amended by adding thereto a new subsection (31), all to read as follows:

Sec. 9-1-74 Repair services and occupations.

Every person engaging in or conducting one or more of the following repair service businesses or occupations in the city shall pay for the privilege of doing so an annual license tax of \$30 or \$0.35 per \$100 of the gross receipts from the business or occupation, whichever amount is greater:

* * *

(30) handyman;

(31) other repair service businesses and occupations not named elsewhere in this chapter.

Section 12. That the initial paragraph of subsection (a) of Section 9-1-75 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is amended and reordained, and that said subsection be and the same hereby is amended by adding thereto new subsections (80), (81), (82) and (83), all to read as follows:

Sec. 9-1-75 Retail merchants--generally.

(a) Every person who engages in or conducts one or more of the following businesses or occupations in the city or who sells goods, wares and merchandise at retail only and not for resale in the city shall pay for the privilege of doing so an annual license tax of \$30 or \$0.20 per \$100 of the gross receipts from the business or occupation, whichever amount is greater:

* * *

(80) children's clothing;

(81) computer sales;

(82) pet shop;

(83) women's clothing.

Section 13. That the initial paragraph and subsection (10) of Section 9-1-78 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 9-1-78 Wholesale merchants.

Every person who engages in or conducts any one or more of the following wholesale businesses or occupations, or who sells to other persons for resale only, or who sells to institutional, commercial or industrial users shall pay for the privilege of doing so in the city an annual license tax of \$30 or \$0.05 for each \$100 of total purchases, as defined in section 9-1-2 , whichever amount is greater:

* * *

(10) electrical and plumbing goods, including air conditioners;

* * *

Section 14. That Section 9-1-79 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 9-1-79 Contractors and contracting.

(a) Every person who maintains a principal or branch office in the city and engages in the business of a contractor or the occupation of contracting, as defined in this chapter, shall pay for the privilege of doing so an annual license tax of \$30 or \$0.16 for each \$100 of gross receipts from work performed in the state, whichever amount is greater.

(b) Every person who engages in the business of a contractor or the occupation of contracting in the city, who maintains a principal or branch office in the state but not in the city, and who does not pay a license tax in any other city, town or county in the state shall pay for the privilege of engaging in such business or occupation in the city an annual license tax of \$30 or \$0.16 for each \$100 of gross receipts from work performed in the state, whichever amount is greater. Any person who engages in the business of a contractor or the occupation of contracting in the city, who maintains a principal or branch office in the state but not the city, and who pays a license tax in one or more of the cities, towns or counties in the state in which a principal or branch office is located shall not be liable for any license tax under this section, unless the gross receipts received in any year by such person from the business or occupation conducted in the city exceeds \$25,000, in which event the person shall pay the city a license tax of \$0.16 for each \$100 of gross receipts from work performed in the city.

(c) Every person who engages in the business of a contractor or the occupation of contracting in the city and who does not maintain a principle or branch office in the state shall pay for the privilege of conducting such business or occupation in the city an annual license tax of \$30 or \$0.16 for each \$100 of gross receipts from work performed in the city, whichever amount is greater.

(d) Orders and contracts covering more than one calendar year may be prorated to allow the gross amount or any portion thereof of any such order or contract to be used only once as a basis for determining the amount of the annual license tax to be paid pursuant to this section. Engaging in any of the following businesses or occupations shall be deemed contracting:

- (1) air conditioning;
- (2) brick contracting, stone and other masonry;
- (3) building;
- (4) cement;
- (5) dredging, sand and gravel;
- (6) dry walling;
- (7) electrical;
- (8) floor scraping or finishing;
- (9) foundations;
- (10) other contractors and contracting;
- (11) paint and paper decorating;
- (12) plastering;
- (13) plumbing, heating, steam fitting or gas fitting;
- (14) road, street, bridge, sidewalk or curb and gutter;
- (15) roofing;
- (16) sewer drilling and well digging;
- (17) sign painter on realty;
- (18) structural metal;
- (19) tile, glass, flooring and floor covering;
- (20) wrecking, moving or excavating;
- (21) carpentry;
- (22) pile driving.

(e) The provisions of this section shall not relieve a person who engages in the business of a contractor or the occupation of

contracting in the city of any duty to register as a contractor with the city or the state before engaging in such business or occupation in the city, as may be required by other law.

Section 15. That Sections 9-1-36 and 9-1-37, subsections (1)(n) and (2)(e) of Section 9-1-72, subsections (5) and (50) of Section 9-1-73, subsections (a)(41) and (a)(46) of Section 9-1-75, and Section 9-1-80 of The Code of the City of Alexandria, Virginia, 1981, as amended, be and the same hereby are repealed.

Section 16. That this ordinance shall become effective on January 1, 1992.

PATRICIA S. TICER
Mayor

Final Passage: November 16, 1991