

INTRODUCED: January 13, 2020

AN ORDINANCE No. 2020-007

To amend City Code § 26-967, concerning retail merchants, for the purpose of revising the business license requirements for manufacturers acting as retail merchants.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JAN 27 2020 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 26-967 of the Code of the City of Richmond (2015) be and is hereby **amended** and reordained as follows:

Sec. 26-967. Same—Retail.

(a) Every person engaged in the business of a retail merchant, as defined in Section 26-872, shall obtain a license for the privilege of doing business in the City and shall pay a license fee as set forth in Appendix A to this Code or a license tax equal to \$0.20 per \$100.00 of the gross receipts of the business, as provided in Section 26-871.

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JAN 27 2020 REJECTED: _____ STRICKEN: _____

(b) A manufacturer who sells ~~[at a definite place or store other than the place of manufacture]~~ at retail only and not for resale the goods, wares and merchandise manufactured by such manufacturer~~[-]~~ shall obtain a license as a retail merchant.

~~[(1) — Is required to obtain a license as a retail merchant; and~~

~~(2) — Shall include the following in the gross receipts of the business:~~

~~a. — The amount of sales of goods, wares and merchandise purchased from others; and~~

~~b. — Gross receipts from the sale of goods, wares and merchandise manufactured by such manufacturer, either within or without the City, and sent from the place of manufacture to the store or other definite place of business in the City.]~~

(c) Every cooperative association, society, company or exchange and every nonprofit, cooperative association, with or without capital stock, created or operating under Code of Virginia, title 13.1, ch. 3 (Code of Virginia, § 13.1-301 et seq.), and every cooperative marketing or purchasing association or corporation incorporated or organized under the general corporation laws of this State and brought under Code of Virginia, title 13.1, ch. 3 (Code of Virginia, § 13.1-301 et seq.), whether such association, society, company, exchange or corporation is organized or brought under Code of Virginia, title 13.1, ch. 3 (Code of Virginia, § 13.1-301 et seq.) prior or subsequent to the effective date of the ordinance from which this section is derived and whether chartered under the laws of this State or otherwise chartered and doing business in this State, and conducting a mercantile, merchandise or brokerage business on the cooperative plan, shall be taxable as a merchant by the City. Every such association, society, company, exchange or

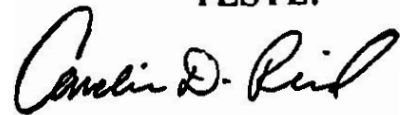
corporation which sells to others at retail only and not for resale shall be a retail merchant and taxable as such under this section.

(d) Any person who is both a retail merchant and a wholesale merchant is hereby required to obtain both classes of licenses. However, any retail merchant who desires to do a wholesale business also may elect to do such wholesale business under the merchant's retailer's license by paying license taxes under this section as a retailer on both the merchant's retail and wholesale business, but this shall not apply to any retail merchant, the greater part of whose business at the licensed place during the next preceding year was wholesale, nor to a beginner, the greater part of whose business it is estimated will be wholesale for the period covered by the license.

§ 2. This ordinance shall be in force and effect upon adoption.

A TRUE COPY:

TESTE:

A handwritten signature in black ink, appearing to read "Amelia D. Reed". The signature is written in a cursive style with a large initial 'A'.

City Clerk



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

O & R REQUEST

4-1426

NOV 20 2019

Office of the
Chief Administrative Officer

O&R REQUEST

DATE: November 19, 2019 EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor [Signature] 12/8/19

THROUGH: Lenora G. Reid, Acting Chief Administrative Officer [Signature]

FROM: John B. Wack, Director of Finance [Signature]

RE: Amendment to City Code Regarding Business License Taxes for Retailers

ORD. OR RES. No. _____

PURPOSE: To amend Section 26-967 of the Richmond City Code for the purpose of clarifying the business license requirements for manufacturers acting as retail merchants.

REASON: To ensure that Section 26-967 of City Code reflects current license requirements for retail merchants.

RECOMMENDATION: The City Administration recommends adoption.

BACKGROUND: As noted in the attachment, City Code Section 26-967(b) includes additional text that can be removed in order to simplify the application of business license taxes to certain retail merchants. Finance staff have worked with the City Attorney's Office to develop these suggested revisions, which are consistent with applicable state law.

FISCAL IMPACT / COST: N/A

FISCAL IMPLICATIONS: N/A

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: None

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: January 13, 2020

CITY COUNCIL PUBLIC HEARING DATE: January 27, 2020

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance & Economic Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Department of Finance

RELATIONSHIP TO EXISTING ORD. OR RES.: Richmond City Code section 26-967

REQUIRED CHANGES TO WORK PROGRAM(S): N/A

ATTACHMENTS: Text of proposed City Code amendments

STAFF: Valeric Weatherless, Operations Manager, 646-5195