

ORDINANCE NO. 19,391

AN ORDINANCE TO AMEND CHAPTER 17, ARTICLE II OF THE LITTLE ROCK CODE, 1988, TO ADD AND MODIFY CERTAIN BUSINESS CLASSIFICATIONS TO THE SCHEDULE OF BUSINESS LICENSE FEES, AND TO IMPOSE AN INCREASE TO THE PREVIOUS YEAR(S) ASSESSMENT FOR ANY BUSINESS WITHOUT INVENTORY WHO FAILS TO ASSESS THEIR ANNUAL BUSINESS LICENSE ON OR BEFORE NOVEMBER 1 OF EACH YEAR AND FOR ANY BUSINESS WITH INVENTORY WHO FAILS TO ASSESS THEIR ANNUAL BUSINESS LICENSE ON OR BEFORE JANUARY 31 OF EACH YEAR.

WHEREAS, new business classifications are needed to have a more precise schedule of business classifications, and

WHEREAS, annual assessment forms are used to calculate the annual business license fee; and

WHEREAS, annual assessment forms are used to determine if a business is an ongoing enterprise; and

WHEREAS, failure by a business to submit an annual assessment form results in a valuation or auto-assessment equal to the previous year's assessment; and

WHEREAS, failure by a business to assess for the annual business license creates an inequity among similar businesses that do assess; and

WHEREAS, extensive City resources are used to produce and mail annual assessment forms.

1 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS**
2 **OF THE CITY OF LITTLE ROCK, ARKANSAS:**

3 **Section 1.** Chapter 17, Section 17-52, Paragraph 25 of the Little Rock City Code,
4 1988, is hereby repealed and replaced with the following text:

	<u>Base Fee</u>	<u>Variable Fee</u>
25. AUTOMOTIVE CAR WASHING		
a. Automatic car wash	\$340.00	
b. Manual car wash	\$100.00	\$20.00 per employee \$15.00 per stall
c. Mobile or truck washers	\$250.00	\$25.00 per vehicle

11 **Section 2.** Chapter 17, Section 17-52, Paragraph 54 of the Little Rock City Code,
12 1988, is hereby repealed and replaced with the following text:

	<u>Base Fee</u>	<u>Variable Fee</u>
54. BUSINESS OR COMMERCIAL PROPERTY, INCLUDING HOUSES AND HOUSING UNITS, RENTAL OF (Each person owning property and engaged in the rental or lease of commercial business property and housing units.):		
a. Each 1,000 square feet, or any part thereof, available for rent or lease of commercial and office space		\$5.00 per 1,000 sq. ft. or any part thereof \$35.00 minimum
b. Each dwelling unit available for rent or lease as residential, first 100 units:.....		\$6.75 per unit* Up to 100 units \$35.00 minimum
Each additional unit above 100.		\$3.35 per unit* Above 100 units

*Note: "Dwelling unit" shall be
defined as any room or group
of rooms within a dwelling and

- 1 forming a single habitable unit
2 with facilities which can be
3 used or intended to be used for
4 living, sleeping, cooking, and
5 eating, whether or not such unit
6 is occupied or vacant. The term
7 "dwelling unit" shall be
8 construed as if followed by the
9 words "or part thereof".
10 Dwelling units consisting of
11 individual single-family houses
12 or condominiums would be
13 considered one dwelling unit,
14 duplexes would be considered
15 two units, triplexes would be
16 considered three units,
17 quadplexes would be
18 considered four units, etc.
- 19 c. Each 1,000 square feet, or any
20 part thereof available for rent or
21 lease of warehouse or industrial
22 space..... \$2.00 per 1,000 sq. ft.
23 or any part thereof
24 \$35.00 minimum
- 25 1. Each 1,000 square feet or
26 any part thereof available
27 for parking of vehicles..... \$2.00 per 1,000 sq. ft.
28 or any part thereof
29 \$35.00 minimum
- 30 d. Each 1,000 square feet, or any
31 part thereof available for rent or
32 lease where there is sufficient
33 evidence to prove that the space
34 has been un-rented or un-leased
35 for the entire previous calendar
36 year..... \$2.00 per 1,000 sq. ft.
37 or any part thereof
38 \$35.00 minimum
- 39 e. The owner shall not be required
40 to obtain and pay for a business

license only if both of the following criteria are met:

1. The owner rents or leases three or less dwelling units, and
2. The owner does not rent or lease any commercial, office, industrial, or warehouse space

f. The owner shall not be assessed for any space, whether commercial, office, residential, industrial, or warehouse space that the owner occupies.

g. If the business also provides certain services, such as property management, sales, or development, the business license shall be assessed under the "Real Estate" classification (paragraph 191).

Section 3. Chapter 17, Section 17-52, Paragraph 118 of the Little Rock City Code, 1988, is hereby repealed and replaced with the following text:

	<u>Base Fee</u>	<u>Variable Fee</u>
118. HEALTH SPA/FITNESS CENTER	\$270.00	\$20.00 per employee

Section 4. Chapter 17, Section 17-52, Paragraph 133 of the Little Rock City Code, 1988, is hereby repealed and replaced with the following text:

	<u>Base Fee</u>	<u>Variable Fee</u>
133. LANDSCAPING		
a. Landscaping.....	\$135.00	\$20.00 per employee \$2.00 per vehicle *
b. Lawn care, maintenance, and/or mowing.....	\$100.00	\$20.00 per employee \$2.00 per vehicle *

*NOTE: The Treasury Management Division shall, upon receipt of payment of the business

license fee, provide a hangtag for each vehicle assessed, to be displayed on the rear-view mirror of vehicles in use during operating hours.

Section 5. Chapter 17, Section 17-52, Paragraph 147 of the Little Rock City Code, 1988, is hereby repealed and replaced with the following text:

	<u>Base Fee</u>	<u>Variable Fee</u>
147. MANUFACTURERS IN-TRANSIT DISTRIBUTION CENTER OPERATION (A facility which operates a separate entity, or in connection with, or as an extension of a local manufacturing firm, in which a majority of the products are distributed outside the state, shall be taxed on the inventory of goods and products distributed in the state)	\$200.00	
Plus inventory, first \$4,000,000		0.25% of the average annual dollar inventory level, \$10,000.00 maximum
Plus inventory above \$4,000,000 ...		0.125% of the average annual dollar inventory level

Section 6. Chapter 17, Section 17-52, Paragraph 187 of the Little Rock City Code, 1988, is hereby repealed and replaced with the following text:

	<u>Base Fee</u>	<u>Variable Fee</u>
187. PROFESSIONALS, including, but not limited to the following, per firm member, associate or staff professional.....		\$155.00 per professional \$50.00 per paraprofessional employee* (see notes at the end of this paragraph)

- a. Appraisers, including real estate
- b. Accountants and auditors, licensed
- c. Architects
- d. Attorneys
- e. Chiropractors
- f. Consultants (One who is hired to give professional advice or services in their area of expertise. A person who advertises himself or herself as a consultant will be presumed to fall within this category.)
- g. Dentists
- h. Engineers
- h1. Financial consultants
- i. Geologists
- j. Resident athletic professionals
- k. Interior decorators
- l. Landscape architects
- m. Medical doctors (excludes interns and residents; includes any other physician who treats private patients)
- n. Morticians
- o. Optometrists
- p. Opticians
- q. Psychologists
- r. Veterinarians
- s. Court reporters
- t. Medical services without staff physicians
- u. Therapists
- v. Psychiatrists
- z. Professionals, licensed, not otherwise classified – each, except as otherwise herein provided

***Note 1: “Paraprofessional employee”**

1 shall be defined as each person
2 engaged in or aiding in what is
3 commonly known as a
4 paraprofessional career, including,
5 but not limited to paralegal
6 personnel, registered nurses,
7 dental hygienists, bookkeepers,
8 non-licensed accountants,
9 laboratory, x-ray technologists,
10 draftsmen, surveyors, real estate
11 salesmen, and interior designers.

12 ***Note 2:** A business license shall
13 not be issued where only
14 paraprofessional(s) are assessed for
15 a license, and where no
16 professionals are assessed for that
17 same license. In instances where
18 all employees of a business can be
19 classified as paraprofessionals and
20 no employees can be classified as
21 professionals, a different
22 classification must be used.

23 **Section 7.** Chapter 17, Section 17-52, Paragraph 188 of the Little Rock City Code,
24 1988, is hereby repealed and replaced with the following text:

25 188. (RESERVED)

26 **Section 8.** Chapter 17, Section 17-52, Paragraph 191 of the Little Rock City Code,
27 1988, is hereby repealed and replaced with the following text:

	<u>Base Fee</u>	<u>Variable Fee</u>
28		
29 191. REAL ESTATE (Only one (1) base		
30 charge shall be due when a		
31 business entity engages in a		
32 combination of any two (2) or more		
33 of the following, provided all		
34 employees for all its activities are		
35 reported)		
36 a. Sales.....	\$200.00	\$35.00 per employee
37		50.00 per salesperson

b. Services (property management and/or rental)\$200.00 \$35.00 per employee
50.00 per salesperson

Including:

1. Each 1,000 square feet, or any part thereof, available for rent or lease of commercial and office space.... \$5.00 per 1,000 sq. ft.
or any part thereof
\$35.00 minimum

2. Each dwelling unit available for rent or lease as residential, first 100 units: \$7.00 per unit*
Up to 100 units
\$35.00 minimum

Each additional unit above 100..... \$3.50 per unit*
Above 100 units

*Note: "Dwelling unit" shall be defined as any room or group of rooms within a dwelling and forming a single habitable unit with facilities which can be used or intended to be used for living, sleeping, cooking, and eating, whether or not such unit is occupied or vacant. The term "dwelling unit" shall be construed as if followed by the words "or part thereof". Dwelling units consisting of individual single-family houses or condominiums would be considered one dwelling unit, duplexes would be considered two units, triplexes would be considered three units,

1	quadplexes would be	
2	considered four units, etc.	
3	3. Each 1,000 square feet or	
4	any part thereof available	
5	for rent or lease of	
6	warehouse or industrial	
7	space.....	\$2.00 per 1,000 sq. ft.
8		or any part thereof
9		\$35.00 minimum
10	a. Each 1, 000 square feet or	
11	any part thereof	
12	available for parking of	
13	vehicles	\$2.00 per 1,000 sq. ft.
14		or any part thereof
15		\$35.00 minimum
16	4. Each 1,000 square feet, or	
17	any part thereof available	
18	for rent or lease where there	
19	is sufficient evidence to	
20	prove that the space has	
21	been un-rented or un-leased	
22	for the entire previous	
23	calendar year.....	\$2.00 per 1,000 sq. ft.
24		or any part thereof
25		\$35.00 minimum
26	5. Any dwelling units or	
27	commercial, office,	
28	industrial, or warehouse	
29	space occupied by the	
30	owner	No charge
31	c. Development\$200.00	\$20.00 per employee
32		50.00 per salesperson

33 **Section 9.** Chapter 17, Section 17-52 of the Little Rock City Code, 1988, is hereby
34 amended to add the following business classifications and fees:

35		<u>Base Fee</u>	<u>Variable Fee</u>
36	25.5 AUTOMOBILE DETAILING	\$200.00	\$20.00 per employee
37			
38	86.1 DISTRIBUTION CENTER (A		

1 facility, which is associated with an
2 out-of-state company, whose
3 products are received and then re-
4 distributed to retailers or
5 wholesalers within the state)

- | | | |
|---|------------------------------------|---------------|
| 6 | a. 1/2 ton up to 1 ton truck | \$35.00 each |
| 7 | b. Over 1 ton and up to 2 1/2 ton | |
| 8 | truck | \$65.00 each |
| 9 | c. Over 2 1/2 ton truck | \$135.00 each |

10
11 160. NANNY SERVICE.....\$135.00

12 **Section 10.** Chapter 17, Section 17-50 of the Little Rock City Code, 1988, is
13 hereby repealed and replaced with the following text:

14 **Sec. 17-50. Reporting.**

- 15 (a) It shall be unlawful for any person to willfully make a
16 false report to the city relative to any provision or
17 requirement of any article as affects the obligation for
18 paying a business fee or the amount thereof.
- 19 (b) For 2006 business licenses, any business without
20 inventory that fails to complete and return the annual
21 assessment forms by November 1, 2005 and any business
22 with inventory that fails to complete and return the
23 annual assessment forms by January 31, 2006 shall have
24 their assessment information (number of employees,
25 inventory, trucks, and other variable information)
26 increased by a percentage based upon the amount of time
27 since the business last submitted assessment information
28 according to the following schedule:
29
30

<u>Last Information Provided</u>	<u>Percentage Increase</u>
One year old (2005 License)	10%
Two years old (2004 License)	30%
Three or more years old (2003 License)	50%

Fractions will be rounded up to the next whole number.

Base amounts will remain the same as provided in the ordinance.

(c) For 2007 business licenses and beyond, any business that fails to return an updated assessment form by November 1 (businesses without inventory) or January 31 (businesses with inventory) shall have their assessment information (number of employees, inventory, trucks, and other variable information) increased by ten percent over the prior year's assessment information. Fractions will be rounded up to the next whole number. Base amounts will remain the same as provided in the ordinance.

Section 11. The City Clerk shall publish this ordinance one time in a local newspaper no later than one (1) week after the passage of the ordinance, as required in Ark. Code Ann. §26-77-104 (Michie Repl. 2000 & Supp. 2003).

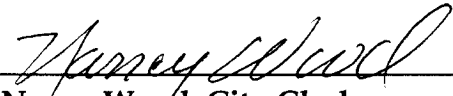
Section 12. Repealer. All ordinances and parts of ordinances that conflict with this ordinance are hereby repealed to the extent of such inconsistency.

Section 13. Severability. In the event that any title, section, item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of the ordinance.

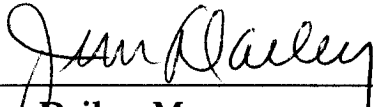
1 **Section 14. Emergency.** The Board of Directors has previously declared that the
2 collection of business license fees is necessary for the performance of essential
3 municipal functions and that, without the same, the delivery of City services will
4 decrease, and the City's ability to provide and support the public peace, health and
5 safety will be diminished. To ensure that licensees receive their statements in time to
6 meet the fee collection deadlines, this ordinance should be given effect immediately.
7 An emergency is, therefore, declared to exist and this ordinance shall be in full force
8 and effect from and after the date of its passage.
9

10 **PASSED: September 6, 2005**

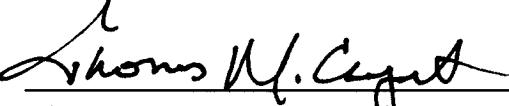
11
12 **ATTEST:**

13
14 
15 Nancy Wood, City Clerk

12 **APPROVED:**

13
14 
15 Jim Dailey, Mayor

16
17 **APPROVED AS TO LEGAL FORM:**

18
19 
20 Thomas M. Carpenter, City Attorney