ORDINANCE NO.

AN ORDINANCE OF THE CITY OF RIVERSIDE, CALIFORNIA, AMENDING VARIOUS SECTIONS IN CHAPTER 5.04 OF THE RIVERSIDE MUNICIPAL CODE REGARDING TAXES, LICENSES AND REGULATIONS.

The City Council of the City of Riverside does ordain as follows:

Section 1: Section 5.04.010 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.010 Definitions.**

A. Average number of employees. "Average number of employees" means the average number of persons employed daily in the person's business for the preceding period of one year and shall be determined by ascertaining the total number of hours of service performed by all employees during the preceding year, including paid leave, dividing the total number of hours of service by the full-time equivalent (2,080 hours). In computing the average number of employees, fractions of numbers shall be rounded to the nearest whole number with one-half or greater being rounded up and less than one-half being rounded down.

. . .

C. *Business rentals*. "Business rentals" means any business conducted or carried on by any person engaged in the business of renting or letting a building or structure of any kind, including, but not limited to, office buildings, warehouses, commercial spaces, office spaces and industrial spaces to a tenant for purposes other than dwelling, sleeping or lodging.

1. One or more business rental units on the same parcel or adjoining parcels shall be considered ~~a separate~~ one place of business and ~~a~~one tax certificate must be obtained. ~~for each separate place of business.~~

. . .

F. *Collector*. "Collector" means the Chief Financial Officer or other City officer charged with the administration of this chapter. References to License Collector or Tax Administrator shall be understood to refer to the Finance Director or ~~his~~their authorized representative.

. . .

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

H. *Contractor*. "Contractor" means every person conducting, carrying on or managing a business who is licensed as a contractor by the State of California and who undertakes to, or offers to undertake to, or purports to have the capacity to undertake to, or submits bids to, or does ~~him~~them self or by or through others, construct, alter, repair, add to, subtract from, improve, move, wreck, or demolish any building, highway, road, railroad, excavation or other structure, project, development or improvement or to do any part thereof, including the erection of scaffolding or other structures or works in conjunction therewith.

1. Any "contractor" as defined above conducting or carrying on the business of selling goods, wares or merchandise as a retailer or wholesaler, in addition to ~~his~~their contracting business shall, in addition to the contractor's business tax certificate provided herein, secure a certificate for such retail or wholesale business as required in the chapter.

. . .

I. *Convalescent hospital*. "Convalescent hospital" means a facility providing long-term nursing, dietary and other medical services to convalescents or invalids but not providing surgery or primary treatments such as are customarily provided in a hospital. Convalescent hospital includes nursing home and rest home, but does not include general or specialized hospital or residential care facility.

J~~I~~. *Employee*. "Employee" means, in relation to a business, any and all owners, or members of the owner's family, partners, or associates or individuals, to whom the business pays a wage, all of whom shall be included in the computation of the average number of employees of the business.

. . .

K~~J~~. *General services*. "General services" means providing, maintaining or performing labor for benefit of another within the City; supplying some general demand for the benefit of another within the City and does not include professional services or other services enumerated in this chapter.

L~~K~~. *Gross receipts*. "Gross receipts" means and includes the total of amounts actually received or receivable from sales and the total amounts actually received or receivable for the performance of any act or service, of whatever nature it may be, for which a charge is made or credit allowed,

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise. "Gross receipts" includes all receipts, cash, credits and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever;

1. A business established outside the City but maintaining a branch office within the City, or doing business within the City through an agent, broker or employee, shall report as gross receipts, its total sales or receipts attributable to the local branch office, local agent, broker or employee operating within the City;

. . .

3. The following shall be excluded from "gross receipts":

a. Cash discounts allowed and taken on sales;

. . .

h. As to a retail gasoline dealer, a portion of ~~his~~their receipts from the sale of motor vehicle fuels equal to the motor vehicle fuel license tax imposed by and previously paid under the provisions of Part 2 of Division 2 of the Revenue and Taxation Code of the State of California;

i. As to a retail gasoline dealer, the special motor fuel tax imposed by Section 4041 of Title 26 of the United States Code if paid by the dealer or collected by ~~him~~them from the consumer or purchaser.

M~~L~~. *Insurance agent*. "Insurance agent" means any person, including bail bond agents, directly authorized by and on behalf of an insurer to transact insurance and bind the insurer in the execution of insurance policies.

N~~M~~. *Insurance broker*. "Insurance broker" means any person, including bail bond brokers, who, for compensation and on behalf of another person, transacts insurance other than life, with, but not on behalf of, an insurer.

O~~N~~. *Location*. "Location" means the place where the business is conducted whether at a single address or multiple addresses that are contiguous. If a business entity conducts business at two or

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

more addresses which are not physically contiguous, each such noncontiguous address shall constitute a separate location. In the case of electronic transactions, the place where the seller is located is deemed the "location" for purposes of this chapter.

PO. *Manufacturing*. “Manufacturing” means the business of making, developing, assembling or packaging of any machines, devices, articles, things, commodities, goods, wares, merchandise, products, equipment, material or substances for sale or distribution to the public either at wholesale or retail.

Q. *Peddler*. “Peddler” means any person, whether an individual or representing a business entity, engaged in the act of peddling.

R. *Peddling*. “Peddling” means and includes traveling or going from place to place or from house to house within the City and peddling, hawking, vending or selling any goods, wares or merchandise carried or caused to be carried or conveyed by or with the person peddling, hawking, vending or selling the same.

SP. *Person*. "Person" means and includes all domestic and foreign corporations, associations, syndicates, joint stock corporations, partnerships of every kind, clubs, trusts, societies, and individuals transacting and carrying on any business in the City, other than as an employee.

TQ. *Professional services*. "Professional services" means any person, including a professional corporation, wherever located, engaged in/or carrying on within the City any profession requiring compliancy with written and/or oral examination standards adopted by a branch of the state or federal government and/or requiring a certain amount of tenure with such branch of government; such professions to include but not be limited to: architect, attorney, accountant (all types), audiologist, chiropractor, clinical social worker, dentist, economist, engineer (all types), geologist, marriage, family and child counselor, mortician, optician, optometrist, osteopath, physician (all types),podiatrist, psychologist, registered nurse, speech pathologist, surveyor, veterinarian, etc.

UR. *Residential rentals*. "Residential rentals" means any business conducted or carried on by any person engaged in leasing, renting, subleasing, subletting, providing, exchanging or trading without loss of ownership or leasehold, any real property, dwelling, building, structure, premises or portion thereof, for the purpose of dwelling, sleeping, lodging, boarding or other such

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #25
RIVERSIDE, CA 92501
(951) 826-5567

occupancy, accommodation or general residency.

1. Two or more single-family residential rental units and multiple-residential rental units of two or three units shall be taxed as one business using the property owner's physical address as the business address.

2. Four or more residential rental units on the same parcel or adjoining parcels shall be taxed as one business using the property owner's physical address as the business address. ~~considered a separate place of business and a tax certificate must be obtained for each separate place of business.~~

. . .

V~~S~~. *Sale*. "Sale" means and includes the transfer, in any manner or by any means whatsoever, of title to property for a consideration; the serving of, supplying of, or furnishing for a consideration any property; and any transaction whereby the possession of property is transferred and the seller retains the title as security for the payment of the price. The foregoing shall not be deemed to exclude any transaction which is or which, in effect, results in a sale within the contemplation of law.

W. *Solicitor*. "Solicitor" means any person, whether an individual or representing a business entity, who engages in the act of solicitation as described in Section 5.08.010 of this Municipal Code.

X~~T~~. *Sworn statement*. "Sworn statement" means an affidavit sworn to before a person authorized to take oaths, or a declaration or certification made under penalty of perjury.

Y~~U~~. *Wholesale sales*. "Wholesale sales" means the sale of goods, wares or merchandise for the purpose of resale and there is no sale to the ultimate consumer."

Section 2: Section 5.04.060 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.060 Evidence of doing business.**

When any person by use of signs, circulars, business cards, telephone book, newspapers, trade publications, television, radio, internet, or any other advertising media, advertises, holds out or represents that ~~he is~~they are in business in the City, or when any person holds an active license or permit issued by a governmental agency indicating that ~~he is~~they are in business in the City, or

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

when such person gives other evidence of transacting and carrying on business as may be defined in this chapter, such action shall be considered evidence of doing business in the City. If such person fails to deny by a sworn statement under penalty of perjury given to the Collector that ~~he is~~they are not conducting a business in the City, after being requested to do so by the Collector, then these facts shall be considered prima facie evidence that ~~he is~~they are conducting a business in the City."

Section 3: Section 5.04.070 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.070 Constitutional apportionment.**

None of the business taxes provided for by this chapter shall be so applied as to occasion an undue burden upon interstate commerce or be violative of the equal protection and due process clauses of the Constitutions of the United States and the State of California.

A. In any case where a business tax is believed by a registrant for a certificate to place an undue burden upon interstate commerce or be violative of such constitutional clauses, the registrant may apply to the Collector for an adjustment of the tax. Such application may be made before, at, or within six months after payment of the prescribed business tax. The registrant shall, by sworn statement and supporting testimony, show ~~his~~their method of business and the gross volume or estimated gross volume of business and such other information as the Collector may deem necessary in order to determine the extent, if any, of such undue burden or violation.

. . .

C. In fixing the business tax to be charged, the Collector shall have the power to base the business tax upon a percentage of gross receipts or any other measure which will assure that the business tax assessed shall be uniform with that assessed on businesses of like nature, so long as the amount assessed does not exceed the business tax as prescribed by this chapter. Should the Collector determine the gross receipts measure of business tax to be the proper basis, they may require the registrant to submit, either at the time of termination of registrant's business in the City, or at the end of each three-month period, a sworn statement of the gross receipts and pay the amount of business tax therefore, provided that no additional business tax during any one calendar year shall be required after the registrant shall have paid an amount equal to the annual business

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #25
RIVERSIDE, CA 92501
(951) 826-5567

tax as prescribed in this chapter."

Section 4: Section 5.04.080 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.080 Exemptions.**

Nothing in this chapter shall be deemed or construed to apply to any person transacting and carrying on any business exempt by virtue of the Constitution or applicable statutes of the United States or of the State of California from the payment of such taxes as are herein prescribed.

. . .

The Collector, after giving notice and a reasonable opportunity for hearing to a registrant, may revoke any certificate granted pursuant to the provisions of this section or Section 5.04.090 upon information that the registrant is not entitled to the exemption as provided herein.

If the exemptions under this chapter conflict with state law, the state law shall govern."

Section 5: Section 5.04.090 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.090 Tax-free certificate provision.**

The provisions of this chapter shall not be deemed or construed to require the payment of a business tax to conduct, manage or carry on any business, occupation or activity from any institution or organization or persons who fall within any of the following classifications:

A. Any business conducted, managed or carried on wholly for the benefit of charitable purposes and from which profit is not derived, either directly or indirectly, by any individual.

. . .

T. Every person who has been honorably discharged from military service of the United States and who is exempted from the payment of business taxes by Sections 16001 and 16001.5 of the California Business and Professions Code and who distributes circulars and/or hawks, peddles, and/or vends any goods, wares or merchandise owned by ~~him~~them, except spirituous, malt, vinous or other intoxicating liquor, subject however to the restrictions, limitations, regulations and conditions hereinafter set forth.

1. Every applicant must furnish a certificate of physical disability, dated within a month of said application, executed by a qualified physician or submit equivalent evidence of disability.

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

. . .

4. A business tax certificate, when issued, is subject to the following conditions:

a. Said business tax certificate shall not be defaced, mutilated, disfigured or otherwise altered subsequent to its issuance, and failure to comply herewith is grounds for revocation of said business tax certificate and for refusing its renewal or the issuance of a new business tax certificate thereafter.

. . .

d. The business taxpayer named must identify ~~him~~themself by ~~his~~their signature whenever required to do so by any City police officer, or any authorized agent of the Collector.

. . .”

Section 6: Section 5.04.100 of the Riverside Municipal Code is amended as follows:

“**Section 5.04.100 Registration for business tax certificates.**

Upon a person registering for the first certificate to be issued hereunder or for a newly established business, such person shall furnish to the Collector a sworn statement, upon a form provided by the Collector; setting forth the following information:

A. The exact nature or kind of business for which a certificate is requested;

. . .

F. In all cases where the business contracts, sells or delivers any goods, wares or merchandise in the City for which sales or use tax is payable and who is required to report and pay such sales and use tax to the state shall obtain an appropriate California State Board of Equalization permit and furnish the Collector with ~~his~~their sales tax number and shall report separately in ~~his~~their return to the state the amount of receipts from sales in the City and/or the receipts from sales for use in the City and shall pay the required sales or use tax on such receipts. Any such person who fails to do so shall be deemed guilty of a misdemeanor violation of this chapter.

. . .

H. Any further information which the Collector may require to enable ~~him~~them to issue the type of certificate registered for.

CITY ATTORNEY’S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

If the amount of the business tax to be paid by the registrant is measured by gross receipts, the registrant shall estimate the gross receipts for the period to be covered by the certificate to be issued. Such estimate, if accepted by the Collector as reasonable, shall be used in determining the amount of business tax to be paid by the registrant; provided, however, the amount of the business tax so determined shall be tentative only, and such person shall, within 30 days after the expiration of the period for which such certificate was issued, furnish the Collector with a sworn statement, upon a form furnished by the Collector, showing the gross receipts during the period of such certificate, and the business tax for such period shall be finally ascertained and paid in the manner provided by this chapter for the ascertaining and paying of renewal business taxes for other businesses, after deducting from the payment found to be due, the amount paid at the time such first certificate was issued.

. . .

The Collector shall not issue to any such person another certificate for the same or any business, until such person shall have furnished to ~~him~~them the sworn statement and paid the business tax as herein required.

. . ."

Section 7: Section 5.04.110 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.110 Renewal registration.**

In all cases, the registrant for the renewal of a certificate shall submit to the Collector for ~~his~~ guidance in ascertaining the amount of the business tax to be paid by the registrant, a sworn statement, upon a form to be provided by the Collector, setting forth such information concerning the registrant's business during the preceding year as may be required by the Collector to enable ~~him~~them to ascertain the amount of the business tax to be paid by said registrant pursuant to the provisions of this chapter."

Section 8: Section 5.04.120 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.120 Contents of business tax certificate.**

A business tax certificate issued under the provisions of this chapter shall contain the following information:

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

. . .

Whenever the tax imposed under the provisions of this chapter is measured by the number of vehicles, devices, machines or other pieces of equipment used, or whenever the business tax is measured by the gross receipts from the operation of such items, the Collector may issue only one certificate; provided that they may issue for each tax period for which the business tax has been paid one identification sticker, tag, plate, or symbol for each item included in the measure of the tax or used in a business where the tax is measured by the gross receipts from such items."

Section 9: Section 5.04.130 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.130 Statements and records.**

No statements shall be conclusive as to the matters set forth therein, nor shall the filing of the same preclude the City from collecting by appropriate action such sum as is actually due and payable hereunder. Such statement and each of the several items therein contained shall be subject to audit and verification by the Collector, ~~his~~their deputies, or authorized employees of the City, who are hereby authorized to examine, audit, and inspect such books and records of any person registering for certification as may be necessary in their judgment to verify or ascertain the amount of business tax due.

All persons subject to the provisions of this chapter shall keep complete records of business transactions, including sales, receipts, purchases, and other expenditures, and shall retain all such records of examination by the Collector. Such records shall be maintained for a period of at least ~~three~~four years. No person required to keep records under this section shall refuse to allow authorized representatives of the Collector to examine said records at reasonable times and places."

Section 10: Section 5.04.140 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.140 Information confidential.**

It is unlawful for the Collector or any person having an administrative duty under the provisions of this chapter to make known in any manner the business affairs, operations, or information obtained by an investigation of records and equipment of any person required to obtain a certificate, or pay a business tax, or any other person visited or examined in the discharge of official duty, or the

amount or source of income, profits, losses, expenditures, or any particular thereof, set forth in any statement or registration, or to permit any statement or registration, or copy of either, or any book containing any abstract or particulars thereof to be seen or examined by any person. Provided that nothing in this section shall be construed to prevent:

A. The disclosure of information to, or the examination of records and equipment by, another City official, employee, or agent for collection of taxes for the sole purpose of administering or enforcing any provisions of this chapter, or collecting taxes imposed hereunder;

. . .

D. The disclosure after the filing of a written request to that effect, to the taxpayer ~~him~~themself, or to ~~his~~their successors, receivers, trustees, executors, administrators, assignees and guarantors, if directly interested, of information as to the items included in the measure of any paid tax, any unpaid tax or amount of tax required to be collected, interest and penalties; further provided, however, that the City Attorney approved each such disclosure and that the Collector may refuse to make any disclosure referred to in this paragraph when in ~~his~~their opinion the public interest would suffer thereby;

. . .

F. The disclosure by way of public meeting or otherwise of such information as may be necessary to the City Council in order to permit it to be fully advised as to the facts when a taxpayer files a claim for refund of business taxes, or submits an offer of compromise with regard to a claim asserted against ~~him~~them by the City for business taxes, or when acting upon any other matter;

. . .”

Section 11: Section 5.04.150 of the Riverside Municipal Code is amended as follows:

“**Section 5.04.150 Failure to file statement or corrected statement.**

If any person fails to file any required statement within the time prescribed, or if after demand therefore made by the Collector, ~~he~~ fails to file a corrected statement, or if any person subject to the tax imposed by this chapter fails to register for a certificate, the Collector may determine the amount of business tax due from such person by means of such available information. ~~as he may~~

CITY ATTORNEY’S OFFICE
3750 UNIVERSITY AVE. #25
RIVERSIDE, CA 92501
(951) 826-5567

~~be able to obtain.~~

If the Collector is not satisfied with the information supplied in statements or registrations filed, the Collector may determine the amount of any business tax due by means of any available information. ~~he may be able to obtain.~~

If such a determination is made the Collector shall give a notice of the amount so assessed by serving it personally or by depositing it in the United States Post Office at Riverside, California, postage prepaid, addressed to the person so assessed at ~~his~~their last known address."

Section 12: Section 5.04.160 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.160 Appeal.**

A. Any person aggrieved by any decision of the Collector or of any other officer of the City made pursuant to the provisions of this chapter may appeal therefrom to the Collector, or ~~his~~their designee, not later than 30 days after notice thereof, unless a later date is agreed to by the Collector and the appellant. The Collector shall give notice of the hearing to the appellant no later than ten days prior to such hearing. At such hearing the appellant may appear and offer evidence why the assessment should not be confirmed and fixed as the business tax, or why any other decision should not be reversed or otherwise modified. After such hearing the Collector shall determine and reassess the proper tax to be charged or determine whether any other decision appealed from shall be confirmed, reversed, or otherwise modified and shall give written notice thereof to the applicant by serving it personally or by depositing it in the United States Post Office at Riverside, California, postage prepaid, addressed to the person so assessed at ~~his~~their last known address.

. . .

C. If such appeal is made within the time prescribed, the Collector shall cause the matter to be set for hearing before the City Manager or ~~his~~their designee within 30 days from the date of receipt of such notice of appeal, giving the appellant not less than ten days' written notice of the time and place of such hearing. The City Manager or ~~his~~their designee may appoint an Employee Hearing Officer to conduct the hearing on the matter and render a written recommendation to the City Manager or ~~his~~their designee.

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

D. The City Manager or ~~his~~their designee shall render a decision on the appeal and give notice thereof to the Collector no later than 20 days following completion of the hearing thereon or, in the event such hearing is held by an Employee Hearing Officer, within 30 days following completion of the hearing thereon. After receiving notice of such decision, the Collector shall determine and reassess the proper tax to be charged and shall give written notice thereof, or of the decision made as to any other decision appealed, to the applicant by serving it personally or by depositing it in the United States Post Office at Riverside, California, postage prepaid, addressed to the person so assessed at ~~his~~their last known address.

E. If, after having first appealed to the Collector and the City Manager, as required in subsections A and B, any person still aggrieved by an adverse decision made pursuant to the provisions of this chapter concerning such person's business tax, may appeal to the City Council within 15 days after notice of said adverse decision by filing within 15 days after notice of said appeal, briefly stating the grounds relied upon for such appeal. If such appeal is made, the Collector shall cause the matter to be set for hearing before the City Council. The Collector shall give at least ten days notice to such person of the time and place of hearing. The City Council shall consider all evidence produced, and shall make findings thereon, which shall be final. After such hearing the Collector shall determine and reassess the proper tax to be charged and shall give written notice thereof, or of the decision made as to any other decision appealed, to the applicant by serving it personally or by depositing it in the United States Post Office at Riverside, California, postage prepaid, addressed to the person so assessed at ~~his~~their last known address.

. . ."

Section 13: Section 5.04.170 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.170 Extension of time and waiver of penalty.**

In addition to all other powers conferred upon ~~him~~them, the Collector shall have the power, for good cause shown, to extend the time for filing any required sworn statement or registration and, in such case to waive any penalty imposed, or charge demanded, that would otherwise have accrued, and, if the Collector so determines, eight percent simple interest shall be added to any tax determined to be payable." ~~For owners of a newly registered Residential Rental business, the Collector shall have the power, for good cause shown, to waive any past due tax assessed for prior~~

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

~~years that would otherwise have accrued, provided that the business owner has less than four residential rental properties containing two or fewer residential rental units.~~ The Collector shall also have the authority, for good cause shown, to waive any penalty imposed, charge demanded, or any past due tax assessed for prior years that would otherwise have accrued."

Section 14: Section 5.04.180 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.180 Business tax certificate nontransferable ~~– Changed location and ownership.~~**

A. No certificate issued pursuant to this chapter shall be transferable.~~; provided, that where a required certificate is issued to a person to transact and carry on a business at a particular place, such certificate holder may, upon application therefore and paying a fee of $2.00, have the certificate amended for the transacting and carrying on of such business under said certificate at some other location to which the business is to be moved. Any additional amendment to the business tax certificate such as name changes, etc., shall be made upon application therefore accompanied by a payment of $2.00 for each such amendment.~~

B. Any amendment to the business tax certificate such as name changes, etc., shall be made upon application therefore accompanied by a payment of $2.00 for each such amendment." ~~Provided further that transfer, whether by sale or otherwise, to another person under such circumstances that the real or ultimate ownership after the transfer is substantially similar to the ownership existing before the transfer, shall not be prohibited by this section.~~

~~C. In the event a certificate holder is a corporation, a new certificate shall be required when there is an actual change in control or when ownership of more than 50 percent of the voting stock of the certificate holder is acquired by a person or group of persons acting in concert, none of whom already own 50 percent or more of the voting stock, singly or collectively.~~

~~D. In the event a certificate holder is a partnership, a new certificate shall be required when there is an actual change in ownership and 50 percent or more of the business is acquired by a person or group of persons acting in concert, none of whom already own 50 percent or more of such business, singly or collectively.~~

~~E. For the purpose of this section stockholders, partnerships, or other persons holding an interest in a corporation or other entity herein defined to be a person are regarded as having the~~

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #25
RIVERSIDE, CA 92501
(951) 826-5567

~~real or ultimate ownership of such corporation or other entity.~~

~~F. Transfer of the certificate does not permit operation of a business in violation of other Municipal Code sections.~~

~~G. The Collector shall cancel a valid unexpired certificate issued or granted to the certificate holder pursuant to this chapter at the request of the certificate holder provided:~~

~~1. The certificate holder so endorses, signs and surrenders the certificate receipt along with any applicable decal, sticker or tag, and~~

~~2. All business activity pursuant to the certificate has ceased.~~

Section 15: Section 5.04.190 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.190 Duplicate business tax registration notice and/or certificate.**

A physical duplicate certificate or registration may be issued by the Collector to replace any certificate or registration previously issued hereunder which has been lost or destroyed upon the certificate or registration holder filing statement of such fact, and at the time of filing such statement paying to the Collector a duplicate business tax fee of $10.00."

Section 16: Section 5.04.200 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.200 Posting and keeping business tax certificate.**

A. Any certificate holder transacting and carrying on business at a fixed place of business in the City shall keep the certificate posted in a conspicuous place upon the premises where such business is carried on.

B. Any certificate holder ~~transacting and carrying on business but~~ engaged in solicitation or peddling, and not operating at a fixed place of business in the City shall keep the certificate upon ~~his~~their person at all times while transacting and carrying on the business for which it is issued.

. . ."

Section 17: Section 5.04.230 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.230 Application for refund.**

A. Any business tax, or penalties or interest thereon, or portion thereof, may be refunded, if they were:

1. Paid more than once;

. . .

In such case, the applicant shall be entitled to a refund of the business tax paid less a $~~20~~31.00 processing charge, without further deduction to cover the administrative cost therefore.

B. No refund of business taxes shall be made upon termination of a business that does not meet the criteria set forth in this section, or for any unused portion or term of a business tax period.

C. No refund of monies howsoever paid or collected shall be allowed in whole or in part unless an application therefore is filed with the Collector within a period of ~~O~~one year from the expiration of the business tax certificate period for which a refund is sought, and all such claims for refund must be filed with the Collector on forms furnished by ~~him or her~~ them in the manner prescribed by ~~him or her~~the Collector. Such application may be made only by the person who made the payment, ~~his or her~~their guardian, executor, administrator or heir. Refunds shall not be made to an assignee of the application. Upon the filing of such a claim, and when ~~he or she~~the Collector ~~-~~determines that a refund is warranted, the Collector shall refund the amount warranted, less a $~~15~~31.00 processing charge, to cover the administrative cost of the refund. Provided, however, that in the case of a refund made pursuant to subsection 2, and where applicable, subsection 4, no deduction shall be made on account of the administrative cost therefore. The failure to file such application within the time prescribed herein shall bar any future right of recovery.

. . .”

Section 18: Section 5.04.250 of the Riverside Municipal Code is amended as follows:

“**Section 5.04.250 Enforcement.**

It shall be the duty of the Collector, ~~and he is~~ directed to enforce each and all of the provisions of this chapter, and the Chief of Police shall render such assistance in the enforcement hereof as may from time to time be required by the Collector.

The Collector ~~in the exercise of the duties imposed upon him hereunder~~ shall have the right, and acting through ~~his~~their deputies or duly authorized assistants, ~~shall~~to examine or cause to be examined a~~ny~~~~ll~~ places of business in the City to ascertain whether the provisions of this chapter have been complied with.

The Collector, and each and all of ~~his~~their assistants and any police officer shall have the power to

CITY ATTORNEY’S OFFICE
3750 UNIVERSITY AVE. #25
RIVERSIDE, CA 92501
(951) 826-5567

seal the coin openings of slots of nonidentified or unlicensed coin-operated machines in a manner which will render inoperative the coin devices on any machine or device not otherwise exempted by the provisions of the chapter which is found available to the public for operation and which does not have stamped or affixed thereon the required identification or for which the proper business tax has not been paid in full; in lieu thereof, they ~~or she~~ may seize and hold any such machine for the payment of such.

The Collector and each and all of ~~his~~their assistants and any police officer shall have the power and authority to enter free of charge, during business hours, any place of business required to be certified herein, and demand an exhibition of a certificate and a sales and use tax permit. Any person having such certificate, or sales or use tax permit, in ~~his~~their possession or under ~~his~~their control, who willfully fails to exhibit the same on demand, shall be guilty of a misdemeanor and subject to the penalties provided for by the provisions of this chapter. It shall be the duty of the Collector and each of ~~his~~their assistants to cause a complaint to be filed against any and all persons found to be violating any of said provisions.

The Collector and each and all of ~~his~~their assistants and any police officer are authorized to issue a written notice to appear upon persons whom they have a reasonable cause to believe have violated any provisions of this section.

The Collector and each and all of ~~his~~their assistants are authorized to issue an administrative citation upon any person whom they have reasonable cause to believe has violated any provision of this section. The City may pursue any unpaid fines or penalties and their costs pursuant to Section 1.17.090."

Section 19: Section 5.04.300 of the Riverside Municipal Code is amended as follows:

"**Section 5.04.300 Business tax.**

Every person who engages in business within the City shall pay a business tax as set forth in this section.

. . .

A. *Tax rates based upon gross receipts*. Every person who engages in business in the City shall pay a business tax based upon gross receipts unless specifically assigned a different tax rate

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #25
RIVERSIDE, CA 92501
(951) 826-5567

in a subsequent schedule.

. . .

B. *Tax rates based upon number of employees or other units*. Every person conducting business hereinafter listed shall pay a business tax as follows:

. . .

3. *Contractors*.

a. Engineering or General Contractor $160.00

Plus per non-professional employee $6.00

b. Specialty Contractor $110.00

Plus per employee $6.00

c. It shall be the responsibility of every general building, engineering, prime contractor and owner-builder to require subcontractors under ~~his~~their control or direction to pay a business tax as herein provided before permitting said subcontractor to begin or perform services for said general building, engineering, prime contractor or owner-builder.

. . .

5. Miscellaneous businesses. ....

a. Advertising, outdoor. .....

Each billboard—Annual $85.00

. . .

i. *Peddlers and salesmen—Itinerant.* For the business of peddling any goods, wares, merchandise or other things of value, not otherwise specifically certified by this section, for each peddler, salesman, or employee—Daily $30.00

~~"Peddling" means and includes traveling or going from place to place or from house to house within the City and peddling, hawking, vending or selling any goods, wares or merchandise carried or caused to be carried or conveyed by or with the person peddling, hawking, vending or selling the same.~~

. . ."

#

Section 20: The City hereby finds that this ordinance is not subject to review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15060, subdivision (c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15061, subdivision (b)(3) (there is no possibility the activity in question may have a significant effect on the environment). In addition to the foregoing general exemptions, the City Council further finds that this ordinance is categorically exempt from review under CEQA under the Class 8 Categorical Exemption (regulatory activity to assure the protection of the environment), CEQA Guidelines section 15308.

Section 21: The City Clerk shall certify to the adoption of this ordinance and cause publication once in a newspaper of general circulation in accordance with Section 414 of the Charter of the City of Riverside. This ordinance shall become effective on the 30th day after the date of its adoption.

ADOPTED by the City Council this ____ day of _____, 2024.

_____
PATRICIA LOCK DAWSON
Mayor of the City of Riverside

Attest:

_____
DONESIA GAUSE
City Clerk of the City of Riverside

/ /

/ /

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567

I, Donesia Gause, City Clerk of the City of Riverside, California, hereby certify that the foregoing ordinance was duly and regularly introduced at a meeting of the City Council on the _____ day of _____, 2024, and that thereafter the said ordinance was duly and regularly adopted at a meeting of the City Council on the _____day of _____, 2024, by the following vote, to wit:

Ayes:

Noes:

Absent:

Abstain:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Riverside, California, this _____ day of _____, 2024.

_____
DONESIA GAUSE
City Clerk of the City of Riverside

\\Rc-citylaw\cycom\WPDOCS\D002\P037\00804030.DOC
CA 24-0070.2 TAT 04/02/24

CITY ATTORNEY'S OFFICE
3750 UNIVERSITY AVE. #250
RIVERSIDE, CA 92501
(951) 826-5567