

STATE OF SOUTH CAROLINA

COUNTY OF GREENWOOD

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ORDINANCE NO. 12-0

AN ORDINANCE ADDING SECTION 56 TO DIVISION 2, ARTICLE II - BUSINESS LICENSES OF CHAPTER 10, "BUSINESS REGULATIONS, SOLICITATIONS AND SALES"

WHEREAS, the re-codification of the City of Greenwood Code of Ordinances took place on May 16, 2011;

WHEREAS, City Council desires to clearly designate information about the rates and classifications for Business Licenses; and

NOW, THEREFORE, BE IT ORDAINED by the Governing Body of the City of Greenwood that Section 10-56 be added and included into the Code as follows:

Section 10-56. Classification and Rates.

(a) The Class Structure by the North American Industry Classification System code, designated as Appendix B to this ordinance, and the Class Structure by rate class, designated as Appendix C to this ordinance, may be amended by the Council from time to time, and current copies shall be filed in the office of the municipal clerk. Appendices B and C are tools for classification and not a limitation on businesses subject to a license tax. The License Official shall determine the proper class for a business according to the applicable NAICS code.

(b) The license tax for each class of businesses subject to this ordinance shall be computed in accordance with the Rate Schedule, designated as Appendix A to this ordinance, which may be amended by the Council from time to time and a current copy filed in the office of the municipal clerk.

APPENDIX A

RATE SCHEDULE

RATE CLASS	<u>INCOME: 0 - \$2000</u> MINIMUM FEE	<u>ALL OVER \$2000</u> Rate per Thousand
1	\$35.00	\$0.95
2	\$40.00	\$1.10
3	\$45.00	\$1.25
4	\$50.00	\$1.40
5	\$55.00	\$1.55
6	\$60.00	\$1.70
7	\$65.00	\$1.85
8.1	\$ 55.00	\$0.60
8.1A	\$ 110.00	\$1.20
8.2	\$ set by State statute	
8.3	MASC Telecommunications	
8.4	\$ 105.00	\$2.10
8.5	\$ 35.00	\$0.95
8.6	\$ 110 .00	\$3.20
8.6A	\$ 85.00	\$3.20
8.6B	See chart below	
8.7	MASC Insurance	
8.8A	\$12.50 + \$12.50 per machine	
8.8B	\$ 45 .00	\$ 1.25
8.8C	\$12.50 + \$180.00 per machine	
8.9	\$ 105.00	\$1.25
8.10	\$ 45.00 + \$5.00 per table	\$1.25
8.11	See chart below	

****LICENSE FEE CALCULATED TO THE NEXT THOUSAND (\$2,050 TREATED AS \$3,000).**

NON-RESIDENT RATES

Unless otherwise specifically provided, all minimum fees and rates shall be doubled for non-residents and itinerants having no fixed principal place of business within the municipality.

DECLINING RATES

Declining Rates apply in all Classes for gross income in excess of \$1,000,000		
	Gross Income in \$ Millions	Percent of Class Rate for each additional \$1,000
	0 - 1	100%
	1 - 2	95%
	2 - 3	90%
	3 - 4	85%
	4 - 5	80%
	5 - 6	75%
	6 - 7	70%
	7 - 8	65%
	8 - 9	60%
	9 - 10	55%
	Over 10	50%

CLASS 8 RATES

Each NAICS Number designates a separate subclassification. The businesses in this section are treated as separate and individual subclasses due to provisions of State law, regulatory requirements, service burdens, tax equalization considerations, etc., which are deemed to be sufficient to require individually determined rates. Non-resident rates do not apply except where indicated.

NAICS 230000- Contractors, Construction, All Types

8.1. - Having permanent place of business within the municipality		
Minimum on first \$2,000.....	\$55.00	PLUS
Per \$1,000, or fraction over \$2,000 from all work.....		\$ 0.60
8.1A Non-resident (no permanent place of business in the municipality)		
Minimum on first \$2,000.....	\$110.00	PLUS
Per \$1,000, or fraction, over \$2,000).....		\$1.20
(non-resident double rates do not apply)		

A trailer at the construction site or structure in which the contractor temporarily resides is not a permanent place of business under this ordinance.

The total fee for the full amount of the contract shall be paid prior to commencement of work and shall entitle contractor to complete the job without regard to the normal license expiration date. An amended report shall be filed for each new job and the appropriate additional license fee per \$1,000 of the contract amount shall be paid prior to commencement of new work. Only one base fee shall be paid in a calendar year.

No contractor shall be issued a business license until all state and municipal qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job. No deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building Code have been filed and approved. Zoning permits must be obtained when required by the Zoning Ordinance.

Each prime contractor shall file with the License Official a list of sub-contractors furnishing labor or materials for each project.

8.2-NAICS 482 - Railroad Companies – (See Code § 12-23-210)

For the first 1,000 inhabitants.....	\$25.00
For each additional 1,000 inhabitants according to the last Federal Census of the City.....	\$35.00/M or major fraction
Up to a maximum total of.....	\$2,000.00

NAICS 22112 - Electric Power Distribution See Consent or Franchise

NAICS 22121 - Natural Gas Distribution..... See Consent or Franchise

**NAICS 517110 - Television, Cable or Pay,
Services using public streets..... See Consent or Franchise**

8.4 – Cable television services not using public streets:

Minimum on first \$2,000.....	\$105.00	PLUS
Per \$1,000, or fraction, over \$2,000.....	\$2.10	

8.4 – NAICS 423930 – Junk or Scrap Dealers (Non-resident rates apply)

Minimum on first \$2,000.....	\$105.00	PLUS
Per \$1,000, or fraction, over \$2,000.....	\$2.10	

8.4 - NAICS 522298 - Pawn Brokers - All Types

Minimum on first \$2,000.....	\$105.00	PLUS
Per \$1,000, or fraction, over \$2,000.....	\$2.10	

8.5 – NAICS 4411, 4412 Automotive, Motor Vehicles, Boats, Farm Machinery, Retail –

(Except auto supply stores - see 4413)

Minimum on first \$2,000.....	\$35.00	PLUS
Per \$1,000, or fraction, over \$2,000.....	\$0.95	

One sales lot not more than 400 feet from the main showroom may be operated under this license provided that proceeds from sales at the lot are included in gross receipts at the main office when both are operated under the same name and ownership.

Gross receipts for this classification shall include value of trade-ins. Dealer transfers or internal repairs on resale items shall not be included in gross income.

NAICS 454390 - Peddlers, Solicitors, Canvassers, Door-To-Door Sales, direct retail sales of merchandise. (Non-resident rates apply)

8.6 - Regular activities (more than two sale periods of more than three days each per year)
 Minimum on first \$2,000.....\$55.00 PLUS
 Per \$1,000, or fraction, over \$2,000.....\$1.60

8.6A - Seasonal activities (not more than two sale periods of not more than three days each year, separate license required for each sale period)
 Minimum on first \$2,000..... \$85.00 PLUS
 Per \$1,000, or fraction, over \$2,000..... \$ 3.20

Applicant for a license to sell on private property must provide written authorization from the property owner to use the intended location.

8.6B EVENT LICENSE FOR PUBLIC SHOW

The license shall be for a period not to exceed seven (7) consecutive days and the fee shall be:

Estimated gross revenues from space rentals/tickets sales up to \$10,000 or up to 25 exhibitors, whichever is greater. \$134.00

Estimated additional revenue of each \$10,000 or portion thereof up to \$1,000,000 or each additional five exhibitors or portion thereof, whichever is greater. \$ 35.00

8.7 - NAICS 5241 - Insurance Companies: Except as to fire insurance, "gross premiums" means gross premiums written for policies for property or a risk located within the municipality. In addition, "gross premiums" shall include premiums written for policies that are sold, solicited, negotiated, taken, transmitted, received, delivered, applied for, produced or serviced by (1) the insurance company's office located in the municipality, (2) the insurance company's employee conducting business within the municipality, or (3) the office of the insurance company's licensed or appointed producer (agent) conducting business within the municipality, regardless of where the property or risk is located, provided no tax has been paid to another municipality in which the property or risk is located based on the same premium.

Solicitation for insurance, receiving or transmitting an application or policy, examination of a risk, collection or transmitting of a premium, adjusting a claim, delivering a benefit, or doing any act in connection with a policy or claim shall constitute conducting business within the municipality, regardless of whether or not an office is maintained in the municipality.

As to fire insurance, "gross premiums" means gross premiums (1) collected in the municipality, and/or (2) realized from risks located within the limits of the municipality.

Gross premiums shall include all business conducted in the prior calendar year.

Gross premiums shall include new and renewal business without deductions for any dividend, credit, return premiums or deposit.

Declining rates shall not apply.

52411	<u>Life, Health and Accident</u>	0.75% of Gross Premiums
524126	<u>Fire and Casualty</u>	2% of Gross Premiums
524127	<u>Title Insurance</u>	2% of Gross Premiums

Notwithstanding any other provisions of this ordinance, license taxes for insurance companies shall be payable on or before May 31 in each year without penalty. The penalty for delinquent payments shall be 5% of the tax due per month, or portion thereof, after the due date until paid.

Any exemptions in the business license ordinance for income from business in interstate commerce are hereby repealed. Gross income from interstate commerce shall be included in the gross income for every business subject to a business license tax.

Pursuant to S.C. Code Ann. §§ 38-45-10 and 38-45-60, the Municipal Association of South Carolina is designated the municipal agent for purposes of administration of the municipal broker's premium tax. The agreement with the Association for administration and collection of current and delinquent license taxes from insurance companies as authorized by S.C. Code § 5-7-300 and administration of the municipal broker's premium tax is

on file with the Clerk for collection of current and delinquent license taxes insurance companies and brokers for non-admitted fire and casualty insurers shall continue in effect.

NAICS 713120 - Amusement Machines, coin operated (except gambling)

Music machines, juke boxes, kiddy rides, video games, pin tables with levers and other amusement machines without free play feature licensed by SC Department of Revenue pursuant to

S.C. Code §12-21-2720 (A) (1) and (A) (2) – **[Type I and Type II]**

8.8A. Operator of machine \$12.50 per machine,
PLUS \$12.50 business license for operation of all machines
(Not on gross income). [§12-21-2746]

8.8B. Distributor selling or leasing machines (not licensed by the State as an
operator pursuant to §12-21-2728) - [Nonresident rates apply.] -
Minimum on first \$2,000 \$45.00 PLUS
Per \$1,000, or fraction, over \$2,000 \$1.25

NAICS 713290 - Amusement Machines, coin operated - nonpayout

Amusement machines of the nonpayout type or in-line pin game licensed by SC
Department of Revenue pursuant to S.C. Code §12-21-2720 (A) (3) - **[Type III]**

8.8C. Operator of machine (owner of business)..... \$180.00 per machine,
PLUS \$12.50 business license for operation of all machines
(Not on gross income). [§12-21-2720(B)]

8.8A. Distributor selling or leasing machines (not licensed by the State as an
operator pursuant to §12-21-2728) - [Nonresident rates apply.] -
Minimum on first \$2,000..... \$45.00 PLUS
Per \$1,000, or fraction, over \$2,000 \$1.25

8.9 - NAICS 713290 - Bingo halls, parlors -

Minimum on first \$2,000\$105.00 PLUS
Per \$1,000, or fraction, over \$2,000\$1.85__

8.9 - NAICS 711190 - Carnivals and Circuses -

Minimum on first \$2,000	\$105.00_	PLUS
Per \$1,000, or fraction, over \$2,000	\$1.85__	

8.9 - NAICS 722410 - Drinking Places, bars, lounges, cabarets -
 (Alcoholic beverages consumed on premises)

Minimum on first \$2,000.....	\$105.00	PLUS
Per \$1,000, or fraction, over \$2,000.....		\$1.85

8.10 - NAICS 713990 - Billiard or Pool Rooms, all types -

\$5.00 per table PLUS

Minimum on first \$2,000.....	\$45.00	PLUS
Per \$1,000, or fraction, over \$2,000		\$1.25

PLUS \$12.50 business license for operation of all machines

8.11 - NAICS 485310 Taxi License (Insurance required)

(8-D) On Gross Income.....Rate Class 5

License tag regulatory.....\$5.00

Replacement Cab Fee.....\$5.00

Operator's License.....\$10.00

Transfer Operator's License.....\$5.00

APPENDIX C

CLASS STRUCTURE BY RATE CLASS

RATE CLASS 1

<u>NAICS</u>	<u>Business Sector</u>
2213	Water and Sewerage Systems
42	Wholesale Trade, all types
4413	Automotive Parts, Tire Stores
442	Furniture and Home Furnishing Stores
443	Electronics and Appliance Stores
444	Building Material, Garden Equipment and Supply
445	Food and Beverage Stores
446	Health and Personal Care Stores
447	Gasoline Stations and Convenience Stores
451	Sporting Goods, Hobby, Book, Music Stores
452	General Merchandise Stores
453	Miscellaneous Store Retailers
454	Nonstore Retailers, except peddlers [Class 8]
712	Museums, Historical Sites, Zoos, Gardens
713	Amusement and Recreation, except coin-operated machines, gambling, bingo and billiards [Class 8]
721	Accommodation, Hotel, Motel, Inn, Camp
722	Eating Places, Food Services, Restaurants, Caterers, except drinking places [Class 8]

RATE CLASS 2

<u>NAICS</u>	<u>Business Sector</u>
11	Agriculture, Forestry, Fishing and Hunting
31-33	Manufacturing
448	Clothing and Accessory Stores
48	Transportation, except rail
515	Radio and Television Broadcasting
517	Internet Service Providers and Data Processing Services, on line
811	Repair and Maintenance Services

RATE CLASS 3

<u>NAICS</u>	<u>Business Sector</u>
49	Warehousing and Couriers
511	Information, Newspapers, Publishers
512	Motion Pictures, theaters, production
5179	Other Telecommunications, specialized services
518	Data Processing, Housing & Related Services
56	Administrative and Support, Waste Management and Remediation Services

RATE CLASS 4

<u>NAICS</u>	<u>Business Sector</u>
21	Mining
523	Security and Commodity Brokers
711	Arts, Sports and Promoters of Events, except carnivals and circuses [Class 8]
812	Personal Care, Barber, Beauty, Laundry

RATE CLASS 5

<u>NAICS</u>	<u>Business Sector</u>
522	Consumer Finance, Mortgage Brokers, Credit Card Issuing, <u>except</u> banks [exempt] and pawnshops [Class 8]
5242	Insurance Agencies, except brokers for non-admitted insurers
54	Professional, Scientific, and Technical Services
61	Education Services
62	Health Care and Social Assistance

RATE CLASS 6

<u>NAICS</u>	<u>Business Sector</u>
519	Internet Publishers

RATE CLASS 7

<u>NAICS</u>	<u>Business Sector</u>
53	Real Estate and Rental and Leasing
55	Management of Companies and Enterprises
813	Membership Organizations

RATE CLASS 8

[SEE INDIVIDUAL SUBCLASSIFICATION RATES FOR CLASSES 8.1 THROUGH 8.10.]

<u>NAICS</u>	<u>Business Sector</u>
2211	Electric Utilities [franchise]
2212	Gas Utilities [franchise]
23	Construction, all types
423930	Recyclable Material, Junk
4411	Automobile Dealers
4412	Other Motor Vehicle Dealers; Boats; Farm Machinery
45439	Peddlers, Direct Selling
482	Rail Transportation
5171	Telecommunications, wired
5172	Telecommunications, cellular
517110	Cable Television
522298	Pawnshops
5241	Insurance Carriers
52421	Brokers for Non-admitted Insurance Carriers
71119	Carnivals, Circuses
7131	Amusement Arcades, except gambling [Type I and Type II]
7132	Nonpayout Amusement Machines [Type III]
713290	Bingo Halls, Parlors
71399	Billiard Parlor, Pool Tables
72241	Drinking Places, Bars (alcoholic)

APPENDIX B

CLASS STRUCTURE BY NAICS

<u>NIACS Rate Code</u>	<u>Class</u>	<u>NAICS Sector Description</u>
11	2	Agriculture, Forestry, Fishing and Hunting
21	4	Mining
2211	8	Electric Utilities [franchise]
2212	8	Gas Utilities [franchise]
2213	1	Water and Sewerage Systems
23	8.1	Construction, all types
31-33	2	Manufacturing, all types
42	1	Wholesale Trade, all types except junk
423930	8.4	Recyclable Material, Junk
44 - 45		Retail Trade (See type below)
4411	8.5	Automobile Dealers
4412	8.5	Other Motor Vehicle Dealers and Farm Machinery
4413	1	Automotive Parts, Tire Stores
442	1	Furniture and Home Furnishing Stores
443	1	Electronics and Appliance Stores
444	1	Building Material, Garden Equipment and Supply
445	1	Food and Beverage Stores
446	1	Health and Personal Care Stores
447	1	Gasoline Stations and convenience stores
448	2	Clothing and Accessory Stores
451	1	Sporting Goods, Hobby, Book, Music Stores
452	1	General Merchandise Stores
453	1	Miscellaneous Store Retailers
454	1	Nonstore Retailers, except peddlers
45439	8.6	Peddlers, Direct Selling
48	2	Transportation, except rail
482	8.2	Rail Transportation
49	3	Warehousing and Couriers
511	3	Information, Newspapers, Publishers
512	3	Motion Pictures, theaters, production, music, recording
515	2	Radio and Television Broadcasting
517	2	Internet Service Providers and Data Processing Services, on line
5171	8.3	Telecommunications, wired
5172	8.3	Telecommunications, cellular
517110	8.4	Cable Television
5179	3	Other Telecommunications, Specialized Services
518	3	Data Processing, Housing & Related Services
519	6	Internet Publishers
522	5	Consumer Finance, Mortgage Brokers, Credit Card Issuing, <u>except</u> banks and Pawnshops
522298	8.4	Pawnshops
523	4	Security and Commodity Brokers
5241	8.7	Insurance Carriers
5242	5	Insurance Agencies,

52421	8.7	<u>except</u> brokers for non-admitted insurers
53	7	Brokers for Non-admitted Insurance Carriers
NIACS Rate		Real Estate and Rental
<u>Code</u>	<u>Class</u>	<u>NAICS Sector Description</u>
54	5	Professional, Scientific, and Technical Services
55	7	Management of Companies and Enterprises
56	3	Administrative and Support, Waste Management and Remediation
Services		
61	5	Education Services
62	5	Health Care and Social Assistance
711	4	Arts, Sports and Promoters of Events, <u>except</u> carnivals and circuses
71119	8.9	Carnivals, Circuses
712	1	Museums, Historical Sites, Zoos, Gardens
713	1	Amusement and Recreation, <u>except</u> coin-operated machines, gambling, bingo and billiards
7131	8.8	Amusement Arcades, <u>except</u> gambling [Sec. 12-21-2720(A) (1) and (2)]
7132	8.8	Nonpayout Amusement Machines [Sec. 12-21-2720(A) (3)]
713290	8.9	Bingo Halls, Parlors
713990	8.10	Billiard Parlor, Pool Tables
721	1	Accommodation, Hotel, Motel, Inn, Camp
722	1	Eating Places, Food Services, Restaurants, Caterers, <u>except</u> drinking places
72241	8.9	Drinking Places, Bars (alcoholic)
811	2	Repair and Maintenance Services
812	4	Personal Care, Barber, Beauty, Laundry
813	7	Membership Organizations

This ordinance duly adopted on second reading this 17th day of December 2012.

D. Welborn Adams, Mayor

ATTEST:

City Clerk and Treasurer

First Reading: November 20, 2012

Second Reading: December 17, 2012

