

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

**WHEREAS**, on April 1, 1986, the City Council adopted Ordinance 955 and Resolution No. 2893, which established various business classifications and the effective tax rates the businesses would be assessed based upon the gross receipts methodology; and

**WHEREAS**, on October 20, 1987, the City Council adopted Ordinance No. 1009, adding Chapter 5.14 to the Rialto Municipal Code, which charged a flat tax rate of \$50.00 for both regulatory and revenue purposes for various business classifications, including warehouse uses; and

**WHEREAS**, on November 1, 2005, the City Council adopted Ordinance No. 1378 and Resolution No. 5280, which modified Chapter 5.14 of the Rialto Municipal Code and approved an alternative methodology for calculating the business license tax for distribution facilities based upon a rate of \$0.05 per square foot multiplied by the gross square footage of the building, and allowing the affected business to choose between methodologies; and

**WHEREAS**, the City Council desires to update the definitions contained in Chapters 5.04 and 5.14 of the Rialto Municipal Code to reflect the definitions contained in the fee schedule attached to

1 Resolution No. 5280 and the proposed resolution containing the Business License Tax Summary  
2 attached thereto as Attachment “A” .

3  
4 **NOW, THEREFORE**, the City Council of the City of Rialto does hereby ordain as follows:

5 **Section 1.** Section 5.04.020 of the Rialto Municipal Code is hereby amended to add the  
6 following definitions to the existing list of definitions as follows:

7 ““Distribution Facility” means and includes any person, firm or corporation that  
8 conducts, manages, or carries on a business consisting principally of warehousing  
9 and/or distribution activities for any product or component, including but not limited  
10 to goods, wares, consumer products, materials or merchandise.

11 “Manufacturer,” includes any person, firm, or corporation that conducts, manages, or  
12 carries on a business consisting mainly of packing, carrying or selling at wholesale,  
13 making or processing any goods, wares, merchandise or produce.

14 “Professional Service” includes any person, firm, or corporation that conducts,  
15 manages or carries on a profession or vocation that is licensed by the State of  
16 California including the activities related to the licensed profession, consulting,  
17 and/or activities that require a period of specialized training.

18 “Retail Merchant – Food” includes any person, firm, or corporation that conducts,  
19 handles or carries on a business consisting mainly of the operation of a food  
20 establishment that prepares or serves or sells food of any type, including grocery  
21 stores and restaurants.

22 “Retail Merchant – Non-Food” includes any person, firm, or corporation that  
23 conducts, manages or carries on a business consisting mainly of the selling of goods,  
24 wares, or other items of value at retail.

25 “Service Business” includes any person, firm or corporation that provides services,  
26 performs physical labor or other skills for the benefit of others, and which does not  
27 provide any retail sales.

28 “Truck Deliveries” includes any person, firm, or corporation that conducts and  
carries on any business in the City that entails making deliveries within the City in

1 connection with any business that may be conducted elsewhere, and that utilizes,  
2 automobiles, or other similar vehicles, in connection with such business or delivery,  
3 and includes those persons, firms, or corporations not having a fixed place of business  
4 within the City that delivers goods, wares, or merchandise of any kind by vehicle,  
5 other than a certified highway carrier on a regular route, or who is not otherwise  
6 licensed by the City.

7 “Warehouse” means and includes any enclosed place used strictly for the storage of  
8 materials, supplies and similar items for any period of time, and used in conjunction  
9 with a business whose principal business address is at a different location within the  
10 City limits.

11 “Wholesaler” includes any person, firm, or corporation that conducts or manages a  
12 business consisting mainly of selling goods, or merchandise at wholesale prices,  
13 including the sales of automobiles or other vehicles.”

14 **Section 2.** The definition of “Gross Receipts” in Section 5.04.020 of the Rialto Municipal  
15 Code is hereby amended in its entirety as follows:

16 ““Gross receipts” mean and include the total amount actually received or  
17 receivable from sales and the total amounts actually received or receivable for the  
18 performance of any act or service, of whatever nature it may be, for which a charge is  
19 made or credit allowed, whether or not such act or service is done as a part of, or in  
20 connection with the sale of material, goods, wares or merchandise. Included in "gross  
21 receipts" shall be all receipts, cash, credits, and property of any kind or nature, without any  
22 deductions therefrom on account of the cost of the property sold, the cost of materials  
23 used, labor or services costs, interest paid or payable, or losses, or other expenses  
24 whatsoever. Excluded from "gross receipts" shall be the following:

- 25 1. Cash discounts allowed and taken on sales;
- 26 2. Credit allowed on property accepted as part of the purchase price and which  
27 property may later be sold;
- 28

3. Any tax required by law to be included in, or added to, the purchase price and collected from the consumer or purchaser;
4. Such part of the sale price of property returned by purchasers upon rescission of the contract of sale as is refunded, either in cash or by credit;
5. Amounts collected for others where the business is acting as an agent or trustee, to the extent that such amounts are paid to the persons for whom collected, provided the agent or trustee has furnished the collector with the names and addresses of such other persons and amounts paid to them;
6. Receipts of refundable deposits, except that refundable deposits forfeited and taken into the income of the business shall not be excluded;
7. As to property management, the gross receipts involving three or less residential units and a lessor of only one commercial rental unit;
8. As to a retail gasoline dealer, a portion of his/her receipts from the sale of motor vehicle fuels equal to the motor vehicle fuel license taxes imposed by, and previously paid pursuant to, the provisions of Part 2 of Division 2 of the Revenue and Taxation Code of the state;
9. As to a retail gasoline dealer, the special motor fuel taxes imposed by the provisions of Section 4041 of Title 26 of the United States Code if paid by the dealer or collected by him/her from the consumer or purchaser; and
10. Uncollectable chargeoffs.

For distribution facilities, gross receipts shall be equal to the value of merchandise shipped annually from the facility.”

**Section 3.** Section 5.04.240 of the Rialto Municipal Code is hereby amended to read in its entirety as follows:

“The following types of businesses are excluded from the effect of this chapter, except with regards to Section 5.04.170, delinquency penalty:

- A. Contractors and subcontractors, as defined in Chapter 5.56;
- B. Billboards and advertising signs, as defined in Chapter 5.08;

- C. Truck deliveries, as defined in Chapter 5.48;
- D. Solicitors, as defined in Chapter 5.28;
- E. Public dances and dancehalls, as defined in Chapter 5.12;
- F. Warehouses as defined in Chapter 5.14.”

**Section 4.** Section 5.14.010 of the Rialto Municipal Code is hereby amended to read in its entirety as follows:

“Unless the context otherwise requires, words and phrases used in this chapter shall have the same meaning as defined in section 5.04.020 of this code.”

**Section 5.** Severability. The provisions of this Ordinance are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the ordinance or their applicability to other persons or circumstances.

**Section 6.** Effective Date. This Ordinance shall take effect and be enforced thirty (30) days following its adoption.

**PASSED, APPROVED AND ADOPTED** this 10<sup>th</sup> day of January, 2017.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

---

Deborah Robertson, Mayor

ATTEST:

---

BARBARA McGEE, City Clerk

APPROVED AS TO FORM:

---

FRED GALANTE, ESQ., City Attorney

STATE OF CALIFORNIA )  
COUNTY OF SAN BERNARDINO ) ss  
CITY OF RIALTO )

I, Barbara McGee, City Clerk of the City of Rialto, do hereby certify that the foregoing Ordinance No.**1583** was duly passed and adopted at a regular meeting of the City Council of the City of Rialto held on the 10<sup>th</sup> day of January, 2017.

Upon motion of Council Member Baca Jr., seconded by Council Member Scott, the foregoing Ordinance No. **1583** was duly passed and adopted.

Vote on the motion:

AYES: Mayor Robertson, Council Member Baca Jr., Scott and Trujillo

NOES: None

ABSENT: None

**ABSTAINED: Council Member Carrizales**

IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of the City of Rialto this 11<sup>th</sup> day of January, 2017.

**BARBARA MCGEE, CITY CLERK**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28