

ORDINANCE # 2025-1026

**AN ORDINANCE OF THE CITY OF ROY, WASHINGTON AMENDING ROY
MUNICIPAL CODE SECTION 4-1A-5 TITLED "BUSINESS LICENSE
REQUIREMENTS" WITHIN CHAPTER 4-1A BUSINESS AND LICENSE
REGULATIONS, ARTICLE A TITLED "ADMINISTRATION OF BUSINESS AND
OCCUPATION LICENSING"; AND ESTABLISHING AN EFFECTIVE DATE**

WHEREAS, In 2018, the Washington state Legislature passed a bill directing the creation of a model business licensing ordinance for cities in the state, which required cities to adopt a minimum threshold for business licensing by January 1, 2019. RCW 35.90.080 requires the model ordinance to include a mandatory definition of "engaging in business" and a uniform minimum business licensing threshold (or occasional sale) exemption to establish when out-of-town or transient businesses are required to be licensed.

WHEREAS, In 2024, a work group of cities reviewed and updated the model uniform business licensing threshold amount from \$2,000 to \$4,000 beginning January 1, 2026, with provisions for periodic increases thereafter based upon the Consumer Price Index.

WHEREAS, Cities must adopt the updated business licensing threshold amount by January 1, 2026.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ROY, WASHINGTON
ORDAINS AS FOLLOWS:

Section 1. Amending Section 4-1A-5. Roy Municipal Code Chapter 4-1A-5 titled "BUSINESS LICENSE REQUIREMENTS", is hereby amended as follows:

4-1A-5, Business License Requirements:

A. License Required; Application; Fee; Registration Only Option:

1. Except as otherwise provided by ordinance, no person, whether or not subject to the payment of tax as provided in this article, shall engage in "business" as defined in this chapter within the city without first having obtained and being the holder of a valid and subsisting business license to do so, issued pursuant to this article.
2. The business license shall be issued for any lawful business on application therefor and payment of the annual license fee as set forth in the city of Roy fee schedule.
3. The business license issued pursuant to this article shall be valid for the calendar year so long as the person to whom it is issued continues in business and pays the above application annual license fee and any tax due under this chapter on or before February 1 of each year.

4. Applications for the license shall be made to and on forms provided by the city clerk-treasurer.
5. For purposes of the license by this chapter and article, any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than two thousand dollars (\$2,000.00) ("threshold amount"), and who does not maintain a place of business within the city, shall submit a business license registration to the director or designee. The threshold does not apply to regulatory license requirements or activities that require a specialized permit. Beginning January 1, 2026, the threshold amount is four thousand dollars (\$4,000). The threshold amount will be adjusted every forty-eight months on January 1, by an amount equal to the increase in the Consumer Price Index ("CPI") for "West Urban, All Urban Consumers" (CPI-U) for each 12-month period ending on June 30 as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight month) CPI increase using each 12-month period ending on June 30 of each prior year, and rounded to the nearest \$100. However, if any of the annual CPI increases are more than five (5) percent, a five (5) percent increase will be used in computing the annual basis and if any of the annual CPI decreased during the forty-eight-month period, a zero (0) percent increase will be used in computing the annual basis.

B. License Conditions:

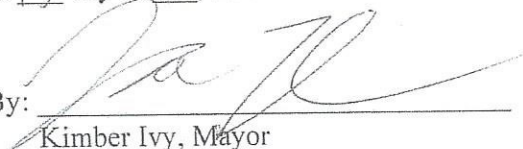
1. The license shall be personal and nontransferable.
2. A separate license for each separate place at which one (1) taxpayer transacts business with the public shall be required.
3. Each license shall be numbered and shall show the name and location of the taxpayer's business and such other information as the city clerk-treasurer deems necessary, and shall at all times be conspicuously posted in the place of business for which it is issued.

- C. Special, Limited Business License: All persons operating a revenue generating business in the city only during a single special event recognized by the city shall obtain and display a special, limited business license, valid for up to four (4) consecutive days. The city clerk-treasurer shall include the dates for which the license is valid on the face of the license. For events longer than four (4) days, a regular annual business license shall be required. The fee for the special, limited business license shall be as set forth in the city of Roy fee schedule. The special, limited business license shall be issued only to vendors that are properly licensed in the state of Washington and that have obtained written permission from the owner of the property where the business is to be operated during the special event. The terms and conditions set forth in this section shall apply except as provided herein.

- D. The annual license fee is delinquent if not submitted and paid by January 31 or within thirty (30) days of commencing business in the city. The late fee is fifty percent (50%) of the annual license fee for each month or portion thereof beyond the delinquent date during which the fee remains unpaid to a maximum fee of two hundred percent (200%) of the annual license fee. (Ord. 815, 12-10-2007; Ord. 868, 5-14-2012; Ord. 922, 2-23-2015; Ord. 970, 10-8-2018)

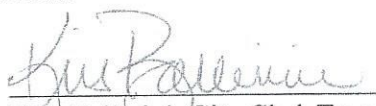
Section 2. Effective date. This ordinance shall be in full force and effect five days after its passage and publication of its summary as provided by law.

PASSED by the City Council of Roy, Washington this 13 day of 10, 2025.

By: 

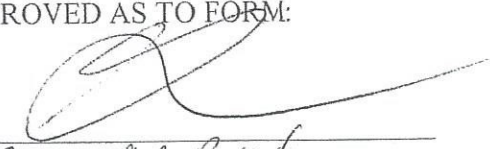
Kimber Ivy, Mayor

ATTEST:

By: 

Kris Ballerini, City Clerk-Treasurer

APPROVED AS TO FORM:

By: 

Garrett A. Pothoff, City Attorney

PASSED the 13th day of Oct, 2025

APPROVED the ____ day of ____, 2025

PUBLISHED the ____ day of ____, 2025