

1 Sec. 17-37. Responsibilities of owners, partners, officers, etc., of businesses
2 and corporations.

3 Each owner, partner, officer and/or firm member of any business or corporation
4 required by this article to be licensed will be jointly and severally responsible for the
5 following:

6 (1) Timely payment of business license due to the city. In those cases in which
7 the amount of the business license is based upon the number of employees, the
8 employer (not the employee) will be responsible for payment of the license.

9 (2) (a) Preparation and provision of all information required for computation of
10 the amount of the business license due including, but not limited to, number of
11 employees, number of business locations, and amount of average inventory. Only
12 owners, partners, officers or firm members or their expressly authorized agent will be
13 authorized to certify the information required from a business under this article.

14 (b) *Reserved.*

15 **Section 2.** Section 17-38 of the Little Rock City Code, 1988, is hereby amended as
16 follows:

17 Sec. 17-38. Payment required.

18 The carrying on of any business, profession or occupation of whatever kind or
19 nature within the city is a privilege subject to an annual business license. Any person
20 who maintains a business location within the city or engages in any business,
21 profession or occupation, regardless of whether or not all functions peculiar to the
22 business are affected within the city, shall pay an annual business license. The
23 business license shall apply to all and shall not be limited to those businesses,
24 professions or occupations as classified specifically by this article.

1 Section 3. Section 17-39 of the Little Rock City Code, 1988, is hereby amended as
2 follows:

3 Sec. 17-39. Exemptions.

4 The following shall be exempt from the provisions of this article:

5 (1) Any individual employed full time on a salary or commission basis by one
6 (1) employer not offering his/her services to the public. This exemption applies to the
7 employees only and does not affect the license amount due by employer whose fee is
8 based on the number of employees.

9 (2) Charitable or eleemosynary nonprofit businesses and organizations and
10 where no profit accrues to the benefit of any officer or employee. Such businesses and
11 organizations may be required to furnish to the City Manager proof of nonprofit status
12 in the form of a state charter or other documentation deemed appropriate by the City
13 Manager.

14 Section 4. Sec. 17-40 of the Little Rock City Code, 1988, is hereby amended as
15 follows:

16 Sec. 17-40. In this article "City Manager" means the City Manager or the person
17 to whom the City Manager designates the responsibility. At the time this ordinance is
18 adopted it meant Treasury Services Manager.

19 Section 5. Sec. 17-41 of the Little Rock City Code, 1988, is hereby amended as
20 follows:

21 Sec. 17-41. Persons engaging in multiple businesses--Responsibility for
22 licensing; fees.

23 (a) Where the principal business, occupation, or profession is located within
24 the city and is licensed by the City Manager to operate within the city limits, the

1 principal location shall be responsible for licensing all other city locations, considered
2 to be secondary locations or substations.

3 (b) Each location of the principal business, occupation or profession shall
4 constitute a separate unit of such principal business, occupation or profession. The
5 City Manager shall collect a separate fee for each location of the principal business,
6 occupation or profession within the city. The fee charged shall be determined
7 according to the classification schedule, with the appropriate charge applying to each
8 location and not only the principal location. The City Manager shall issue separate
9 business licenses for the principal location and each additional location.

10 **Section 6.** Section 17-42 of the Little Rock City Code, 1988, is hereby amended
11 as follows:

12 Sec. 17-42. Lessees; list to be filed with City Manager; liability for license.

13 Every person operating a business who shall lease to another any department,
14 space or facility on the premises shall file with the City Manager on or before January 1
15 of each year or at the time of leasing, a list of all such lessees, except residential
16 lessees. Each such lessee shall be liable for the business license herein provided for
17 the business, occupation or profession of such lessee.

18 **Section 7.** Section 17-43 of the Little Rock City Code, 1988, is hereby amended
19 as follows:

20 Sec. 17-43. Determination of number of employees.

21 (a) (1) In this article, "employee" means any person who performs services and
22 is paid wages or salary by any business, or is engaged in a profession or occupation
23 under any appointment, agency, contract of hire, or apprenticeship, expressed or
24 implied, oral or written. Employees leased from an employee leasing company are

1 deemed employees of the lessee company for purposes of computing the business
2 license fee due.

3 (2) A "part-time employee" is any person who performs services within the City
4 of Little Rock and is paid wages or salary less than twelve hundred dollars (\$1,200.00)
5 quarterly.

6 (b) (1) Where the amount of business license due under this article is computed
7 on the number of employees, the responsible person shall report to the City Manager
8 the number of employees employed during the first three (3) quarters of the previous
9 fiscal year. The number of employees reported for each quarter shall be in agreement
10 with the number of employees reported on IRS Form 941. The information required
11 shall be furnished to the Treasury Management Division on an employee report form
12 provided by the Treasury Management Division. The license amount due will be based
13 and computed upon the average number of all employees reported. Employees whose
14 quarterly earnings shown on the IRS Form 941 are less than twelve hundred dollars
15 (\$1,200.00) and employees who worked exclusively outside the city shall be excluded
16 from computation.

17 (2) Businesses that begin operations after the beginning of the current fiscal
18 year shall pay a business license based on the number of employees at the time the
19 business begins operations.

20 (c) Where the business license amount due is based on specific amounts for
21 certain designated types of employees rather than the total number of employees, the
22 amount there designated will be the applicable charge. The number of designated
23 employees who are employed during the first three (3) quarters of the previous fiscal
24 year shall be furnished to the Treasury Management Division on a designated
25 employee report form, which form will be provided by the Treasury Management

1 Division for such purpose. Those designated employees who worked exclusively
2 outside the city shall not be subject to such charge.

3 **Section 8.** Section 17-44 of the Little Rock City Code, 1988, is hereby amended
4 as follows:

5 Sec. 17-44. Inventory operations.

6 (a) In this article "inventory" means the quantity of goods or materials on hand,
7 and includes all goods, wares, and merchandise, as maintained by the business,
8 including inventory on consignment and work in process which is located within the
9 city.

10 (b) Businesses paying a city business license based on a stock or inventory
11 variable will pay the annual base charge, as otherwise specified, plus a charge based
12 on the gross value of an average of the stock or inventory of the business for the
13 preceding year. The value of the stock or inventory shall be determined as the price
14 paid by the business. The stock or inventory information shall be furnished to the City
15 Manager in a signed statement on a form furnished by the City Manager setting forth
16 the amount of such average stock or inventory. In the initial year of operation, the
17 beginning inventory amount shall be used.

18 (c) The business license fee is calculated by multiplying the average of stock or
19 inventory, or the beginning inventory amount for a new business, by twenty four
20 hundredths of one (.24) percent.

21 **Section 9.** Section 17-45 of the Little Rock City Code, 1988, is hereby amended
22 as follows:

23 Sec. 17-45. Calendar year basis of license; due date; exceptions.

1 The annual business license shall be paid on the basis of the calendar year of
2 January 1 through December 31, and all such licenses shall be payable on January 1
3 for the ensuing year, except:

4 (1) Officers of a corporation shall have the option of paying the annual license
5 in two (2) equal installments on January 1 and July 1, respectively, each year. An
6 administrative fee of \$25 is required to pay in installments. Only businesses whose
7 license fee amount is \$5,000 or above qualifies to pay in installments. (2) Where the
8 business is operated on a fiscal year different than the calendar year, a request may be
9 made in writing for paying the license amount due on the same fiscal year instead of
10 the calendar year.

11 (3) Businesses beginning on other than the first of the calendar year must pay
12 the license on a pro rata quarterly basis to the end of the year.

13 **Section 10.** Section 17-46 of the Little Rock City Code, 1988, is hereby amended
14 as follows:

15 Sec. 17-46. Delinquent license; penalty.

16 If the business license provided for in this article is not paid within thirty (30)
17 days after such becomes annually due, it is hereby declared as delinquent and a
18 penalty of ten (10) percent will be added to the total outstanding balance . In the event
19 the license is not paid within sixty (60) days, an additional ten (10) percent penalty will
20 be added to the total outstanding balance. In the event the license is not paid within
21 ninety (90) days, an additional thirty (30) percent penalty will be added to the total
22 outstanding balance.

23 **Section 11.** Section 17-47 of the Little Rock City Code, 1988, is hereby amended
24 as follows:

25 Sec. 17-47. License.

1 (a) It shall be the duty of the Treasury Services Manager, upon receipt of the
2 amount of the business license required by this article to issue a license to the
3 person(s) liable therefore. The license shall reflect the amount paid, the period of time
4 covered, the name of the person to whom issued the location by street address where
5 the person plans to conduct business and the nature of the business, occupation or
6 profession involved. The Treasury Services Manager will not issue a business license to
7 any person who is delinquent in the payment of business license for preceding years,
8 nor shall a business license be issued to any person whose place of business does not
9 conform with city zoning laws or Pulaski County laws. Mistakes in computation or
10 incorrect information given verbally as to the amount of license due shall not prevent
11 or prejudice the collection by the city of what is actually provided for as due under the
12 provisions of this article.

13 (b) Each license when issued shall be posted in a conspicuous place where such
14 business, occupation or profession is carried on. The license shall not be transferable
15 from one (1) person to another and such shall be reflected in the license. The license
16 shall not be transferable from one (1) location to another without prior approval of the
17 department Planning & Development (Zoning).

18 (c) In cases of transfer of license in which principals, officers and stockholders
19 of a business remain the same as they were before the sale, exchange or renaming of
20 the business, the existing business license will remain in effect until normal expiration.

21 (d) 1. The City Manager shall be responsible for collecting the designated
22 business license fee from each contractor required by the City Code to obtain building,
23 electrical, plumbing, or mechanical permits to do work within the city. A business
24 license shall be issued to the principal contractor along with a contractor card for each
25 type of contract work licensed.

1 2. Where the contractor is currently licensed by another city within the state
2 and has no place of business within the city limits, the City Manager shall require the
3 contractor to provide a copy of the license by another Arkansas city before the City
4 Manager shall issue a contractor card for each type of contract work licensed.

5 (e) If a state license or permit is required to carry on a type of business activity,
6 the license or permit must be presented when applying for a business license. A copy
7 of the license or permit must be kept on file in the Treasury Management Division

8 **Section 12.** Section 17-48 of the Little Rock City Code, 1988, is hereby amended
9 as follows:

10 Sec. 17-48. Refund of fee.

11 (a) A refund not to exceed one-half (1/2) of the annual license fee actually
12 paid may be made if a business is closed or sold on or before June thirtieth of any
13 calendar year. A fifteen-dollar administrative fee shall be charged for processing such
14 request for refund, except in those cases in which a refund is required due to error
15 caused by the city.

16 (b) The City Manager is authorized to approve, in writing, a refund of a
17 business license up to five hundred dollars (\$500.00). All business license refunds in
18 excess of five hundred dollars (\$500.00) require written approval of the Director of
19 Finance. The City Manager is authorized to issue a credit in lieu of a refund to be
20 applied to the future license payments due from a business.

21 (c) 1. No business license fee refund shall be made for more than one (1)
22 year. A business is responsible for review of the license for accuracy upon receipt.

23 2. Where a business license fee is due but not paid, the City Manager shall
24 collect not more than one (1) year in arrears, plus the current year.

1 Section 13. Section 17-49 of the Little Rock City Code, 1988, is hereby amended
2 as follows:

3 Sec. 17-49. Examination of books and records by the City Manager.

4 The City Manager or his duly authorized agent shall have the right to check and/or
5 audit the stocks, inventory records, books or records, including documents showing
6 the inventory reported to the state and federal governments for income tax purposes
7 for the past three (3) years of any person subject to the license provided for in this
8 article. The City Manager may by mandatory injunction or other civil action require the
9 production of the records and books. In addition hereto the refusal by any person to
10 allow the City Manager or his authorized agent to make such checks, examination
11 and/or audits is a misdemeanor.

12 Section 14. Section 17-50 of the Little Rock City Code, 1988, is hereby
13 amended as follows:

14 Sec. 17-50. Reporting.

15 (a) It shall be unlawful for any person to willfully make a false report to the city
16 relative to any provision or requirement of any article as affects the obligation for
17 paying a business fee or the amount thereof.

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

24 Section 15. Section 17-51 of the Little Rock City Code, 1988, is hereby
25 amended as follows:

1 Sec. 17-51. Adjustment of fee.

2 (a) It shall be unlawful for the City Manager or any of his/her agents, or for any
3 other individual within the city who is charged with the responsibility of collecting fees
4 established in this article, to change the amount of the business license to be paid,
5 except that in instances where collection of the prescribed amount would clearly create
6 an inequitable hardship, the City Manager may, in writing, waive the penalty or adjust
7 the amount charged for the license.

8 (b) The City Manager shall review the quarterly earnings allowance for part-
9 time employees every five (5) years to insure a more commensurate update relative to
10 business and economic trends and changes.

11 (c) Businesses paying a city business license after a citation or warrant has
12 been issued shall be charged a processing fee of not more than fifty dollars (\$50.00)
13 by the Treasury Management Division or city personnel.

14 **SECTION 16. Repealer.** All ordinances and parts of ordinances that conflict with
15 this ordinance are hereby repealed; provided however, only to the extent that they are
16 in direct conflict herewith.

17 **SECTION 17. Severability.** In the event any title, section, subsection,
18 subdivision, paragraph, subparagraph, item, sentence, clause, phrase, or word of this
19 ordinance is declared or to be adjudged to be invalid or unconstitutional, such
20 declaration or adjudication shall not affect the remaining portions of the ordinance
21 which shall remain in full force and effect as if the portion so declared or adjudged
22 invalid or unconstitutional was not originally a part of this ordinance.

23 **SECTION 18. Emergency.** It is hereby found and determined by the Board of
24 Directors of the City of Little Rock that the City business license ordinance should be
25 amended forthwith to modernize the language and make it consistent throughout, that

1 the business license is collected on a calendar basis and that this Ordinance should be
2 given effect immediately to prevent a delay beyond January 1, 2007. Therefore, an
3 emergency is hereby declared to exist and this Ordinance being necessary for the
4 preservation of the public peace, health and safety shall be in full force and effect from
5 and after its passage and approval.

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PASSED: December 5, 2006

ATTEST:

APPROVED:



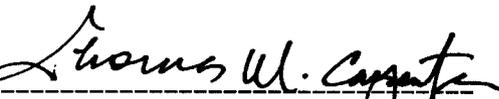
Nataki S. Blocker, Assistant City Clerk



Brad Cazort, Vice Mayor

For Nancy Wood, City Clerk

APPROVED AS TO LEGAL FORM:



Thomas M. Carpenter, City Attorney

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