

**RESOLUTION NO. 2018-30**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA,  
ARIZONA, ESTABLISHING AS A PUBLIC RECORD THE TERMS OF PROPOSED  
AMENDMENTS TO CITY CODE CHAPTER 5.05 (BUSINESS LICENSING).**

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA that the terms set forth in that document attached hereto as Exhibit A and entitled "2018 Amendments to City Code Business Licensing Provisions" constitute a public record to be incorporated by reference into Ordinance No. 2018-10.

At least one (1) paper copy and one (1) electronic copy of this public record shall be kept in the office of the City Clerk for public use and inspection.

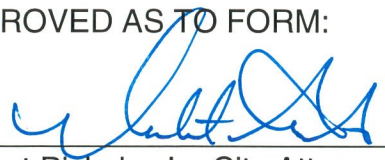
PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona this 23<sup>rd</sup> day of October, 2018.

  
\_\_\_\_\_  
Sandra J. Moriarty, Mayor

ATTEST:

  
\_\_\_\_\_  
Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Robert Pickels, Jr., City Attorney

**Exhibit A**  
**2018 Amendments to City Code Business Licensing Provisions**

Chapter 5.05  
BUSINESS LICENSING

Sections:

- [5.05.010](#) Definitions.
- [5.05.020](#) Business license required.
- [5.05.025](#) Exemptions.
- [5.05.030](#) Issuance of business license.
- [5.05.040](#) Suspension, revocation, or denial of business license.
- [5.05.050](#) Enforcement.

**5.05.010 Definitions.**

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

“Business” means all activities or acts, personal or corporate, engaged in by any person or entity (or agent or employee of such person or entity) conducted for the purpose of apparent gain, benefit, or advantage, either direct or indirect, but not casual activities or sales. The term “business” shall include any trade, business, game, amusement, profession or occupation.

“Casual activity or sale” means a single or incidental transaction of an isolated nature made by a person who neither represents himself to be nor is engaged in a business subject to a license fee imposed by this chapter. The sale, rental, license for use, or lease transaction concerning real property shall not be treated, or be exempt, as casual. Examples of casual activities or sales include but are not limited to:

- A. Individual or group yard sales at any one location not exceeding three consecutive days in duration and totaling not more than eight days per year.
- B. Sales by children or minors under the age of 18.

“Employee” means anyone that receives a wage and tax statement form (W-2) issued from their employer that is submitted to the Internal Revenue Service and the State Department of Revenue. [Ord. 2010-16 § 1, 10-26-2010 (Res. 2010-30 Exh. A, 10-26-2010); Ord. 2014-01 § 1, 1-14-2014 (Res. 2014-01 Exh. A, 1-14-2014); Ord. 2015-12 § 1, 11-10-2015 (Res. 2015-27 Exh. A, 11-10-2015); Ord. 2016-03, 5-24-2016 (Res. 2016-19 Exh. A, 5-24-2016). Code 2006 § 8-2-1].

**5.05.020 Business license required.**

A. Procure before Conducting Business. It is unlawful for any business to operate if it is (1) physically located within the city limits, or (2) if it has an obligation to pay transaction privilege taxes (TPT) to the city of Sedona for the business it is conducting participating in a temporary special event, without first having procured a current business license from the city and complying with any and all regulations of such business specified in the Sedona City Code, Sedona Land Development Code (SLDC), and Arizona Revised Statutes except as exempted pursuant to SCC 5.05.025. Said compliance shall include



**Exhibit A**  
**2018 Amendments to City Code Business Licensing Provisions**

but not be limited to compliance with any and all zoning ordinances and specified building uses. A business license is in addition to the privilege tax license required by Section 8-300 of the Sedona City Tax Code.

B. *Repealed by Ord. 2015-12.*

C. Not Proof of Compliance. A business license obtained under this chapter is neither evidence nor proof that the business has complied with the provisions of the Sedona City Code, SLDC, and Arizona Revised Statutes, nor shall the granting of a business license limit the prosecution by the city of any violations of law.

D. Posting. Every fixed business location operated by any person or entity shall display a valid business license in a place visible to the public within the business location. Every person or entity ~~without a fixed business location~~ participating in a temporary special event shall carry the business license with him or her while operating the business for which the business license was granted. Whenever requested to do so by any city designee, every person or entity owning or operating a business shall produce a valid business license.

E. Fines. License renewal fees provided for in this chapter shall be due and payable on the date of expiration of the current license and shall become delinquent 30 days following such expiration. A penalty of \$5.00 per month shall be assessed on all such delinquencies. The penalty may be abated by the finance director for due cause upon written request for abatement detailing the reason for said delinquency. The written request must be filed with the finance director within 20 days of assessment of such penalty.

F. Criminal Penalties. Any person or entity violating this chapter is guilty of a Class 1 misdemeanor, and upon conviction thereof shall be punished by a fine not to exceed \$2,500, or by imprisonment for a period not to exceed six months or by both such fine and imprisonment.

G. Civil Injunction. Any person or entity violating this chapter is subject to a civil suit for injunction as well as prosecution for criminal violations and liability for licensing sanctions such as suspension or revocation. [Ord. 2010-16 § 1, 10-26-2010 (Res. 2010-30 Exh. A, 10-26-2010); Ord. 2011-12 § 1, 12-13-2011 (Res. 2011-26 Exh. A, 12-13-2011); Ord. 2014-01 § 1, 1-14-2014 (Res. 2014-01 Exh. A, 1-14-2014); Ord. 2015-12 § 1, 11-10-2015 (Res. 2015-27 Exh. A, 11-10-2015); Ord. 2016-03, 5-24-2016 (Res. 2016-19 Exh. A, 5-24-2016). Code 2006 § 8-2-2].

**5.05.025 Exemptions.**

The following businesses shall not be required to obtain a license under this chapter:

A. The practice, transaction or carrying on of any business conducted by the federal government for which it has failed to make provisions allowing states and municipalities to so license;

B. Religious institutions engaged solely as a place of worship;



**Exhibit A**  
**2018 Amendments to City Code Business Licensing Provisions**

C. Nonprofit organizations that have obtained 501(c)(3) status, or activities carried on wholly for the benefit of charitable, municipal or public purposes from which profit is not derived, either directly or indirectly, or the conducting of any entertainment, dance, concert, exhibition or lecture on scientific, historical, literary, religious or moral subjects, whenever the entire receipts from the same are to be appropriated to or such projects are conducted under the auspices of any church or school or any religious, nonprofit or benevolent organization;

D. Employees of any business either possessing a license or exempt from having to possess a license;

E. ~~Repealed by Ord. 2016-03;~~ Businesses located outside of the city limits except when participating in temporary special events within the city limits;

F. Sellers of agricultural produce grown within the city by the seller;

G. A real estate licensee engaged in the sale or resale of real property; provided, the office or branch of the agency, company or business under which that person works or is contracted possesses a city business license;

H. The activity is a casual activity or sale. [Ord. 2014-01 § 1, 1-14-2014 (Res. 2014-01 Exh. A, 1-14-2014); Ord. 2015-12 § 1, 11-10-2015 (Res. 2015-27 Exh. A, 11-10-2015); Ord. 2016-03, 5-24-2016 (Res. 2016-19 Exh. A, 5-24-2016)].

**5.05.030 Issuance of business license.**

A. Application and Fees. Application for a business license shall be made to the city on forms made available by the city. Every application shall be accompanied by the nonrefundable business license fee, as listed in the city fee schedule for the first business and \$5.00 for each additional business owned and operated by the same person or entity in a single location. Separate licenses shall be obtained for each branch establishment or separate location of a business, and a business license shall be obtained for every business covered in this chapter.

B. Special Event Business License. Application for a temporary special event business license shall be made to the city on forms made available by the city. Every application shall be accompanied by the nonrefundable temporary business license fee as listed in the city fee schedule. The temporary business license is valid for seven days from the date of issuance.

C. Issuance. Upon the filing of a complete application for a business license and the receipt of all required fees, the city shall prepare and issue a business license under this chapter for every business, stating the period of time covered; the name of the business; the name(s) of the person or entity owning or operating the business; and the location of the business establishment.

D. Changes in Application Information. The business shall contact the city with changes to any information on the business license application within 30 calendar days of the effective date of the change and shall pay an administrative fee of \$10.00 to effect the

**Exhibit A**  
**2018 Amendments to City Code Business Licensing Provisions**

changes. Business licenses granted or issued by the city are not transferable or assignable to any other person or entity.

E. Term and Renewal. Business licenses shall be valid until January 1st of the year following the year of issuance unless the license was suspended or revoked. The person or entity owning or operating the business shall renew the business license within 30 days of the expiration of the business license. Failure to renew within 30 days of the expiration of the business license shall result in the suspension of the business license. Every renewal shall be accompanied by the nonrefundable renewal fee as listed in the city fee schedule.

Following the start-up year, the business will be on an annual renewal cycle. The business license renewal will be due and payable on January 1st.

F. State License Required under Arizona Revised Statutes. If a business is engaging in an activity subject to state and/or local transaction privilege tax, the owner shall obtain the state and/or appropriate city transaction privilege tax license(s) based on Arizona Revised Statutes. [Ord. 2010-16 § 1, 10-26-2010 (Res. 2010-30 Exh. A, 10-26-2010); Ord. 2011-12 § 1, 12-13-2011 (Res. 2011-26 Exh. A, 12-13-2011); Ord. 2014-01 § 1, 1-14-2014 (Res. 2014-01 Exh. A, 1-14-2014); Ord. 2015-12 § 1, 11-10-2015 (Res. 2015-27 Exh. A, 11-10-2015); Ord. 2016-03, 5-24-2016 (Res. 2016-19 Exh. A, 5-24-2016). Code 2006 § 8-2-3].

**5.05.040 Suspension, revocation, or denial of business license.**

A. A business license issued under this chapter may be suspended, revoked or deemed invalid at any time during the term of such license, or the application may be denied if the city or its designee determines that a person or entity owning or operating the business or an employee of the business has:

1. Failed to provide complete and accurate information on the applications required by this chapter; or
2. Failed to pay the business license fees in full when due and payable; or
3. Knowingly provided false information on the applications required by this chapter, including but not limited to providing a false or assumed name, or impersonating another establishment of a like or different name; or
4. Violated or is not in compliance with either Sedona City Code, SLDC, or the Arizona Revised Statutes; or
5. Refused to allow inspection of the business premises as authorized by this chapter; or
6. Been determined by the city to owe delinquent city transaction privilege taxes, or any other delinquent fees payable to the city pursuant to Sedona City Code or SLDC, unless the person or entity owning or operating the business has entered into a written payment agreement approved by the city relating to payment of any

**Exhibit A**  
**2018 Amendments to City Code Business Licensing Provisions**

and all outstanding obligations and is current in making any and all payments required under the terms of such an agreement.

B. The provisions of this section are in addition to any grounds for denial, suspension or revocation set forth in other sections of the Sedona City Code, SLDC, or the Arizona Revised Statutes. [Ord. 2010-16 § 1, 10-26-2010 (Res. 2010-30 Exh. A, 10-26-2010); Ord. 2014-01 § 1, 1-14-2014 (Res. 2014-01 Exh. A, 1-14-2014); Ord. 2015-12 § 1, 11-10-2015 (Res. 2015-27 Exh. A, 11-10-2015); Ord. 2016-03, 5-24-2016 (Res. 2016-19 Exh. A, 5-24-2016). Code 2006 § 8-2-4].

**5.05.050 Enforcement.**

A. The city or its designee shall have and exercise the power to cause complaints to be filed against or to revoke the business license of any person or entity violating provisions of this chapter.

B. The city or its designee shall have the authority to view the business license of any business for which a business license is required by Sedona City Code, and to demand the exhibition of a valid business license from any person engaged in or employed in the transaction of any such business. It is unlawful for such person to fail to produce such license when requested to do so. [Ord. 2010-16 § 1, 10-26-2010 (Res. 2010-30 Exh. A, 10-26-2010); Ord. 2014-01 § 1, 1-14-2014 (Res. 2014-01 Exh. A, 1-14-2014); Ord. 2015-12 § 1, 11-10-2015 (Res. 2015-27 Exh. A, 11-10-2015); Ord. 2016-03, 5-24-2016 (Res. 2016-19 Exh. A, 5-24-2016). Code 2006 § 8-2-5].