

Increase the initial business license fee from \$15 to \$100, and establish an annual renewal fee of \$25

Description

Issuance or changes

- This proposal would increase the current fee for a state business license from \$15 to \$100.
- This fee would apply to businesses that are required to obtain a state business license.

Renewals

- This proposal would impose a renewal fee of \$25 for state business licenses.
 - The renewal fee would be due annually and would apply to all active businesses with a Unified Business Identifier (UBI) number.
-

Current Law

Businesses must file a Business License Application and pay a \$15 fee to obtain a state business license, which allows them to do business in Washington. This license fee does not include fees for specialty licenses, such as liquor or cosmetology licenses.

There is no annual renewal fee for business licenses.

A business that has already obtained its state business license must also file a Business License Application and pay the \$15 application fee if:

- The business needs to obtain a specialty license (such as a liquor license) or a city business license that is available through the BLS.
 - Ownership of the business changes.
 - The location of the business changes or the business adds a new location.
 - The business needs to register a new trade name or change an existing trade name.
 - The business needs to hire employees (including minors and workers in the home).
 - The business needs to change unemployment insurance or industrial insurance coverage.
-

Continued on next page

Increase the initial business license fee from \$15 to \$100, and establish an annual renewal fee of \$25, Continued

Revenue Impact (\$ millions)

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$0	\$28.6	\$28.6

Notes:

- *Estimates assume a July 1, 2012 effective date, representing 11 months of collections for FY 2013.*
- *Estimates reflect the September 2011 revenue forecast by the Forecast Council.*

Expenditure Impact

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
TBD	TBD	TBD