

ORDINANCE NO. 653

**AN ORDINANCE OF THE PEOPLE OF THE CITY OF ADELANTO
AS APPROVED BY THE CITY'S QUALIFIED ELECTORS AT THE
ELECTION HELD ON NOVEMBER 5, 2024, TO AMEND THE
CITY'S BUSINESS LICENSE TAX**

WHEREAS, the City of Adelanto ("City") has not adjusted its business license tax in a number of years; and

WHEREAS, the calling of an election contest for Adelanto voters to consider the business license tax measure was put forward in compliance with applicable law; and

WHEREAS, the City Council approved this Ordinance for first reading at a public hearing conducted as part of its Regular Meeting of July 24, 2024, provided that the Ordinance may not take effect unless approved by Adelanto voters at the Election of November 5, 2024; and

WHEREAS, this Ordinance, by its terms, may only take effect if the ballot measure requesting its approval is approved by a majority of Adelanto voters at the Election of November 5, 2024; and

WHEREAS, at the Election of Tuesday, November 5, 2024, Adelanto voters approved the measure requesting approval of this Ordinance by a margin of ____% voting in favor ("Yes") and ____% voting in opposition ("No"); and

WHEREAS, the election results were certified at the City Council's meeting of _____, 2024, by way of Resolution No. __-__.

**THE PEOPLE OF THE CITY OF ADELANTO, CALIFORNIA DO
HEREBY ORDAIN AS FOLLOWS:**

SECTION 1. Title.

This Ordinance may be referred to as the "Adelanto Business License Tax."

SECTION 2. Purpose.

The taxes imposed under this Ordinance are solely for the purpose of raising revenue necessary to support and fund general services for the City.

SECTION 3. Code Amendment.

An amended Chapter 5.04 of Title 5 (Business Licenses and Regulations) is hereby added to the Adelanto Municipal Code to read as follows:

CHAPTER 5.04 BUSINESS LICENSES

5.04.10 Definitions.

The definitions in this section apply to the words and phrases used in this article unless the context clearly indicates otherwise.

(a) “*Business*” Any business, commercial enterprise, trade, calling, vocation, profession, occupation, or means of livelihood, whether or not carried on for gain or profit. The term shall include operations of subsidiary or independent entities conducted for the benefit of others and at no profit to themselves, nonprofit businesses and trade associations. A person shall not be deemed to be engaged in business solely by reason of receipt of dividend or interest income from passive investments.

(b) “*Business classification*” means the category of business subject to tax under this article. The business classifications are as follows.

1. Group 1: General/Retail: These are retailers, wholesalers, hoteliers, restaurateurs, and manufacturers. Examples include but not limited to Corporate Headquarters, Manufacturing, Retail, Wholesale.
2. Group 2: Professional: These businesses offer services that require a rigorous amount of training through any type of higher education, or vocational institutions that exclusively certifies, complete obtainment of skills and the ability to offer such professional services. Examples include but are not limited to a doctor’s office, a law office, a consulting firm, land developers, brokers, *etc.*
3. Group 3: Rental Properties including Commercial and Residential Property Rentals: This category includes any business that leases, rents, or provides use of real property to another individual or entity for compensation. Examples include commercial leasing, residential rental, parcel leasing, *etc.*
4. Group 4: Services: This is the offering of services that require minimal to no higher education training. This is also the default category for any business that is not specifically defined in one of the other five categories. Examples include but are not limited to health care centers, moving companies, hair stylists, gardeners, nail salons, *etc.* Any business that does not fit within any of the give group classifications shall be deemed to be covered by the Services group.
5. Group 5: Contractors: These are persons or firms that are carrying on the business of a contractor, subcontractor, or builder particularly the construction or repair of any buildings. Examples include but are not limited to construction, plumbing, HVAC, *etc.*

(c) “*Business license*” means the document issued by the city acknowledging that a person has declared their business activity in the city and has paid the business license tax required by this article for the declared business activity. A business license is valid for one tax year and only for the tax year for which the business license tax has been paid.

(d) “*Employee*” means any person engaged in the operation of any business whether as an agent, manager, solicitor, member of the owner’s family, or other person employed or working in the business.

(e) “*Fixed place of business*” means the premises occupied in the city for the purpose of conducting a business and regularly kept open for that purpose with a person in attendance for the purpose of attending to the business.

(f) “*Gross receipts*” Except as otherwise specifically provided, the term "gross receipts" as used in this article is defined as follows:

The total amount of the sales price of all sales, the total amount charged or received for the performance of any act, service, or employment of whatever nature it may be, whether such service or act of employment is done as a part of or in connection with the sale of goods, wares, merchandise or not, for which a charge is made or credit allowed, including, without limitation, all receipts, cash, credits, forfeited or retained deposits of any kind and property of any kind or nature, in any amount for which credit is allowed by the seller to the purchasers without any deductions therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, losses or any other expense whatsoever. Where the gross receipts are less than the cost of maintaining the operations of the licensee, then the licensee shall be deemed to produce gross receipts in an amount at least equal to the cost of maintaining such operations. Such cost of operations includes, but is not limited to, rent, depreciation, salaries, wages, fixed charges, and other expenses.

Excluded from gross receipts shall be:

- A. Cash discounts allowed and taken on sales;
- B. The value of property accepted as part of the purchase price for subsequent resale;
- C. Any California state, city or city and county sales or use tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
- D. Any City of Adelanto transient occupancy tax required to be included in or added to the price of a room and collected from a transient;
- E. Such part of the sales price of property returned by the purchaser upon the rescission of the contract or sale as is refunded either in cash or by credit;
- F. Deposits which by law or contract must be refunded and are actually refunded;
- G. Collections for others when the business is acting as an agent or trustee to the extent that payments are made to those for whom collected;
- H. The cash value of sales, trades, or transactions between departments or units of the same business

- (g) “*Licensee*” means a person required to obtain a business license under this article.
- (h) “*Person*” has the same meaning provided in section 1-2 of this code.
- (i) “*Previous tax year*” means the tax year for a licensee that immediately precedes the tax year for which a business license is being obtained. Upon request by a licensee, the Tax Collector may approve the use of a different “previous tax year” for a licensee in order to conform to a licensee’s fiscal year or to otherwise simplify the calculation of the amount of business license tax owed by the licensee.
- (j) “*Tax Collector*” As used in this chapter, "collector" means the City Finance Director, Director of Administrative Services or other City staff/officer charged with the administration of this chapter.
- (k) “*Tax year*” means the year that begins each year on the date of a licensee’s first day of operation as a business in the city. Upon request by a licensee, the Tax Collector may approve the use of a different “tax year” for a licensee in order to conform to a licensee’s fiscal year or to otherwise simplify the calculation of the amount of business license tax owed by the licensee.

5.04.20 Business License Tax.

It shall be unlawful for any person either for himself or for any other person, to commence or carry on any business taxed pursuant to this article in the City of Adelanto, without having procured a business license from the city.

- a) A business license is evidence only of the fact that the business license tax was paid based on the business activity as reported to the city.
- b) Neither the payment of business license tax nor the possession of a business license authorizes the doing of any act which the person paying the business license tax or holding a business license would not otherwise be entitled to do.
- c) A business license is not permission to carry on a business at any place within the city where conducting such business is prohibited or fails to comply with the city’s zoning, planning, building, and business regulations.
- d) A business license is not permission to conduct a business in such a manner as to create or maintain a nuisance.
- e) A business license is only valid for the person to whom it is issued and is not transferable.

5.04.25 Tax Rates.

Businesses subject to the gross receipts tax pursuant to this Chapter shall pay an annual business license tax to the City consisting of a flat tax, a tax based on gross receipts or a tax based upon the cost of doing business as defined in this chapter, whichever amount is greater.

Except as may be otherwise provided in this chapter, every person described in the following classifications who engages in business within the City of Adelanto shall pay an annual business tax in an amount computed in accordance with the following business tax rate schedule. Every business with annual gross receipts of less than \$25,000 shall pay the sum of \$25 (Twenty Five Dollars – “Minimum Tax”). For businesses with annual gross receipts of over \$25,000, the business license tax shall be the Minimum Tax plus the gross receipts tax based upon adjusted gross receipts over \$25,000.

Group 1: General/Retail

Tax Rate: \$1.25 per \$1,000 gross receipts

Group 2: Professional

Tax Rate: \$4.00 per \$1,000 gross receipts

Group 3: Rental Properties

Tax Rate: \$4 per \$1,000 gross receipts

Group 4: Services

Tax Rate: \$3.50 per \$1,000 gross receipts

Group 5: Contractors

Tax Rate: \$3.50 per \$1,000 gross receipts

5.04.26 CPI Adjustments.

The minimum gross receipts threshold and all flat rates for calculating the business license fee in the City of Adelanto shall be adjusted annually based on the Consumer Price Index (CPI) for All Urban Consumers, as published by the U.S. Bureau of Labor Statistics. The adjusted flat rates will be effective at the beginning of each fiscal year and will be communicated to all affected businesses by the License Collector

5.04.27 Minimum Tax.

Every business with annual gross receipts of less than \$25,000 shall pay the sum of \$25. For businesses with annual gross receipts of over \$25,000, the business license tax shall

be the Minimum Tax plus the gross receipts tax based upon adjusted gross receipts over \$25,000.

By way of illustration, if a business is classified as a general business and its hypothetical gross receipts were \$125,000 for the year, it would calculate its tax by first subtracting \$25,000 in gross receipts, which is covered by the \$25 minimum tax. Then, using the adjusted gross receipts of \$100,000, it would multiply those gross receipts by the rate for basic businesses, which is 0.0003 (or \$.30 per thousand dollars) to get the tax of \$30. Adding the minimum tax and this gross receipt tax the total tax owed in this example would be \$55.

5.04.30 Exemptions.

Any person claiming an exemption pursuant to this section shall file a sworn statement with the collector stating the facts upon which exemption is claimed and in the absence of such statement substantiating the claim, such person shall be liable for the payment of the taxes imposed by this chapter. Exemptions:

(a) For the purposes of this section, city purchases shall be exempt from the calculation of the required business tax as follows: Whenever the measure of the business tax is based on gross receipts, the person subject to the business tax may exclude from the business tax calculation the dollar value of purchases or services made directly by the city of Adelanto from the person subject to the tax.

(b) Any business exempt from the tax by the laws of the United States or the State of California.

5.04.40 License a Receipt.

The Business Tax Receipts issued under the authority of Chapter 5 of this Code are Receipts of payment of the business taxes levied on the privilege of carrying on or engaging in a business, profession or occupation under the City's taxing power. The Business Tax Receipts are not regulatory licenses issued under the City's police power. Provisions of a regulatory nature contained in Chapter 5 of this Code are placed in Chapter 5 as a matter of convenience only. Although a separate regulatory Business Tax Receipt is not issued, such provisions are imposed as conditions of an additional regulatory license imposed under the City's police power to regulate businesses, occupations, professions, trades, or callings to protect the public health, morals, safety and welfare.

5.04.50 Separate License For Each Place of Business.

If a person engages in the same business in two (2) or more places in Adelanto, each place of business shall be taxed under this chapter as a separate entity. If a person engages in two (2) or more different businesses at the same location, each business shall be taxed as a separate entity; and there shall be no credit or setoff for taxes paid at one

location against taxes due from another location, nor shall there be credit or setoff for taxes due from different businesses at the same location.

5.04.60 When Tax Is Due.

(a) When a licensee first begins operating a business in the City, the tax imposed by this article is due 30 days after the first day of business operation in the City and is delinquent 60 days after the first day of business operation if not paid.

(b) After the first tax year of operation and for all subsequent tax years, the tax is due 30 days after the first day of the tax year and is delinquent 60 days after the first day of the tax year if not paid.

5.04.70 Application—Initial.

(a) Upon a person making an application for the first business tax receipt for a newly established or acquired business, such person shall furnish to the collector a sworn statement, upon a form provided by the collector; setting forth the following information:

- 1) The name of the business and the address at which it will be operating.
- 2) The nature of the business's activities enough for the Tax Collector to determine the business classification and category of the business.
- 3) The date on which the business will begin operating.
- 4) In all cases where the amount of tax to be paid is measured by gross receipts, the application shall set forth such information as may be therein required and as may be necessary to determine the amount of the tax to be paid by the applicant;
- 5) Any further information which the collector may require.

(b) If the amount of the tax to be paid by the applicant is measured by gross receipts, he or she shall estimate the gross receipts for the period covered. Such an estimate, if accepted by the collector as reasonable, shall be used in determining the amount of tax to be paid by the applicant; provided, however, the amount of the tax so determined shall be tentative only. Furthermore:

- 1) Within 30 days after the end of its first tax year of operation in the city, a business must provide the Tax Collector with a statement of its actual gross receipts for that year, accompanied by supporting records.
- 2) If the actual gross receipts exceed the estimated gross receipts used to calculate and pay the tax for the first year, an additional tax based on the excess amount will be assessed and due within 60 days of the beginning of the second tax year.

5.04.80 Business License Tax Renewals.

- (a) Starting from the second tax year of operation and for every tax year thereafter, a business must submit its business license renewal application within 30 days from the beginning of the tax year.
- (b) The business license renewal application must include the following information, along with any other details required by the Tax Collector:
 - 1) The name of the business and the address at which it will be operating.
 - 2) The nature of the business's activities sufficient for the Tax Collector to determine the business classification and category of the business.
 - 3) The business's gross receipts for the previous tax year.

5.040.090 Delinquent Taxes (Penalty for Nonpayment of License).

- (a) When a tax becomes delinquent, a penalty of 25% of the amount of the delinquent tax will be added to the amount of tax due. If the tax remains unpaid 60 days after becoming delinquent, an additional penalty of 25% of the amount of the delinquent tax (excluding the initial penalty) will be added to the amount of tax due.
- (b) On the first of each month that a tax is delinquent, interest in the amount of 1.5% of the delinquent amount, excluding penalties and interest, will be added to the amount of tax due.
- (c) A licensee may apply to the Tax Collector for a reduction or waiver of any accrued penalties or interest, and the Tax Collector may reduce or waive any accrued penalties or interest upon a finding of good cause.

5.04.100 Administrative Procedure to Assess or Correct Tax.

- (a) If the Tax Collector determines that a licensee has incorrectly reported any information to the city or has not paid all or any of the tax, penalties, or interest that are due, the Tax Collector may, using any information available to the Tax Collector, issue an Initial Determination stating what the Tax Collector believes to be the correct information and, if new or additional tax, penalties, or interest are due, how much tax, penalties, or interest are due. The Initial Determination must be served on the licensee either personally or by U.S. mail to the most recent address for the licensee in the Tax Collector's records.
- (b) A licensee affected by an Initial Determination may within 15 days of service of an Initial Determination contest the Initial Determination and request a hearing before the Tax Collector by filing with the Tax Collector a written request for a

hearing. The further accrual of penalties and interest shall be tolled upon the filing of a request for a hearing. If a licensee does not contest an Initial Determination and request a hearing with the Tax Collector within 15 days of service of the Initial Determination, the Initial Determination is final and cannot be appealed.

(c) If a licensee timely contests an Initial Determination and requests a hearing, the Tax Collector must set a hearing within 30 days of the filing of the request for a hearing or as soon thereafter as reasonably practical. Notice of the hearing must be served on the licensee either personally or by U.S. mail to the most recent address for the licensee in the Tax Collector's records.

(d) At the hearing the licensee may present evidence and argument regarding the Initial Determination to show why the Initial Determination is incorrect and to show what the determination of the Tax Collector should be. Within 60 day after the close of the hearing or as soon thereafter as reasonably practical, the Tax Collector must serve a Final Determination, setting forth the Tax Collector's determination of the facts and issues that were the subject of the Initial Determination. The Final Determination must be served on the licensee either personally or by U.S. mail to the most recent address for the licensee in the Tax Collector's records. Unless an appeal of a Final Determination is filed under Section 5.04.120, any penalties or interest tolled under subdivision (b) of this section will resume accruing 10 days after the service of the Final Determination.

5.04.110 General Administrative Remedy.

(a) Any person affected by a decision of the Tax Collector ("the challenger"), except for a decision under 5.04.100, may challenge that decision by filing a written objection to the decision with the Tax Collector. The objection must be filed within 15 days of the issuance of the decision being challenged. If the Tax Collector was required to provide notice of the decision, then the time to file an objection to the decision begins to run from the date of service of the notice of the decision. The Tax Collector must serve a written response to the objection within 30 days of the filing of the objection, which period can be extended by the Tax Collector for an additional 30 days. The Tax Collector's response to the objection must be served on the challenger either personally or by U.S. mail to the most recent address for the challenger in the Tax Collector's records.

(b) The challenger may request a hearing on the Tax Collector's response to the objection by filing a request for a hearing with the Tax Collector within 15 days of service of the response to the objection. If a timely request for a hearing on a response to the objection is filed with the Tax Collector, the Tax Collector must set a hearing within 30 days of the filing of the request for a hearing or as soon as reasonably practical thereafter. Notice of the hearing must be served on the challenger either personally or by U.S. mail to the most recent address for the challenger in the Tax Collector's records.

(c) At the hearing the challenger may present evidence and argument regarding the decision being challenged to show why the decision is incorrect and to show what it should be. Within 60 days after the close of the hearing, which the Tax Collector may extend for an additional 60 days, the Tax Collector must serve a Final Determination on the decision, setting forth the Tax Collector's determination of the decision that was challenged. The Final Determination must be served on the challenger either personally or by U.S. mail to the most recent address for the challenger in the Tax Collector's records. Service is effective upon deposit of the Final Determination in the U.S. mail.

5.04.120 Appeal.

- (a) A Final Determination of the Tax Collector under section 5.04.100, subdivision (d), or section 5.04.100, subdivision (c), can be appealed to the City Manager by filing a written notice of appeal with the City Manager within 15 days of service of the notice of the Final Determination being appealed.
- (b) Only a licensee who files a timely request for a hearing on an Initial Determination under section 5.04.100 and participates in the hearing or a challenger who files an objection to a decision and files a request for a hearing on the response to the objection under section 5.04.100 and participates in the hearing can file an appeal under this section.
- (c) If a timely appeal is filed, the City Manager, must set a hearing within 60 days of the filing of the appeal, which may be extended by the City Manager for an additional 60 days. Notice of the hearing must be served on the appellant either personally or by U.S. mail to the most recent address for the challenger in the Tax Collector's records. The tolling of the accrual of penalties or interest under section 5.04.100, subdivision (b), shall continue upon the timely filing of an appeal under this section.
- (d) At the hearing the appellant and the Tax Collector may present evidence and argument regarding the decision being appealed to show why the decision is correct or incorrect and to show what it should be. Within 60 days after the close of the hearing, which the City Manager may extend for an additional 60 days, the City Manager must serve a written decision, setting forth the resolution of the appeal. The decision must be served on the appellant either personally or by U.S. mail to the most recent address for the appellant in the Tax Collector's records. Service is effective upon deposit of the decision in the U.S. Mail. Any penalties and interest that were tolled under section 5.04.100, subdivision (b), shall resume accruing 10 days after the service of the decision.
- (e) A decision of the City Manager, or the City Manager's designee, served under subdivision (d) of this section is subject to judicial review under sections 1094.5 and 1094.6 of the Code of Civil Procedure (or subsequent laws if

amended) with a writ petition filed in the appropriate court within the 90 days of the service of the written decision. Any tax, penalties, or interest determined by the decision to be owed to the City by the appellant must be paid to the City as a precondition to filing a writ petition challenging the decision, but a claim for a refund under section 5.04.150 does not have to be filed before filing a writ petition.

5.04.130 Posting and keeping licenses.

Any licensee transacting and carrying on business at a fixed place of business in the City shall keep the license posted in a conspicuous place upon the premises where such business is carried on, whether or not said place of business is the City of Adelanto.

5.04.140 Constitutional Apportionment.

- (a) No tax imposed by this article may be applied to a licensee so as to constitute an undue burden on interstate commerce or intercity commerce or be violative of the equal protection or due process clauses of the United States or California constitutions.
- (b) A licensee who contends that the application of a tax imposed by this article on the licensee constitutes an undue burden on interstate commerce or intercity commerce or violates the equal protection or due process clauses of the United States or California constitutions may apply to the Tax Collector for an apportionment of the tax imposed on the licensee that would remove the constitutional violation by filing a written request with the Tax Collector that explains the factual and legal basis for the claimed constitutional violation and proposes a method of apportionment that would resolve the alleged constitutional violations.
- (c) The Tax Collector, in consultation with City Attorney, shall review the application and within 60 days of the filing of the application issue a decision on the application. The decision on the application must be served on the licensee either personally or by U.S. mail to the most recent address for the challenger in the Tax Collector's records. The decision can be challenged under section 5.04.110.

5.04.150 Refunds.

- (a) A licensee who believes that any tax, penalty, or interest has been illegally, erroneously, or mistakenly paid to, collected by, or otherwise received by the city may file a claim for a refund of the amount of tax, penalty, or interest claimed to have been improperly received by the city.
- (b) The claim must be filed with the Tax Collector and signed under penalty of perjury by the licensee. The claim must state:

- (1) The legal and factual basis for the refund claim;
 - (2) The amount of tax, penalty, or interest allegedly improperly received by the City;
 - (3) The date or dates that the improper payments were made to the City; and
 - (4) The address of the claimant.
- (c) The claim must be filed with the Tax Collector within one year of the date of the allegedly improper payment to the city.
- (d) The Tax Collector must provide a written decision on the claim within 30 days of the filing of the claim by serving the decision on the claimant either personally or by U.S. mail to the address provided in the claim. Service is effective upon deposit of the response in the U.S. Mail.
- (e) A claimant may challenge the Tax Collector's decision on a refund claim under section 5.04.100.
- (f) This section does not apply to:
 - (1) A claim for a refund arising out of a decision of the Tax Collector or City Manager under sections 5.04.100, 5.04.110, 5.04.120 or 5.04.140.
 - (2) A claim that could have been asserted by the claimant, but was not, under sections 5.04.100, 5.04.110, 5.04.120 or 5.04.140.

5.04.160 Audits.

- (a) The Tax Collector may conduct an audit of any licensee to ensure proper compliance with the requirements of this article.
- (b) To initiate an audit the Tax Collector must provide written notice to the licensee that is the subject of the audit of the initiation of the audit by serving the notice personally or by U.S. mail to the most recent address for the licensee in the Tax Collector's records. The notice must state the period of time subject to the audit.
- (c) Notice of the initiation of an audit for a tax year for which an application for a business license under section 5.04.140 or section 5.040.20 was filed by the licensee must be served within three years of the last day of the tax year to which the application applied.
- (d) Notice of the initiation of an audit for a tax year for which an application for a business license was not filed by the licensee under section 5.04.160 or section 5.040.20, but for which the licensee did register as a business under another chapter of this code, must be served within five years of the last day of the tax year for which the application should have been filed.

- (e) Notice of the initiation of an audit for a tax year for which an application for a business license was not filed by the licensee under section 5.040.140 or section 5.040.20, and for which the licensee did not register as a business under another chapter of this code, must be served within 10 years of the last day of the tax year for which the application should have been filed.
- (f) Upon completion of an audit, the Tax Collector may make an Initial Determination under subdivision (a) of section 5.04.100 of any taxes, penalties, and interest determined to be owed and not paid for the audit period. If a licensee subject to audit is unable or unwilling to provide sufficient records to enable the Tax Collector to verify compliance with this article, the Tax Collector is authorized to make a reasonable estimate of the amount of tax due and the reasonable estimate shall be entitled to a rebuttable presumption of correctness.

5.04.170 Maintenance and Review of Records.

- (a) Licensees must maintain for six years records of gross receipts and other information necessary to calculate the tax. If the Tax Collector serves notice of the initiation of an audit, the information pertinent for the years subject to the audit must be maintained until the conclusion of the audit.
- (b) The Tax Collector may with reasonable notice inspect the records of the licensee.
- (c) The Tax Collector may request the City Council to issue an administrative subpoena for records of a licensee or other persons with relevant information.

5.040.180 Information to be Confidential.

It is unlawful for the Tax Collector or any person having an administrative duty under the provisions of this chapter to make known in any manner whatever the business affairs, operations, or information obtained by an investigation of records and equipment of any person visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth in any statement or application, or to permit any statement or application, or copy of either, or any book containing any abstract or particulars thereof to be seen or examined by any person; provided, that nothing in this section shall be construed to prevent:

- (a) The disclosure to, or the examination of records and equipment by, another City official, employee, or agent for collection of taxes for the sole purpose of administering or enforcing any provisions of this chapter, or collecting taxes imposed under this chapter;
- (b) The disclosure of information to, or the examination of records by, Federal or State officials, or the tax officials of another city or county, or city and county,

if a reciprocal arrangement exists, or to a grand jury or court of law, upon subpoena;

- (c) The disclosure of information and results of examination of records of particular taxpayers, or relating to particular taxpayers, to a court of law in a proceeding brought to determine the existence or amount of any license tax liability of the particular taxpayers to the City;
- (d) The disclosure, after the filing of a written request to that effect, to the taxpayer himself, or to his successors, receivers, trustees, executors, administrators, assignees and guarantors, if directly interested, of information as to the items included in the measure of any paid tax, any unpaid tax or amounts of tax required to be collected, interest and penalties; further provided, however, that the City Attorney approves each such disclosure and that the Collector may refuse to make any disclosure referred to in this subsection when in his opinion the public interest would suffer thereby;
- (e) The disclosure of the names and addresses of persons to whom licenses have been issued, and the general type or nature of their business;
- (f) The disclosure by way of public meeting or otherwise of such information as may be necessary to the City Council in order to permit it to be fully advised as to the facts when a taxpayer files a claim for refund of license taxes, or submits an offer of compromise with regard to a claim asserted against him by the City for license taxes, or when acting upon any other matter;
- (g) The disclosure of general statistics regarding taxes collected or business done in the City

5.04.190 Action to Collect Delinquent Taxes.

- (a) Any tax, penalty, and interest imposed on a licensee under this article is a debt owed by the licensee to the city, which may be recovered in an action filed by the city in a court of competent jurisdiction.
- (b) An action under this section must be filed within three years of an Initial Determination becoming final under section 5.04.100(b), the issuance of a Final Determination under section 5.04.100(d) that is not appealed, the issuance of a Final Determination under section 5.04.110(c) that is not appealed, or the issuance of a decision under section 5.04.120(d).
- (c) During the pendency of an action filed under this section, interest will continue to accrue under section 5.04.190 (b) until the entry of judgment.
- (d) The City Council may by resolution establish a collection fee to be imposed on any licensee against whom an action is filed under this section, which fee may be recovered in the action.

5.040.200 Rules and Regulations.

The Finance Director of the City may make such rules and regulations as are not inconsistent with the provisions of this Chapter of the Adelanto Municipal Code as are necessary or desirable to aid in the enforcement and administration of the provisions of said Chapter. When, by reason of the provisions of the Constitution of the United States or the Constitution of the State of California, the business tax imposed by this Chapter cannot be enforced without there being an apportionment according to the amount of business done within the City, or in the State, as the case may be, the Finance Director may make such rules and regulations for the apportionment of the taxes as are necessary or desirable to overcome the constitutional objections. Such rules, regulations, and apportionment thereunder shall be approved by the City Attorney prior to becoming effective.

5.040.210 Errors Not Binding On The City.

No error by the Tax Collector or any other officer, employee, or agent of the city in the application of this article shall prevent, prejudice, or estop the collection by or for the city of the full amount of tax owed by any person under this article.

SECTION 4. Severability.

If any section, subsection, part, clause, sentence or phrase of this Ordinance or the application thereof is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, the validity of the remaining portions of this Ordinance, the application thereof and the tax imposed shall not be affected thereby, but shall remain in full force and effect, it being the intent of the People to adopt each and every section, subsection, part, clause, or phrase regardless of whether any other section, subsection, part, clause, or phrase or the application thereof is held to be invalid or unconstitutional.

SECTION 5. California Environmental Quality Act Requirements.

The City Council hereby determines that this Ordinance is not in-and-of-itself a “project” pursuant to the California Environmental Quality Act, Public Resources Code section 21000 *et seq.*, including without limitation CEQA Guidelines 15378(b)(4) and 15061(b)(3), as it can be seen with certainty that there is no possibility that the adoption of the ordinance itself may have a significant effect on the environment.

SECTION 6. Approval; Effective Date.

This Ordinance shall become effective immediately upon the following conditions: (i) approval of the ballot measure seeking approval of this Ordinance by a majority of the voters casting votes at the Election of the City of Adelanto to be held November 5, 2024; (ii) certification of all votes cast by the City Council confirming that a majority of voters

have approved the ballot measure approving this Ordinance; and (iii) implementation of this Ordinance by City Council upon certification of the election results.

SECTION 7. Council Amendments.

This Ordinance may only be amended by a vote of the people if the amendment would result in the special tax being imposed, extended, or increased in a manner not authorized by this Ordinance as originally approved by the voters. The City Council of the City of Adelanto is hereby authorized to amend Chapter 5.04 of the Adelanto Municipal Code as adopted by this Ordinance in any manner that does not increase the tax rates, or otherwise constitute a tax increase for which voter approval is required by Article XIII C of the California Constitution.

PASSED, APPROVED and ADOPTED this ____ day of____,_____.

Gabriel Reyes, Mayor

ATTEST:

Brenda Lopez, CMC, City Clerk

APPROVED AS TO FORM:

Todd Litfin, City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss.
CITY OF ADELANTO)

I HEREBY CERTIFY that the foregoing Ordinance No. 653 was duly adopted by the City Council of the City of Adelanto at a regular meeting thereof, held on the ____ day of _____, 2024, by the following vote of Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

Brenda Lopez, CMC, City Clerk