

## **LEGISLATIVE DIGEST**

[Business and Tax Regulations Code - Installment Payments for Delinquent License Fees]

**Ordinance amending the Business and Tax Regulations Code to permit the Tax Collector to enter into payment plans on or before April 30, 2023, for the collection of delinquent Department of Public Health license fees collected on the uniform license bill that were due or payable before March 31, 2023.**

### **Existing Law**

The Office of the Treasurer and Tax Collector ("Tax Collector") collects license fees for various City departments on the Unified License Bill. Under current law, the Tax Collector cannot accept partial payments of such license fees, and if the license fees are not paid in full within 30 days of their March 31 due date the license expires by operation of law.

### **Amendments to Current Law**

This ordinance would permit the Tax Collector to enter into installment payment plans of up to 24 months for license fees it collects on the Uniform License Bill for the Department of Public Health that were delinquent prior to March 31, 2023. The agreements would have to be executed on or before April 30, 2023. This authority is limited to agreements with delinquent licensees who are not delinquent on license fees the Tax Collector collects on the Unified License Bill on behalf of any department other than the Department of Public Health.

The installment payment plans under this authorization must require the payment of all delinquent license fees collected by the Tax Collector on behalf of the Department of Public Health, plus all accrued penalties.

Delinquent licensees that enter into an installment payment plan would have their Department of Public Health licenses tentatively reinstated for the duration of the installment payment plan as long as the licensee remains current on its payments under the plan, is not delinquent on any tax liabilities owed to the Tax Collector under the Business and Tax Regulations Code, and is not delinquent on any license fees collected on the Unified License Bill that are not included in the plan. But if the delinquent licensee fails to satisfy these conditions, this ordinance would permit the Tax Collector to terminate the plan, at which time the full amount remaining under the plan would become due immediately, the licensee's licenses would expire immediately by operation of law, and additional penalties may accrue.

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