

LEGISLATIVE DIGEST

[Business and Tax Regulations Code - Repealing Article 3 Regarding Transient Merchants]

Ordinance amending the Business and Tax Regulations Code to repeal Article 3, which contains a license requirement and tax on transient merchants, both of which have been suspended.

Existing Law

Until June 2, 2000, Article 3 of the Business and Tax Regulations Code imposed a license requirement on transient merchants, along with a quarterly tax of \$500 plus 10 percent of gross receipts in excess of \$5,000 from sales made during the quarter. The Board of Supervisors passed an ordinance effective June 2, 2000, suspending all requirements under Article 3 until the Board of Supervisors passes an ordinance repealing the suspension.

Amendments to Current Law

This ordinance repeals Article 3 of the Business and Tax Regulations Code in its entirety.

Background Information

Because the Gross Receipts Tax Ordinance in Article 12-A-1 of the Business and Tax Regulations Code also imposes a tax based on gross receipts, Article 3 of the Business and Tax Regulations Code is being repealed to avoid confusion between the two articles. This repeal will have no impact on the City's tax revenues because Article 3 of the Business and Tax Regulations Code has not been effective since June 2, 2000.

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