

ORDINANCE NO. 2025 - 18

AN ORDINANCE OF THE CITY COUNCIL OF SUNNYSIDE, WASHINGTON, AMENDING THE SUNNYSIDE MUNICIPAL CODE TO ESTABLISH THE REQUIRED MINIMUM GROSS RECEIPTS THRESHOLD FOR BUSINESS LICENSE FEES IN ACCORDANCE WITH RCW 35.90.080 AND THE WASHINGTON STATE DEPARTMENT OF REVENUE BUSINESS LICENSING SERVICE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Sunnyside ("City") partners with the Washington State Department of Revenue ("DOR") through the Business Licensing Service ("BLS") to administer the City's business licensing program;

WHEREAS, RCW 35.90.080 requires all cities issuing general business licenses to establish a minimum gross receipts threshold, below which a person may engage in business within the City without paying the City's business license fee;

WHEREAS, DOR issued updated model threshold requirements for partner cities and directed that all cities adopt the required minimum threshold no later than January 1, 2026;

WHEREAS, the City Council finds that adopting the required threshold promotes compliance with state law, standardizes licensing practices, and maintains the City's eligibility for continued participation in the BLS program;

NOW THEREFORE, IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF SUNNYSIDE, WASHINGTON:

SECTION 1. Section 5.52.030 of the Sunnyside Municipal Code is

hereby amended to read as follows:

5.52.030 Exemptions.

To the extent set forth in this section, the following persons and businesses shall be exempt from the registration, license and/or license fee requirements as outlined in this chapter:

- A. Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the City is equal to or less than \$2,000 and maintains a place of business within the City shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit
- B. Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$4,000 (or higher threshold as determined by city) and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit. Beginning on January 1, 2026, the threshold amount will be adjusted every forty-eight months on January 1, by an amount equal to the increase in the Consumer Price Index ("CPI") for "West Urban, All Urban Consumers" (CPI-U) for each 12-month period ending on June 30 as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight month) CPI increase using each 12-month period ending on June 30 of each prior year, and rounded to the nearest \$100. However, if any of the annual CPI increases are more than five (5) percent, a five (5) percent increase will be used in computing the annual basis and if any of the annual CPI decreased during the forty-eight-month period, a zero (0) percent increase will be used in computing the annual basis. The licensing fee exemption applies only to the basic business license and does not apply to regulatory license requirements or activities that require a specialized permit.
- C. License Required. Persons claiming the threshold exemption under subsections (A and B) of this section must still obtain a City business license through the Washington State Business Licensing Service (BLS).
- D. Applicability. The threshold set forth in this section applies to all persons and business activities except where otherwise exempted by state law.

SECTION 2. The City Manager, or designee, is authorized and directed to submit the adopted ordinance and required Partner Change Request Form to the Washington State Department of Revenue BLS program and to take all administrative steps necessary for implementation.

SECTION 3. If any section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining parts of this ordinance.

SECTION 4. This Ordinance shall be effect January 1, 2026, approval and publication as required by law and shall be transmitted to the Washington State Department of Revenue BLS program immediately upon adoption.

PASSED this 8th day of December 2025.



DEAN BROERSMA, MAYOR

ATTEST:



JACQUELINE RENTERIA, CITY CLERK

APPROVED AS TO FORM:



BY: JULIE K. NORTON, CITY ATTORNEY