

**2% EARLY RENEWAL BUSINESS LICENSE FEE DISCOUNT DEFINED**  
**and**  
**BUSINESS LICENSE TAX INCENTIVE/ABATEMENT DEFINED**  
**(Both apply to Resident Businesses ONLY)**

**\*Automatically applied\***

**Sec. 8-72. - Early payment discount for annual resident business license renewals.**

For resident businesses in good standing with the city's codes and regulations, there will be a two percent discount allowed to be deducted off the calculated business license tax remittance. The resident business must submit their annual business license renewal postmarked by the U.S. Postal Service on or before January 31 each year to be eligible for the early payment discount. No discount will be given below the rate category base fee amount.

(Code 1997, § 8-72; Ord. No. 2012-96, exh. A, 11-26-2012)

**DIVISION 2. - BUSINESS LICENSE TAX INCENTIVES**

**Sec. 8-66. - Business license tax incentive created.**

There shall be a business license tax category of "new business qualifying for incentives." The category shall apply to those business operations which the city council has determined to be beneficial to the city's economic growth, either citywide or in selected areas. Rates otherwise applicable under the city's classifications for business license tax purposes, as from time to time amended, shall be abated for new businesses qualifying for the category as provided in section 8-67.

(Code 1997, § 8-66; Ord. No. 2012-96, exh. A, 11-26-2012)

**Sec. 8-67. - License tax abatement schedule.**

- (a) Businesses which meet the requirements of "new business qualifying for incentives" as provided in section 8-68 shall have their business license taxes abated in the following manner:
  - (1) 100 percent for the first taxable year of operation or any portion thereof;
  - (2) 66 percent for the second taxable year of operation;
  - (3) 33 percent for the third taxable year of operation.
- (b) Any business which meets the requirements of section 8-68 and which is issued a business license permit for less than a six-month period in its first taxable year of operation may elect to extend its 100 percent abatement to the second taxable year provided it pays 50 percent of the tax otherwise due in the third taxable year.
- (c) No business and no successor or affiliated business entity having one or more of the same principals and substantially the same business activity may cease business operations in the name of one business and then resume business operations in another name if the effect of such resumption is to circumvent this section or to prolong the incentives, provided beyond the third taxable year.

(Code 1997, § 8-67; Ord. No. 2012-96, exh. A, 11-26-2012)



## Sec. 8-68. - Qualifying requirements.

Businesses which meet any one of the following requirements shall be designated as "new business qualifying for incentives" and receive the business license tax abatements provided in section 8-67:

- (1) *Corporate headquarters* is defined as the national or regional operations of a corporation, real estate investment trust, general or limited partnership, or comparable business entity, provided the business operations has offices, production facilities, shipping locations, wholesale facilities or retail outlets in other states. A majority of the management, legal, planning, marketing and personnel operations must be handled or supervised from the corporate headquarters. The headquarters must have responsibility for an area, including the state and at least two other states.
- (2) *Manufacturer* is defined as a person who either directly or by contracting with others for the necessary labor or mechanical services, manufactures for sale or commercial use any articles, substances or commodities, including, but not limited to, the following: materials upon which commercial activities have been applied, by hand or machinery, so that as a result thereof a new, different or useful article of tangible personal property of substance of trade or commerce is produced; the production or fabrication of special or custom-made articles; the making, fabricating, processing, refining, mixing, slaughtering, packing, aging, curing, preserving, canning, preparing and freezing of fresh foods, fruits, vegetables and meats.
- (3) *Manufacturing* is defined as doing any kind of business as manufacturers, which includes any goods, wares or products manufactured, processed, assembled or produced with the city in whole or in part, regardless of where ultimately sold, distributed or disposed of and not herein specifically taxed in another classification under the city's business license chapter.
- (4) *Research and development* is defined as those facilities or enterprises devoted directly and primarily to research and development in the experimental or laboratory sense for new products, new uses, for existing products, or for improving existing products. The facility must be a separate facility devoted primarily to research and development as defined in this section. The abatement does not include facilities used in connection with efficiency surveys, management studies, consumer surveys, economic surveys, advertising, promotion or research in connection with literary, historical or similar projects.
- (5) *High technology growth businesses* are defined as those enterprises which have as the primary revenue component of their business activity the earnings derived from the design, engineering, development or production of innovative technology in businesses which are expanding significantly in the world economy. Examples include companies primarily engaged in activities such as: internet technology, digital media, biotechnology research and development, wireless and high speed telecommunications, computerized technologies and equipment design, medical device design and engineering, and propriety electronic equipment, with microchip components, or businesses providing systems for computer software design or hardware design, or both, based on the assessment of customers' business

or organizational needs. This category does not include the mere sale or installation of standard retail software packages or individual hardware components.

- (6) *Businesses in designated areas* are defined as selected categories of businesses which are located in designated areas as shown in the chart below. The city council finds promoting these types of businesses in the designated areas will promote the city's growth. The categories of subsections (1) through (5) of this section also qualify in all designated areas.

Designated Area	Eligible Business License Category
CBD Tax Increment Financing District	Retail
West End Tax Increment Financing District	Retail, artist
Pleasantburg Overlay District	Professional services
Pendleton Street, from South Main Street to city limits, where zoned commercial	Retail, artist, professional services
Annexed Property	All business categories, except category "M" and "X" in appendix A, B, and C of the city's business license Ordinance No. 94-74, as amended.
Citywide	Corporate headquarters, manufacturer, manufacturing, research and development, and high technology growth businesses.

- (7) Similar businesses is defined as the city manager extending the incentive to similar businesses deemed appropriate based on recommendation from the economic and community development department based on jobs or capital invested.

(Code 1997, § 8-68; Ord. No. 2012-96, exh. A, 11-26-2012)

**Sec. 8-69. - New business defined.**

Any business shall be considered "new" for purposes of this division if it meets any one of the following:

- (1) It is on real property which is annexed into the city.
- (2) It establishes a location for business operations within the city even if it has previously conducted the same or similar operations at locations outside the city.

(Code 1997, § 8-69; Ord. No. 2012-96, exh. A, 11-26-2012)

**Sec. 8-70. - Eligible tax year.**

A new business which qualifies under section 8-68 becomes eligible for the abatements of this division in the tax year during which it commences business operations within the city. In the case of the annexation of undeveloped or grossly underdeveloped property, the eligibility which is based on being a business in the designated area of annexed property shall be available to qualified new businesses commencing operations within three years of annexation of the property