CITY OF CHARLES TOWN

ORDINANCE COMMITTEE
AGENDA • NOVEMBER 20, 2025

Committee Meeting **COUNCIL CHAMBERS** **6:00 PM**
101 E Washington Street, Charles Town, WV 25414

1. CALL TO ORDER

2. UNFINISHED BUSINESS

: **2025-1294:** Article 1759 - Vacant Structures
Ord. 2024-004 Article 1759 Vacant Buildings - signed.pdf

: **2025-1295:** Article 745 - Business and Occupation Tax
Small Business Revision Redline.pdf
Small Business Revision Clean Draft.pdf

: **2025-1296:** Business License Application Packet
BUSINESS LICENSE APPLICATION PACKET FY 2024.pdf

3. NEW BUSINESS

4. ADJOURNMENT

5. NOTICE: The Public May View the Meeting Live by Clicking on the Event Link at: https://www.charlestownwv.us/government/agendas_minutes.php

Ordinance Committee
101 East Washington Street
Charles Town, WV 25414

SCHEDULED

AGENDA ITEM (ID #)

Meeting: 11/20/25
Department: Ordinance Committee
Category: Ordinance
Initiator:

2025-1294: Article 1759 - Vacant Structures

ATTACHMENTS:

- Ord. 2024-004 Article 1759 Vacant Buildings - signed.pdf

ARTICLE 1759
Vacant Buildings

1759.01 Purpose and scope.

1759.02 Definitions.

1759.03 Registration of vacant buildings; enforcement.

1759.04 Maintenance of vacant buildings.

1759.05 Appeals.

1759.06 Schedule of registry fees.

1759.07 Severability.

1759.08 Transition Provisions.

1759.01 PURPOSE AND SCOPE.

This Article is enacted pursuant to W. V. Code Chapter 8, Article 12, Section 16c for the purpose of ensuring that each Vacant Building in the City is properly monitored and maintained so as to provide for public health, safety, and welfare, including being safe for entry by police officers, fire fighters, and other emergency personnel in times of emergency. This article provides for registration and inspection of Vacant Buildings.

1759.02 DEFINITIONS.

When used in this article, the following capitalized words and phrases shall have the meanings indicated:

(a) "Alternative Means of Service" means, when service of notice or process under this Article is required to be made by Certified Mail but cannot be obtained, service of the notice or process by all of the following: (i) regular U.S. mail addressed as specified in subsections (i) or (ii) of the definition of Certified Mail; (ii) publication as a Class II legal advertisement (as defined in W. Va. Code § 59-3-2); and (iii) posting on the front door or other conspicuous location on the subject Building. Service of notice or process by Alternative Means of Service shall be deemed made on the third (3rd) day following the earliest date on which such mailing, publishing, and posting have all occurred.

(b) "Building" means a structure having a roof supported by walls or columns that stands more or less permanently in one place and is utilized or intended for the shelter, housing, or enclosure of persons, animals, or personal property.

(c) "Building Code" means, collectively, the West Virginia State Fire Code, as adopted by the City under Article 1511 of the Codified Ordinances, and the West Virginia State

Building Code, as adopted and amended by the City under Article 1705 of the Codified Ordinances.

(d) "Certified Mail" means U.S. certified mail, return receipt requested, addressed to: (i) in all cases except where a Non-resident Owner has designated a Local Agent pursuant to Section 1759.03(c) of this Article, the name and last known address of the Owner according to the records of the Jefferson County Tax Office; and (ii) in the case where a Non-resident Owner has designated a Local Agent pursuant to Section 1759.03(c) of this Article, the name and address of the designated Local Agent. Service of notice or process by Certified Mail shall be deemed made upon delivery, as evidenced by the return receipt.

(e) "Non-resident Owner" means an Owner of a Vacant Building whose legal residence is outside the State of West Virginia.

(f) "Owner" means a person who individually or jointly with others:

(1) Has legal title to the property, with or without actual possession of the property;

(2) Has charge, care or control of the property as owner or agent of the owner;

(3) Is an executor, administrator, trustee, or guardian of the estate of the owner;

(4) Is the agent of the owner for the purpose of managing, controlling, or collecting rents; or

(5) Is entitled to control or direct the management or disposition of the property.

(g) "Staff" means the Vacant Buildings Official and any of his or her staff or other City employees to which the Vacant Buildings Official delegates duties.

(h) "Vacant Building" means any residential Building that has not been occupied lawfully as a residence, or any non-residential Building that has not been occupied lawfully for its ordinary expected use, during the immediately preceding six (6) consecutive months or, in the case of seasonal Buildings, such as vacation homes, one (1) year.

(1) Occupancy will be determined by the status and use of the utilities, property condition, and similar factors, including, but not limited to, the following:

(A) A Building shall not be considered occupied merely due to entry for purposes not consistent with its ordinary expected use.

(B) A Building that is unsecured and occupied by one or more unauthorized persons shall not be considered occupied lawfully for purposes of the above definition.

(2) Notwithstanding anything to the contrary above, the following shall not be considered a Vacant Building:

(A) A new Building under construction while a building permit for the construction is issued, the work is proceeding on schedule with appropriate inspection requests, and the permit is unexpired.

(3) When this Article refers to a Vacant Building with respect to filing a lien thereon, or registering the same in the Vacant Buildings Registry, or otherwise as the context requires, such reference shall include the real property upon which the Vacant Building is located.

(i) "Vacant Buildings Official" means the City Building Official designated under Article 1705 of the Codified Ordinances.

1759.03 REGISTRATION OF VACANT BUILDINGS; ENFORCEMENT.

(a) Registry. There shall be established and maintained a Vacant Buildings Registry, in which all Vacant Buildings in the City shall be registered.

(b) Notice of Requirement to Register. Prior to the last day of April in each year, the Vacant Buildings Official shall cause a Notice of Requirement to Register to be published as a Class II legal advertisement (as defined in W. Va. Code § 59-3-2) and mailed by regular U.S. mail to: the name and address of the Owner, as appearing in the Vacant Buildings Registry, of each Vacant Building then registered in such registry; and the name and last known address of the Owner, according to the records of the Jefferson County Tax Office, of each Building that Staff has determined to be, or reasonably suspects to be, a Vacant Building. The Notice of Requirement to Register shall provide notice that: (i) the Owner of any Vacant Building within the City is required to register that Vacant Building in the Vacant Buildings Registry by submission of a completed Vacant Building Registration no later than the first day of July in the subject year; (ii) upon the initial registration of a Vacant Building in such registry, or in the event of re-registration of a Vacant Building that previously was registered but later removed from the registry, payment of a registry fee in the specified applicable amount must accompany submission of the Vacant Building Registration; (iii) in the event that a Vacant Building Registration is not timely submitted with respect to a Building then or subsequently determined to be a Vacant Building pursuant to Section 1759.03(e), such Vacant Building shall be involuntary registered pursuant to Section 1759.03(e) and the Owner of the Vacant Building shall be charged a registry fee in the specified applicable amount whether or not the subject Vacant Building is then registered in the Vacant Buildings Registry pursuant to registration in a prior year; (iv) if any applicable registry fee is not timely paid, the City may bring a civil action against the Owner to collect such registry fee and/or file a lien against the subject real property for the amount of such registry fee; and (v) a Non-resident Owner of a Vacant Building is required to designate a Local Agent to accept service of process and certain notices on behalf of the Non-Resident Owner. Publication of the Notice of Requirement to Register shall state where a person may obtain a blank Vacant Building Registration, and a blank Vacant Building Registration shall be sent with any mailed Notice of Requirement to Register.

(1) Neither the failure of the Vacant Buildings Official to mail a Notice of Requirement to Register to any Owner of a Vacant Building nor the non-receipt of a Notice of Requirement to Register by any Owner of a Vacant Building will relieve the Owner of the requirements under this Article.

(c) Non-resident Owners. Each Non-resident Owner is required to provide to the Vacant Buildings Official signed and notarized document designating the name and address of a person who resides within the State of West Virginia and who the Non-resident Owner authorizes to accept service of process and notices of fees due under this section on behalf of the Non-resident Owner and who is designated as the Non-resident Owner's responsible agent for the purposes of receipt of notification in the event of an emergency affecting the public health, safety, or welfare (a "Local Agent"). Once provided, such document shall remain in effect until cancelled in writing by the Owner; *provided that*, the Owner shall be responsible for notifying the Vacant Buildings Official of any changes in the name or address of a Local Agent. Failure to provide such document by July 1 of the first year following enactment of this Article in which a Non-resident Owner owns a Vacant Building is a violation of this Ordinance subject to the General Penalty fine specified in Section 101.99 of the Codified Ordinances. Any provision herein requiring notice to or service upon an Owner shall be satisfied by notice to or service upon the Owner's designated Local Agent.

(d) Voluntary Registration. By July 1 of each year, the Owner of any Vacant Building within the City is required to register the Vacant Building in the Vacant Building Registry by submitting a completed Vacant Building Registration to the Vacant Buildings Official. A Vacant Building Registration will not be considered effective unless and until any registry fees required under Section 1759.03(g) are received by the Vacant Buildings Official.

(e) Involuntary Registration. Staff shall investigate any Building that is suspected to be a Vacant Building and determine whether it shall be considered a Vacant Building. Upon Staff's determination that a Building is a Vacant Building, Staff shall: (i) set forth in a written statement its findings supporting the determination; (ii) place the Owner of such Vacant Building on the list of persons to receive Notice of Requirement to Register pursuant to Section 1759.03(b); (iii) notify the Owner of the Vacant Building in writing by Certified Mail or Alternative Means of Service of Staff's determination that the Building is a Vacant Building that the Owner must register in the City's Vacant Buildings Registry by submission of a completed Vacant Building Registration by the following July 1, after which the City will involuntarily register the Vacant Building, with all applicable fees due; and (iv) in the event the Owner fails to register the Vacant Building by timely submitting a completed Vacant Building Registration, involuntarily register the Vacant Building in the Vacant Building Registry and assess against the Owner any registry fees required under Section 1759.03(g) whether or not the subject Vacant Building is then registered in the Vacant Buildings Registry pursuant to voluntary or involuntary registration in a prior year.

(f) Exemption from Registration. The Owner of a Vacant Building may submit in writing to the Vacant Buildings Official, for presentation to and consideration by City Council, a request for exemption from registration of such Vacant Building in the Vacant Buildings Registry due to inability to occupy the Building for a period stated and for reasons stated in the request. Upon a finding of good cause shown, City Council may exempt the Building from registration for a time specified in City Council's decision. Examples of circumstances when good cause for an exemption may exist include when the Vacant Building is being actively marketed for sale following the Owner's move to other

property, or when the Vacant Building is being offered for lease following a prior tenant's vacation of the property.

(g) Registry Fees.

(1) The voluntary registry fee set forth in Section 1759.06(a) for the applicable type of Building shall be assessed to the Owner of a Vacant Building upon its initial voluntary registration by the Owner and also in the instance that the Vacant Building is voluntarily re-registered in the Vacant Buildings Registry after previously having been registered and later removed from such registry. Thereafter, the voluntary registry fee shall not be further assessed for so long as the Owner continues to voluntarily register the Vacant Building annually. The voluntary registry fee shall be submitted with the Owner's submission of the Vacant Building Registration by which the Vacant Building is first registered (or first re-registered in the case of a prior registration and removal from the registry) and due at that time.

(2) The involuntary registry fee set forth in Section 1759.06(b) for the applicable type of Building shall be assessed to the Owner of a Vacant Building in each year that it is involuntarily registered pursuant to Section 1759.03(e). In addition to the involuntary registry fee, the Owner shall reimburse the City for all its costs incurred in notifying the Owner of Staff's determination of Vacant Building status and of the registry fee due. The Owner shall be notified in writing of the involuntary registry fee due, together with all costs reimbursable to the City hereunder, by Certified Mail or Alternative Means of Service, which amounts are due when service of the notice is deemed made under Section 1759.02(a) or Section 1759.02(d), as the case may be.

(3) The City may take the following actions in order to collect any registry fees and costs reimbursable to the City that are not paid in full within thirty (30) days of when due:

(A) After providing the Owner the notice specified below, file in the Office of the Clerk of the County Commission of Jefferson County a lien against the Vacant Building for the full amount of the delinquent registry fees and reimbursable costs, plus filing fees. Prior to filing such lien, the Vacant Buildings Official shall notify the Owner of the Vacant Building in writing by Certified Mail or Alternative Means of Service that the City may file said lien unless all delinquent amounts are paid by a date stated in the notice, which stated date shall be no less than thirty (30) days following the date on which service of the notice is deemed made under Section 1759.02(a) or Section 1759.02(d), as the case may be.

(B) Institute a civil action in the Circuit Court of Jefferson County against the Owner for the delinquent registry fees, reimbursable costs, and reasonable attorney fees and court costs incurred relative to the civil action.

(4) A registry fee paid shall be refunded if, on timely appeal, Staff's determination requiring registration as a Vacant Building is reversed.

(h) Removal from Registry. In the event a Building in the Vacant Buildings Registry becomes lawfully occupied or is removed from the subject real property, the Owner of the Building is required to provide to the Vacant Buildings Official a written notice explaining the situation, together with evidence thereof (such as a copy of a lease of the property, photographs of demolition, etc.), and requesting removal of the Building from the Vacant Buildings Registry. Upon Staff's verification of lawful occupation or removal of the Building, the Building shall be removed from the Vacant Buildings Registry. In the event Staff is unable to verify lawful occupation or removal of the Building, the Vacant Buildings Official shall notify the Owner of the Building in writing by Certified Mail or Alternative Means that Staff has determined that it is unable to verify lawful occupation or removal of the Building and that the Building shall continue to be considered a Vacant Building and remain registered in the Vacant Buildings Registry.

1759.04 MAINTENANCE OF VACANT BUILDINGS.

(a) Required Maintenance. The Owner of a Vacant Building is required to maintain the Vacant Building in accordance with all applicable provisions of the Building Code and so as not to constitute a public nuisance prohibited by Article 1101 of the Codified Ordinances.

(b) Enforcement. In the event an Owner fails to maintain a Vacant Building as required by Section 1759.04(a) as determined by the Vacant Buildings Official, the Vacant Buildings Official may notify the Owner of the Vacant Building in writing by Certified Mail or Alternative Means of Service of such determination and the specifics of the identified failure and that the City may elect to take specified actions, which may include repairs, maintenance, and/or demolition, at the Owner's cost to bring the Vacant Building into compliance with the Building Code and/or eliminate the public nuisance, as the case may be, if the Owner does not take and complete the specified actions within a specified number of days following the date on which service of the notice is deemed made under Section 1759.02(a) or Section 1759.02(d), as the case may be, which number of days shall be determined by the Vacant Buildings Official considering the urgency for the action in light of the potential harm to public health, safety, and welfare due to the condition of the Vacant Building. If the Owner fails to take and complete the specified actions within the number of days specified in such notice, the City may, in its discretion and notwithstanding any provision of Article 1101 or Article 1705 of the Codified Ordinances to the contrary, thereafter take such actions and the Owner shall be responsible for the costs of such actions, as well as all related legal and administrative costs incurred by the City. The City may bring a civil action against the Owner to collect all such costs.

(c) Alternative Enforcement. Nothing in this Section 1759.04 shall be considered to affect or limit the City's authority or actions to enforce any other provisions of the Codified Ordinances pertaining to a Vacant Building or its condition, including without limitation provisions of Articles 1101 and 1705.

1759.05 APPEALS.

An Owner adversely affected by a determination made pursuant to this Article (excepting a determination regarding a request for exemption from registration made pursuant to Section 1759.03(f)) may appeal such determination to City Council by filing with the City Clerk a written notice of appeal within thirty (30) days of the date on which service of the notice of the subject determination is deemed made under Section 1759.02(a) or Section 1759.02(d), as the case may be, after which 30 day period the right to an appeal shall expire. The decision of City Council on any such appeal, as well as a determination by City Council regarding a request for exemption from registration made pursuant to Section 1759.03(f), may be appealed by an Owner to the Circuit Court of Jefferson County within thirty (30) days of the Owner's receipt of the subject decision or determination, after which 30-day period the right to an appeal shall expire.

1759.06 SCHEDULE OF REGISTRY FEES.

(a) Voluntary Registry Fee. The following voluntary registry fee, as specified for the type of Building at issue based upon its use when last occupied, shall be charged upon the voluntary registration of a Vacant Building pursuant to Section 1759.03(d) as provided in Section 1759.03(g)(1):

(1) Less than one-year: $250

(2) At least one year but less than two years: $500

(3) At least two years but less than three years: $1,000

(4) Plus an additional $1,000 per year for each year thereafter.

(b) Involuntary Registry Fee. Any vacant property existing upon the registry, and not voluntarily registered pursuant to Article 1759.03(b), will be subject to registration fees each year in accordance with the schedule above, with the exception of the initial fee, which shall be assessed at twice the rate."

(c) Use of Registry Fees. All registry fees assessed under this Article shall, when collected, be deposited in a separate account and be used for only the following purposes, as City Council shall determine from time to time:

(1) To improve public safety efforts, especially for police and fire personnel, who most often contend with dangerous situations manifested in Vacant Buildings; and

(2) To monitor and administer this Article.

1759.07 SEVERABILITY.

If any provision of this Article is held to be invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not otherwise affect or

invalidate the other provisions hereto, all of which are hereby declared, and shall be construed, to be separate and severable.

1759.08 TRANSITION PROVISIONS.

All registry fees, fines, penalties, liens, notices, letters, communications, orders, remedies, or other enforcement actions assessed, charged, imposed, placed, filed, issued, or otherwise instituted or taken under any prior version of this Article shall remain fully effective and enforceable notwithstanding the revision of this Article and nothing herein shall be deemed to modify, negate, limit, or otherwise affect such items.

Passed on First Reading : April 1, 2024

Passed on Second Reading : May 6, 2024
(following public hearing)

Robert M. Trainor
Mayor

Attest :
John Nissel
City Manager/Clerk

Ordinance Committee
101 East Washington Street
Charles Town, WV 25414

SCHEDULED

AGENDA ITEM (ID #)

Meeting: 11/20/25
Department: Ordinance Committee
Category: Ordinance
Initiator:

2025-1295: Article 745 - Business and Occupation Tax

ATTACHMENTS:

- Small Business Revision Redline.pdf
- Small Business Revision Clean Draft.pdf

ARTICLE 745
Business and Occupation Tax

745.01 SHORT TITLE.

This article shall be known as the "City of Charles Town Municipal Business and Occupation Tax Ordinance."

(Ord. 2024-007. Passed 9-16-24.)

745.02 PURPOSE AND INTENT.

The purpose of this article is to impose a municipal business and occupation tax pursuant to West Virginia Code§ 8-13-5 to the fullest extent allowable under the operative laws of the State of West Virginia and the United States unless a more restrictive application is required by an express limitation set forth in this article.

(Ord. 2024-007. Passed 9-16-24.)

745.03 DEFINITIONS.

For purposes of this article, the following words and phrases shall have the meanings respectively ascribed to them by this section unless a different meaning is clearly required by the context in which the term is used:

(a) Banking business. The term "banking business or financial organization" means any bank, banking association, trust company, industrial loan company, small loan company, or licensee, building and loan association, savings and loan association, credit union, finance company, investment company, investment broker or dealer, and any other similar business organization at least ninety percent (90%) of the assets of which consists of intangible personal property and at least ninety percent (90%) of the gross receipts of which consists of dividends, interest and other charges derived from the use of money or credit.

(b) Business. The term "business" means all activities engaged in or caused to be engaged in with the object of gain or economic benefit, either direct or indirect. The production of raw materials or manufactured products which are used or consumed in the main business shall be deemed a business engaged in taxable in the class for which it falls.

(c) Contracting. The term "contracting" means the furnishing of work, or both materials and work, in the fulfillment of a contract for the construction, alteration, repair, decoration or improvement of a new or existing building or structure, or any part thereof, or for the alteration, improvement or development of real property.

(d) Gross Income. The term "gross income" generally means the gross receipts of the taxpayer, other than a banking or financial business, received as compensation for personal

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services and the gross receipts of the taxpayer derived from trade, business, commerce or sales and the value proceeding or accruing from the sale of tangible property, real or personal, or service, or both, and all receipts by reason of the investment of the capital of the business engaged in, including interest, discount, rentals, royalties, fees, reimbursed costs or expenses or other emoluments however designated and without any deductions on account of the cost of property sold, the cost of materials used, labor costs, taxes, royalties, interest and discount paid, or sums paid to independent contractors, subcontractors or persons furnishing services or property used in the operation of any business to produce gross income, or any other expense whatsoever. "Gross income" of a banking or financial business is specified in Section 745.13 of this article.

(e) Gross proceeds of sales. The term "gross proceeds of sales" means the value actually proceeding from the sale of tangible property without any deduction on account of the cost of property sold or expenses of any kind. The words "gross income" and "gross proceeds of sales" shall not be construed to include cash discounts allowed and taken on sales; the proceeds of sale of goods, wares or merchandise returned by customers when the sale price is refunded either in cash or by credit; or the sale price of any article accepted as part payment on any new article sold, if the full sale price of the new article is included in the" gross income" or "gross proceeds of sales"; excise taxes imposed by the State; money or other property received or held by a professional person for the sole use and benefit of a client or another person or money received by the taxpayer on behalf of a bank or other financial institution for repayment of a debt of another; and excise taxes imposed by the federal government upon the consumer, not manufacturer, and which are held in trust by the vendor as agent for the federal government.

(f) Municipality. The term "municipality" means the City of Charles Town.

(g) Person. The terms "person" and "company" are used interchangeably in this article and mean and include any individual, firm, copartnership, joint adventure, association, corporation, limited liability company, trust, estate or any other group or combination acting as a unit, and the plural as well as the singular number. The word "it" shall also include the pronouns "he" and "she".

(h) Retail sales. The terms "retail sales" and "selling at retail" mean all sales other than wholesale sales, including but not limited to sales to persons for use in any activity not subject to the tax imposed by this article, all sales of real property, and sales to consumers.

(i) Sale. The terms "sale" and "sales" mean any transfer of the ownership of or title to property, whether for money or in exchange for other property.

(j) Services. The term "service business or calling" includes all activities engaged in for other persons for a consideration, which involve the rendering of a service as distinguished from the production or sale of tangible property, but shall not include the services rendered by an employee to his employer.

(k) Tax year. The terms "tax year" and "taxable year" mean as the period commencing July 1 and ending June 30. For the purpose of this article the taxable year shall be divided

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into two semi-annual periods. The first period shall be from July 1st through December 31st. The second period shall be from January 1st through June 30th.

(l) Taxpayer. The term "taxpayer" means any person liable for any tax hereunder.

(m) Treasurer. The term "treasurer" means the municipality's treasurer and his or her agents, delegates or representatives.

(n) Wholesale sales. The terms "selling at wholesale" and "wholesale sales" mean only:

(1) Sales of tangible personal property for the purpose of resale in the form of tangible personal property,

(2) Sales of machinery, supplies or materials which are to be directly consumed by the purchaser in the conduct of any business or activity which is subject to the tax imposed by this article, or

(3) Sales of tangible personal property to the United States of America, its agencies and instrumentalities, or to the State of West Virginia, its institutions and political subdivisions.

(Ord. 2024-007. Passed 9-16-24.)

745.04 IMPOSITION OF TAX.

(a) There are hereby levied and imposed and shall be collected annual privilege taxes, against the persons, on account of the business and other activities and in the amounts to be determined by the application of rates against values or gross income or gross proceeds as set forth in Sections 745.05 through 745.14 of this article, inclusive.

(b) If any person liable for any tax under Section 745.05 or 745.06 of this article shall ship or transport its products, or any part thereof, out of the municipality without making sale of such products, the value of the products in the condition or form in which they exist immediately before transportation out of the municipality shall be the basis for the assessment of the tax imposed in those sections. Gross income included in the measure of the tax under Section 745.05 or 745.06 of this article, shall neither be added nor deducted in computing the tax levied under the other sections of this article. In determining value, however, as regards sales from one to another of affiliated companies or persons, or under other circumstances where the relation between the buyer and the seller is such that the gross proceeds from the sale are not indicative of the true value of the subject matter of the sale, the value upon which such privilege tax shall be levied shall correspond as nearly as possible to the gross proceeds from the sale of similar products of like quality or character where no common interest exists between the buyer and the seller but where the circumstances or conditions are otherwise similar.

(c) The municipal business and occupation tax is imposed on each person engaged in privileges taxable under this article if such person is engaged in purposive revenue generating activities within the municipality's limits and such person has sufficient contacts to sustain the municipality's taxing jurisdiction. By way of example (but not

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limitation), if a person's activities within the municipality contributes to the establishment and maintenance of a market, such contacts are considered to be sufficient to sustain the municipality's taxing jurisdiction assuming federal constitutional nexus standards are satisfied.

(d) Notwithstanding the foregoing, no tax shall be imposed pursuant to this section for any tax year in which the taxpayer's gross income is less than two thousand five hundred dollars ($2,500.00), as further provided in § 745.16(i) of this article.

745.05 NATURAL RESOURCE PRODUCTION.

(a) Upon every person engaging or continuing within the municipality in the business of severing, extracting, mining, quarrying, reducing to possession and/or producing for sale, profit or commercial use any natural resource products, the amount of such tax shall be equal of the value of the articles produced as shown by the gross proceeds derived from the sale thereof by the producer, except as hereinafter provided, multiplied by the respective rates as follows: Coal, one percent (1.00%); limestone or sandstone quarried or mined, one and one-half percent (1.50%); oil or blast furnace slag, three percent (3.00%); natural gas in excess of the value of five thousand dollars ($5,000.00), six percent (6.00%); sand, gravel or other mineral products, not quarried or mined, three percent (3.00%); timber one and one- half percent (1.50%), and other natural resource products, two percent (2.00%).

(b) The measure of this tax is the value of the entire production in the municipality, regardless of the place of sale or the fact that delivery may be made to points outside the municipality.

(c) A person exercising privileges taxable under this section and using or consuming the natural resources so produced in his business or transferring or delivering the natural resources as any royalty paid, in kind, or the like, shall be deemed to be engaged in the business of producing natural resources and shall be required to make returns on account of the production of the business, showing the gross proceeds or equivalent in accordance with uniform and equitable rules for determining the value upon which privilege taxes shall be levied, corresponding as nearly as possible to the gross proceeds from the sale of similar products of like quality or character by other taxpayers.

(d) Persons who produce natural resources outside the municipality and who make sale of those products within the municipality shall not pay the tax imposed by this section but shall pay the tax imposed by Section 745.07 of this article for the privilege of selling such products within the municipality.

(e) A person exercising any privilege taxable under this section and engaging in the business of selling its natural resource products in the municipality shall be required to make returns of the gross proceeds of such sales and pay the tax imposed in Section 745.07 of this article for the privilege of engaging in the business of selling such natural resource products in the municipality. (Ord. 2024-007. Passed 9-16-24.)

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745.06 MANUFACTURING.

(a) Upon every person engaging or continuing within the municipality in the business of manufacturing, compounding or preparing for sale, profit or commercial use, either directly or through the activity of others, in whole or part, any article or articles, substance or substances, commodity or commodities, or newspaper publishing (including all gross income or proceeds of sale from circulation and advertising), the amount of the tax shall be equal to the value of the article, substance, commodity or newspaper manufactured, compounded or prepared for sale, as shown by the gross proceeds derived from the sale thereof by the manufacturer or person compounding or preparing the same, except as otherwise provided, multiplied by a rate of eighteen one-hundredths percent (0.18%).

(b) The measure of the tax in this section is the value of the entire product manufactured, compounded or prepared in the municipality for sale, profit or commercial use, regardless of the place of sale or the fact that deliveries may be made to points outside the municipality. It is further provided, however, that in those instances in which the same person partially manufactures, compounds or prepares products within the municipality and partially manufactures, compounds or prepares such products outside the municipality, the measure of tax under this section shall be that proportion of the sales price of the product that the payroll costs of manufacturing within the municipality bears to the entire payroll costs of manufacturing the product.

(c) If any person shall ship or transport its products or any part thereof out of the State without making sale of such products, the value of the products in the condition or form in which they exist immediately before transportation out of the State shall be the basis for the assessment of the tax imposed. The treasurer may prescribe equitable and uniform rules of ascertaining such value; provided that, in the absence of such rules, the person manufacturing the products within the municipality shall report the value in a consistent and reasonable manner.

(d) The dressing and processing of food intended for human consumption by a person, or the cooking and serving of food by a restaurant which food is to be sold in the municipality by such person, shall not be considered manufacturing or compounding or preparing for sale, but the sale of these products shall be reported under Section 745.07 of this article either as wholesale or retail sale, as the case may be.

(e) Persons who manufacture, compound or prepare products outside the municipality and who make sale of such product within the municipality shall not pay the tax imposed by this section but shall pay tax imposed by Section 745.07 of this article for the privilege of selling such product within the municipality.

(f) A person exercising any privilege taxable under this section and engaging in the business of selling its product in the municipality shall be required to make returns of the gross proceeds of such sales and pay the tax imposed by this section at the rate set forth in Section 745.07 of this article for the privilege of engaging in the business of selling such manufactured goods in the municipality.

(Ord. 2024-007. Passed 9-16-24.)

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745.07 SELLING TANGIBLE PROPERTY.

(a) Upon every person engaging or continuing within the municipality in the business of selling any tangible property whatsoever, real or personal, including the sale of food in hotels, restaurants, cafeterias, confectioneries and other public eating houses and wholesale sales from a rolling stockpile, except sales of any person engaging or continuing in the business of horticulture, agriculture or grazing, or selling stocks, bonds, or other evidence of indebtedness, there is hereby levied, and shall be collected, a tax equal to five one- hundredths percent (0.05%) of the gross income of the business; except, therein the case of selling at wholesale, the tax shall be equal to five one-hundredths percent (0.05%) of the gross income of the business.

(b) Gross income or gross proceeds of sales derived from sales within West Virginia that is not taxed or taxable by any other municipality are included in the measure of municipal business and occupation tax if the sales are either directed from a location within the municipality or the taxpayer's principal West Virginia office is located in the municipality. Without limiting the generality of the foregoing, when the taxpayer has only one (1) office location and this office is located within the municipality and its activities elsewhere in West Virginia are neither taxed nor taxable by another municipality, the gross income or gross proceeds from those activities are taxable by this municipality.

(c) Persons domiciled outside the municipality who solicit sales within the municipality and sell tangible personal property within the municipality are doing business in the municipality, irrespective of the domicile of such persons and irrespective of whether or not such persons maintain a permanent place of business in the municipality and irrespective of how a sales order is transmitted or processed. If an order is placed in connection with solicitation by a representative (regardless whether there is an employment or agency relationship or whether acting as an independent contractor) who solicits orders within the municipality, and the tangible personal property is to be delivered in the municipality, then the gross proceeds of such sales are included in the measure of the tax imposed by this article.

(Ord. 2024-007. Passed 9-16-24.)

745.08 PUBLIC SERVICE OR UTILITY BUSINESS.

Upon every person engaging or continuing within the municipality in any public service or utility business, except railroad, railroad car, express, pipeline, telephone and telegraph companies, water carriers by steamboat or steamship and motor carriers, there is levied, and shall be collected, taxes on account of the business engaged in equal to the gross income of the business multiplied by the respective rates as follows: electric light and power companies, four percent (4.00%) on sales and demand charges for domestic and commercial lighting and three percent (3.00%) on sales and demand charges for all other purposes; natural gas companies, three percent (3.00%); and upon all other public service or utility business, two percent (2.00%). The measure of this tax shall not include gross income derived from commerce between the State and other states of the United States.

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The measure of the tax under this section shall include only gross income received from the supplying of public service. The gross income of the taxpayer from any other activity shall be included in the measure of the tax imposed upon such other activity by the appropriate section of this article. (Ord. 2024-007. Passed 9-16-24.)

745.09 CONTRACTING.

Upon every person engaging or continuing within the Municipality in the business of contracting, the tax shall be equal to two percent (2.00%) of the gross income of the business.

(Ord. 2024-007. Passed 9-16-24.)

745.10 AMUSEMENTS.

Upon every person engaging or continuing within the municipality in the business of operating a theater, opera house, moving picture show, vaudeville, amusement park, carnival, circus, dance hall skating rink, racetrack, radio broadcasting station or any other place at which amusements are offered to the public, the tax shall be equal to fourteen one-hundredths percent (0.14%) of the gross income of the business.

(Ord. 2024-007. Passed 9-16-24.)

745.11 SERVICE BUSINESS OR CALLING NOT OTHERWISE CLASSIFIED.

(a) Upon every person engaging or continuing within the municipality in any service business or calling not otherwise specifically taxed under this article, there is hereby levied, and shall be collected, a tax equal to twenty-three one-hundredths percent (0.23%) of the gross income of any such business.

(b) Gross income or gross proceeds of sales derived from services within West Virginia that is not taxed or taxable by any other municipality are included in the measure of tax under this article if the services are either directed from a location in the municipality or the taxpayer's principal West Virginia office is located in the municipality. Without limiting the generality of the foregoing, when a taxpayer has only one (1) office location and this office is located within the municipality and its activities elsewhere in West Virginia are neither taxed nor taxable by another municipality, the gross income or gross proceeds from those activities are taxable by this municipality.

(Ord. 2024-007. Passed 9-16-24.)

745.12 RENTALS AND ROYALTIES.

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Upon every person engaging or continuing within the municipality in the business of furnishing any real or tangible personal property which has a tax situs in the municipality, or any interest therein, for hire, loan, lease or otherwise, whether the return is in the form of rentals, royalties, fees or otherwise, the tax shall be thirty one-hundredths percent (0.30%) of the gross income of any such activity. The term "tangible personal property", as used herein, shall not include money or public securities. (Ord. 2024-007. Passed 9-16-24.)

745.13 BANKING AND OTHER FINANCIAL BUSINESSES.

Upon every person engaging or continuing within the municipality in the business of banking or financial business, the tax shall be equal to twenty-three one-hundredths percent (0.23%) of the gross income received from interest, premiums, discounts, dividends, service fees or charges, commissions, fines, rents from real or tangible personal property, however denominated, royalties; charges for bookkeeping or data processing, receipts from check sales, charges or fees, and receipts from the sale of tangible personal property; provided, that gross income shall not include:

(a) Interest received on the obligations of the United States, its agencies and instrumentalities;

(b) Interest received on the obligations of this or any other state, territory or possession of the United States, or any political subdivision of any of the foregoing or of the District of Columbia; or

(c) Interest received on investments or loans primarily secured by first mortgages or deeds of trust on residential property occupied by nontransients; provided further, that all interest derived on activities exempt under (c) above shall be reported, as to amounts, on the return of a person taxable under the provision of this section.

(Ord. 2024-007. Passed 9-16-24.)

745.14 HEALTH MAINTENANCE ORGANIZATIONS.

The rate of tax on the activity of a health maintenance organization holding a certificate of authority under the provisions of West Virginia Code §§ 33-25A-1 et seq. shall not exceed one half of one percent (0.50%) to be applied solely to that portion of gross income received from the Medicaid program pursuant to Title XIX of the Social Security Act, the State employee programs administered by the public employee insurance agency pursuant to West Virginia Code§§ 5-16-1 et seq., and other federal programs, for health care items or services provided directly or indirectly by the health maintenance organization that is expended for administrative expenses; and shall not exceed one-half of one percent (0.50%) to be applied to the gross income received from enrollees, or from employers on behalf of enrollees, from sources other than Medicaid, State employee programs administered by the public employees insurance agency and other federal programs for health care items or services provided directly or indirectly by the health maintenance

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organization: Provided, That this tax rate limitation shall not extend to that part of the gross income of health maintenance organizations which is received from the use of real property other than property in which any such company maintains its office or offices in the municipality, whether such income is in the form of rentals or royalties.

(Ord. 2024-007. Passed 9-16-24.)

745.15 PERSONS TAXABLE ON MULTIPLE ACTIVITIES; CREDITS.

(a) A person taxable under Section 745.07 of this article with respect to selling products at wholesale in this municipality shall be allowed a non-refundable credit against the tax imposed on such wholesale sales pursuant to Section 745.07 for any (i) manufacturing taxes paid by such person with respect to the manufacturing of products so sold at wholesale in this municipality, and/or (ii) extracting taxes paid by such person with respect to the extracting of products so sold in this municipality or ingredients of products so sold at wholesale in this municipality.

(b) For purposes of this section:

(1) Manufacturing tax" means a gross receipts tax imposed by a municipality or other local government unit on the act or privilege of engaging in the business as a manufacturer and includes (i) the tax imposed in Section 745.06 of this article and (ii) similar gross receipts taxes paid to other municipalities or other local government units (other than State governments) within the United States.

(2) Extracting tax" means a gross receipts tax imposed by a municipality or other local government unit on the act or privilege of engaging in the business as a producer of natural resource products and includes (i) the tax imposed in Section 745.05 of this article and (ii) similar gross receipts taxes paid to other municipalities or other local government units within the United States (other than State governments) within the United States.

(3) Gross receipts tax" means a tax which (i) is imposed on or measured by the gross volume of business in terms of gross receipts or in other terms and in the determination of which deductions allowed would not constitute the tax an income tax or value added tax and (ii) which is not, pursuant to law or custom, separately stated from the sales price.

(c) If imposition of the municipality's tax would place an undue burden upon interstate commerce or violate constitutional requirements, a taxpayer shall be allowed a credit to the extent necessary to preserve the validity of the tax under this article, and still apply the tax to as much of the taxpayer's activities as may be subject to the municipality's taxing authority.

(Ord. 2024-007. Passed 9-16-24.)

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745.16 EXEMPT ACTIVITIES.

The provisions of this article shall not apply to:

(a) Insurance companies which pay the State of West Virginia a tax upon premiums; provided, that such exemption shall not extend to that part of gross income of insurance companies which is received for the use of real property, other than property in which any such company maintains its office or offices, in the municipality, whether such income is in the form of rentals or royalties; '

(b) Nonprofit cemetery companies organized and operated for the exclusive benefit of their members;

(c) Fraternal societies, organizations and associations organized and operated for the exclusive benefit of their members and not for profit; provided, that this exemption shall not extend to that part of gross income arising from the sale of alcoholic liquor, food and related services of such fraternal societies, organizations and associations which are licensed as private clubs under the provisions of West Virginia Code §§ 60-7-1 et seq.;

(d) Corporations, associations and societies organized and operated exclusively for religious or charitable purposes;

(e) Production credit associations, organized under the provisions of the federal Farm Credit Act of 1933; provided, that the exemption of this section shall not apply to corporations or cooperative associations organized under the provisions of West Virginia Code §§ 19-4-1 et seq.;

(f) Any credit union organized under the West Virginia Code; provided, that the exemptions of this section shall not apply to corporations or cooperative associations organized under the provisions of West Virginia Code§§ 19-4-1 et seq.; and

(g) Gross income derived from advertising service rendered in the business of radio and television broadcasting.

(h) Licensed new and existing childcare and/or facilities operating in the City.

(i) A person engaging in business within the municipality shall not be subject to the municipal business and occupation or privilege tax imposed by this article for any tax year in which the taxpayer's gross income, as defined in § 745.03(d) of this article, is less than two thousand five hundred dollars ($2,500.00). This exemption shall apply on a prospective basis only and shall not affect liability for any tax periods ending prior to July 1, 2025. For purposes of this section, the term "gross income" shall be interpreted consistently with § 3.4 of this article and includes all receipts and values accruing to the taxpayer from engaging in business, without deduction. Any businesses taking the exemption pursuant to this subsection shall timely submit returns required by this article to demonstrate entitlement to the exemption, and shall also submit such additional information or documentation deemed necessary by the Treasurer.

~~(Ord. 2024-007. Passed 9-16-24.)~~

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745.16A OPTIONAL EXEMPT ACTIVITIES.

The City Council, by vote of 2/3 majority of the Council, reserves the right to apply, reduce, or eliminate for a specified time period and/or for a specific project, the Business and Occupation tax per the following provision(s): Any activity associated with a municipality- initiated/tax payer-funded project that directly benefits Charles Town's residents, and in which the taxes rendered under this article could result in higher rates to those residents for existing services and/or higher project costs for the municipality.

(Ord. 2024-007. Passed 9-16-24.)

745.16B B&O TAX CREDIT INCENTIVES.

In addition to any other tax incentive otherwise available, any business that meets the following qualifying requirements shall be entitled to a tax credit computed under the provisions of this article for:

(a) Old Town Mixed Use - Commercial (OTMU-C) District Retail, Dining, & Entertainment Tax Credit

(1) For any new retan dining, and entertainment business that locates within the Old Town Mixed Use - Commercial (OTMU-C), as defined by the City's Zoning Ordinances, the business entity may be allowed:

A. One hundred (100%) percent credit against the business and occupation tax liability annually for the first year from the date the entity qualifies for the tax credit

B. Fifty (50%) percent credit against the business and occupation tax liability annually for the second year from the date the entity qualifies for the tax credit

C. Twenty-five (25%) percent credit against the business and occupation tax liability annually for the third year from the date the entity qualifies for the tax credit

(2) Any new qualifying business applying for a New Retail, Dining, and Entertainment tax credit inside the OTMU-C District shall:

A. Submit an official "Business Plan" to the City's Business Development Coordinator which must be dated and signed by the Community Development Director. A standard business template is provided with the City's new business packet.

B. Meet with the Community Development Director.

(3) The credit may only be taken if a qualifying business files the required business and occupation tax return on or before the required due date. When such documentation is filed on or before the required due date.

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(4) New business is defined as the business entity never having operated or conducted business in a physical, fixed location in the City.

(5) The business must produce fifty percent (50%) or more of gross sales in the form of retail, dining, or entertainment to qualify for the incentive.

(6) To meet the classifications set forth for Retail, Dining, or Entertainment, the business must comply with and meet the definitions set forth by the City for the terms above in the City's zoning regulations and District Use Tables.

(b) New Retail, Dining, & Entertainment Tax Credit inside a City Commercially Zoned District.

(1) For any new retail, dining, and entertainment businesses that locates beyond the boundaries of the OTMU-C, but still within the corporate limits of the City's zoned commercial area(s), the business entity may be allowed:

A. Fifty percent (50%) credit against the business and occupation tax liability annually for the first year from the date the entity qualifies for the tax credit

B. Twenty-five (25%) credit against the business and occupation tax liability annually for the second year the date the entity qualifies for the tax credit

(2) Any new qualifying business applying for a New Retail, Dining, and Entertainment tax credit inside a City Commercially Zoned District shall:

A. Submit an official "Business Plan" to the City's Business Development Coordinator which must be dated and signed by the Community Development Director. A standard business template is provided with the City's new business packet.

B. Meet with the Community Development Director.

(3) The credit may only be taken if a qualifying business files the required business and occupation tax return on or before the required due date. When such documentation is filed on or before the required due date.

(4) New business is defined as the business entity never having operated or conducted business in a physical, fixed location in the City.

(5) The business must produce 50% or more of gross sales in the form of retail, dining, or entertainment to qualify for the incentive.

(6) To meet the classifications set forth for Retan Dining, or Entertainment, the business must comply with and meet the definitions set forth by the City for the terms above in the City's zoning regulations and District Use Tables.

(Ord. 2024-007. Passed 9-16-24.)

745.17 TAX CUMULATIVE.

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The tax, interest and penalty imposed by this article shall be in addition to all other licenses, taxes and other revenue measures levied or collected by the municipality as a condition precedent to the right of any person to engage or continue in any business, profession, trade, calling or other activity within this municipality. A person exercising a privilege taxable under this article, subject to the payment of all licenses and charges which are conditions precedent to exercising the privileges taxed, may exercise the privilege in this municipality for the tax year upon the condition that he shall pay the tax, interest and penalty imposed by this article.

(Ord. 2024-007. Passed 9-16-24.)

745.18 ADMINISTRATION GENERALLY.

The administration of this article is vested in and shall be exercised by the treasurer who shall prescribe forms and may promulgate from time to time reasonable rules, publications and instructions for the making of returns, and for ascertaining, assessment, collection and administration of tax, interest and penalty imposed hereunder.

(Ord. 2024-007. Passed 9-16-24.)

745.19 RETURNS; COMPUTATION AND PAYMENT OF TAX.

(a) The tax levied by this article shall be due and payable in semi-annual installments on or before the expiration of one month from the end of each semi-annual period in which they accrue. The taxpayer shall, within one month from the expiration of each semi-annual period, make a return reporting the computation of tax for which it is liable for each semi-annual period; sign and mail the completed return, together with any remittance due, to the location specified by the treasurer. The treasurer may allow return and payment under this section for periods other than semi-annual periods.

(b) On or before thirty-one (31) days after the end of the tax year, each person liable for the payment of tax under this article shall make a second semi-annual return, showing the gross proceeds of sale or gross income of business, trade, calling or activity, computing the amount of tax, interest and penalty chargeable against the person in accordance with the provisions of this article and transmit with the return a remittance in the sum required by this article, covering the remainder of the tax, interest and penalty chargeable against the person for the tax year, to such location or locations specified by the treasurer. Such returns shall be verified by the oath of the taxpayer, if made by an individual, or by the individual designated by a taxpayer that is an entity to take the oath on behalf of the taxpayer.

(c) All remittances and payments of tax, interest and penalty imposed by this article shall be made to the treasurer, in lawful money of the United States or by bank draft, certified check, cashier's check, or other commercially acceptable means specified by the treasurer, to be kept, deposited and accounted for as provided by law.

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(d) A person whose gross income for a tax year is less than two thousand five hundred dollars ($2,500.00), as described in § 16(i) of this article, shall not be liable for the tax imposed by this article but may shall be required to file a return or declaration indicating that their gross income is below the applicable threshold, in such form as the Treasurer may prescribe. At such time as a person who has claimed exemption under Section obtains in excess of $2,499.99 in any tax year, the applicable tax upon such gross income shall be due as of the due date of the second semi-annual payment. Any such payment shall not have added to the amount due any penalty or interest assessable under this Article for failure to make payment during prior portion of the tax year. The taxpayer shall be entitled to any applicable credits otherwise provided by the Article against the amounts actually paid, but no credit of exemption shall have the effect of reducing the tax liability to less than zero dollars.

~~(Ord. 2024-007. Passed 9-16-24.)~~

745.20 TAXPAYER RECORDS.

Each person subject to this article shall maintain sufficient records for review by the treasurer as long as the contents of such records may be material in the administration of tax imposed by this article.

(Ord. 2024-007. Passed 9-16-24.)

745.21 TAX RETURN INFORMATION CONFIDENTIALITY.

(a) Except when required in an investigation or proceeding to ascertain or collect amount of tax, interest, penalty, refund or credit due, or pursuant to an exemption in W. Va. Code§ 11-10-5d, it shall be unlawful for any officer, employee or agent of the municipality to divulge or make known in any manner the tax return, or any part thereof, of any person, or disclose information concerning the personal affairs of any individual or the business of any person, or disclose the amount of income or any particulars set forth or disclosed in any report, declaration or return required to be filed with the treasurer or otherwise obtained by the municipality in an investigation undertaken by the treasurer concerning the tax imposed by this article. Any person protected by the provisions of this article may, in writing, waive the confidentiality provisions of this section for such purpose and such period as he shall therein state. This section shall not be construed to prohibit the publication or release of statistics so classified as to prevent the identification of particular reports and the items thereof. Notwithstanding the foregoing, the treasurer may permit the proper officer, or his authorized representative or agent, of the United States or the State, or any political subdivision of the State, to inspect return information to or may furnish to such officer or representative a copy of any such return or any other tax return information, provided, that such other jurisdiction grants similar privileges to this

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municipality or if the other jurisdiction is a party of an intergovernmental agreement authorizing the exchange of such information.

(b) Any officer, employee or agent of the municipality or any former officer, employee or agent of the municipality who shall divulge facts or information obtained from returns or tax statements other than for the purpose of administering such tax shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine of not more than one thousand dollars ($1,000) or imprisonment for not more than one year, or both, together with costs of prosecution.

(c) Any officer, employee or agent of the municipality or any former officer, employee or agent of the municipality who shall make unauthorized disclosure of information received from the State Tax Commissioner under authority of this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine of not more than one thousand dollars ($1,000) or imprisonment for not more than one year, or both, together with costs of prosecution.

(d) For purposes of this article, "unauthorized disclosure" means the release to any person of any tax information obtained by the municipality from the State Tax Commissioner unless the person receiving the information is the authorized counsel of the municipality and shall be using the information only for the purpose of administering the tax imposed by this article, Sales Tax from single location businesses, or Liquor Sales Tax; or the person who filed the return has authorized, in writing, its release, thereby waiving his right to secrecy.

(Ord. 2024-007. Passed 9-16-24.)

745.22 ERRONEOUS COMPUTATION OF TAX.

If any taxpayer shall make any error in computing the tax, interest and penalty under this article, the treasurer shall correct such error or reassess the proper amount of tax, interest and penalty, and notify the taxpayer of his or her action by mailing the taxpayer promptly a copy of the corrected assessment, and any additional tax, interest and penalty for which such taxpayer may be liable shall be paid within fifteen (15) days after the receipt of such statement. If the amount already paid exceeds that which should have been paid on the basis of the tax so recomputed, the excess so paid shall be immediately refunded to the taxpayer upon the request of the treasurer and shall be payable out of any funds available for the purpose. The taxpayer may, at its election, apply an overpayment as credit upon tax subsequently accruing hereunder.

(Ord. 2024-007. Passed 9-16-24.)

745.23 INVESTIGATIONS.

(a) For the purpose of ascertaining the correctness of a tax return, claim or assessment or for the purpose of making an estimate of any taxpayer's liability for the tax administered

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under this article, the treasurer shall have the power to examine or cause to be examined any books, papers, records, memoranda and other documents or data bearing upon the matters required to be included in the return and may require the attendance of the person rendering the return or the attendance of any other person having knowledge of relevant matters. In connection therewith, the treasurer may take testimony and shall have the power to administer oaths.

(b) The treasurer has the power to issue subpoenas and subpoenas duces tecum to compel the attendance of witnesses and production of documents for the purpose of ascertaining the correctness of a return or claim or for performing an assessment or for any hearing held by the treasurer. In case of the failure or refusal of a witness to appear and testify or to produce evidence, the treasurer may invoke the aid of the circuit court of Jefferson County. Upon proper showing, the treasurer may apply for an order requiring the witness to appear and give testimony and produce evidence concerning the matter in question.

(Ord. 2024-007. Passed 9-16-24.)

745.24 ASSESSMENTS.

(a) If any person who is required by this article to do so shall fail or refuse to make a return, either in whole or part, or if the treasurer believes the tax imposed by this article has been insufficiently returned by any taxpayer, the treasurer may proceed to assess the tax and shall notify the person assessed of the amount of the tax, additional tax, interest and penalties so assessed.

(b) The treasurer may, at any time before the assessment becomes final, amend, in whole or in part, any assessment whenever the treasurer ascertains that such assessment is improper or incomplete in any material respect. The treasurer may, at any time within the period prescribed for assessment, make a supplemental assessment whenever the treasurer ascertains that any assessment is incorrect in any material respect.

(c) The amount of tax, interest and penalties imposed by this article shall be assessed within three (3) years after the date the second semi-annual return for the year in which such tax arose is filed by the taxpayer; provided, that in the case of a false or fraudulent return filed with the intent to evade the tax or in case no return is filed, an assessment may be made at any time.

(Ord. 2024-007. Passed 9-16-24.)

745.25 NOTICE OF ASSESSMENT; PETITION FOR REASSESSMENT.

The treasurer shall give the taxpayer written notice of any assessment made pursuant to this article. Unless the taxpayer to whom the notice of assessment is given shall within thirty (30) days after service thereof file with the treasurer a petition for reassessment, the assessment shall become final and not subject to administrative or judicial review. A

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petition for reassessment must be in writing verified under oath by the taxpayer or his duly authorized agent having knowledge of the facts, setting forth with particularity the items of the assessment objected to, together with the reasons for the objections. The total amount of an assessment shall be due and payable on the day following the date upon which the assessment becomes final.

(Ord. 2024-007. Passed 9-16-24.)

745.26 HEARING PROCEDURE; DECISION; REVIEW.

(a) When a petition for reassessment or a petition for refund or credit is properly filed pursuant to this article within the time prescribed for such filing, the treasurer shall assign a time and a place for a hearing thereon and shall notify the petitioner of such hearing by written notice at least twenty (20) days in advance thereof. Such hearing shall be held within ninety (90) days from the date of filing the petition, unless continued by agreement of the parties or by the treasurer for sufficient cause.

(b) The hearing shall be informal and shall be conducted in an impartial manner by the Finance Committee of the municipality. The burden of proof shall be upon the taxpayer to show that the assessment or denial refund or credit is incorrect and contrary to law, in whole or in part.

(c) After such hearing, the Finance Committee of the municipality shall, within a reasonable time, give notice in writing to the taxpayer of their decision. An appeal may be taken by the taxpayer of the Finance Committee's decision to the council of the municipality.

(d) An appeal may be taken by the taxpayer to the Circuit Court of Jefferson County within thirty (30) days after service of the council's administrative decision issued pursuant to this section. (Ord. 2024-007. Passed 9-16-24.)

745.27 INJUNCTION.

After any delinquency shall have continued sixty (60) days, the treasurer may proceed in the Circuit Court of Jefferson County to obtain an injunction restraining the further exercise of the privilege until full payment shall have been made of all tax, interest and penalty due under this article. In any proceeding under this section, upon judgment or decree for the municipality, the municipality shall be awarded its costs.

(Ord. 2024-007. Passed 9-16-24.)

745.28 UNPAID TAX A LIEN; DELINQUENCY NOTICE FILING AND RELEASE.

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Any tax, interest and penalties due and payable under this article shall be a debt due the municipality and shall constitute a lien on the real and personal property of the taxpayer. The treasurer, for the more effective collection of the tax, interest and penalty imposed by this article, may file with the Clerk of the Jefferson County Commission a certified notice of lien for delinquent taxes, interest and penalty under this article for recordation. If a lien has been recorded respecting a delinquency, upon full payment of all delinquent tax, interest and penalty, the treasurer shall attest to the fact and amount of payment, and shall forward a certificate of release to the taxpayer. Upon presentment and payment of the recording fee by the taxpayer, the Clerk of the Jefferson County Commission shall record such certificate in the book in which releases are recorded. (Ord. 2024-007. Passed 9-16-24.)

745.29 SUCCESSOR LIABILITY.

The tax, interest and penalty imposed by this article shall be a continuing lien upon the property of any person subject to the provisions hereof who shall sell out its business or stock of goods, or shall quit business, and such person shall be required to make the return provided for in this article within thirty (30) days after the date it sold out its business or stock of goods, or quit business, and its successor in business shall be required to withhold a sufficient amount of the purchase money to cover the amount of such tax, interest and penalty due and unpaid until such time as the former owner shall produce a receipt from the treasurer showing that all tax, interest and penalty has been paid. If the purchaser of a business or stock of goods fails to withhold purchase money as hereby provided, and the tax, interest and penalty shall be due and unpaid after the thirty-day period allowed, the successor shall be personally liable for the payment of the tax, interest and penalty accrued and unpaid on account of the operation of the business by the former owner. (Ord. 2024-007. Passed 9-16-24.)

745.30 REVOCATION, NON-RENEWAL OF LICENSES AND PERMITS.

(a) The treasurer has the authority to revoke, deny and prevent any and all licenses and permits issued by the municipality in the event a licensee or permittee fails or refuses to file any return required hereby or fails or refuses to pay any delinquent tax, interest or penalty due and owing to the municipality.

(b) In the event of such a revocation or denial, the treasurer will provide written notice to the affected person at least five (5) days prior to the contemplated revocation or denial and such notice shall be served by certified mail. The notice shall indicate the time and the place of a revocation/ denial review meeting, the general grounds of said contemplated action, and shall advise the affected person of its rights to appear at said hearing in person and represented by legal counsel, and to be heard orally upon the merits of the person's defense. The treasurer may request legal advice from the City Attorney, and adopt such procedures for its decorum and the dispatch of business at such hearings as the treasurer may regard advisable. The revocation decision of the treasurer will be final.

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(c) Each license or permit that has been revoked or denied pursuant to this section may be issued or re-issued upon payment of all delinquent tax, interest or penalty due and owing to the municipality and satisfaction of all relevant licensing conditions otherwise imposed by the municipality. (Ord. 2024-007. Passed 9-16-24.)

745.31 SETTLEMENT AGREEMENTS AND COMPROMISES.

The treasurer, with approval of the City Manager, is authorized to enter into an agreement in writing with any person relating to the liability of such person in respect of the tax, interest and penalty imposed by this article for any taxable period. If such a closing agreement is duly made and entered into, such agreement shall be final and conclusive for the periods covered except upon a showing of fraud, malfeasance or misrepresentation of a material fact. The treasurer, with approval of the City Manager, may compromise all or part of any administrative determination or civil case concerning tax, interest and penalty or otherwise arising under the provisions of this article.

(Ord. 2024-007. Passed 9-16-24.)

745.32 ADDITIONAL ADMINISTRATIVE PROVISIONS CONCERNING CONTRACTING.

(a) Without limiting the generality of the administrative and collection powers granted to the treasurer in this article, the treasurer is also empowered to require any person engaging or continuing within the municipality in the business of contracting to furnish a list of the names, addresses and amounts paid by them to any subcontractors employed and suppliers of materials used upon any job or to do any work within the municipality. The treasurer may also require every person engaging or continuing within the municipality in the business of contracting who is a nonresident of the State to pay or guarantee the payment of the amount of the tax imposed by this article for the privilege of engaging in the business of contracting within the municipality, such payment of such tax to be based upon the amount of the building permit issued by the municipality for the work to be performed by such person, as a condition precedent to the issuance of such building permit. In lieu of such prior payment in cash of such tax any such nonresident may guarantee the payment of such privilege tax provided for herein by delivering to the municipality a bond, with good and adequate surety, payable to the municipality, and conditioned to pay such tax on or before the estimated date of the completion of the work to be performed by such person within the municipality.

(b) Any person engaging a contractor or subcontractor within this municipality shall withhold payment in sufficient amount to cover taxes assessed by this article in the final settlement of such contracts until the receipt of a certificate from the treasurer to the effect that all taxes levied and accrued under this article against the contractor have been paid. If any person fails to withhold as provided herein and the contractor or subcontractor fails to timely pay such tax, such person shall be personally liable for the payment of such taxes, and the same shall be recoverable by the treasurer by appropriate legal proceedings.

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(Ord. 2024-007. Passed 9-16-24.)

745.33 CLAIMS FOR REFUND OR CREDIT.

(a) Any taxpayer claiming to have overpaid any tax, interest or penalty imposed by this article shall file its claim with the treasurer within three (3) years after the due date of the return in respect of which the tax was imposed, and not thereafter.

(b) If, as a result of the claim, the treasurer shall be of the opinion that the tax, interest or penalty, or any part thereof, was overpaid, the treasurer shall refund the same to the taxpayer. If the treasurer denies the claim, the taxpayer may within thirty (30) days after notice of denial file with the treasurer a petition for refund or credit, which shall be heard in accordance with Section 745.27 of this article. A taxpayer's failure to abide by express procedures contained in this section precludes taxpayer's right to any refund or credit of tax, interest and penalties paid or collected under this article. (Ord. 2024-007. Passed 9-16-24.)

745.34 INTEREST AND PENALTY; CRIMINAL LIABILITY.

(a) If any person, as required by this article, fails to complete and submit their semi-annual tax return, or submits their tax return after the due date, or submits their tax return but fails to remit in whole the proper amount of tax owed, to the appropriate municipal authorities, then there shall be added to the amount of tax owed and unpaid, from the date such tax should have been paid, a penalty in the amount of twenty-five (25.00%) percent of the tax due for the period of such failure or delinquency. In addition, such tax and penalty shall bear an interest at the rate of twelve percent (12.00%) per annum from the due date of the payment until paid. Whoever engages in any activity contrary to the provisions of this article shall, in addition to paying the tax, penalty, and interest imposed by this article, be subject to a fee of fifty dollars ($50.00) for each month or fraction thereof during in which that person has been in default of filing and/or remitting to the municipality taxes due including penalties and interest. This fee will not exceed $250.00 for any semi-annual tax reporting period. It shall be the duty of the treasurer to collect the full amount of the tax, penalty, interest, and fee(s) imposed. The person(s) responsible for remitting the tax, after all required taxes, penalties, and interest, less the accrued fees, have been paid in full, may for good cause shown, request that the municipality waive the penalty, interest, and fees owed in whole or in part. The municipality may waive the penalty, interest, and fees owed in whole or in part upon the recommendation of the municipality's Finance Committee. The City Manager may grant a fifteen (15) day grace period for delinquent zero return filings. After the grace period has expired the City Manager may waive the fees for returns with zero balances. Repeat waiver requests within a three year period will not be considered.

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(b) Interest and penalties may be collected in the same manner as the tax imposed by this article.

(c) Any person who shall willfully, and with intent to evade, refuse to pay all or any part of the tax imposed by this article shall be guilty of a misdemeanor. If the amount of the unpaid tax shall be less than one thousand dollars ($1,000), such person shall, in addition to such tax, penalties and interest as is owed, be fined not less than one hundred dollars ($100.00) nor more than five hundred dollars ($500.00), and if the amount of the unpaid tax shall be one thousand dollars ($1,000) or more, such person shall, in addition to such tax, penalties and interest as is owed, be fined not less than one hundred dollars ($100.00) nor more than one thousand dollars ($1,000), or imprisoned not more than thirty days, or be both fined and imprisoned as herein provided. Each day or part thereof that any violation continues shall be deemed to constitute a distinct and separate offense and be punishable accordingly.

(d) Whoever knowingly makes a false statement in any tax form or application shall be fined not less than two hundred dollars ($200.00) nor more than one thousand dollars ($1,000). Each false statement, whether made with or without other false statements on any one or more applications shall constitute a separate offense. And, whoever shall knowingly make a false statement in two separate "tax filings", whether or not said applications shall have been filed consecutively, and whether or not said person shall have been previously convicted thereof, shall be fined not less than five hundred dollars ($500.00) nor more than one thousand dollars ($1,000) and imprisoned not more than six months, or both. (Ord. 2024-007. Passed 9-16-24.)

745.35 SEVERABILITY.

If any provision of this article is held unconstitutional or invalid, on its face or as applied, the remaining provisions of this article shall remain in full force and effect; and to this end, the provisions of this article are declared to be severable.

(Ord. 2024-007. Passed 9-16-24.)

745.36 REPEAL OF THE BUSINESS FRANCHISE TAX.

The Business Franchise Tax heretofore enacted by the City of Charles Town in 1970 remains repealed.

(Ord. 2024-007. Passed 9-16-24.)

745.37 EFFECTIVE DATE.

The effective date of this article shall be July, 2010.

(Ord. 2024-007. Passed 9-16-24.)

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ARTICLE 745
Business and Occupation Tax

745.01 SHORT TITLE.

This article shall be known as the "City of Charles Town Municipal Business and Occupation Tax Ordinance."

(Ord. 2024-007. Passed 9-16-24.)

745.02 PURPOSE AND INTENT.

The purpose of this article is to impose a municipal business and occupation tax pursuant to West Virginia Code§ 8-13-5 to the fullest extent allowable under the operative laws of the State of West Virginia and the United States unless a more restrictive application is required by an express limitation set forth in this article.

(Ord. 2024-007. Passed 9-16-24.)

745.03 DEFINITIONS.

For purposes of this article, the following words and phrases shall have the meanings respectively ascribed to them by this section unless a different meaning is clearly required by the context in which the term is used:

(a) Banking business. The term "banking business or financial organization" means any bank, banking association, trust company, industrial loan company, small loan company, or licensee, building and loan association, savings and loan association, credit union, finance company, investment company, investment broker or dealer, and any other similar business organization at least ninety percent (90%) of the assets of which consists of intangible personal property and at least ninety percent (90%) of the gross receipts of which consists of dividends, interest and other charges derived from the use of money or credit.

(b) Business. The term "business" means all activities engaged in or caused to be engaged in with the object of gain or economic benefit, either direct or indirect. The production of raw materials or manufactured products which are used or consumed in the main business shall be deemed a business engaged in taxable in the class for which it falls.

(c) Contracting. The term "contracting" means the furnishing of work, or both materials and work, in the fulfillment of a contract for the construction, alteration, repair, decoration or improvement of a new or existing building or structure, or any part thereof, or for the alteration, improvement or development of real property.

(d) Gross Income. The term "gross income" generally means the gross receipts of the taxpayer, other than a banking or financial business, received as compensation for personal

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services and the gross receipts of the taxpayer derived from trade, business, commerce or sales and the value proceeding or accruing from the sale of tangible property, real or personal, or service, or both, and all receipts by reason of the investment of the capital of the business engaged in, including interest, discount, rentals, royalties, fees, reimbursed costs or expenses or other emoluments however designated and without any deductions on account of the cost of property sold, the cost of materials used, labor costs, taxes, royalties, interest and discount paid, or sums paid to independent contractors, subcontractors or persons furnishing services or property used in the operation of any business to produce gross income, or any other expense whatsoever. "Gross income" of a banking or financial business is specified in Section 745.13 of this article.

(e) Gross proceeds of sales. The term "gross proceeds of sales" means the value actually proceeding from the sale of tangible property without any deduction on account of the cost of property sold or expenses of any kind. The words "gross income" and "gross proceeds of sales" shall not be construed to include cash discounts allowed and taken on sales; the proceeds of sale of goods, wares or merchandise returned by customers when the sale price is refunded either in cash or by credit; or the sale price of any article accepted as part payment on any new article sold, if the full sale price of the new article is included in the" gross income" or "gross proceeds of sales"; excise taxes imposed by the State; money or other property received or held by a professional person for the sole use and benefit of a client or another person or money received by the taxpayer on behalf of a bank or other financial institution for repayment of a debt of another; and excise taxes imposed by the federal government upon the consumer, not manufacturer, and which are held in trust by the vendor as agent for the federal government.

(f) Municipality. The term "municipality" means the City of Charles Town.

(g) Person. The terms "person" and "company" are used interchangeably in this article and mean and include any individual, firm, copartnership, joint adventure, association, corporation, limited liability company, trust, estate or any other group or combination acting as a unit, and the plural as well as the singular number. The word "it" shall also include the pronouns "he" and "she".

(h) Retail sales. The terms "retail sales" and "selling at retail" mean all sales other than wholesale sales, including but not limited to sales to persons for use in any activity not subject to the tax imposed by this article, all sales of real property, and sales to consumers.

(i) Sale. The terms "sale" and "sales" mean any transfer of the ownership of or title to property, whether for money or in exchange for other property.

(j) Services. The term "service business or calling" includes all activities engaged in for other persons for a consideration, which involve the rendering of a service as distinguished from the production or sale of tangible property, but shall not include the services rendered by an employee to his employer.

(k) Tax year. The terms "tax year" and "taxable year" mean as the period commencing July 1 and ending June 30. For the purpose of this article the taxable year shall be divided

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into two semi-annual periods. The first period shall be from July 1st through December 31st. The second period shall be from January 1st through June 30th.

(l) Taxpayer. The term "taxpayer" means any person liable for any tax hereunder.

(m) Treasurer. The term "treasurer" means the municipality's treasurer and his or her agents, delegates or representatives.

(n) Wholesale sales. The terms "selling at wholesale" and "wholesale sales" mean only:

(1) Sales of tangible personal property for the purpose of resale in the form of tangible personal property,

(2) Sales of machinery, supplies or materials which are to be directly consumed by the purchaser in the conduct of any business or activity which is subject to the tax imposed by this article, or

(3) Sales of tangible personal property to the United States of America, its agencies and instrumentalities, or to the State of West Virginia, its institutions and political subdivisions.

(Ord. 2024-007. Passed 9-16-24.)

745.04 IMPOSITION OF TAX.

(a) There are hereby levied and imposed and shall be collected annual privilege taxes, against the persons, on account of the business and other activities and in the amounts to be determined by the application of rates against values or gross income or gross proceeds as set forth in Sections 745.05 through 745.14 of this article, inclusive.

(b) If any person liable for any tax under Section 745.05 or 745.06 of this article shall ship or transport its products, or any part thereof, out of the municipality without making sale of such products, the value of the products in the condition or form in which they exist immediately before transportation out of the municipality shall be the basis for the assessment of the tax imposed in those sections. Gross income included in the measure of the tax under Section 745.05 or 745.06 of this article, shall neither be added nor deducted in computing the tax levied under the other sections of this article. In determining value, however, as regards sales from one to another of affiliated companies or persons, or under other circumstances where the relation between the buyer and the seller is such that the gross proceeds from the sale are not indicative of the true value of the subject matter of the sale, the value upon which such privilege tax shall be levied shall correspond as nearly as possible to the gross proceeds from the sale of similar products of like quality or character where no common interest exists between the buyer and the seller but where the circumstances or conditions are otherwise similar.

(c) The municipal business and occupation tax is imposed on each person engaged in privileges taxable under this article if such person is engaged in purposive revenue generating activities within the municipality's limits and such person has sufficient contacts to sustain the municipality's taxing jurisdiction. By way of example (but not

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limitation), if a person's activities within the municipality contributes to the establishment and maintenance of a market, such contacts are considered to be sufficient to sustain the municipality's taxing jurisdiction assuming federal constitutional nexus standards are satisfied.

(d) Notwithstanding the foregoing, no tax shall be imposed pursuant to this section for any tax year in which the taxpayer's gross income is less than two thousand five hundred dollars ($2,500.00), as further provided in § 745.16(i) of this article.

745.05 NATURAL RESOURCE PRODUCTION.

(a) Upon every person engaging or continuing within the municipality in the business of severing, extracting, mining, quarrying, reducing to possession and/or producing for sale, profit or commercial use any natural resource products, the amount of such tax shall be equal of the value of the articles produced as shown by the gross proceeds derived from the sale thereof by the producer, except as hereinafter provided, multiplied by the respective rates as follows: Coal, one percent (1.00%); limestone or sandstone quarried or mined, one and one-half percent (1.50%); oil or blast furnace slag, three percent (3.00%); natural gas in excess of the value of five thousand dollars ($5,000.00), six percent (6.00%); sand, gravel or other mineral products, not quarried or mined, three percent (3.00%); timber one and one- half percent (1.50%), and other natural resource products, two percent (2.00%).

(b) The measure of this tax is the value of the entire production in the municipality, regardless of the place of sale or the fact that delivery may be made to points outside the municipality.

(c) A person exercising privileges taxable under this section and using or consuming the natural resources so produced in his business or transferring or delivering the natural resources as any royalty paid, in kind, or the like, shall be deemed to be engaged in the business of producing natural resources and shall be required to make returns on account of the production of the business, showing the gross proceeds or equivalent in accordance with uniform and equitable rules for determining the value upon which privilege taxes shall be levied, corresponding as nearly as possible to the gross proceeds from the sale of similar products of like quality or character by other taxpayers.

(d) Persons who produce natural resources outside the municipality and who make sale of those products within the municipality shall not pay the tax imposed by this section but shall pay the tax imposed by Section 745.07 of this article for the privilege of selling such products within the municipality.

(e) A person exercising any privilege taxable under this section and engaging in the business of selling its natural resource products in the municipality shall be required to make returns of the gross proceeds of such sales and pay the tax imposed in Section 745.07 of this article for the privilege of engaging in the business of selling such natural resource products in the municipality. (Ord. 2024-007. Passed 9-16-24.)

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745.06 MANUFACTURING.

(a) Upon every person engaging or continuing within the municipality in the business of manufacturing, compounding or preparing for sale, profit or commercial use, either directly or through the activity of others, in whole or part, any article or articles, substance or substances, commodity or commodities, or newspaper publishing (including all gross income or proceeds of sale from circulation and advertising), the amount of the tax shall be equal to the value of the article, substance, commodity or newspaper manufactured, compounded or prepared for sale, as shown by the gross proceeds derived from the sale thereof by the manufacturer or person compounding or preparing the same, except as otherwise provided, multiplied by a rate of eighteen one-hundredths percent (0.18%).

(b) The measure of the tax in this section is the value of the entire product manufactured, compounded or prepared in the municipality for sale, profit or commercial use, regardless of the place of sale or the fact that deliveries may be made to points outside the municipality. It is further provided, however, that in those instances in which the same person partially manufactures, compounds or prepares products within the municipality and partially manufactures, compounds or prepares such products outside the municipality, the measure of tax under this section shall be that proportion of the sales price of the product that the payroll costs of manufacturing within the municipality bears to the entire payroll costs of manufacturing the product.

(c) If any person shall ship or transport its products or any part thereof out of the State without making sale of such products, the value of the products in the condition or form in which they exist immediately before transportation out of the State shall be the basis for the assessment of the tax imposed. The treasurer may prescribe equitable and uniform rules of ascertaining such value; provided that, in the absence of such rules, the person manufacturing the products within the municipality shall report the value in a consistent and reasonable manner.

(d) The dressing and processing of food intended for human consumption by a person, or the cooking and serving of food by a restaurant which food is to be sold in the municipality by such person, shall not be considered manufacturing or compounding or preparing for sale, but the sale of these products shall be reported under Section 745.07 of this article either as wholesale or retail sale, as the case may be.

(e) Persons who manufacture, compound or prepare products outside the municipality and who make sale of such product within the municipality shall not pay the tax imposed by this section but shall pay tax imposed by Section 745.07 of this article for the privilege of selling such product within the municipality.

(f) A person exercising any privilege taxable under this section and engaging in the business of selling its product in the municipality shall be required to make returns of the gross proceeds of such sales and pay the tax imposed by this section at the rate set forth in Section 745.07 of this article for the privilege of engaging in the business of selling such manufactured goods in the municipality.

(Ord. 2024-007. Passed 9-16-24.)

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745.07 SELLING TANGIBLE PROPERTY.

(a) Upon every person engaging or continuing within the municipality in the business of selling any tangible property whatsoever, real or personal, including the sale of food in hotels, restaurants, cafeterias, confectioneries and other public eating houses and wholesale sales from a rolling stockpile, except sales of any person engaging or continuing in the business of horticulture, agriculture or grazing, or selling stocks, bonds, or other evidence of indebtedness, there is hereby levied, and shall be collected, a tax equal to five one- hundredths percent (0.05%) of the gross income of the business; except, therein the case of selling at wholesale, the tax shall be equal to five one-hundredths percent (0.05%) of the gross income of the business.

(b) Gross income or gross proceeds of sales derived from sales within West Virginia that is not taxed or taxable by any other municipality are included in the measure of municipal business and occupation tax if the sales are either directed from a location within the municipality or the taxpayer's principal West Virginia office is located in the municipality. Without limiting the generality of the foregoing, when the taxpayer has only one (1) office location and this office is located within the municipality and its activities elsewhere in West Virginia are neither taxed nor taxable by another municipality, the gross income or gross proceeds from those activities are taxable by this municipality.

(c) Persons domiciled outside the municipality who solicit sales within the municipality and sell tangible personal property within the municipality are doing business in the municipality, irrespective of the domicile of such persons and irrespective of whether or not such persons maintain a permanent place of business in the municipality and irrespective of how a sales order is transmitted or processed. If an order is placed in connection with solicitation by a representative (regardless whether there is an employment or agency relationship or whether acting as an independent contractor) who solicits orders within the municipality, and the tangible personal property is to be delivered in the municipality, then the gross proceeds of such sales are included in the measure of the tax imposed by this article.

(Ord. 2024-007. Passed 9-16-24.)

745.08 PUBLIC SERVICE OR UTILITY BUSINESS.

Upon every person engaging or continuing within the municipality in any public service or utility business, except railroad, railroad car, express, pipeline, telephone and telegraph companies, water carriers by steamboat or steamship and motor carriers, there is levied, and shall be collected, taxes on account of the business engaged in equal to the gross income of the business multiplied by the respective rates as follows: electric light and power companies, four percent (4.00%) on sales and demand charges for domestic and commercial lighting and three percent (3.00%) on sales and demand charges for all other purposes; natural gas companies, three percent (3.00%); and upon all other public service or utility business, two percent (2.00%). The measure of this tax shall not include gross income derived from commerce between the State and other states of the United States.

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The measure of the tax under this section shall include only gross income received from the supplying of public service. The gross income of the taxpayer from any other activity shall be included in the measure of the tax imposed upon such other activity by the appropriate section of this article. (Ord. 2024-007. Passed 9-16-24.)

745.09 CONTRACTING.

Upon every person engaging or continuing within the Municipality in the business of contracting, the tax shall be equal to two percent (2.00%) of the gross income of the business.

(Ord. 2024-007. Passed 9-16-24.)

745.10 AMUSEMENTS.

Upon every person engaging or continuing within the municipality in the business of operating a theater, opera house, moving picture show, vaudeville, amusement park, carnival, circus, dance hall skating rink, racetrack, radio broadcasting station or any other place at which amusements are offered to the public, the tax shall be equal to fourteen one-hundredths percent (0.14%) of the gross income of the business.

(Ord. 2024-007. Passed 9-16-24.)

745.11 SERVICE BUSINESS OR CALLING NOT OTHERWISE CLASSIFIED.

(a) Upon every person engaging or continuing within the municipality in any service business or calling not otherwise specifically taxed under this article, there is hereby levied, and shall be collected, a tax equal to twenty-three one-hundredths percent (0.23%) of the gross income of any such business.

(b) Gross income or gross proceeds of sales derived from services within West Virginia that is not taxed or taxable by any other municipality are included in the measure of tax under this article if the services are either directed from a location in the municipality or the taxpayer's principal West Virginia office is located in the municipality. Without limiting the generality of the foregoing, when a taxpayer has only one (1) office location and this office is located within the municipality and its activities elsewhere in West Virginia are neither taxed nor taxable by another municipality, the gross income or gross proceeds from those activities are taxable by this municipality.

(Ord. 2024-007. Passed 9-16-24.)

745.12 RENTALS AND ROYALTIES.

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Upon every person engaging or continuing within the municipality in the business of furnishing any real or tangible personal property which has a tax situs in the municipality, or any interest therein, for hire, loan, lease or otherwise, whether the return is in the form of rentals, royalties, fees or otherwise, the tax shall be thirty one-hundredths percent (0.30%) of the gross income of any such activity. The term "tangible personal property", as used herein, shall not include money or public securities. (Ord. 2024-007. Passed 9-16-24.)

745.13 BANKING AND OTHER FINANCIAL BUSINESSES.

Upon every person engaging or continuing within the municipality in the business of banking or financial business, the tax shall be equal to twenty-three one-hundredths percent (0.23%) of the gross income received from interest, premiums, discounts, dividends, service fees or charges, commissions, fines, rents from real or tangible personal property, however denominated, royalties; charges for bookkeeping or data processing, receipts from check sales, charges or fees, and receipts from the sale of tangible personal property; provided, that gross income shall not include:

(a) Interest received on the obligations of the United States, its agencies and instrumentalities;

(b) Interest received on the obligations of this or any other state, territory or possession of the United States, or any political subdivision of any of the foregoing or of the District of Columbia; or

(c) Interest received on investments or loans primarily secured by first mortgages or deeds of trust on residential property occupied by nontransients; provided further, that all interest derived on activities exempt under (c) above shall be reported, as to amounts, on the return of a person taxable under the provision of this section.

(Ord. 2024-007. Passed 9-16-24.)

745.14 HEALTH MAINTENANCE ORGANIZATIONS.

The rate of tax on the activity of a health maintenance organization holding a certificate of authority under the provisions of West Virginia Code §§ 33-25A-1 et seq. shall not exceed one half of one percent (0.50%) to be applied solely to that portion of gross income received from the Medicaid program pursuant to Title XIX of the Social Security Act, the State employee programs administered by the public employee insurance agency pursuant to West Virginia Code§§ 5-16-1 et seq., and other federal programs, for health care items or services provided directly or indirectly by the health maintenance organization that is expended for administrative expenses; and shall not exceed one-half of one percent (0.50%) to be applied to the gross income received from enrollees, or from employers on behalf of enrollees, from sources other than Medicaid, State employee programs administered by the public employees insurance agency and other federal programs for health care items or services provided directly or indirectly by the health maintenance

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organization: Provided, That this tax rate limitation shall not extend to that part of the gross income of health maintenance organizations which is received from the use of real property other than property in which any such company maintains its office or offices in the municipality, whether such income is in the form of rentals or royalties.

(Ord. 2024-007. Passed 9-16-24.)

745.15 PERSONS TAXABLE ON MULTIPLE ACTIVITIES; CREDITS.

(a) A person taxable under Section 745.07 of this article with respect to selling products at wholesale in this municipality shall be allowed a non-refundable credit against the tax imposed on such wholesale sales pursuant to Section 745.07 for any (i) manufacturing taxes paid by such person with respect to the manufacturing of products so sold at wholesale in this municipality, and/or (ii) extracting taxes paid by such person with respect to the extracting of products so sold in this municipality or ingredients of products so sold at wholesale in this municipality.

(b) For purposes of this section:

(1) Manufacturing tax" means a gross receipts tax imposed by a municipality or other local government unit on the act or privilege of engaging in the business as a manufacturer and includes (i) the tax imposed in Section 745.06 of this article and (ii) similar gross receipts taxes paid to other municipalities or other local government units (other than State governments) within the United States.

(2) Extracting tax" means a gross receipts tax imposed by a municipality or other local government unit on the act or privilege of engaging in the business as a producer of natural resource products and includes (i) the tax imposed in Section 745.05 of this article and (ii) similar gross receipts taxes paid to other municipalities or other local government units within the United States (other than State governments) within the United States.

(3) Gross receipts tax" means a tax which (i) is imposed on or measured by the gross volume of business in terms of gross receipts or in other terms and in the determination of which deductions allowed would not constitute the tax an income tax or value added tax and (ii) which is not, pursuant to law or custom, separately stated from the sales price.

(c) If imposition of the municipality's tax would place an undue burden upon interstate commerce or violate constitutional requirements, a taxpayer shall be allowed a credit to the extent necessary to preserve the validity of the tax under this article, and still apply the tax to as much of the taxpayer's activities as may be subject to the municipality's taxing authority.

(Ord. 2024-007. Passed 9-16-24.)

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745.16 EXEMPT ACTIVITIES.

The provisions of this article shall not apply to:

(a) Insurance companies which pay the State of West Virginia a tax upon premiums; provided, that such exemption shall not extend to that part of gross income of insurance companies which is received for the use of real property, other than property in which any such company maintains its office or offices, in the municipality, whether such income is in the form of rentals or royalties; '

(b) Nonprofit cemetery companies organized and operated for the exclusive benefit of their members;

(c) Fraternal societies, organizations and associations organized and operated for the exclusive benefit of their members and not for profit; provided, that this exemption shall not extend to that part of gross income arising from the sale of alcoholic liquor, food and related services of such fraternal societies, organizations and associations which are licensed as private clubs under the provisions of West Virginia Code §§ 60-7-1 et seq.;

(d) Corporations, associations and societies organized and operated exclusively for religious or charitable purposes;

(e) Production credit associations, organized under the provisions of the federal Farm Credit Act of 1933; provided, that the exemption of this section shall not apply to corporations or cooperative associations organized under the provisions of West Virginia Code §§ 19-4-1 et seq.;

(f) Any credit union organized under the West Virginia Code; provided, that the exemptions of this section shall not apply to corporations or cooperative associations organized under the provisions of West Virginia Code§§ 19-4-1 et seq.; and

(g) Gross income derived from advertising service rendered in the business of radio and television broadcasting.

(h) Licensed new and existing childcare and/or facilities operating in the City.

(i) A person engaging in business within the municipality shall not be subject to the municipal business and occupation or privilege tax imposed by this article for any tax year in which the taxpayer's gross income, as defined in § 745.03(d) of this article, is less than two thousand five hundred dollars ($2,500.00). This exemption shall apply on a prospective basis only and shall not affect liability for any tax periods ending prior to July 1, 2025. For purposes of this section, the term "gross income" shall be interpreted consistently with § 3.4 of this article and includes all receipts and values accruing to the taxpayer from engaging in business, without deduction. Any businesses taking the exemption pursuant to this subsection shall timely submit returns required by this article to demonstrate entitlement to the exemption, and shall also submit such additional information or documentation deemed necessary by the Treasurer.

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745.16A OPTIONAL EXEMPT ACTIVITIES.

The City Council, by vote of 2/3 majority of the Council, reserves the right to apply, reduce, or eliminate for a specified time period and/or for a specific project, the Business and Occupation tax per the following provision(s): Any activity associated with a municipality- initiated/tax payer-funded project that directly benefits Charles Town's residents, and in which the taxes rendered under this article could result in higher rates to those residents for existing services and/or higher project costs for the municipality.

(Ord. 2024-007. Passed 9-16-24.)

745.16B B&O TAX CREDIT INCENTIVES.

In addition to any other tax incentive otherwise available, any business that meets the following qualifying requirements shall be entitled to a tax credit computed under the provisions of this article for:

(a) Old Town Mixed Use - Commercial (OTMU-C) District Retail, Dining, & Entertainment Tax Credit

(1) For any new retan dining, and entertainment business that locates within the Old Town Mixed Use - Commercial (OTMU-C), as defined by the City's Zoning Ordinances, the business entity may be allowed:

A. One hundred (100%) percent credit against the business and occupation tax liability annually for the first year from the date the entity qualifies for the tax credit

B. Fifty (50%) percent credit against the business and occupation tax liability annually for the second year from the date the entity qualifies for the tax credit

C. Twenty-five (25%) percent credit against the business and occupation tax liability annually for the third year from the date the entity qualifies for the tax credit

(2) Any new qualifying business applying for a New Retail, Dining, and Entertainment tax credit inside the OTMU-C District shall:

A. Submit an official "Business Plan" to the City's Business Development Coordinator which must be dated and signed by the Community Development Director. A standard business template is provided with the City's new business packet.

B. Meet with the Community Development Director.

(3) The credit may only be taken if a qualifying business files the required business and occupation tax return on or before the required due date. When such documentation is filed on or before the required due date.

(4) New business is defined as the business entity never having operated or conducted business in a physical, fixed location in the City.

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(5) The business must produce fifty percent (50%) or more of gross sales in the form of retail, dining, or entertainment to qualify for the incentive.

(6) To meet the classifications set forth for Retail, Dining, or Entertainment, the business must comply with and meet the definitions set forth by the City for the terms above in the City's zoning regulations and District Use Tables.

(b) New Retail, Dining, & Entertainment Tax Credit inside a City Commercially Zoned District.

(1) For any new retail, dining, and entertainment businesses that locates beyond the boundaries of the OTMU-C, but still within the corporate limits of the City's zoned commercial area(s), the business entity may be allowed:

A. Fifty percent (50%) credit against the business and occupation tax liability annually for the first year from the date the entity qualifies for the tax credit

B. Twenty-five (25%) credit against the business and occupation tax liability annually for the second year the date the entity qualifies for the tax credit

(2) Any new qualifying business applying for a New Retail, Dining, and Entertainment tax credit inside a City Commercially Zoned District shall:

A. Submit an official "Business Plan" to the City's Business Development Coordinator which must be dated and signed by the Community Development Director. A standard business template is provided with the City's new business packet.

B. Meet with the Community Development Director.

(3) The credit may only be taken if a qualifying business files the required business and occupation tax return on or before the required due date. When such documentation is filed on or before the required due date.

(4) New business is defined as the business entity never having operated or conducted business in a physical, fixed location in the City.

(5) The business must produce 50% or more of gross sales in the form of retail, dining, or entertainment to qualify for the incentive.

(6) To meet the classifications set forth for Retan Dining, or Entertainment, the business must comply with and meet the definitions set forth by the City for the terms above in the City's zoning regulations and District Use Tables.

(Ord. 2024-007. Passed 9-16-24.)

745.17 TAX CUMULATIVE.

The tax, interest and penalty imposed by this article shall be in addition to all other licenses, taxes and other revenue measures levied or collected by the municipality as a

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condition precedent to the right of any person to engage or continue in any business, profession, trade, calling or other activity within this municipality. A person exercising a privilege taxable under this article, subject to the payment of all licenses and charges which are conditions precedent to exercising the privileges taxed, may exercise the privilege in this municipality for the tax year upon the condition that he shall pay the tax, interest and penalty imposed by this article.

(Ord. 2024-007. Passed 9-16-24.)

745.18 ADMINISTRATION GENERALLY.

The administration of this article is vested in and shall be exercised by the treasurer who shall prescribe forms and may promulgate from time to time reasonable rules, publications and instructions for the making of returns, and for ascertaining, assessment, collection and administration of tax, interest and penalty imposed hereunder.

(Ord. 2024-007. Passed 9-16-24.)

745.19 RETURNS; COMPUTATION AND PAYMENT OF TAX.

(a) The tax levied by this article shall be due and payable in semi-annual installments on or before the expiration of one month from the end of each semi-annual period in which they accrue. The taxpayer shall, within one month from the expiration of each semi-annual period, make a return reporting the computation of tax for which it is liable for each semi-annual period; sign and mail the completed return, together with any remittance due, to the location specified by the treasurer. The treasurer may allow return and payment under this section for periods other than semi-annual periods.

(b) On or before thirty-one (31) days after the end of the tax year, each person liable for the payment of tax under this article shall make a second semi-annual return, showing the gross proceeds of sale or gross income of business, trade, calling or activity, computing the amount of tax, interest and penalty chargeable against the person in accordance with the provisions of this article and transmit with the return a remittance in the sum required by this article, covering the remainder of the tax, interest and penalty chargeable against the person for the tax year, to such location or locations specified by the treasurer. Such returns shall be verified by the oath of the taxpayer, if made by an individual, or by the individual designated by a taxpayer that is an entity to take the oath on behalf of the taxpayer.

(c) All remittances and payments of tax, interest and penalty imposed by this article shall be made to the treasurer, in lawful money of the United States or by bank draft, certified check, cashier's check, or other commercially acceptable means specified by the treasurer, to be kept, deposited and accounted for as provided by law.

(d) A person whose gross income for a tax year is less than two thousand five hundred dollars ($2,500.00), as described in § 16(i) of this article, shall not be liable for the tax

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imposed by this article but may shall be required to file a return or declaration indicating that their gross income is below the applicable threshold, in such form as the Treasurer may prescribe. At such time as a person who has claimed exemption under Section obtains in excess of $2,499.99 in any tax year, the applicable tax upon such gross income shall be due as of the due date of the second semi-annual payment. Any such payment shall not have added to the amount due any penalty or interest assessable under this Article for failure to make payment during prior portion of the tax year. The taxpayer shall be entitled to any applicable credits otherwise provided by the Article against the amounts actually paid, but no credit of exemption shall have the effect of reducing the tax liability to less than zero dollars.

(Ord. 2024-007. Passed 9-16-24.)

745.20 TAXPAYER RECORDS.

Each person subject to this article shall maintain sufficient records for review by the treasurer as long as the contents of such records may be material in the administration of tax imposed by this article.

(Ord. 2024-007. Passed 9-16-24.)

745.21 TAX RETURN INFORMATION CONFIDENTIALITY.

(a) Except when required in an investigation or proceeding to ascertain or collect amount of tax, interest, penalty, refund or credit due, or pursuant to an exemption in W. Va. Code§ 11-10-5d, it shall be unlawful for any officer, employee or agent of the municipality to divulge or make known in any manner the tax return, or any part thereof, of any person, or disclose information concerning the personal affairs of any individual or the business of any person, or disclose the amount of income or any particulars set forth or disclosed in any report, declaration or return required to be filed with the treasurer or otherwise obtained by the municipality in an investigation undertaken by the treasurer concerning the tax imposed by this article. Any person protected by the provisions of this article may, in writing, waive the confidentiality provisions of this section for such purpose and such period as he shall therein state. This section shall not be construed to prohibit the publication or release of statistics so classified as to prevent the identification of particular reports and the items thereof. Notwithstanding the foregoing, the treasurer may permit the proper officer, or his authorized representative or agent, of the United States or the State, or any political subdivision of the State, to inspect return information to or may furnish to such officer or representative a copy of any such return or any other tax return information, provided, that such other jurisdiction grants similar privileges to this municipality or if the other jurisdiction is a party of an intergovernmental agreement authorizing the exchange of such information.

(b) Any officer, employee or agent of the municipality or any former officer, employee or agent of the municipality who shall divulge facts or information obtained from returns or

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tax statements other than for the purpose of administering such tax shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine of not more than one thousand dollars ($1,000) or imprisonment for not more than one year, or both, together with costs of prosecution.

(c) Any officer, employee or agent of the municipality or any former officer, employee or agent of the municipality who shall make unauthorized disclosure of information received from the State Tax Commissioner under authority of this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine of not more than one thousand dollars ($1,000) or imprisonment for not more than one year, or both, together with costs of prosecution.

(d) For purposes of this article, "unauthorized disclosure" means the release to any person of any tax information obtained by the municipality from the State Tax Commissioner unless the person receiving the information is the authorized counsel of the municipality and shall be using the information only for the purpose of administering the tax imposed by this article, Sales Tax from single location businesses, or Liquor Sales Tax; or the person who filed the return has authorized, in writing, its release, thereby waiving his right to secrecy.

(Ord. 2024-007. Passed 9-16-24.)

745.22 ERRONEOUS COMPUTATION OF TAX.

If any taxpayer shall make any error in computing the tax, interest and penalty under this article, the treasurer shall correct such error or reassess the proper amount of tax, interest and penalty, and notify the taxpayer of his or her action by mailing the taxpayer promptly a copy of the corrected assessment, and any additional tax, interest and penalty for which such taxpayer may be liable shall be paid within fifteen (15) days after the receipt of such statement. If the amount already paid exceeds that which should have been paid on the basis of the tax so recomputed, the excess so paid shall be immediately refunded to the taxpayer upon the request of the treasurer and shall be payable out of any funds available for the purpose. The taxpayer may, at its election, apply an overpayment as credit upon tax subsequently accruing hereunder.

(Ord. 2024-007. Passed 9-16-24.)

745.23 INVESTIGATIONS.

(a) For the purpose of ascertaining the correctness of a tax return, claim or assessment or for the purpose of making an estimate of any taxpayer's liability for the tax administered under this article, the treasurer shall have the power to examine or cause to be examined any books, papers, records, memoranda and other documents or data bearing upon the matters required to be included in the return and may require the attendance of the person rendering the return or the attendance of any other person having knowledge of relevant

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matters. In connection therewith, the treasurer may take testimony and shall have the power to administer oaths.

(b) The treasurer has the power to issue subpoenas and subpoenas duces tecum to compel the attendance of witnesses and production of documents for the purpose of ascertaining the correctness of a return or claim or for performing an assessment or for any hearing held by the treasurer. In case of the failure or refusal of a witness to appear and testify or to produce evidence, the treasurer may invoke the aid of the circuit court of Jefferson County. Upon proper showing, the treasurer may apply for an order requiring the witness to appear and give testimony and produce evidence concerning the matter in question.

(Ord. 2024-007. Passed 9-16-24.)

745.24 ASSESSMENTS.

(a) If any person who is required by this article to do so shall fail or refuse to make a return, either in whole or part, or if the treasurer believes the tax imposed by this article has been insufficiently returned by any taxpayer, the treasurer may proceed to assess the tax and shall notify the person assessed of the amount of the tax, additional tax, interest and penalties so assessed.

(b) The treasurer may, at any time before the assessment becomes final, amend, in whole or in part, any assessment whenever the treasurer ascertains that such assessment is improper or incomplete in any material respect. The treasurer may, at any time within the period prescribed for assessment, make a supplemental assessment whenever the treasurer ascertains that any assessment is incorrect in any material respect.

(c) The amount of tax, interest and penalties imposed by this article shall be assessed within three (3) years after the date the second semi-annual return for the year in which such tax arose is filed by the taxpayer; provided, that in the case of a false or fraudulent return filed with the intent to evade the tax or in case no return is filed, an assessment may be made at any time.

(Ord. 2024-007. Passed 9-16-24.)

745.25 NOTICE OF ASSESSMENT; PETITION FOR REASSESSMENT.

The treasurer shall give the taxpayer written notice of any assessment made pursuant to this article. Unless the taxpayer to whom the notice of assessment is given shall within thirty (30) days after service thereof file with the treasurer a petition for reassessment, the assessment shall become final and not subject to administrative or judicial review. A petition for reassessment must be in writing verified under oath by the taxpayer or his duly authorized agent having knowledge of the facts, setting forth with particularity the items of the assessment objected to, together with the reasons for the objections. The total amount

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of an assessment shall be due and payable on the day following the date upon which the assessment becomes final.

(Ord. 2024-007. Passed 9-16-24.)

745.26 HEARING PROCEDURE; DECISION; REVIEW.

(a) When a petition for reassessment or a petition for refund or credit is properly filed pursuant to this article within the time prescribed for such filing, the treasurer shall assign a time and a place for a hearing thereon and shall notify the petitioner of such hearing by written notice at least twenty (20) days in advance thereof. Such hearing shall be held within ninety (90) days from the date of filing the petition, unless continued by agreement of the parties or by the treasurer for sufficient cause.

(b) The hearing shall be informal and shall be conducted in an impartial manner by the Finance Committee of the municipality. The burden of proof shall be upon the taxpayer to show that the assessment or denial refund or credit is incorrect and contrary to law, in whole or in part.

(c) After such hearing, the Finance Committee of the municipality shall, within a reasonable time, give notice in writing to the taxpayer of their decision. An appeal may be taken by the taxpayer of the Finance Committee's decision to the council of the municipality.

(d) An appeal may be taken by the taxpayer to the Circuit Court of Jefferson County within thirty (30) days after service of the council's administrative decision issued pursuant to this section. (Ord. 2024-007. Passed 9-16-24.)

745.27 INJUNCTION.

After any delinquency shall have continued sixty (60) days, the treasurer may proceed in the Circuit Court of Jefferson County to obtain an injunction restraining the further exercise of the privilege until full payment shall have been made of all tax, interest and penalty due under this article. In any proceeding under this section, upon judgment or decree for the municipality, the municipality shall be awarded its costs.

(Ord. 2024-007. Passed 9-16-24.)

745.28 UNPAID TAX A LIEN; DELINQUENCY NOTICE FILING AND RELEASE.

Any tax, interest and penalties due and payable under this article shall be a debt due the municipality and shall constitute a lien on the real and personal property of the taxpayer. The treasurer, for the more effective collection of the tax, interest and penalty imposed by

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this article, may file with the Clerk of the Jefferson County Commission a certified notice of lien for delinquent taxes, interest and penalty under this article for recordation. If a lien has been recorded respecting a delinquency, upon full payment of all delinquent tax, interest and penalty, the treasurer shall attest to the fact and amount of payment, and shall forward a certificate of release to the taxpayer. Upon presentment and payment of the recording fee by the taxpayer, the Clerk of the Jefferson County Commission shall record such certificate in the book in which releases are recorded. (Ord. 2024-007. Passed 9-16-24.)

745.29 SUCCESSOR LIABILITY.

The tax, interest and penalty imposed by this article shall be a continuing lien upon the property of any person subject to the provisions hereof who shall sell out its business or stock of goods, or shall quit business, and such person shall be required to make the return provided for in this article within thirty (30) days after the date it sold out its business or stock of goods, or quit business, and its successor in business shall be required to withhold a sufficient amount of the purchase money to cover the amount of such tax, interest and penalty due and unpaid until such time as the former owner shall produce a receipt from the treasurer showing that all tax, interest and penalty has been paid. If the purchaser of a business or stock of goods fails to withhold purchase money as hereby provided, and the tax, interest and penalty shall be due and unpaid after the thirty-day period allowed, the successor shall be personally liable for the payment of the tax, interest and penalty accrued and unpaid on account of the operation of the business by the former owner. (Ord. 2024-007. Passed 9-16-24.)

745.30 REVOCATION, NON-RENEWAL OF LICENSES AND PERMITS.

(a) The treasurer has the authority to revoke, deny and prevent any and all licenses and permits issued by the municipality in the event a licensee or permittee fails or refuses to file any return required hereby or fails or refuses to pay any delinquent tax, interest or penalty due and owing to the municipality.

(b) In the event of such a revocation or denial, the treasurer will provide written notice to the affected person at least five (5) days prior to the contemplated revocation or denial and such notice shall be served by certified mail. The notice shall indicate the time and the place of a revocation/ denial review meeting, the general grounds of said contemplated action, and shall advise the affected person of its rights to appear at said hearing in person and represented by legal counsel, and to be heard orally upon the merits of the person's defense. The treasurer may request legal advice from the City Attorney, and adopt such procedures for its decorum and the dispatch of business at such hearings as the treasurer may regard advisable. The revocation decision of the treasurer will be final.

(c) Each license or permit that has been revoked or denied pursuant to this section may be issued or re-issued upon payment of all delinquent tax, interest or penalty due and

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owing to the municipality and satisfaction of all relevant licensing conditions otherwise imposed by the municipality. (Ord. 2024-007. Passed 9-16-24.)

745.31 SETTLEMENT AGREEMENTS AND COMPROMISES.

The treasurer, with approval of the City Manager, is authorized to enter into an agreement in writing with any person relating to the liability of such person in respect of the tax, interest and penalty imposed by this article for any taxable period. If such a closing agreement is duly made and entered into, such agreement shall be final and conclusive for the periods covered except upon a showing of fraud, malfeasance or misrepresentation of a material fact. The treasurer, with approval of the City Manager, may compromise all or part of any administrative determination or civil case concerning tax, interest and penalty or otherwise arising under the provisions of this article.

(Ord. 2024-007. Passed 9-16-24.)

745.32 ADDITIONAL ADMINISTRATIVE PROVISIONS CONCERNING CONTRACTING.

(a) Without limiting the generality of the administrative and collection powers granted to the treasurer in this article, the treasurer is also empowered to require any person engaging or continuing within the municipality in the business of contracting to furnish a list of the names, addresses and amounts paid by them to any subcontractors employed and suppliers of materials used upon any job or to do any work within the municipality. The treasurer may also require every person engaging or continuing within the municipality in the business of contracting who is a nonresident of the State to pay or guarantee the payment of the amount of the tax imposed by this article for the privilege of engaging in the business of contracting within the municipality, such payment of such tax to be based upon the amount of the building permit issued by the municipality for the work to be performed by such person, as a condition precedent to the issuance of such building permit. In lieu of such prior payment in cash of such tax any such nonresident may guarantee the payment of such privilege tax provided for herein by delivering to the municipality a bond, with good and adequate surety, payable to the municipality, and conditioned to pay such tax on or before the estimated date of the completion of the work to be performed by such person within the municipality.

(b) Any person engaging a contractor or subcontractor within this municipality shall withhold payment in sufficient amount to cover taxes assessed by this article in the final settlement of such contracts until the receipt of a certificate from the treasurer to the effect that all taxes levied and accrued under this article against the contractor have been paid. If any person fails to withhold as provided herein and the contractor or subcontractor fails to timely pay such tax, such person shall be personally liable for the payment of such taxes, and the same shall be recoverable by the treasurer by appropriate legal proceedings.

(Ord. 2024-007. Passed 9-16-24.)

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745.33 CLAIMS FOR REFUND OR CREDIT.

(a) Any taxpayer claiming to have overpaid any tax, interest or penalty imposed by this article shall file its claim with the treasurer within three (3) years after the due date of the return in respect of which the tax was imposed, and not thereafter.

(b) If, as a result of the claim, the treasurer shall be of the opinion that the tax, interest or penalty, or any part thereof, was overpaid, the treasurer shall refund the same to the taxpayer. If the treasurer denies the claim, the taxpayer may within thirty (30) days after notice of denial file with the treasurer a petition for refund or credit, which shall be heard in accordance with Section 745.27 of this article. A taxpayer's failure to abide by express procedures contained in this section precludes taxpayer's right to any refund or credit of tax, interest and penalties paid or collected under this article. (Ord. 2024-007. Passed 9-16-24.)

745.34 INTEREST AND PENALTY; CRIMINAL LIABILITY.

(a) If any person, as required by this article, fails to complete and submit their semi-annual tax return, or submits their tax return after the due date, or submits their tax return but fails to remit in whole the proper amount of tax owed, to the appropriate municipal authorities, then there shall be added to the amount of tax owed and unpaid, from the date such tax should have been paid, a penalty in the amount of twenty-five (25.00%) percent of the tax due for the period of such failure or delinquency. In addition, such tax and penalty shall bear an interest at the rate of twelve percent (12.00%) per annum from the due date of the payment until paid. Whoever engages in any activity contrary to the provisions of this article shall, in addition to paying the tax, penalty, and interest imposed by this article, be subject to a fee of fifty dollars ($50.00) for each month or fraction thereof during in which that person has been in default of filing and/or remitting to the municipality taxes due including penalties and interest. This fee will not exceed $250.00 for any semi-annual tax reporting period. It shall be the duty of the treasurer to collect the full amount of the tax, penalty, interest, and fee(s) imposed. The person(s) responsible for remitting the tax, after all required taxes, penalties, and interest, less the accrued fees, have been paid in full, may for good cause shown, request that the municipality waive the penalty, interest, and fees owed in whole or in part. The municipality may waive the penalty, interest, and fees owed in whole or in part upon the recommendation of the municipality's Finance Committee. The City Manager may grant a fifteen (15) day grace period for delinquent zero return filings. After the grace period has expired the City Manager may waive the fees for returns with zero balances. Repeat waiver requests within a three year period will not be considered.

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(b) Interest and penalties may be collected in the same manner as the tax imposed by this article.

(c) Any person who shall willfully, and with intent to evade, refuse to pay all or any part of the tax imposed by this article shall be guilty of a misdemeanor. If the amount of the unpaid tax shall be less than one thousand dollars ($1,000), such person shall, in addition to such tax, penalties and interest as is owed, be fined not less than one hundred dollars ($100.00) nor more than five hundred dollars ($500.00), and if the amount of the unpaid tax shall be one thousand dollars ($1,000) or more, such person shall, in addition to such tax, penalties and interest as is owed, be fined not less than one hundred dollars ($100.00) nor more than one thousand dollars ($1,000), or imprisoned not more than thirty days, or be both fined and imprisoned as herein provided. Each day or part thereof that any violation continues shall be deemed to constitute a distinct and separate offense and be punishable accordingly.

(d) Whoever knowingly makes a false statement in any tax form or application shall be fined not less than two hundred dollars ($200.00) nor more than one thousand dollars ($1,000). Each false statement, whether made with or without other false statements on any one or more applications shall constitute a separate offense. And, whoever shall knowingly make a false statement in two separate "tax filings", whether or not said applications shall have been filed consecutively, and whether or not said person shall have been previously convicted thereof, shall be fined not less than five hundred dollars ($500.00) nor more than one thousand dollars ($1,000) and imprisoned not more than six months, or both. (Ord. 2024-007. Passed 9-16-24.)

745.35 SEVERABILITY.

If any provision of this article is held unconstitutional or invalid, on its face or as applied, the remaining provisions of this article shall remain in full force and effect; and to this end, the provisions of this article are declared to be severable.

(Ord. 2024-007. Passed 9-16-24.)

745.36 REPEAL OF THE BUSINESS FRANCHISE TAX.

The Business Franchise Tax heretofore enacted by the City of Charles Town in 1970 remains repealed.

(Ord. 2024-007. Passed 9-16-24.)

745.37 EFFECTIVE DATE.

The effective date of this article shall be July, 2010.

(Ord. 2024-007. Passed 9-16-24.)

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Ordinance Committee
101 East Washington Street
Charles Town, WV 25414

SCHEDULED

AGENDA ITEM (ID #)

Meeting: 11/20/25
Department: Ordinance Committee
Category: Referral
Initiator:

2025-1296: Business License Application Packet

This was referred to the Ordinance Committee by Councilmember Hynes at the August 18, 2025, council meeting. He would like the business license fees modified to a flat rate of $15.00.

ATTACHMENTS:

- BUSINESS LICENSE APPLICATION PACKET FY 2024.pdf

Procedures for obtaining a City of Charles Town Business License

All Business Licenses renew annually beginning July 1st expiring June 30th

1) Obtain a City of Charles Town Business License Application. The application can be downloaded from the City's website www.charlestownwv.us, picked up in person or received via email or fax by calling 304-724-3247.

2) You must present a copy of your **West Virginia Business Registration Certificate** with the application. The Business Registration Certificate can be obtained by contacting the West Virginia Department of Tax & Revenue 1-800-982-8297 or by visiting the website www.business4wv.com; for more general information on the West Virginia Business Registration Certificate, please visit https://tax.wv.gov/Business/BusinessRegistration/Pages/BusinessRegistration.aspx.

3) If you are a contractor, you must present a copy of your **West Virginia State Contractors License** with the application. This can be obtained by contacting the West Virginia State Contractors Licensing Board at 304-558-7890 ext. 10473 or by visiting the website https://labor.wv.gov. *If you do not present a copy of your state license, you will be considered a handyman and restricted to doing work totaling $2,500.00 or less per job.*

4) If your business involves selling food, you must present a copy of your **Jefferson County Health Department Inspection Report and Health permit** with the application. This can be obtained by contacting the Jefferson County Health Department at 304-728-8416 or visiting the website www.jchealthdept.org.

5) If your business involves selling alcohol, you must present a copy of your **West Virginia State ABCA License** with your application. This can be obtained by contacting the West Virginia State Alcohol Beverage Control Administration at 304-356-5500 or toll free 1-800-642-8208. Or you can visit the website www.abca.wv.gov.

6) If your business involves child care services (Daycare), you must present a copy of your West Virginia Department of Health & Human Resources permit. This can be obtained by contacting the West Virginia Department of Health and Human Resources at 304-724-2600 or visiting the website http://www.dhhr.wv.gov.

7) Present the application in person with all supporting documentation and payment to City of Charles Town located at 101 E. Washington Street, Charles Town, WV or mail to P.O. Box 14 Charles Town, WV 25414. If this application is for a new business located in Charles Town, you must also file a **ZONING USE PERMIT APPLICATION** with the Planning & Zoning Department. The Business License will not be issued until the Zoning Certificate is issued and provided to the Licensing Department.

8) Any business that obtains a City of Charles Town license, is subject to pay Business & Occupation taxes unless Non-profit or Tax exempt (See City Codified Ordinance).

BUSINESS LICENSE APPLICATION

CITY OF CHARLES TOWN
101 E. WASHINGTON STREET, P.O. BOX 14
CHARLES TOWN, WV 25414

Application is hereby made, by the undersigned, for a Business License under the provision of the Charles Town License Fee Ordinance for the fiscal year **2023-2024**

THIS LICENSE APPLICATION CANNOT BE USED BY ACTIVE BUSINESSES SEEKING A LICENSE RENEWAL.

NAME OF BUSINESS:	
Is this a new business within the city?	Yes ☐ No ☐
If yes, please provide date business started:	_____/_____/_____

If yes, and the physical location of the business is within the limits of the City of Charles Town, our Planning & Zoning Department must approve the Zoning Use Permit before the Business License is issued.

BUSINESS STREET ADDRESS:	
BUSINESS MAILING ADDRESS: (IF DIFFERENT THAN STREET ADDRESS)	
PLEASE NOTE THAT ALL MAILINGS WILL BE SENT TO THIS ADDRESS	
BUSINESS PHONE NUMBER:	
FEDERAL TAX ID:	
EMAIL ADDRESS:	
OWNERS OR OFFICER:	
MAILING ADDRESS:	
PHONE NUMBER:	
FEDERAL TAX ID:	

(A copy of your WV Dept of Health & Human Resources permit MUST accompany this application.)

WV STATE BUSINESS REGISTRATION NUMBER: ☐

(A copy of your WV State Business Registration Certificate MUST accompany this application.)

CONTRACTORS ONLY: WV STATE CONTRACTORS LICENSE NUMBER: ☐

(A signed copy of your WV State Contractors License MUST accompany this application.)

HEALTH PERMIT NUMBER (For Food Service Only): ☐

(A copy of your Health Inspection Report and Health Permit MUST accompany this application.)

WV STATE ABCA LICENSE NUMBER (For Alcohol Sales Only): ☐

(A copy of your WV State ABCA License MUST accompany this application.)

City of Charles Town Business License Fees

BUSINESS OR SERVICE (GENERAL)	$15.00	INSURANCE BROKER	$10.00
LAUNDRY OR CAR WASH	$30.00	INSURER	$50.00
REAL ESTATE AGENT	$10.00	PET SITTING	$5.00
PAWNBROKER	$100.00	PET GROOMING	$5.00
REAL ESTATE BROKER	$25.00	VETERINARIAN	$5.00
RESTAURANT	$10.00	CHIROPRACTOR	$25.00
HOTEL/MOTEL/B&B/BOARDING	$10.00	PHYSICIAN	$25.00
VENDING MACHINES - EACH	$12.50	THERAPIST	$5.00
POOL TABLE	$25.00	DENTIST	$20.00
CONTRACTOR	$15.00	MASSAGE THERAPIST	$5.00
SURVEYOR	$20.00	MEDICAL CORPORATION	$50.00
HANDYMAN LESS THAN $2500 PER JOB	$15.00	NURSING HOME	$500.00
ARCHITECT/ENGINEER	$25.00	HEARING AIDS	$25.00
ATTORNEY	$5.00	PSYCHOLOGIST/COUNSELER	$15.00
BARBER/BEAUTICIAN/MANICURIST	$15.00	DISTRIBUTOR W/O A VEHICLE	$15.00
EMPLOYMENT AGENCY	$25.00	DISTRIBUTOR WITH VEHICLE	$50.00
ACCOUNTANT	$5.00	USED GOODS DEALER	$25.00
AUCTIONEER	$15.00	NEWSPAPER PRIVILEGE FEE	$25.00
STOCKBROKER	$10.00	NEWSPAPER VENDING - EACH	$5.00
VERIFIED NON-PROFIT ORANIZATION	$0.00		

	TYPE		AMOUNT
LICENSE FEE:			$
	SEE RATE SCHEDULE FOR TYPE AND AMOUNT		
ADDITIONAL FEES:			
	RETAIL BEER BUSINESS LICENSE	**$150**	$
	RETAIL WINE BUSINESS LICENSE	**$150**	$
	OFF PREMISES BEER LICENSE	**$75**	$
	LIQUOR BUSINESS LICENSE	**$500**	$
TOTAL FEES SUBMITTED WITH THIS APPLICATION			$

Applicant's Signature _____ Date _____

For Office Use Only: Date Rcvd: _____ All Forms & Payment Present: _____

Planning & Zoning Signature _____ License Admin Initials _____

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City of Charles Town Business and Occupation Tax Rates

Class Code	Business Classifications	Rate Per $100
01	Gross Sales Manufactued Products	0.18
02	Gross Sales Retailers & Others	0.05
03	Gross Sales of Wholesalors	0.05
04	Gross Sales Small Loans, Industrial Loans	0.23
05	Elec Light & Power Co (Domestic & Com)	4.00
06	Elec Light & Power Co (Other Purposes)	3.00
07	Natural Gas Companies	3.00
08	Other Public Service / Utility Business	2.00
09	Gross Sales Contracting Business	2.00
10	Gross Sales Amusement Business	0.14
11	Gross Sales Service Business/Callings	0.23
12	Gross Sales- Rents, Royalties etc.	0.30

Business & Occupation Taxes are due on a semi-annual basis for the following periods: **January 1 - June 30** (*due July 31*) & **July 1 - December 31** (*due January 31)*
The City utilizes a website platform for B&O tax return/annual renewal mailings and processing. Staff will mail or email (depending on the business's selected preference) the semi-annual tax return form up to 30 days before the tax period ends. The taxable income a business is required to report is for sales or services that occur within the city limits of Charles Town. If the physical business location is in the city limits of Charles Town, **ALL** sales and services originating from this location are considered taxable income.
Additionally, even if the taxable income for the period is $0, the business must still file the return with zero reported income to stay in compliance. Staff recommends the return is filed via the online portal to ensure compliance before the due date; however, returns can also be filed by mail with cash or check payment if applicable, or filed in person at the City Hall office. For questions regarding B&O taxes or the online filing portal, please call 304-724-3247 or email BusinessLicense@charlestownwv.us for assistance.