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**CITY OF FIRCREST
ORDINANCE NO. 1743**

**AN ORDINANCE OF THE CITY OF FIRCREST, WASHINGTON,
AMENDING FIRCREST MUNICIPAL CODE (FMC) SECTION 5.04.100
RELATING TO MODEL BUSINESS LICENSE EXEMPTION
THRESHOLDS; PROVIDING FOR SEVERABILITY; AND
ESTABLISHING AN EFFECTIVE DATE**

WHEREAS, pursuant to Chapter 35.90 RCW, the City of Fircrest partners with the Department of Revenue's ("Department") Business Licensing Services to have business licenses issued and renewed through the Department; and

WHEREAS, pursuant to RCW 35.90.080-.090, cities that impose a general business license are required to adopt the mandatory provisions of the model ordinance created by the Association of Washington Cities ("AWC"); and

WHEREAS, AWC has issued changes to the model ordinance, including an increase to the minimum threshold for out-of-town businesses from the current \$2,000 threshold to a \$4,000 threshold, effective January 1, 2026; and

WHEREAS, under the updated model ordinance, the threshold will update automatically every four years based on cumulative inflation; and

WHEREAS, cities must adopt this updated threshold by January 1, 2026, to maintain compliance with state law; and

WHEREAS, the City Council finds that approval of the updated model business license threshold is in the best interest of the City, as it is necessary to ensure continued compliance with state business license requirements;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FIRCREST DO
ORDAIN AS FOLLOWS:**

Section 1. FMC 5.04.100 (Exemptions), Amended. Fircrest Municipal Code Section 5.04.100 (Exemptions) is hereby amended to read as follows:

5.04.100 Exemptions.

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

(d) Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 (or higher threshold as determined by city) and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

1 Beginning January 1, 2026, the threshold amount is \$4,000 (or higher threshold as
2 determined by city). The threshold amount will be adjusted every forty-eight
3 months on January 1, by an amount equal to the increase in the Consumer Price
4 Index ("CPI") for "West Urban, All Urban Consumers" (CPI-U) for each 12-month
5 period ending on June 30 as published by the United States Department of Labor
6 Bureau of Labor Statistics or successor agency. To calculate this adjustment, the
7 current rate will be multiplied by one plus the cumulative four-year (forty-eight-
8 month) CPI increase using each 12-month period ending on June 30 of each prior
9 year, and rounded to the nearest \$100. However, if any of the annual CPI increases
10 are more than five (5) percent, a five (5) percent increase will be used in computing
11 the annual basis, and if any of the annual CPI decreased during the forty-eight-
12 month period, a zero (0) percent increase will be used in computing the annual
13 basis.

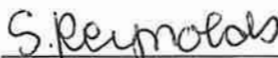
9 **Section 5. Corrections.** The City Clerk and codifiers of the ordinance are authorized to
10 make necessary corrections to this ordinance, including, but not limited to, the correction
11 of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers,
12 and any references thereto.

12 **Section 6. Severability.** If any section, subsection, paragraph, sentence, clause, or phrase
13 of this ordinance is declared unconstitutional or invalid for any reason, such invalidity
14 shall not affect the validity or effectiveness of the remaining portions of this ordinance.

14 **Section 7. Effective Date.** This ordinance shall become effective January 1, 2026,
15 following publication in accordance with state law.

16 **PASSED BY THE CITY COUNCIL OF THE CITY OF FIRCREST,**
17 **WASHINGTON,** at a regular meeting thereof this 26th day of August, 2025.


18 **APPROVED:**

19 
20 _____
Shannon Reynolds, Mayor

21 **ATTEST:**

22 
23 _____
24 Arlette Burkhardt, City Clerk

25 **APPROVED AS TO FORM:**

26 
27 _____
28 Joanna Eide, City Attorney

29 Publication Date:

30 Effective Date: