

HOUSE BILL 459

C2

8lr0684

By: **Delegates Carr, Barkley, Buckel, Davis, Frick, Glenn, Mautz, and West**
Introduced and read first time: January 25, 2018
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation – Trader’s Licenses – License Fees**

3 FOR the purpose of requiring a certain clerk to account for and pay into the General Fund
4 of the State the entire fee received for a trader’s license issued in a certain county or
5 municipal corporation; exempting a visually handicapped applicant who meets
6 certain standards and Blind Industries and Services of Maryland from a certain
7 trader’s license fee; requiring the clerk of a certain county or municipal corporation,
8 before issuing a trader’s license, to verify certain information submitted by an
9 applicant on an application for a trader’s license; authorizing the governing body of
10 a county or municipal corporation to select a uniform license fee for a trader’s license
11 by submitting its selection on a certain form provided by the Comptroller and the
12 State Department of Assessments and Taxation on or before a certain date; providing
13 that a certain selection regarding the basis for assessing a trader’s license fee by the
14 governing body of a county or municipal corporation is irrevocable; establishing the
15 amount of a uniform license fee for certain jurisdictions; making certain conforming
16 changes; and generally relating to license fees for a trader’s license.

17 BY repealing and reenacting, with amendments,
18 Article – Business Regulation
19 Section 17–206, 17–1806 through 17–1808, and 17–1813
20 Annotated Code of Maryland
21 (2015 Replacement Volume and 2017 Supplement)

22 BY repealing and reenacting, without amendments,
23 Article – Business Regulation
24 Section 17–1804(a)
25 Annotated Code of Maryland
26 (2015 Replacement Volume and 2017 Supplement)

27 BY adding to
28 Article – Business Regulation

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 Section 17–1807.1
2 Annotated Code of Maryland
3 (2015 Replacement Volume and 2017 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
5 That the Laws of Maryland read as follows:

6 **Article – Business Regulation**

7 17–206.

8 (a) This section does not apply to:

9 (1) a console machine license, pinball machine license, Wicomico County
10 pinball machine license, or Garrett County amusement device license issued under Subtitle
11 4 of this title;

12 (2) a Calvert County peddler license or magazine seller license issued
13 under Subtitle 9 of this title;

14 (3) a junk dealer or scrap metal processor license, agent license, or Calvert
15 County junk dealer or scrap metal processor license issued under Subtitle 10 of this title;

16 (4) a license to keep a storage warehouse issued under Subtitle 12 of this
17 title;

18 (5) a State juke box license or Harford County juke box license issued under
19 Subtitle 13 of this title;

20 (6) a promoter license issued under Subtitle 14 of this title;

21 (7) a vending machine license issued under Subtitle 19 of this title; or

22 (8) a license to do business as a trading stamp issuer issued under Subtitle
23 20 of this title.

24 (b) Except as provided in [subsection] **SUBSECTIONS (a) AND (C)** of this section
25 or otherwise in this title, each clerk shall account for and distribute the fees received for
26 licenses issued under this title as follows:

27 (1) the clerk shall pay into the General Fund of the State:

28 (i) the percentage of license fees authorized by law as a fee of the
29 office;

30 (ii) the additional issuance fee now allowed; and

1 (iii) 3% of license fees to defray the expenses of the State License
2 Bureau; and

3 (2) except as provided in subsection [(c)] (D) of this section, the clerk shall
4 distribute the remaining license fees:

5 (i) to the municipal corporation where the licensed business or
6 activity is located, if the licensed business or activity is located in a municipal corporation;
7 or

8 (ii) to the county where the licensed business or activity is located, if
9 the licensed business or activity is not located in a municipal corporation.

10 (C) A CLERK SHALL ACCOUNT FOR AND PAY INTO THE GENERAL FUND OF
11 THE STATE THE ENTIRE FEE RECEIVED FOR A TRADER'S LICENSE ISSUED IN A
12 COUNTY OR MUNICIPAL CORPORATION THAT SELECTS A UNIFORM LICENSE FEE
13 UNDER § 17-1807.1 OF THIS TITLE.

14 [(c)] (D) (1) For purposes of this subsection, per capita revenue shall be
15 computed by using the population figures from the later of:

16 (i) the most recent federal census; or

17 (ii) an official local census.

18 (2) The clerk may not distribute license fees to a county or municipal
19 corporation unless the county or municipal corporation:

20 (i) levies, in its current fiscal year, taxes sufficient to collect at least
21 \$1.00 per capita in revenue; and

22 (ii) certifies to the Comptroller a copy of the levy.

23 (3) The clerk shall pay into the General Fund of the State any money that
24 is not distributed at the end of the fiscal year of a county or municipal corporation because
25 the county or municipal corporation failed to make the levy and certification required by
26 paragraph (2) of this subsection.

27 17-1804.

28 (a) Except as otherwise provided in this subtitle, a person must have a trader's
29 license whenever the person:

30 (1) does business as a trader in the State; or

31 (2) does business as an exhibitor in the State.

1 17-1806.

2 (a) An applicant for a trader's license shall state in the application the place
3 where the applicant will do business as a trader.

4 (b) (1) [This subsection does not apply if the average value of the applicant's
5 stock in trade exceeds \$10,000.

6 (2) An applicant for a trader's license may apply under this subsection if
7 the applicant has a defect in vision such that:

8 (i) visual acuity in the applicant's better eye does not exceed 20/140
9 with correcting lenses; or

10 (ii) the widest diameter of the applicant's visual field subtends an
11 angle not exceeding 20 degrees.

12 [(3)] (2) An applicant for a trader's license under this subsection shall
13 submit to the clerk:

14 (i) a signed certificate, from a licensed physician who specializes in
15 treatment of the eye, that the applicant's vision meets the standard of paragraph [(2)] (1)
16 of this subsection; and

17 (ii) an affidavit that the applicant is the owner of the place of
18 business listed in the application.

19 [(4)] (3) Blind Industries also may apply for a trader's license under this
20 subsection for a business that it operates, if Blind Industries submits to the clerk an
21 affidavit that:

22 (i) Blind Industries operates the business listed in the application;
23 and

24 (ii) the manager of the business has vision that meets the standard
25 of paragraph [(2)] (1) of this subsection.

26 17-1807.

27 (a) (1) In Baltimore County, the clerk may not issue a trader's license for the
28 first time without the approval of the zoning commissioner.

29 [(b)] (2) In an area of Cecil County where the Cecil County Office of Planning
30 and Zoning has jurisdiction, the clerk may not issue a trader's license for the first time until
31 the applicant has obtained zoning approval from that office.

1 ~~[(c) (1)] (3) (I)~~ In Howard County, the clerk may not issue a trader's
2 license for the first time without the approval of the Director of the Office of Planning and
3 Zoning.

4 ~~[(2)] (II)~~ Within 3 working days after an application for a trader's license
5 is submitted for review to the Director of the Office of Planning and Zoning, the Director
6 shall notify the clerk of the approval or disapproval of the application.

7 **(B) (1) THIS SUBSECTION DOES NOT APPLY TO A COUNTY OR MUNICIPAL**
8 **CORPORATION THAT SELECTS A UNIFORM LICENSE FEE UNDER § 17-1807.1 OF THIS**
9 **SUBTITLE.**

10 **(2) A CLERK MAY NOT ISSUE A TRADER'S LICENSE UNTIL THE CLERK**
11 **VERIFIES THE ACCURACY OF THE STATEMENT MADE BY THE APPLICANT ON THE**
12 **APPLICATION FOR A TRADER'S LICENSE UNDER § 17-1806 OF THIS SUBTITLE**
13 **REGARDING THE PLACE WHERE THE APPLICANT WILL DO BUSINESS AS A TRADER.**

14 **17-1807.1.**

15 **(A) ON OR BEFORE OCTOBER 1 EACH YEAR, THE GOVERNING BODY OF A**
16 **COUNTY OR MUNICIPAL CORPORATION MAY SELECT A UNIFORM LICENSE FEE FOR A**
17 **TRADER'S LICENSE UNDER § 17-1808(B) OF THIS SUBTITLE BY SUBMITTING ITS**
18 **SELECTION ON A FORM PROVIDED BY THE COMPTROLLER AND THE STATE**
19 **DEPARTMENT OF ASSESSMENTS AND TAXATION.**

20 **(B) A SELECTION BY THE GOVERNING BODY OF A COUNTY OR MUNICIPAL**
21 **CORPORATION UNDER THIS SECTION IS IRREVOCABLE.**

22 **17-1808.**

23 (a) (1) Except as otherwise provided in this section, an applicant for a trader's
24 license shall pay to the clerk a license fee [based on the value of the applicant's
25 stock-in-trade].

26 **(2) IF THE APPLICANT'S BUSINESS IS LOCATED IN A COUNTY OR**
27 **MUNICIPAL CORPORATION THAT SELECTS A UNIFORM LICENSE FEE UNDER §**
28 **17-1807.1 OF THIS SUBTITLE, THE APPLICANT SHALL PAY THE LICENSE FEE SET**
29 **FORTH IN SUBSECTION (B) OF THIS SECTION.**

30 **(3) IF THE APPLICANT'S BUSINESS IS LOCATED IN A COUNTY OR**
31 **MUNICIPAL CORPORATION WITH A LICENSE FEE BASED ON THE VALUE OF THE**
32 **APPLICANT'S STOCK-IN-TRADE, THE APPLICANT SHALL PAY THE LICENSE FEE**
33 **UNDER SUBSECTION (C) OF THIS SECTION.**

1 **(B) (1) THIS SUBSECTION APPLIES ONLY TO A COUNTY OR MUNICIPAL**
2 **CORPORATION THAT SELECTS A UNIFORM LICENSE FEE FOR A TRADER'S LICENSE**
3 **UNDER § 17-1807.1 OF THIS SUBTITLE.**

4 **(2) IN A COUNTY OTHER THAN BALTIMORE CITY OR BALTIMORE**
5 **COUNTY, THE LICENSE FEE IS \$15.**

6 **(3) IN BALTIMORE CITY OR BALTIMORE COUNTY, THE LICENSE FEE**
7 **IS \$20.**

8 **(C) (1) THIS SUBSECTION APPLIES ONLY TO A COUNTY OR MUNICIPAL**
9 **CORPORATION WITH A LICENSE FEE BASED ON THE VALUE OF THE APPLICANT'S**
10 **STOCK-IN-TRADE.**

11 (2) In a county other than Baltimore City or Baltimore County, the license
12 fee is:

13 (i) \$15, if the value of the applicant's stock-in-trade is not more
14 than \$1,000;

15 (ii) \$18, if the value is more than \$1,000 but not more than \$1,500;

16 (iii) \$20, if the value is more than \$1,500 but not more than \$2,500;

17 (iv) \$25, if the value is more than \$2,500 but not more than \$4,000;

18 (v) \$30, if the value is more than \$4,000 but not more than \$6,000;

19 (vi) \$40, if the value is more than \$6,000 but not more than \$8,000;

20 (vii) \$50, if the value is more than \$8,000 but not more than \$10,000;

21 (viii) \$65, if the value is more than \$10,000 but not more than \$15,000;

22 (ix) \$80, if the value is more than \$15,000 but not more than \$20,000;

23 (x) \$100, if the value is more than \$20,000 but not more than
24 \$30,000;

25 (xi) \$125, if the value is more than \$30,000 but not more than
26 \$40,000;

27 (xii) \$150, if the value is more than \$40,000 but not more than
28 \$50,000;

- 1 (xiii) \$200, if the value is more than \$50,000 but not more than
2 \$75,000;
- 3 (xiv) \$250, if the value is more than \$75,000 but not more than
4 \$100,000;
- 5 (xv) \$300, if the value is more than \$100,000 but not more than
6 \$150,000;
- 7 (xvi) \$350, if the value is more than \$150,000 but not more than
8 \$200,000;
- 9 (xvii) \$400, if the value is more than \$200,000 but not more than
10 \$300,000;
- 11 (xviii) \$500, if the value is more than \$300,000 but not more than
12 \$400,000;
- 13 (xix) \$600, if the value is more than \$400,000 but not more than
14 \$500,000;
- 15 (xx) \$750, if the value is more than \$500,000 but not more than
16 \$750,000; or
- 17 (xxi) \$800, if the value is more than \$750,000.
- 18 (3) In Baltimore City, the license fee is:
- 19 (i) \$20, if the value of the applicant's stock-in-trade is not more
20 than \$1,000;
- 21 (ii) \$40, if the value is more than \$1,000 but not more than \$5,000;
- 22 (iii) \$80, if the value is more than \$5,000 but not more than \$10,000;
- 23 (iv) \$160, if the value is more than \$10,000 but not more than
24 \$50,000;
- 25 (v) \$375, if the value is more than \$50,000 but not more than
26 \$100,000;
- 27 (vi) \$1,000, if the value is more than \$100,000 but not more than
28 \$300,000;
- 29 (vii) \$1,500, if the value is more than \$300,000 but not more than
30 \$750,000; or

1 (viii) \$2,125, if the value is more than \$750,000.

2 (4) In Baltimore County, the license fee is:

3 (i) \$20, if the value of the applicant's stock-in-trade is not more
4 than \$1,000;

5 (ii) \$40, if the value is more than \$1,000 but not more than \$5,000;

6 (iii) \$80, if the value is more than \$5,000 but not more than \$10,000;

7 (iv) \$160, if the value is more than \$10,000 but not more than
8 \$50,000;

9 (v) \$375, if the value is more than \$50,000 but not more than
10 \$100,000;

11 (vi) \$450, if the value is more than \$100,000 but not more than
12 \$200,000;

13 (vii) \$500, if the value is more than \$200,000 but not more than
14 \$300,000;

15 (viii) \$775, if the value is more than \$300,000 but not more than
16 \$400,000;

17 (ix) \$1,000, if the value is more than \$400,000 but not more than
18 \$500,000;

19 (x) \$1,250, if the value is more than \$500,000 but not more than
20 \$750,000; and

21 (xi) \$1,600, if the value is more than \$750,000.

22 **[(b)] (D)** (1) This subsection does not apply to a domestic corporation that has
23 shares subject to taxation under State law.

24 (2) In determining the value of an applicant's stock-in-trade, the clerk
25 shall accept as prima facie evidence the values shown on the certification of the State
26 Department of Assessments and Taxation required by § 17-302 of this title.

27 **[(c)] (E)** [Notwithstanding the provisions of this section, if the average value of
28 the applicant's stock-in-trade is \$10,000 or less,] **A LICENSE FEE SHALL BE WAIVED**
29 **FOR:**

30 **(1)** a visually handicapped applicant who meets the standards of [§

1 17–1806(b)(2)] **§ 17–1806(B)(1)** of this subtitle [or Blind Industries shall pay to the clerk
2 a license fee of only \$6]; AND

3 **(2) BLIND INDUSTRIES.**

4 17–1813.

5 (a) Except as provided in subsection (b) of this section, a trader may transfer the
6 trader’s license to a person who:

7 (1) buys the stock–in–trade of the trader; and

8 (2) buys or rents the place of business of the trader.

9 (b) (1) A trader’s license issued to a visually handicapped individual or Blind
10 Industries is not transferable.

11 (2) However, Blind Industries may change the manager of the place of
12 business for which a trader’s license was issued if the new manager has vision that meets
13 the standard of [§ 17–1806(b)(2)] **§ 17–1806(B)(1)** of this subtitle.

14 (c) Whenever a trader sells the trader’s stock–in–trade and transfers the trader’s
15 license:

16 (1) the transfer of the trader’s license shall be reported to the clerk who
17 issued the license; and

18 (2) the clerk shall:

19 (i) record the transfer of the trader’s license; and

20 (ii) charge 50 cents for doing so.

21 (d) (1) In Baltimore County, the clerk may not issue a transferred trader’s
22 license without the approval of the zoning commissioner.

23 (2) (i) In Howard County, the clerk may not issue a transferred trader’s
24 license without the approval of the Director of the Office of Planning and Zoning.

25 (ii) Within 3 working days after an application for issuance of a
26 transferred trader’s license is submitted for review by the Director of the Office of Planning
27 and Zoning, the Director shall notify the clerk of the approval or disapproval of the
28 application.

29 (e) A person who buys a trader’s license may do business as a trader for the rest
30 of the term of the trader’s license.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2018.