

**CITY OF INMAN
BUSINESS LICENSE ORDINANCE**

Sec. 1. License Required.

Every person engaged or intending to engage in any calling, business, occupation or profession listed in the rate classification index portion of this ordinance, in whole or in part, within the limits of the City of Inman, South Carolina, is required to pay an annual license fee and obtain a business license as herein provided.

Sec. 2. Definitions.

The following words, terms and phrases, when used in this ordinance, shall have the meaning ascribed herein:

Business means a calling, occupation, profession, or activity engaged in with the object of gain, benefit or advantage, either directly or indirectly.

Charitable Purpose means benevolent, philanthropic, patriotic, or eleemosynary purpose which does not result in personal gain to a sponsor, organizer, officer, director, trustee or person with ultimate control of the organization. A charitable organization shall be deemed a business subject to a license tax unless the entire net proceeds of its operation, after necessary expenses, are devoted to charitable purposes. Compensation in any form to a sponsor, organizer, officer, director, trustee or person with ultimate control of the organization shall not be deemed a necessary expense of operation.

Classification means that division of businesses by major groups subject to the same license rate as determined by a calculated index of ability to pay based on national averages, benefits, equalization of tax burden, relationships of services, or other basis deemed appropriate by Municipality Council.

Gross Income means the total revenue of a business, received or accrued, for one calendar year collected or to be collected from business done within the City, excepting therefrom income from business done wholly outside of the City on which a license tax is paid to some other City or a county and fully reported to the City. Gross income for brokers or agents means gross commissions received or retained, unless otherwise specified. Gross income for insurance companies means gross premiums collected. Gross income for business license tax purposes shall not include taxes collected for a governmental entity, escrow funds, or funds which are the property of a third party. The value of bartered goods or trade-in merchandise shall be included in gross income. The gross income for business license purposes may be verified by inspection of returns and reports filed with the Internal Revenue Service, the South Carolina Department of Revenue, the South Carolina Insurance Commission, or other government agency.

License Inspector means a person designated to administer this ordinance.

Municipality means the City of Inman.

Person means any individual, firm, partnership, LLP, LLC, cooperative non-profit membership, corporation, joint venture, association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a business in the absence of the principals.

Sec. 3. Purpose and Duration.

The business license levied by this ordinance is for the purpose of providing such regulation as may be required by the businesses subject thereto and for the purpose of raising revenue for the general fund through a privilege tax. **The business license period shall begin on July 1st of each year and end on the following June 30th.** The provisions of this ordinance and the rates herein shall remain in effect from year to year as amended by Council.

Sec. 4. License Fee.

- a. The required license fee shall be paid for each business subject hereto according to the applicable rate classification on or before the 1st day of July in each year in order to avoid the penalty as described herein, except for those businesses in Rate Class 8 for which a different due date is specified.
- b. A separate license shall be required for each place of business and for each classification or business conducted at one place. If gross income cannot be separated for classifications at one location, the license fee shall be computed on the combined gross income for the classification requiring the highest rate. A license fee based on gross income shall be computed on the gross income for the preceding calendar or fiscal year, and on a twelve-month projected income based on the monthly average for a business in operation for less than one year. The fee for a new business shall be computed on the estimated probable gross income stated in the license application for the balance of the license year. The initial fee for an annexed business shall be prorated for the number of months remaining in the license year. No refund shall be made for a business which is discontinued.

Sec. 5. Registration Required.

- a. The owner, agent or legal representative of every business subject to this ordinance, whether listed in the classification index or not, shall register the business and make application for a business license on or before the due date of each year, except that a new business shall be required to have a business license prior to operation within the Municipality.
- b. Application shall be on a form provided by the License Inspector which shall contain the Social Security Number and/or the Federal Employer's Identification Number, the business name as reported on the South Carolina income tax return, and all information about the applicant and the business deemed appropriate to carry out the purpose of this ordinance by the License Inspector. Applicants may be required to submit copies of portions of state and federal income tax returns reflecting gross income figures.

- c. The applicant shall certify under oath that the information given in the application is true, that the gross income is accurately reported, or estimated for a new business, without any unauthorized deductions, and that all assessments and personal property taxes on business property due and payable to the Municipality have been paid.
- d. Insurance agents and brokers shall report the name of each insurance company for which a policy was issued and the total premiums collected for each company for each type of insurance coverage on a form approved by the License Inspector. An insurance agent not employed by a company shall be licensed as a broker.

Sec. 6. Deductions, Exemptions, and Charitable Organizations.

- a. No deductions from gross income shall be made except income from business done wholly outside of the Municipality on which a license tax is paid to some other municipality or a county, taxes collected for a governmental entity, or income which cannot be taxed pursuant to State or federal law. The applicant shall have the burden to establish the right to deduction by satisfactory records and proof.
- b. No person shall be exempt from the requirements of the ordinance by reason of the lack of an established place of business within the Municipality, unless exempted by State or federal law. The License Inspector shall determine the appropriate classification for each business in accordance with the latest issue of the North American Industry Classification System (NAICS) for the United States published by the Office of Management and Budget. No person shall be exempt from this ordinance by reason of the payment of any other tax, unless exempted by State law, and no person shall be relieved of the liability for the payment of any other tax by reason of the application of this ordinance.
- c. Charitable organizations which have exemptions from state and federal income taxes shall be exempt from a business license tax only in cases where the sponsors, organizers, directors, trustees, or persons who exercise ultimate control of the organization receive no part of the proceeds of operation, and all proceeds are devoted to charitable purposes as defined by this ordinance. Payment of necessary costs of operation and wages to non-management employees will not disqualify a charitable organization from exemption.

Sec. 7. False Application Unlawful.

It shall be unlawful for any person subject to the provisions of this ordinance to make a false application for a business license, or to give or file, or direct the giving or filing of any false information with respect to the license or fee required by this ordinance.

Sec. 8. Display and Transfer.

- a. All persons shall display the license issued to them on the original form provided by the

License Inspector in a conspicuous place in the business establishment at the address shown on the license. A transient or non-resident shall carry the license upon his person or in a vehicle used in the business readily available for inspection by any authorized agent of the Municipality.

- b. A change of address must be reported to the License Inspector within ten (10) days after removal of the business to a new location and the license will be valid at the new address upon written notification of the License Inspector and compliance with zoning and building codes. Failure to obtain the approval of the License Inspector for a change of address shall invalidate the license and subject the licensee to prosecution for doing business without a license. A business license shall not be transferable and a transfer of controlling interest shall be considered a termination of the old business and the establishment of a new business requiring a new business license, based on old business income.

Sec. 9. Administration of Ordinance.

The License Inspector shall administer the provisions of this ordinance, collect license fees, issue licenses, make or initiate investigations and audits to insure compliance, initiate denial or revocation procedures, report violations to the municipal attorney and assist in prosecution of violators, produce forms, make reasonable regulations relating to the administration of this ordinance, and perform such other duties as may be duly assigned.

Sec. 10. Inspection and Audits.

- a. For the purpose of enforcing the provisions of this ordinance the License Inspector or other authorized agent of the Municipality is empowered to enter upon the premises of any person subject to this ordinance to make inspections, examine and audit books and records, and it shall be unlawful for any such person to fail or refuse to make available the necessary books and records. In the event an audit or inspection reveals that false information has been filed by the licensee, the costs of the audit shall be added to the correct license fee and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper amount of license fee shall constitute a separate offense.
- b. The License Inspector shall make systematic inspections and random audits of all businesses within the Municipality to insure compliance with the ordinance. Records of inspection and audits shall not be deemed public records, and the License Inspector shall not release the amount of license taxes paid or the reported gross income of any person by name without written permission of the licensee, provided that statistics compiled by classifications may be made public.

Sec. 11. Assessments, Payment under Protest, Appeal.

- a. When a person fails to obtain a business license or to furnish the information required by this ordinance or the License Inspector, the License Inspector shall proceed to

examine such records of the business or any other available records as may be appropriate and to conduct such investigations and statistical surveys as the License Inspector may deem appropriate to assess a license tax and penalties as provided herein.

- b. A notice of assessment shall be served by certified mail. An application for adjustment of the assessment may be made to the License Inspector within five (5) days after the notice is mailed or the assessment will become final. The License Inspector shall establish by regulation the procedure for hearing an application for adjustment of assessment and issuing a notice of final assessment.
- c. A final assessment may be appealed to the municipal Council only by payment in full of the assessment under protest within five (5) days and the filing of written notice of appeal within ten (10) days after payment pursuant to the provisions of this ordinance relating to appeals to Council.

Sec. 12. Delinquent License Fees, Partial Payment.

- a. For non-payment of all or any part of the correct license fee, the License Inspector shall levy and collect a late penalty of five (5%) percent of the unpaid fee for each month or portion thereof after the due date until paid. Penalties shall not be waived. If any license fee shall remain unpaid for sixty (60) days after its due date, the License Inspector shall make a report to the municipal attorney for appropriate legal action.
- b. Partial payment may be accepted by the License Inspector to toll imposition of penalties on the portion paid; *provided*, however, no business license shall be issued or renewed until the full amount of the tax due, with penalties, has been paid.

Sec. 13. Notices.

The License Inspector may, but shall not be required to, mail written notices that license fees are due, but if notices are not mailed there shall be published a notice of the due date in a newspaper of general circulation within the municipality three (3) times prior to the due date in each year. Failure to receive notice shall not constitute a defense to prosecution for failure to pay the tax due or grounds for waiver of penalties.

Sec. 14. Denial of License.

The License Inspector shall deny a license to an applicant when the application is incomplete, contains a misrepresentation, false or misleading statement, evasion or suppression of a material fact, or when the activity for which a license is sought is unlawful or constitutes a public nuisance *per se*. A decision of the License Inspector shall be subject to appeal to Council as herein provided. Denial shall be written with reasons stated.

Sec. 15. Suspension or Revocation of License.

When the License Inspector determines that:

- A. A license has been mistakenly or improperly issued or issued contrary to law; **or**
- B. A licensee has breached any condition upon which the license was issued or has failed to comply with the provision of this ordinance; **or**
- C. A licensee has obtained a license through a fraud, misrepresentation, a false or misleading statement, evasion or suppression of a material fact in the license application; **or**
- D. A licensee has been convicted of an offense under a law or ordinance regulating business, a crime involving moral turpitude, or an unlawful sale of merchandise or prohibited goods; **or**
- E. A licensee has engaged in an unlawful activity or nuisance related to the business;

the License Inspector shall give written notice to the licensee or the person in control of the business within the municipality by personal service or certified mail that the license is suspended pending a hearing before Council for the purpose of determining whether the license should be revoked. The notice shall state the time and place at which the hearing is to be held, which shall be at a regular or special Council meeting within thirty (30) days from the date of service of the notice, unless continued by agreement. The notice shall contain a brief statement of the reasons for suspension and proposed revocation and a copy of the applicable provisions of this ordinance.

Sec. 16. Appeals to Council.

- a. Any person aggrieved by a decision, final assessment, revocation, suspension, or a denial of a business license by the License Inspector may appeal the decision to the municipal Council by written request stating the reasons therefor, filed with the License Inspector within ten (10) days after the payment of the assessment under protest or notice of denial is received. Payment under protest shall be a condition precedent to appeal.
- b. An appeal or a hearing on revocation shall be held by the municipal Council within thirty (30) days after receipt of a request for appeal or service of notice of suspension at a regular or special meeting of which the applicant or licensee has been given written notice, unless continued by agreement. At the hearing all parties shall have the right to be represented by counsel, to present testimony and evidence and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The rules of evidence and procedure prescribed by Council shall govern the hearing. Council shall by majority vote of members present render a written decision based on findings of fact and application of the standards herein which shall be served upon all parties or their representatives and shall be final unless appealed to a court of competent jurisdiction within ten (10) days after service.
- c. No person shall be subject to prosecution for doing business without a license until the expiration of ten (10) days after notice of denial or revocation which is not appealed or until after final judgment of a circuit court upholding denial or revocation.

Sec. 17. Permission to use streets required.

It shall be unlawful for any person to construct, install, maintain or operate in, on, above or under any street or public place under control of the municipality any line, pipe, cable, pole, structure or facility for utilities, communications, cablevision or other purposes without a consent agreement or franchise agreement issued by the municipal council by ordinance which prescribes the term, fees and conditions for use.

Sec. 18. Consent, franchise or business license fee required.

The annual fee for use of streets or public places authorized by a consent agreement or franchise agreement shall be set by the ordinance approving the agreement and shall be consistent with limits set by State law. Existing franchise agreements shall continue in effect until expiration dates in the agreements. Franchise and consent fees shall not be in lieu of or be credited against business license fees unless specifically provided by the franchise or consent agreement.

Sec. 19. Confidentiality.

Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for any official or employee to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any report or return required under this ordinance. Nothing in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns.

Sec. 20. Violations.

Any person violating any provision of this ordinance shall be deemed guilty of an offense and shall be subject to a fine of up to \$500.00 or imprisonment for not more than thirty (30) days or both, upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent taxes, penalties and costs provided for herein.

Sec. 21. Separability.

A determination that any portion of this ordinance is invalid or unenforceable shall not affect the remaining portions.

Sec. 22. Classification and Rates.

- a. The sectors of businesses included in each Rate Class are listed with the United States North American Industry Classification System (NAICS) codes. The alphabetical index

in this ordinance is a tool for classification, not a limitation on businesses subject to a license tax. The License Inspector shall determine the proper class for a business according to the applicable NAICS manual, whether or not the business is listed in the alphabetical index. A business class which is not listed in the rate class or numerical indexes is not subject to a license tax. Standard Industrial Classification (SIC) codes included in the index are for administrative use in converting to NAICS codes.

- b. The license fee for each Class of businesses subject to this ordinance shall be computed in accordance with the following rates.

RATES

| RATE CLASS | INCOME: 0 - \$2000 MINIMUM FEE | ALL OVER \$2000 Rate per Thousand or fraction thereof |
|-------------------|---|--|
| 1 | \$30.00 | .60 |
| 2 | \$35.00 | .70 |
| 3 | \$40.00 | .80 |
| 4 | \$45.00 | .90 |
| 5 | \$50.00 | 1.00 |
| 6 | \$55.00 | 1.10 |
| 7 | \$60.00 | 1.20 |
| 8 | See individual business in Class 8 | |

NON-RESIDENT RATES

Unless otherwise specifically provided, all minimum fees and rates shall be doubled for non-residents and itinerants having no fixed principal place of business within the municipality.

DECLINING RATES

Declining Rates apply in all Classes for gross income in excess of \$1,000,000

| Gross Income in \$ Millions | Percent of Class Rate for each additional \$1,000 |
|--|--|
| 0 - 1 | 100% |
| 1 - 2 | 90% |
| 2 - 3 | 80% |
| Over 3 | 70% |

CLASS 8 RATES

Each NAICS Number designates a separate sub-classification. The businesses in this section are treated as separate and individual subclasses due to provisions of State law, regulatory requirements, service burdens, tax equalization considerations, etc., which are deemed to be sufficient to require individually determined rates. Non-resident rates do not apply except where indicated.

[NAICS 23] - Contractors, Construction, All Types

- A. Having permanent place of business within the municipality
 - Minimum on first \$2,000.....**\$45.00** PLUS
 - Per \$1,000, or fraction over \$2,000 from all work.....**\$0.90**

- B. Non-resident (no permanent place of business in the municipality)
 - Minimum on first \$2,000.....**\$90.00** PLUS
 - Per \$1,000, or fraction, over \$2,000).....**\$1.80**

A trailer at the construction site, or structure in which the contractor temporarily resides is not a permanent place of business under this ordinance.

The total fee for the full amount of the contract shall be paid prior to commencement of work and shall entitle contractor to complete the job without regard to the normal license expiration date. An amended report shall be filed for each new job and the appropriate additional license fee per \$1,000 of the contract amount shall be paid prior to commencement of new work. Only one base fee shall be paid in a calendar year.

No contractor shall be issued a business license until all state and municipal qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job, and no deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building Code have been filed and approved. Zoning permits must be obtained when required by the Zoning Ordinance.

Each prime contractor shall file with the License Inspector a list of sub-contractors furnishing labor or materials for each project.

[NAICS 513] - Telephone Companies:

- a. Notwithstanding any other provisions of the Business License Ordinance, business license taxes for retail telecommunications service as defined in S. C. Code §58-9-2200, including

but not limited to those services described in Standard Industrial Classification (SIC) 481 and North American Industry Classification System (NAICS) 5133, shall pay an annual business license fee based on gross income.

- b. Pursuant to S. C. Code § 58-9-2220, the following business license tax schedule shall apply to the gross income from retail telecommunications services for the preceding calendar or fiscal year which either originate or terminate in the municipality and which are charged to a service address within the municipality regardless of where these amounts are billed or paid and on which a business license tax has not been paid to another municipality. The measurement of the amounts derived from the retail of mobile telecommunications services shall include only revenues from the fixed monthly recurring charge of customers whose service address is within the boundaries of the municipality.

Rate for license taxes due in the years 1999 through 2003: three tenths of one percent (0.3 %) of gross income for the preceding year;

Rate for license taxes due in the year 2004 and each year thereafter: seventy-five hundredths of one percent (0.75 %) of gross income for the preceding year.

For a business in operation for less than one year, the amount of business license tax authorized by this section shall be computed on a twelve-month projected income.

- c. The rate for business licenses for retail telecommunications service for 1999 shall be 0.3% of 1998 gross income, due on October 1, 1999, and payable by January 31, 2000, without penalty.
- d. The telecommunications business license tax shall be due on January 1 in each year, beginning in the year 2000. Declining rates shall not apply. Taxes are payable without penalty by January 31 following the due date. After January 31, the delinquent penalty shall be five percent (5 %) of the tax due for each month, or portion thereof, after the due date until paid.
- e. Exemptions for income from business in interstate commerce are not permitted. Properly apportioned gross income from interstate commerce shall be included in the gross income for every business subject to a business license tax.
- f. Nothing in this ordinance shall be interpreted to interfere with a franchise agreement or contractual agreement entered into with a telecommunications provider prior to December 31, 1997.
- g. Fees imposed by a franchise or contractual agreement with a telecommunications provider entered into prior to December 31, 1997, which expires prior to December 31, 2003 shall continue in effect until December 31, 2003.
- h. All fees collected under such franchise agreement or contractual agreement shall be in lieu of fees or taxes which might otherwise be authorized by this ordinance.
- i. A business license tax ordinance, adopted prior to December 31, 1997, which levied a business license tax paid by a telecommunications company higher than that levied under

this ordinance, shall remain in effect through December 31, 2003.

- j. As authorized by S. C. Code § 5-7-300, the Agreement with the Municipal Association of South Carolina for collection of current and delinquent license taxes from telecommunications companies pursuant to S. C. Code § 58-9-2200 in the form attached hereto is approved, and the Mayor is authorized to execute it.

[NAICS 513220]- **Television**, Cable or Pay,
Services using public streets.....Consent or Franchise
Cable television services not using public streets:
Minimum on first \$2,000.....**\$50.00** PLUS
Per \$1,000, or fraction, over \$2,000.....**\$1.00**

[NAICS 221122] - **Electric Power Distribution**Consent or Franchise

[NAICS 221210] - **Natural Gas Distribution**Consent or Franchise

[NAICS 421930] - **Junk or Scrap Dealers** [Non-resident rates apply]
Minimum on first \$2,000.....**\$75.00** PLUS
Per \$1,000, or fraction, over \$2,000.....**\$1.50**

[NAICS 441110] – **Motor Vehicle Dealers (New And Used), Boats, Aircraft, Farm Machinery**
(Used Declining Rates when applicable)
Minimum on first \$2,000.....**\$50.00** PLUS
Per \$1,000, or fraction, over \$2,000.....**\$1.00**

[NAICS 441120] – **Motor Vehicle Dealers – (Used only), Boats, Aircraft, Farm Machinery**
(Use Declining Rates when applicable)
Minimum on first \$2,000.....**\$35.00** PLUS
Per \$1,000, or fraction, over \$2,000.....**\$.70**

One sales lot not more than 400 feet from the main showroom may be operated under this license provided that proceeds from sales at the lot are included in gross receipts at the main office when both are operated under the same name and ownership.

Gross receipts for this classification shall include full sales price without deduction for trade-ins. Dealer transfers shall not be included in gross receipts.

[NAICS 722410] - **Drinking Places, bars, lounges, cabarets** -(Alcoholic beverages consumed on premises)
Minimum on first \$2,000.....**\$75.00** PLUS

Per \$1,000, or fraction, over \$2,000.....**\$1.50**

[NAICS 522298] - Pawn Brokers - All Types

Minimum on first \$2,000.....**\$75.00** PLUS

Per \$1,000, or fraction, over \$2,000.....**\$1.50**

[NAICS 454390] - Peddlers, Solicitors, Canvassers, Door-To-Door Sales, direct retail sales of merchandise. [Non-resident rates apply]

A. Regular activities [more than two sale periods of more than three days each per year]

Minimum on first \$2,000.....**\$50.00** PLUS

Per \$1,000, or fraction, over \$2,000.....**\$1.00**

B. Seasonal activities [not more than two sale periods of not more than three days each year, separate license required for each sale period]

Minimum on first \$2,000.....**\$25.00** PLUS

Per \$1,000, or fraction, over \$2,000.....**\$0.50**

[NAICS 5241] - Insurance Companies:

On gross premiums collected through offices or agents located in the municipality, wherever the risk is located, or collected on policies written on property or risks located in the municipality, wherever the premiums are collected. Gross premiums shall include new and renewal business without deductions for any dividend, credit, return premiums or deposit.

Solicitation for insurance, receiving or transmitting an application or policy, examination of a risk, collection or transmitting of a premium, adjusting a claim, delivering a benefit, or doing any act in connection with a policy or claim shall constitute doing business within the municipality whether or not an office is maintained therein. A premium collected on property or a risk located within the municipality shall be deemed to have been collected within the municipality. [Declining rates shall not apply.]

[NAICS 524113] - Life, Health and Accident0.75% of Gross Premiums

[NAICS 524126] - Fire and Casualty (Licensed in SC).....2% of Gross Premiums

[NAICS 524127] - Title Insurance2% of Gross Premiums

[NAICS 524210] - Brokers for Fire & Casualty Insurers - non-admitted:

On gross premiums collected on policies of companies not licensed in South Carolina, the agent or broker shall pay annually, with copy of the report showing location of the risks insured

.....2% of Gross Premiums

[Premiums for non-admitted business are not included in gross commissions for license under Rate Class 7 for other business.]

Notwithstanding any other provision of this ordinance, license taxes for insurance companies and brokers for non-admitted insurers shall be payable on or before May 31 in each year without penalty. Pursuant to S.C. Code §5-7-300, the agreement with the Municipal Association of South Carolina on file with the Clerk for Collection of current and delinquent license taxes from insurers and brokers is approved.

[NAICS 713120] - Amusement Machines, coin operated (except gambling) - Music machines, kiddie rides, and amusement machines licensed pursuant to S.C. Code 12-21-2720(A)(1) and (A)(2)

- 1. Operator of machine (not on gross income) [12-21-2746], per machine,..\$12.50 PLUS business license for operation of all machines.....\$12.50
- 2. Distributor selling or leasing machines (not licensed by the State as an operator pursuant to §12-21-2728) - [Nonresident rates apply.]
 - Minimum on first \$2,000\$50.00 PLUS
 - Per \$1,000, or fraction, over \$2,000\$50

[NAICS 713990] - Billiard or Pool Rooms, all types -

\$5.00 stamp per table.....PLUS

Minimum on first \$2,000\$30.00 PLUS

Per \$1,000, or fraction, over \$2,000\$.60

[NAICS 711190] - Carnivals and Circuses

Minimum on first \$2,000.....\$150.00 PLUS

Per \$1,000, or fraction, over \$2,000\$3.00

NAICS 488410] - Wrecker Services

Annual business license fee.....\$75.00

RATE CLASSIFICATION INDEX

RATE CLASS 1

| <u>NAICS</u> | <u>Business Sector</u> |
|--------------|---|
| 42 | Wholesale Trade |
| 442 | Furniture and Home Furnishings |
| 445 | Food and Beverage Stores |
| 446 | Health and Personal Care Stores |
| 447 | Gasoline Stations |
| 451 | Sporting Goods, Hobby, Book, Music Stores |
| 721 | Accommodation, Hotel, Motel, Inn, Camp |
| 722 | Eating Places, Food Services, Restaurants, Caterers, except drinking places |
| 813 | Membership Organizations |
| 92 | Public Administration |

RATE CLASS 2

| <u>NAICS</u> | <u>Business Sector</u> |
|--------------|--|
| 4413 | Automotive Part, Tire Stores |
| 443 | Electronics and Appliance Stores |
| 444 | Building Material, Garden Equipment and Supply |
| 448 | Clothing and Accessory Stores |
| 452 | General Merchandise Stores |
| 453 | Miscellaneous Store Retailers |
| 454 | Nonstore Retailers, except peddlers |
| 45421 | Vending Machines |
| 811 | Repair and Maintenance Services |

RATE CLASS 3

| <u>NAICS</u> | <u>Business Sector</u> |
|--------------|-----------------------------|
| 31-33 | Manufacturing |
| 48 | Transportation, except rail |

RATE CLASSIFICATION INDEX

RATE CLASS 4

| <u>NAICS</u> | <u>Business Sector</u> |
|--------------|---|
| 11 | Agriculture, Forestry, Fishing and Hunting |
| 21 | Mining |
| 2213 | Water and Sewerage Systems |
| 512 | Motion Pictures, theaters, production |
| 56 | Administrative and Support, Waste Management and Remediation Services |
| 711 | Arts, Sports and Promoters of Events |
| 712 | Museums, Historical Sites, Zoos, Gardens |
| 713 | Amusement and Recreation, except coin-operated machines and gambling |
| 812 | Personal Care, Barber, Beauty, Salon |

RATE CLASS 5

| <u>NAICS</u> | <u>Business Sector</u> |
|--------------|--------------------------|
| 49 | Warehousing and Couriers |

RATE CLASS 6

| <u>NAIC</u> | <u>Business Sector</u> |
|-------------|---|
| 511 | Information |
| 522 | Consumer Finance, Mortgage Brokers, Credit Card Issuing, except banks and pawnshops |
| 523 | Security and Commodity Brokers |
| 61 | Education Services |
| 62 | Health Care and Social Assistance |

RATE CLASS 7

| <u>NAICS</u> | <u>Business Sector</u> |
|--------------|---|
| 5131 | Radio and Television Broadcasting |
| 5141 | Information Services |
| 5142 | Data Processing Services |
| 5242 | Insurance Agencies, except brokers for no-admitted insurers |
| 53 | Real Estate and Rental and Leasing |
| 54 | Professional, Scientific, and Technical Services |
| 55 | Management of Companies and Enterprises |

RATE CLASSIFICATION INDEX

RATE CLASS 8

NAICS

Business Sector

| | |
|--------|---|
| 2211 | Electric Utilities |
| 2212 | Gas Utilities |
| 2213 | Construction |
| 42193 | Recyclable Material, Junk |
| 4411 | Automotive Dealers |
| 4412 | Other Motor Vehicle Dealers |
| 45439 | Peddlers, Direct Selling |
| 482 | Rail Transportation |
| 5132 | Cable Television |
| 5133 | Telecommunications |
| 522298 | Pawnshops |
| 5241 | Insurance Carriers |
| 52421 | Brokers for Non-admitted Insurance Carriers |
| 71119 | CarnPacoletts, Circuses |
| 7131 | Amusement Arcades, non-gambling |
| 7132 | Gambling Industries, Video Poker |
| 71399 | Billiard Parlor, Pool Tables |
| 72241 | Drinking Places, Bars (alcoholic) |

NUMERICAL BUSINESS CLASSIFICATION INDEX

| <u>NAICS Group Code</u> | <u>Rate Class</u> | <u>NAICS Sector Description</u> |
|---------------------------------|-----------------------|---|
| 11 | 4 | Agriculture, Forestry, Fishing and Hunting |
| 21 | 4 | Mining |
| 2211 | 8 | Electric Utilities |
| 2212 | 8 | Gas Utilities |
| 2213 | 4 | Water and Sewage Systems |
| 23 | 8 | Construction |
| 31-33 | 3 | Manufacturing |
| 42 | 1 | Wholesale Trade, except junk |
| 42193 | 8 | Recyclable Material, Junk |
| 44-45 | | Retail Trade (See Type) |
| 4411 | 8 | Automobile Dealers |
| 4412 | 8 | Other Motor Vehicle Dealers |
| 4413 | 2 | Automotive Parts, Tire Stores |
| 442 | 1 | Furniture and Home Furnishing Stores |
| 443 | 2 | Electronics and Appliance Stores |
| 444 | 2 | Building Material, Garden Equipment and Supply |
| 445 | 1 | Food and Beverage Stores |
| 446 | 1 | Health and Personal Care Stores |
| 447 | 1 | Gasoline Stations |
| 448 | 2 | Clothing and Accessory Stores |
| 451 | 1 | Sporting Goods, Hobby, Book, Music Stores |
| 452 | 2 | General Merchandise Stores |
| 453 | 2 | Miscellaneous Store Retailers |
| 454 | 2 | Non-store Retailers, except peddlers |
| 45421 | 2 | Vending Machines |
| 45439 | 8 | Peddlers, Direct Selling |
| 48 | 3 | Transportation, except rail |
| 482 | 8 | Rail Transportation |
| 49 | 4 | Warehousing and Couriers |
| 511 | 6 | Information |
| 512 | 4 | Motion Pictures, theaters, production |
| 5131 | 7 | Radio and Television Broadcasting |
| 5132 | 8 | Cable Television |
| 5133 | 8 | Telecommunications |
| 5141 | 7 | Information Services |
| 5142 | 7 | Data Processing Services |
| 522 | 6 | Consumer Finance, Mortgage Brokers, Credit Card Issuing, except banks and pawnshops |
| 522298 | 8 | Pawnshops |
| 523 | 6 | Security and Commodity Brokers |

NUMERICAL BUSINESS CLASSIFICATION INDEX

| <u>NAICS Group Code</u> | <u>Rate Class</u> | <u>NAICS Sector Description</u> |
|---------------------------------|-----------------------|---|
| 5241 | 8 | Insurance Carriers |
| 5242 | 7 | Insurance Agencies, except for brokers for non-admitted insurers |
| 52421 | 8 | Brokers for Non-admitted Insurance Carriers |
| 53 | 7 | Real Estate and Rental |
| 54 | 7 | Professional, Scientific and Technical Services |
| 55 | 7 | Management of Companies and Enterprises |
| 56 | 4 | Administrative and Support, Waste Management and Remediation Services |
| 61 | 6 | Education Services |
| 62 | 6 | Health Care and Social Assistance |
| 711 | 4 | Arts, Sports and Promoters of Events |
| 71119 | 8 | CarnPacoletls and Circuses |
| 712 | 4 | Museums, Historical Sites, Zoos, Gardens |
| 713 | 4 | Amusement and Recreation, except coin-operated machines and gambling |
| 7131 | 8 | Amusement Arcades, non-gambling |
| 7132 | 8 | Gambling Industries, Video Poker |
| 71399 | 8 | Billiard Parlor, Pool Tables |
| 721 | 1 | Accommodation, Hotel, Motel, Inn, Camp |
| 722 | 1 | Eating Places, Food Services, Restaurants, Caterers, except drinking places |
| 72241 | 8 | Drinking Places, Bars (alcoholic) |
| 811 | 2 | Repair and Maintenance Services |
| 812 | 4 | Personal Care, Barber, Beauty, Laundry |
| 813 | 1 | Membership Organizations |
| 92 | 1 | Public Administration |