



SANITATION FEE INFORMATION

The City of Avondale Estates has for many years charged sanitation fees with property tax bills. Beginning in 2020, there are two important changes to sanitation service and billing of which business owners need to be aware:

1. Sanitation fees for this year will be based on the number of receptacles requested and in use at each business location and will be billed with 2020 Occupational Tax, which is due by March 31. No sanitation fees will be billed to commercial property owners on 2020 property tax bills.
2. Beginning May 4, 2020, the City will only collect waste placed in standardized receptacles, which will be delivered to businesses that have paid appropriate fees. Fees not paid by the March 31 deadline will incur a 10% penalty, per ordinance.

Businesses which prefer to receive sanitation service from the City should include the base sanitation fee of **\$895.00** on **line 11** of the enclosed Occupational Tax Return. Upon receipt of this fee, the City will provide sanitation service for one 95-gallon receptacle each business day from April 1, 2020 through March 31, 2021. Additional receptacles may be requested by adding **\$190.00** for **each** to **line 12** of the form. *Example:* a business which desires City service for three receptacles should enter \$895.00 on line 11 and \$380.00 (\$190 x 2) on line 12. The form has been preprinted based on businesses' sanitation usage during 2019, but the business owner (or designee) should feel free to amend the form to indicate preferences for 2020. After the City receives the appropriate fees, receptacles imprinted with a serial number and the City logo will be delivered to the requesting business for no additional charge.

Businesses which receive sanitation service from other government or private services will be exempted from City sanitation fees upon providing proof of service, such as a recent bill from a licensed sanitation provider and canceled check satisfying that bill. Agents or owners completing the Occupational Tax Return for these businesses should enter \$0.00 on lines 11 and 12.

No changes have been made to the types of materials suitable for collection by the City, required screening of receptacles, weight limitations, or other sanitation regulations. Current sanitation guidelines are available on the City website, www.avondaleestates.org or upon request.

OCCUPATIONAL TAX INFORMATION

Occupational tax is based on **gross receipts**, in combination with a **tax rate** assigned by City ordinance based on **profitability ratio** (a percentage found in the U. S. Government publication, *Statistics of Income*).

Gross receipts for the **preceding year** are used to calculate the **estimated** occupational tax for the current year. If the business was conducted for only a part of the preceding year, the amount of gross receipts are reported and then annualized based on the number of months in operation. Be sure to fill an amount in the box marked **2019 Gross Receipts** (line 7). That amount will be multiplied by the tax rate associated with the business's SIC code to determine occupational tax due. Your license cannot be processed without this information.

Gross receipts are defined as the total revenue of the business or practitioner for the period, including without limitation the following:

- (i) Total income without deduction for the cost of goods or expenses incurred;
- (ii) Gain from trading in stocks, bonds, capital assets, or instruments of indebtedness;
- (iii) Proceeds from commissions on the sale of property, goods, or services;

- (iv) Proceeds from fees for services rendered; and
- (v) Proceeds from rent, interest, royalty, or dividend income.

Gross receipts **do not** include the following:

- (i) Sales, use, or excise tax;
- (ii) Sales returns, allowances, and discounts;
- (iii) Inter-organizational sales or transfers between or among the units of a parent-subsiary controlled group of corporations as defined by 26 U.S.C. §1563(a)(1), or between or among the units of a brother-sister controlled group of corporations as defined by 26 U. S. C. §1563(a)(2);
- (iv) Payments made to a subcontractor or an independent agent; and
- (v) Governmental and foundation grants, charitable contributions, or the interest income derived from such funds received by a nonprofit organization which employs salaried practitioners otherwise covered by this article, if such funds constitute eighty (80) percent or more of the organization's receipts.

Where a person conducts business at more than one fixed location in the city or has multiple business trade names, each location or place and each trade name is considered to be separate for the purpose of occupational tax.

Practitioners of professions (see page 2) as described in O.C.G.A. §48-13-9(c)(1) through (18) may elect a \$400 per practitioner tax (in lieu of the tax based on gross receipts and profitability ratio) plus the registration/administrative fee (for a total of \$460 per practitioner). This election is made on an annual basis and must be done by February 15 of each year. Since **each** professional in an eligible business which elects to pay the flat-rate professional tax in lieu of gross receipts tax must complete an Occupational Tax Return, please feel free to photocopy the enclosed form.

Real estate brokers, agents, or companies whose principal and branch offices are located outside the city must pay an Occupational tax to the city based upon gross receipts derived from real estate transactions with respect to property located in the city.

Businesses established on or after January 1 should estimate the gross receipts anticipated for the current calendar year. The registration **and** Occupational tax is due and payable on the date of the commencement of the business; or a 10% penalty will be imposed. Upon receipt of your completed Business Occupational tax return, your occupational tax will be calculated and an invoice will be mailed to you. **Payment will be due no later than March 31.** A ten percent (10%) penalty will be imposed after **March 31** for failure to pay the registration and tax.

Practitioners of Professions and Occupations

May Elect to Pay Either a \$400 Tax per Practitioner or a Tax Based on Gross Receipts/Profit Ratio

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| <ul style="list-style-type: none"> 1) Lawyers; 2) Physicians licensed under Chapter 34 of Title 43; 3) Osteopaths licensed under Chapter 34 of Title 43; 4) Chiropractors; 5) Podiatrists; 6) Dentists; 7) Optometrists; 8) Psychologists; 9) Veterinarians; | <ul style="list-style-type: none"> 10) Landscape architects; 11) Land surveyors; 12) Practitioners of physiotherapy; 13) Public accountants; 14) Embalmers; 15) Funeral directors; 16) Civil, mechanical, hydraulic, or electrical engineers; 17) Architects; 18) Marriage & family therapists, social workers, & professional counselors. |
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Note: The administrative fee in the amount of \$60 is **in addition** to the flat tax of \$400.

Each professional electing to pay the flat-rate professional tax in lieu of gross receipts tax must complete an Occupational Tax Return.