

• CITY OF RICHMOND
FINANCE DEPARTMENT
FINANCE DIRECTOR ADMINISTRATIVE RULING NO. 2
ADMINISTRATIVE RULING AND INTERPRETATION (2.0)

***Authority.** Pursuant to Section 7.04.670 of the City of Richmond Gross Receipts Business Tax Measure U, the Director of Finance, upon delegation from the City Manager, hereby adopts the following administrative rulings:*

PURPOSE

This Administrative Ruling clarifies certain sections of the Measure U Gross Receipts Tax Ordinance approved by Richmond voters in November 2020.

BACKGROUND

The rulings herein promulgated provides guidance for classification of self-storage unit businesses operating in the City of Richmond.

RULING OF THE DIRECTOR OF FINANCE

The following guidelines shall be used to determine the appropriate gross receipts tax classification for self-storage rental unit businesses:

Administrative Ruling - Definitions and Classifications (Section 7.04.100)

- 1) Businesses that provide self-storage rental units does not fall within the category of the rental of real estate (such as an apartment, home, or office space). Therefore, the Business and Personal Services definition provided in Section 7.04.120 of the Richmond Municipal Code shall be deemed to include storage unit rental in the Business Activity Definitions as part of business/personal services that are provided.
- 2) Self-storage rental units shall therefore be classified under Class G Business and Personal Services for purposes of calculating gross receipts tax.

Limitation. This Ruling and Interpretation is intended to give general guidance and should not be viewed as providing a definite answer to all factual situations, as the exact application of the tax will depend on the nature of the service, the manner in which it is billed, and other factors.

City of Richmond, Deputy City Manager for Director of Finance



Nickie Mastay for Delmy Cuellar

Date: November 3, 2022