

TITLE 70: DEPARTMENT OF FINANCE

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Subchapter Authority: 1 CMC §§ 2553 and 2557; 4 CMC §§ 5611- 5614.

Subchapter History: Amdts Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Amdts Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Amdts Adopted 44 Com. Reg. 48588 (June 28, 2022); Amdts Proposed 44 Com. Reg. 48546 (May 28, 2022); Amdts Adopted 42 Com. Reg. 43715 (July 28, 2020); Amdts Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 27 Com. Reg. 25399 (Dec. 30, 2005); Emergency and Proposed 27 Com. Reg. 25011 (Oct. 24, 2005) (effective for 120 days from Oct. 17, 2005); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); (superseding the Business License Regulations promulgated by the Department of Commerce); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Commission Comment: 1 CMC § 2551 creates the Department of Finance within the Commonwealth government. 1 CMC § 2553(l) authorizes the Department to issue business licenses pursuant to 4 CMC § 5611 and to promulgate rules and regulations to carry out its provisions. 1 CMC § 2553(m) authorizes the Department to suspend, revoke or deny the issuance of business licenses and to promulgate rules and regulations for the purpose of carrying out its provisions. The Department is also generally authorized to adopt rules and regulations regarding those matters within its jurisdiction. See 1 CMC § 2557.

1 CMC § 2571 establishes the Division of Revenue and Taxation (Division), headed by a Chief (now the Director) with supervision over all matters concerning revenue and taxation on a day-to-day basis.

PL 3-11, the “Revenue and Taxation Act of 1982” took effect, with some exceptions on June 1, 1982. Section 503 (formerly codified at 4 CMC § 1503) placed the authority to issue business licenses in the Department of Commerce. PL 9-22 (effective retroactively January 1, 1995), a comprehensive tax reform measure, repealed most of PL 3-11, as amended. PL 9-22 § 1 repealed PL 3-11 § 503 in its entirety. See 4 CMC § 1503 and the comment thereto; see also the comment to 4 CMC § 1101.

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PL 9-22 § 3, codified as amended by PL 11-73 at 4 CMC § 5611, reenacted the business license provisions and left the authority to issue business licenses with the Department of Commerce. PL 11-73 (effective March 19, 1999), the “Business Licensing Processing Act of 1998,” codified at 1 CMC § 2553(l) and (m), and 4 CMC §§ 5611-5614 completely revised the Commonwealth code provisions regarding business licenses and transferred authority to issue business licenses from the Department of Commerce to the Department of Finance. See 4 CMC §§ 5611-5614. PL 11-73 contained findings and purpose provisions as follows:

Section 2. Findings and Purpose. Tax compliance has long been a challenge in the CNMI, due to a lack of central control and sharing of data between various entities. A great deal of inconsistencies will be resolved by centralizing the issuance of business licenses with the agency which issues CNMI Tax Identification Numbers. Such issues that will be resolved include, but are not limited to the following: detecting non-filers of tax returns; ascertaining whether taxes have been paid prior to the issuance of a renewal of business license; allowing the Department of Finance to close down a business if taxes are not paid, or using the same as a deterrent for avoiding payment of taxes; allowing the Department of Finance to verify that a business is engaged in the activity stated on the license by comparing it to the activity stated on the tax return; and assuring that a business which imports good for sale has an active business license and all taxes have been paid before allowing importation of goods into the CNMI.

By allowing the Department of Finance, Division of Revenue and Taxation to issue a business license and at the same time issue the CNMI Taxpayer Identification Number, there will be a tracking mechanism established that will not only serve the Division of Revenue and Taxation, as the point of control, but the Division of Customs and the Department of Commerce as well. The integration of issuing business licenses into the Division of Revenue and Taxation is expected to result in collection of a significant amount of additional taxes that are not collected due to the lack of a single control point. This should provide the CNMI with much needed revenue without the need to raise taxes at this point in time.

It is therefore the purpose of this legislation to transfer the function of issuing business licenses from the Department of Commerce to the Department of Finance in order to strengthen the Department of Finance’s efforts to enforce tax compliance. The day-to-day function of issuing licenses within the Department of Finance shall be handled by the Division of Revenue and Taxation.

PL 11-73 § 7, codified at 4 CMC § 5614, authorizes the Secretary of Finance to promulgate rules and regulations to carry out the intent of the act.

The Department of Commerce issued Business License Regulations in 1995. The history of the 1995 regulations follows:

Adopted 17 Com. Reg. 12729 (Jan. 15, 1995); Proposed 16 Com. Reg. 12560 (Nov. 15, 1994); Emergency and Proposed 16 Com. Reg. 12332 (Sept. 15, 1994) (effective for 120 days from Aug. 24, 1994).

After the passage of PL 11-73, the Department of Finance promulgated the Business License Regulations codified in this subchapter.

Part 001 - General Provisions

§ 70-40.1-001 Authority

These regulations in this subchapter are promulgated pursuant to 1 CMC § 2553 and 4 CMC § 5614, as amended by Public Law 11-73 which authorizes the Secretary of Finance

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to promulgate rules and regulations for purposes of carrying out its duties and responsibilities regarding the issuance of business license. The Department of Finance (the “Department”) has jurisdiction over the issuance of business licenses under 1 CMC § 2553 and 4 CMC § 5611, as amended by Public Law 11-73. Pursuant to 4 CMC § 2557, the Department of Finance may adopt rules and regulations not inconsistent with law regarding those matters within its jurisdiction and to provide penalties both civil and criminal for violation thereof.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Adopted 44 Com. Reg. 48588 (June 28, 2022); Proposed 44 Com. Reg. 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

§ 70-40.1-005 Definitions

For the purposes of the regulations in this subchapter, the following definitions shall apply:

- (a) “Applicant” means any person as defined in subsection (m) who files a written application for a business license with the Department of Finance.
- (b) “Business” means a business as defined in 4 CMC § 1103(c).
- (c) “Bank” means a bank as defined in 4 CMC § 6103(b).
- (d) “Banking business” means a banking business as defined by 4 CMC § 6103(c).
- (e) “Director” means the Director of Revenue and Taxation.
- (f) “License or business license” means the permission granted by the Secretary of Finance, under the authority of the Business Licensing and Processing Act conferring upon the licensee the annual privilege to engage in a business in the Commonwealth.
- (g) “License fee” means the charge or assessment levied by law for the purpose of obtaining a business license or the renewal thereof.
- (h) “Line of business” means each distinct and separate economic activity by a licensee, generally performed at a single physical location, but may be an activity performed at more than one physical location. The Standard Industrial Classification Manual established by the Executive Office of the President of the United States of America, Office of Management and Budget shall be used as a guideline.
- (i) “Manufacturer” means a manufacturer as defined in 4 CMC § 1103(n).
- (j) “Person” means a person as defined in 4 CMC § 1103(q).
- (k) “Registered agent” is an agent as defined in 4 CMC § 4331(b).

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- (l) “Scuba diving tour” means a tour as defined in 3 CMC § 5603(c).
- (m) “Scuba instruction” means instruction as defined in 3 CMC § 5603(d).
- (n) “Secretary” means the Secretary of the Department of Finance.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Adopted 44 Com. Reg. 48588 (June 28, 2022); Proposed 44 Com. Reg. 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Part 100 - Business License Requirements

§ 70-40.1-101 License Required

- (a) Before engaging in or continuing in a business in the Commonwealth, a person must first obtain from the Secretary of the Department of Finance a license to engage in or conduct that business.
- (b) To obtain a license, a person must file a business license application together with the license fees, which shall be non-refundable regardless of whether the licensee application is approved or the licensee actually conducts a business or not.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Adopted 44 Com. Reg. 48588 (June 28, 2022); Proposed 44 Com. Reg. 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

§ 70-40.1-105 Application Requirement

Every applicant shall complete a business license application on forms prescribed by the Secretary of Finance, which shall require such information and supporting documentation as the Secretary deems appropriate.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Adopted 44 Com. Reg. 48588 (June 28, 2022); Proposed 44 Com. Reg. 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Commission Comment: [Historical comments removed.]

§ 70-40.1-110 License Conditions

The following conditions are placed on all license applications:

- (a) Fictitious names, doing business as names (d/b/a), trade names and assumed names shall be respected and the Secretary shall not issue a business license in the same business name to any two persons or, with regard to corporate name reserved with the Registrar of

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Corporations pursuant to 4 CMC § 4322, to a person who is not the owner of the reserved corporate name.

(b) One business license shall be issued to each distinct business activity. The North American Industry Classification System established by the Executive Office of the President of the United States of America, Office of the Management and Budget shall be used as a guideline.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Adopted 44 Com. Reg. 48588 (June 28, 2022); Proposed 44 Com. Reg. 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

§ 70-40.1-113 Fees

(a) Business License Fees. The following fees shall be paid for each line of business upon submission of an application:

- (1) A fee for each business license shall be \$100 annually;
- (2) A fee for amending an existing business license shall be \$20;
- (3) A late renewal fee for each business license shall be \$20;
- (4) A one-time fee for each temporary business license shall be \$20.

(b) Temporary Business Licenses. Temporary business licenses shall only be issued for community and public events not lasting more than thirty consecutive days. Temporary business licenses cannot be transferred or renewed. Application requirements provided in § 70-40.1-105 do not apply to temporary business licenses. The application requirements for temporary business licenses shall be set forth in application forms prescribed by the Division of Revenue and Taxation.

(c) Calculating Fees for a Partial Year.

(1) Annual business license fees for obtaining a business license for an additional location or line of business shall be prorated based on calendar year quarters. New business licenses shall expire on the same date as existing business licenses and Applicants are required to pay 25% of the annual fee for the quarter in which the application is submitted, plus 25% for each quarter remaining through the quarter of expiration. Calendar year quarters are as follows:

1st Quarter: January 1st through March 31st

2nd Quarter: April 1st through June 30th

3rd Quarter: July 1st through September 30th

4th Quarter: October 1st through December 31st

(2) Example. A person has a business license to engage in retail trade at a Garapan location. The business license was issued on June 1, 2021, with an expiration date of May 31, 2022. On October 15, 2021, the person applies for a business license to engage in retail trade at a second location. The new business license for the second location would expire on the same date as the existing business license for the Garapan location, May 31, 2022. The fee due upon application for the new business license would be \$75 (\$25 for the quarter

in which the application is submitted (4th quarter), plus \$25 for each of the two quarters remaining through the quarter of expiration (1st and 2nd quarters).

(3) Example. A person has a business license to engage in retail trade. The business license was issued on June 1, 2021, with an expiration date of May 31, 2022. On October 15, 2021, the person applies for a business license to engage in wholesale trade as an additional line of business. The new business license for the line of business would expire on the same date as the existing business license for retail trade, May 31, 2022. The fee due upon application for the new business license would be \$75 (\$25 for the quarter in which the application is submitted (4th quarter), plus \$25 for each of the two quarters remaining through the quarter of expiration (1st and 2nd quarters).

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022).

§ 70-40.1-115 Renewal

(a) A licensee shall apply to renew its business license prior to its expiration by filing a business license application and paying a fee equal to the business license fee within thirty days prior to the expiration of the current business license.

(b) A business license that was not renewed for any business on or before the expiration date shall be considered a non-renewal and the licensee shall have no further right to operate that business without first submitting a new application for a business license.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Commission Comment: [Historical comments removed.]

§ 70-40.1-117 Suspension and Revocation

(a) The Secretary of the Department of Finance may revoke or suspend any license issued under this section upon finding after two weeks public notice and a hearing conducted pursuant to 1 CMC §§ 9108-9111 that:

- (1) The application of the licensee contained false or fraudulent information;
- (2) The licensee bribed or otherwise unlawfully influenced any person to issue the permit other than on the merits of the application;
- (3) The licensee presented false or fraudulent information to any person in support of his application;
- (4) The licensee conducted business under a name other than the name duly licensed or failed to display and/or advertise its business name in romanized lettering; or
- (5) The licensee violated any provision of Federal law, Commonwealth law, including but not limited to non-compliance with the tax laws or any rule or regulation issued thereunder.

(b) Any person aggrieved by a license suspension or revocation shall be entitled to a review of the same by the Commonwealth Superior Court upon written appeal made within 30 days from the date the license suspension or revocation decision is issued. Such review shall be brought pursuant to 1 CMC §§ 9112 and 9113.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020).

§ 70-40.1-120 Business License Not Transferable

A business license once issued is not transferable.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 27 Com. Reg. 25399 (Dec. 30, 2005); Emergency and Proposed 27 Com. Reg. 25011 (Oct. 24, 2005) (effective for 120 days from Oct. 17, 2005); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Commission Comment: For Transfer of Garment Manufacturing Business Licenses Regulations (Implementing Public Law 14-82), see NMIAC subchapter 80-30.2.

§ 70-40.1-125 Amendment to Business License Application

A licensee must amend the information provided in its business license application to reflect any changes including but not limited to the following:

- (a) Any change(s) in the ownership of a corporation, partnership, non-profit organization, individual, or association; and
- (b) Any change(s) in the lines of business; and
- (c) All such changes made to information provided on the original application must be reported to the Business License Office within 10 working days of such change(s).
- (d) Failure to report any change(s) above to the Business License Office may be grounds for revocation of a business license.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Commission Comment: [Historical comments removed.]

§ 70-40.1-130 Display of Business License

(a) The licensee shall display its current business license(s) in a conspicuous place at each of the licensee's business location(s).

(b) Every business licensed to do business in the Commonwealth shall only do business under the name duly licensed and shall display and/or advertise its business name in romanized lettering in addition to any other lettering.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Adopted 44 Com. Reg. 48588 (June 28, 2022); Proposed 44 Com. Reg. 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

§ 70-40.1-135 Enforcement

(a) The Secretary may delegate his or her authority under the regulations in this subchapter to any employee for the purposes of enforcing any and all of these regulations including but not limited to the following:

- (1) To inquire and review current business license;
- (2) To impose a penalty, subject to the Administrative Procedure Act [1 CMC §§ 9101, et seq.], on those found to be operating a business without the required business license;
- (3) To issue citations and cease and desist orders for failures to comply with the Business Licensing and Processing Act.

(b) The enforcement of all business license activities under jurisdiction of the Secretary of Finance shall be carried out by the Secretary, the Director of Revenue and Taxation and/or their designee.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Adopted 44 Com. Reg. 48588 (June 28, 2022); Proposed 44 Com. Reg. 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Commission Comment: [Historical comments removed.]

§ 70-40.1-137 Penalties for Violating Business License Requirements

(a) Any person found operating or engaging in a business to sell merchandise, goods, or commodities, or providing services for compensation without a valid business license shall be subject to a penalty of \$1500.00. Upon written notice to cease and desist under 4 CMC § 5613(c), any continual violation shall subject the person to an additional penalty of \$250.00 per day for every additional day that the person is in violation of the business license provisions.

(b) Any order to cease and desist shall be effective immediately upon its issuance and shall be effective until the violation is cured. A person may appeal the order to cease operations, but must produce a refundable bond in the amount of \$500.00 to allow for continued business operations pending the hearing under Administrative Procedure Act, 1 CMC §§ 9101 et seq. The \$500.00 bond shall be forfeit if the party does not prevail at said hearing.

(c) The agency action provided for in 4 CMC § 5613(a) shall subject to Administrative Procedure Act, 1 CMC §§ 9101 et seq., provided, however, any hearings for citations for violations of business license requirements or orders to cease and desist must be requested within 10 days from the date of issuance of the citation or order.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020).

§ 70-40.1-138 Violations of Law

(a) The Secretary may deny the issuance of a business license in accordance with the Administrative Procedure Act (1 CMC § 9101 et seq.) if the business activity identified violates federal or CNMI law. Any hearings for a denial under this section must be requested within 10 days from the date of the denial.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020).

§ 70-40.1-140 Authority to Request for Supporting Documents

The Secretary or any designee may from time to time request the applicant or licensee for/of a business license to provide documents to substantiate representations made in the application for the business license.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

§ 70-40.1-145 [Repealed]

[Repealed]

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Part 200 - Examples

§ 70-40.1-201 Example 1; Distinct Business Activity

(a) A businessman, Mr. Doe operates a grocery store in village A and another grocery store in village B. Although the grocery stores are considered the same line of business activity, Mr. Doe is required to obtain a business license for each business location.

(b) Assume the same as in example (a) but Mr. Doe also has a service station business in village B. In this case, Mr. Doe will need to apply for three business licenses; one for the grocery store located in village A, one for the grocery store located in village B, and one for the service station located in village B.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Adopted 44 Com. Reg. 48588 (June 28, 2022); Proposed 44 Com. Reg. 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Commission Comment: [Historical comments removed.]

§ 70-40.1-205 Example 2; Renewal of Business License

(a) Mr. Doe has two business licenses that were issued on May 31, 2019. His renewal date is between May 1 to May 30, 2020. Mr. Doe submitted his business license applications to renew his licenses on April 25, 2020, and has satisfied all business license requirements. Mr. Doe may continue operating his businesses after May 30, 2020 for a period of one year unless his business license renewal applications is denied.

(b) Assume the same as in example (a), but Mr. Doe did not submit the business license application forms for his businesses before May 31 and is continuing to operate his businesses. Since his business licenses lapsed and no business license renewal applications were submitted before the expiration date, Mr. Doe is operating without a valid business license. Thus, Mr. Doe will be subject to the penalty for operating his businesses without a valid business license if he continued business operation after May 30, 2020.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg. 53387 (Nov. 15, 2025); Adopted 44 Com. Reg. 48588 (June 28, 2022); Proposed 44 Com. Reg. 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

§ 70-40.1-210 Example 3; Penalty for Operating a Business Without a Business License

(a) Assume the penalty in example 2(b) [§ 70-40.1-205(b)] has been imposed. Since Mr. Doe operates two separate lines of business, he will be assessed a \$1500 penalty for each line of business operated without a license. A \$250 penalty per day will be added for each line of business operated from the date the notice to cease and desist was given to Mr. Doe, if it is found that Mr. Doe continued operating the business without a valid license after notice was given to him.

(b) Assume the same as in example 3(a), however, Mr. Doe was found to be operating his business for 3 consecutive days after he was given notice to cease and desist and has not submitted an application for a business license. Mr. Doe's total penalty to be assessed is \$4,500 (\$1,500 for each line of business for the initial violation) plus \$2250 for continual violations (\$250 per day for each line of business for the 3 days of continuous operation (after notice was given) without a valid business license).

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History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Commission Comment: [Historical comments removed.]

§ 70-40.1-215 Example 4 [Repealed]

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

§ 70-40.1-220 Example 5 [Repealed]

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 42 Com. Reg. 43715 (July 28, 2020); Proposed 42 Com. Reg. 43232 (Feb. 28, 2020); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

§ 70-40.1-225 Example 4; Special Licenses

(a) Mrs. Bar has applied for and was issued a business license to operate a night club. Since the operation of a night club normally include the sale of alcoholic beverages, Mrs. Bar would be required to obtain a special license (ABC license) to sell alcoholic beverages in addition to the business license issued by the Department of Finance.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 44 Com. Reg 48588 (June 28, 2022); Proposed 44 Com. Reg 48546 (May 28, 2022); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).

Part 300 - Miscellaneous Provisions

§ 70-40.1-301 Severability

If any provision of the regulations in this subchapter shall be held invalid by a court of competent jurisdiction, the validity of the remainder of the regulations shall not be affected thereby.

History: Adopted 47 Com. Reg. 53436 (Dec. 15, 2025); Proposed 47 Com. Reg 53387 (Nov. 15, 2025); Adopted 21 Com. Reg. 16970 (Oct. 15, 1999); Proposed 21 Com. Reg. 16888 (Aug. 23, 1999).