

City of  
*Marristawn*



**Small Business Guide**

*\*\*\*The City of Morristown reserves the right to change any policies or procedures. Policies and practices are subject to change for compliance with State and Federal Law.\*\*\**

# STATE OF TN CONTACTS

## **TENNESSEE ALCOHOLIC BEVERAGE COMMISSION**

(Liquor by the Drink and Retail License and Permitting)

<http://www.tn.gov/abc>

Phone: (865)594-0362

## **TENNESSEE DEPARTMENT OF HEALTH**

(Restaurant License)

<https://www.tn.gov/health>

Phone: (615)741-7206

## **TENNESSEE DEPARTMENT OF REVENUE**

(Taxes)

<https://www.tn.gov/revenue>

Knoxville Office

Phone: 865-594-6100

Johnson City Office

Phone: (423)854-5321

## **TENNESSEE DIVISION OF ENVIRONMENTAL HEALTH**

(Food Establishments, Bed & Breakfast, Body Piercing Establishments, Child Care Facilities, Food Service Establishments, Hotels, Organized Camps, Public Swimming Pools, Tattoo Artists and Massage Therapy Establishments)

Phone: (615)741-7206

## *Table of Contents*

Introduction - 4

Overview - 6

Finding the Right Location - 8

Zoning Approvals - 10

Signs - 13

Business License - 16

Business Tax - 18

Building Permits - 21

Other Permits - 24

Moving or Expanding a Business - 26

Resources - 28

Contact Directory - 35

# INTRODUCTION

Congratulations on establishing, starting or expanding your small business in Morristown! The City of Morristown understands that small businesses are an essential key to the economic vitality of our community. As such, the City is dedicated to helping you and your business ventures succeed.

We know that you, as an entrepreneur, have spent a great deal of time considering how your business will operate and be financed. Hopefully this has been written in a formal business plan. You may even have considered a location or contacted a commercial realtor who will assist you in locating your business. Now is the time for you to begin implementation of your plans! Unfortunately, for many new business owners, understanding the City's vision for its business areas and obtaining necessary approvals and permits is new and unfamiliar. It is our hope that the Morristown Small Business Guide will make this process more straight forward.



The purpose of this booklet is to steer you through the process of business licensing and permitting. We also hope it will answer questions you may have. Within this guide, we will provide a comprehensive overview of the development process and many frequently asked questions. Of course, a single booklet does not contain all answers. In order to ensure all of your questions are resolved, we have provided a directory of both city contacts and other area organizations that may be able to assist you. It is our ultimate goal that this handbook will make the process an easier and more familiar one.

## **HAMBLÉN COUNTY ASSESSOR OF PROPERTY**

(Assessment of real and personal property taxes)

Phone: (423)586-1852

## **HAMBLÉN COUNTY CLERKS OFFICE** (County Business License)

<http://www.hamblencountyclerk.com>

Phone: (423)586-1993

## **HOLSTON ELECTRIC COOPERATIVE** (Electric service in certain areas)

[www.holstonelectric.com](http://www.holstonelectric.com)

Phone: (423)272-8821

## **MORRISTOWN AREA CHAMBER OF COMMERCE**

[www.morristownchamber.com](http://www.morristownchamber.com)

Phone: (423)586-6382

## **MORRISTOWN UTILITIES SYSTEM**

(Electric, Fibernet, Water & Waste Water)

<http://www.morristownutilities.org>

Email: [support@musfiber.com](mailto:support@musfiber.com)

Phone: (423)586-4121

## **RUSSELLVILLE-WHITESBURG UTILITY DISTRICT**

(Water in certain areas)

[www.rwud.com](http://www.rwud.com)

Phone: (423)586-2232

## **TIDI WASTE/WASTE INDUSTRIES** (Trash Removal Service)

<https://wasteindustries.com>

Phone: (423)581-5655

## **WITT UTILITY DISTRICT** (Water, in certain areas)

Phone: (423)581-4895

## OTHER LOCAL OFFICES

### **APPALACHIAN ELECTRIC COOP** (Electric, in certain areas)

[www.aecoop.org](http://www.aecoop.org)

Phone: (865)475-2032

### **AT&T** (Telephone Service)

Email: [sam.trent@att.com](mailto:sam.trent@att.com)

Phone: (423)317-8804

### **ALPHA-TALBOTT UTILITY DISTRICT** (Water, in certain areas)

[www.alphatud.com](http://www.alphatud.com)

Phone: (423)586-2925

### **ATMOS ENERGY** (Natural Gas Company)

<https://www.atmosenergy.com>

Customer Service: (888)286-6700

### **CHARTER SPECTRUM BUSINESS** (Internet, Phone and Cable TV)

Email: [josh.ealy@charter.com](mailto:josh.ealy@charter.com)

Phone: (423)297-4874

### **DOWNTOWN CROSSROADS PARTNERSHIP** (Downtown Information)

Email: [crossroadsdowntownpartnership@gmail.com](mailto:crossroadsdowntownpartnership@gmail.com)

Phone: (423)312-1476

### **ECONOMIC DEVELOPMENT**

(Morristown Area Chamber of Commerce)

Email: [industry@morristownchamber.com](mailto:industry@morristownchamber.com)

Phone: (423)586-6382

### **FARMERS MARKET**

Email: [crossroadsdowntownpartnership@gmail.com](mailto:crossroadsdowntownpartnership@gmail.com)

Phone: (423)312-1476

You have chosen Morristown for your business because of the City's setting and economic viability. The City has established standards, ordinances, and regulations to ensure quality and protect your future investment. In general, the required City approvals for most new businesses include:

- **Business License** – required to operate a business in the City.
- **Zoning Approvals** – required to ensure that the type of business and building are appropriate to the surrounding neighborhood. Other permits may be required for specific business uses.
- **Building Permits** – required to assure conformance to established building codes and life-safety requirements.

### **This small business guide is organized to provide the information you need and to answer questions about:**

- Finding the appropriate location for your business
- Obtaining a business license
- Obtaining zoning approvals
- Obtaining building permits
- Obtaining sign permits
- Expanding/modifying or moving your existing business
- Identifying contacts and resources

## OVERVIEW

These are the primary steps to receive approval for a new business in Morristown:

1. **Determine the business entity.** The requirements for business registration depend upon the type of business ownership. The most common forms of business entities are: Sole Proprietorship, General Partnership, Limited Partnership, Limited Liability Partnership, Limited Liability Company, and a Corporation.
2. **Obtain a Tax ID from the State of Tennessee.** All businesses must obtain a tax identification number from the State of Tennessee. If you have employees or are a corporation, you will need an Employer Identification Number (EIN) from the Federal IRS at: <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>
3. **Obtain City Zoning Approval.** All businesses must comply with zoning requirements before conducting business in the City of Morristown. This can be done by contacting the Planning Department. Depending upon the location and the type of business, the types of approvals handled by the Planning Department may include: verification that the use is permitted in the zone, uses on review, site plan review and approval, Planning Commission review, Board of Zoning Appeals review, variances, temporary use permits, and sign permits.

## CITY OF MORRISTOWN CONTACTS

### **CODE COMPLIANCE** (Codes Enforcement Officer)

Email: [codesenforcement@mymorristown.com](mailto:codesenforcement@mymorristown.com)

Phone: (423)317-1626

### **FIRE INSPECTION**

Phone: (423)585-4657

### **GIS DEPARTMENT** (Addressing)

Email: [gis@mymorristown.com](mailto:gis@mymorristown.com)

Phone: (423)585-2790

### **INSPECTIONS** (Building Permits & Approvals)

Email: [inspections@mymorristown.com](mailto:inspections@mymorristown.com)

Phone: (423)585-4626

### **PLANNING** (Signs and Zoning Questions)

Email: [planning@mymorristown.com](mailto:planning@mymorristown.com)

Phone: (423)585-4620

### **POLICE DEPARTMENT SUPPORT SERVICES** (Beer Permits)

Email: [supportservices@mymorristown.com](mailto:supportservices@mymorristown.com)

Phone: (423)318-1552

### **PUBLIC WORKS DEPARTMENT**

Trash/Bulk Waste, Stormwater Issues)

Email: [publicworks@mymorristown.com](mailto:publicworks@mymorristown.com)

Phone: (423)585-4658

### **TAX OFFICE** (City Business License, Taxes, Fee Payments)

Email: [taxoffice@mymorristown.com](mailto:taxoffice@mymorristown.com)

Phone: (423)585-4607





4. **Apply for a City & County Business License.** All businesses must have both a Hamblen County and City of Morristown business license.
5. **Obtain Building Permits.** All businesses must obtain Building Permits for construction and renovations. Examples of work that require a permit include building additions, renovations, demolitions, new plumbing, and new electrical wiring. Finish work that does not require a permit includes carpeting, wall papering, and painting. If you are unsure if a permit would be required, you should contact the Building Inspections Department.
6. **Other Permits.** Depending upon your type of business, permits from other agencies may be required. For example any business storing, handling, selling, or serving food or drink must obtain permitting from the State of Tennessee Department of Health. Businesses, such as restaurants, limited service restaurants, non-profit clubs, caterers, on/off premise microbreweries, grocery stores, drug stores, convenience stores, and liquor stores, selling beer and alcoholic beverages must obtain proper licensing from the City Beer Board and/or the State of Tennessee Alcoholic Beverage Commission. Please see page 12 for further information.



# FINDING THE RIGHT LOCATION FOR YOUR BUSINESS

## Determine your type of business.

This should include all of the functions of your business to ensure the location is appropriate for performing all of the business's operations. An example would be an automobile sales business that also does auto body repair. In this case, a commercially-zoned property might be acceptable for auto sales, but not for the body shop. Once you know what type of business you want to start, the next step is to find an appropriate location. You are required to have a business address (and business name) to apply for a business license.

## Factors to consider.

Many factors help determine the location of a retail business. Perhaps these factors include geography, customer demographics, the cost to purchase or lease, highway visibility, traffic counts, parking, and proximity to other businesses. For a manufacturer, other factors may be more important, such as availability of skilled labor, truck access, or the location of a rail line. The key for you in selecting your location is finding somewhere that satisfies these criteria **and** is properly zoned for your business use.



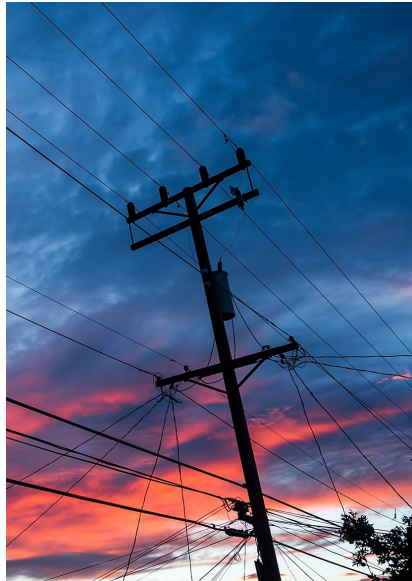
- Regional Electric Cooperatives include Appalachian Electric Cooperative (<http://aecoop.org/>) and Holston Electric Cooperative (<http://www.holstonelectric.com/>). Each of these electric cooperatives have regional service areas where all customers are actually members/owners of the co-op. Primarily their service areas include west and north Morristown (Appalachian) and east Morristown (Holston).
- Many Local Water Utility Districts in Morristown. These districts control and provide water for a particular service area. These include: Alpha-Talbott (<http://www.alphatud.com/>), Russellville-Whitesburg (<http://www.rwud.com/>), and Witt (423)581-4895. More contact information can be found for these utility districts in the contact section at the end of this booklet.
- In addition to MUS, Charter Spectrum provides internet, cable television and telephone to the area. Their local office can be contacted by calling (423)207-2099.
- AT&T also provides telecom services to the Morristown area .



## Utilities

Properties within the City of Morristown are served by a variety of utility providers. These providers include Morristown Utility Systems (MUS), Atmos Energy, regional electric cooperatives, local water utility districts, and telecom providers, such as Charter and AT&T. Depending on the types of utilities to which you would like to connect to your business, you may need to get in touch with a variety of these utility providers. The following section discusses the services offered by these utility providers.

- Morristown Utility Systems is the primary server of utilities in Morristown. MUS (<http://www.musfiber.net/>) provides electric, water, wastewater/sewer, and FiberNET services. They should be a key point of contact as you establish your business. We recommend calling MUS prior to any other utility provider to determine if they serve your business. If they do not serve your business, they will be able to assist you in connecting with the appropriate provider. Each department will be able to guide you through connection to utilities and give you information regarding connections, rates, fees, and other requirements such as water backflow preventers. It is important to note that MUS' Fiber-Net provides high-speed telecom, including internet, telephone, and cable service.
- Atmos Energy provides natural gas to Morristown. Natural gas can be connected to hot water heaters, heating units, and various appliances. For queries regarding connections, you can contact their office at (423)586-0442.



## Whom should I speak to first?

The City of Morristown Planning Department can verify that a potential location is zoned for your business. What does that mean?

It means that your business use is allowed. It is highly recommended that you verify zoning with the Planning Department prior to entering escrow or the lease of property. Morristown is divided into various residential, industrial, commercial, and mixed use zones. Zoning maps and ordinances vary in each municipality so never assume that your use is allowable simply because it is allowed in another jurisdiction. Often, businesses may be allowed in multiple zones. The City zoning map is available on our website, [www.mymorristown.com](http://www.mymorristown.com).

A clear description of your proposed business operation is crucial for planning staff to determine proper zoning. When you contact or visit the Planning Department, you will speak to a planner who will ask you some basic questions about your business. Questions may include: business description, operating hours, the number of employees, frequency of deliveries, or parking availability. The clearer you are in your description the more accurately and efficiently the planner will be able to determine proper zoning.

## How can I find locations?

After speaking with a planner, you will better understand which zones permit your use. In addition, you will have access to our online City zoning map. Now, armed with the correct information, you can contact a commercial realtor or simply drive around town checking on prospective business locations.

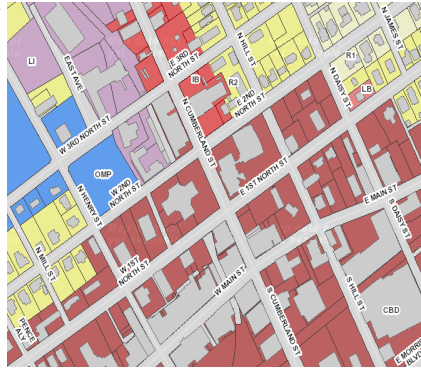
## Home based business.

Certain types of businesses may be allowed to operate within your home. This option can be cost effective and may offer you with the easiest way to start a business. If you are interested in a home-based business, you should contact the Planning Department. This topic will be covered in greater detail later.

# ZONING APPROVALS

## Zoning

Once you have found a location that meets your criteria, the Planning Department recommends that you make a visit or call to their office so that staff can verify that your use is zoned appropriately for your specific location. The planner will also review any zoning conditions, parking requirements, or additional approvals that may be needed. If your proposed location meets all of the City's zoning requirements, the planner will provide you with a letter stating such. You will be required to provide this letter to the Tax Office when obtaining your City business license.



## Parking

The amount of parking required by the City's zoning ordinance depends upon the type of business. The Planning Department will provide you with a free determination of the specific parking standards for your business.

## Uses on Review

A Use on Review is considered any use that requires approval from the Board of Zoning Appeal (BZA) or Regional Planning Commission. These are occasionally called special uses or special exceptions. If your business is considered to be a use on review for your location, you will have to appear before a Board to determine your ability to operate your business at that location. The Board will verify that you meet all zoning conditions laid out in the zoning ordinance for your use and that the uses are compatible with the adjacent neighborhood in making their decision.

## Tennessee Small Business Development Center

The mission of the Tennessee Small Business Development Center (TSBDC) is to empower small business owners, entrepreneurs, and individuals with a business idea to innovate new products and services across the state. Their website ([www.tsbdc.org](http://www.tsbdc.org)) provides more information about their services, including advising, training, and downloadable guides. The Kingsport TSBDC office serves Hamblen County. This center can assist you with business plan development, financial planning assistance, marketing plan development, sources of capital, and social media guidance. Contact the Kingsport TSBDC office at:

### Tennessee Small Business Development Center

400 Clinchfield St, Suite 100

Kingsport, TN 37660

(423)392-8825

[www.tsbdc.org/kosbe](http://www.tsbdc.org/kosbe)

## Small Business Loans

Your business may qualify for a loan from the US Small Business Administration (SBA). You can contact the SBA Answer Desk by calling (800)827-5722 or through their website ([www.sba.gov](http://www.sba.gov)). In addition to loans and grants, the SBA also provides additional resources for getting started including courses and webinars and guides to help you start and manage your business.

## State of Tennessee Economic and Community Development

The State of Tennessee Department of Economic and Community Development Business Enterprise Resource Office (BERO) provides a resource website (<https://www.tn.gov/e cd /section/bero>) geared toward helping entrepreneurs develop and help them get their small businesses off the ground. In fact, Tennessee was recently named the best in the United States for small business job growth! The resources provided by ECD can help lay a foundation for your business as you develop and grow your business. The Tennessee Smart Start Small Business Guide is a great document published by BERO that is highly recommended as you get started: <https://www.tn.ecd.com/files/458/tnsmartstartupguide.pdf>



Typically, uses on review may be required for businesses that have the ability to create noise, odors, or significant parking and traffic impacts on adjacent property. The Use on Review process is designed to ensure that potentially affected neighbors are both informed of, and provided an opportunity to comment, on the proposed business use. The deadline for submitting a request for review is the 15th of the month prior to the next BZA or Planning Commission Meeting. Your application will be heard at a public hearing of the BZA or Planning Commission which meet on the second Tuesday of each month.

If the Planning Department determines that your business does require a Use on Review, a planner will be assigned to you. This planner will guide you through the process of appearing before the Board or Commission. The planner will assist you with the application and fees as well as present your case before the BZA or Planning Commission. More information about this process can also be found on our website: [www.mymorristown.com](http://www.mymorristown.com). Notices will be mailed to surrounding property owners and signs will be posted on the property prior to this meeting.

### What happens if I buy or take over a business with a Use on Review?

The approval “runs with the land” meaning that you do not need to apply for a use on review again at the same business address if the following are true:

- Your business operation or intensity is the same as the approved business
- Your business can comply with conditions of the initial approval

If your business is different, or you cannot abide by the conditions, then you will need to speak with the Planning Department. A planner can help you make this determination.



## Home Based Businesses



Home occupation may be conducted in any residential zone. Typical examples of home occupations include home offices, and businesses providing services at other locations, such as consultants and contractors. In addition, many web-based home businesses may

be considered home occupations. Applications for home occupation permits may be found in the Planning Department. A planner will be able to discern if your home occupation is appropriate or requires Board of Zoning Appeals approval. The planner will also be able to assist you in completing your application and provide you with additional information regarding compliance with the Zoning Ordinance.

If a home based business is approved contact the Tax Office in order to obtain a business license. More information provided on page 9 of this booklet.

## Temporary Use Permit

Temporary use permits provide a basis for temporary sales out of tents, temporary structures, mobile vehicles, carts, trailers, recreational vehicles, or other such facility. Temporary uses may sell fresh fruits and vegetables, Christmas trees, firewood, bedding plants, or other food items. Currently, permits are limited to 90 days per calendar year. If you are interested in establishing a temporary business, please contact the Planning Department to obtain an application and discuss the guidelines. Temporary uses associated with festivals, carnivals, fairs, or other special events are not required to obtain a temporary use permit.

## Crossroads Downtown Partnership

Crossroads Downtown Partnership (CDP) is the Main Street organization for downtown Morristown. Founded in 2009, CDP ([www.crossroadspartnership.com](http://www.crossroadspartnership.com)) helps promote and market downtown Morristown and its small businesses. CDP is focused on making downtown visually attractive, economically strong, and the place to be in Morristown. If you are looking to open a business in downtown Morristown, you should certainly connect with Crossroads. Contact CDP at:

### Crossroads Downtown Partnership

172 W. Main Street

(SkyMart Level)

Morristown, TN 37814

[crossroadsdowntownpartnership@gmail.com](mailto:crossroadsdowntownpartnership@gmail.com)

Crossroads has recently launched the SkyMart Venture Place, located on the SkyMart. SkyMVP is a business incubator and co-working space designed for those seeking to start a business. High speed internet and office facilities are available. SkyMVP also offers courses to assist you with skills needed to start a small business. If you are interested in this opportunity, contact Crossroads or check out their website: [www.skymvp.com](http://www.skymvp.com).



## RESOURCES

### Getting Started

As you begin thinking about entrepreneurship, you should be aware that there are a wealth of resources on the internet to assist you in getting started. We have included several of these resources below. The Tennessee Secretary of State's website is a great place to get started: <http://sos.tn.gov/business-services>

### Morristown Area Chamber of Commerce

The mission of the Morristown Area Chamber of Commerce is to create, nurture, and expand diverse economic growth, and be an advocate for business in Hamblen County and the greater Lakeway region. By joining the Chamber of Commerce, you are connecting with an organization that can help you get connected to the community and grow your business. Contact the Chamber of Commerce at:



#### Morristown Area Chamber of Commerce

825 W. 1st North Street

Morristown, TN 37814

(423)586-6382

[www.morristownchamber.com](http://www.morristownchamber.com)

## SIGNS

### Do I need a Sign Permit?

Yes, if you intend to install a new permanent sign or reface an existing sign, you will need a sign permit. All signs are reviewed and approved by the Planning Department. Before designing or purchasing your sign, you should discuss the ordinance's limitations with a planner.

### How do I Design a Sign

Typically, you will hire a sign company to design and/or manufacture the signs for your business. The City's Sign Ordinance contains specific sign regulations governing sign location, size, height, etc. You may contact the Planning Department if you need additional assistance to ensure your sign meets all of the City's regulations. Once you have done so, you should submit your sign permit application to the Planning office.





## Types of Signs

A wide range of signs are allowed in the City of Morristown. Specific sizes and heights vary depending on the zoning designation. The following are types of permanent signs allowed within the City of Morristown:



**Wall signs:** attached to building facades that front both public or private streets



**Free-standing Signs:** include both pole signs and monument signs



**Window Signs:** typically displayed in windows and may be temporary or permanent



**Projecting Signs:** mounted perpendicular to the building façade; only allowed in Central Business District zone

**Incidental Signs:** include informational signs; may include "no parking," "entrance," "exit," etc. and limited to two square feet.

For more detailed information regarding sign regulations and the permitting process, you should contact the Planning Department at (423)585-4620.

## Can I move my business?

Businesses move for various reasons. Maybe you need more space or maybe you have found a unit that offers you more visibility. If you plan to move, you should always contact the Planning Department to verify that the zone of your new location allows for your existing use as you did when you originally opened your business. It is always recommended that you check on this prior to entering escrow or a lease. If you decide to move, you will also need to amend both your county and city business licenses to reflect your new address. And, of course, if you plan to engage in any level of construction at your new location, you should contact the Building Inspections Department to verify any permits you will need to obtain.

## What if I change Legal structure?

As your business grows, it can change. You may seek to alter your legal structure as your business evolves. For example, if you obtain a partner, you may change your business from a sole proprietorship to a partnership. If you change the legal structure of your business, you will need to apply for a new business license with both Hamblen County and the City of Morristown.



# MOVING OR EXPANDING YOUR BUSINESS

## May I add a new use to my business?

If you are considering changing your business use, such as adding new services, new hours, new products, or new processes, then you should check with the Planning Department. A planner can assist you with determining if your new use is allowed for your location based upon your zoning designation. By doing so, you can quickly verify that your plans will be allowed at your location prior to making a significant investment. For example, you may own an existing restaurant that does not serve alcohol. If you determine that it is more advantageous for your business to sell alcohol, you should contact a planner to verify your zoning and learn more about obtaining a beer permit or an ABC license.

## Can I expand my businesses floor area?

Of course! If your business grows, you may want to expand. However, before acting, you should be sure to check with both the Planning and Building Inspections Department to see if your expansion will be feasible and what permits will be necessary.

## What do I need to fill out an application?

In order to complete a sign permit application, you will need to provide the Planning Department a complete application, drawings of your proposed sign indicating dimensions, and a plan indicating where you plan to install your sign. Certain types of free-standing signs do require engineered drawings and foundation plans, which will be reviewed by our Building Inspections Department, to verify that the sign meets all building code regulations. This additional requirement applies to some monument signs and pole signs that exceed 20' in total height.

## Can I have Temporary Signs?

Yes, you may advertise promotions, special events, grand openings, store closings and other temporary events with temporary signs. Temporary signs located on private property do not require a permit. However, they must meet sign ordinance regulations regarding size and location and must not be displayed for more than 60 calendar days. Temporary signs located in the right-of-way must be permitted through the City Tax Office. Permits may be purchased and are good for two weeks. Temporary signs located in the right-of-way must not be located where they obstruct traffic. Permit applications are available in the Planning Department, at the Tax Office, or by accessing the City's webpage, [www.mymorristown.com](http://www.mymorristown.com). Any questions please call (423)585-4620.



# OBTAINING A BUSINESS LICENSE

## Business License

A business license must be obtained from the City of Morristown within 20 days after commencement of business. Applications are available at the tax office in the City Center and on our website, [www.mymorristown.com](http://www.mymorristown.com). Anyone purchasing an existing business should be certain the previous owner filed a final gross receipts tax return with the Tennessee Department of Revenue, or the new owner can be held liable for any tax due.

Businesses located within the city limits of Morristown must also have a business license for Hamblen County. This license may be obtained from the Hamblen County Clerk's office.

### Hamblen County Clerk

511 W 2nd North Street  
Morristown, TN 37814  
[www.hamblencountyclerk.com](http://www.hamblencountyclerk.com)  
(423)586-1993

### City Tax Office

100 W. First North Street  
Morristown, TN 37814.  
[www.mymorristown.com](http://www.mymorristown.com)  
(423)585-4607

## Opening a Business

Determining the type of Business License you need:

- The Standard Business License is for businesses that gross \$10,000 or more annually in taxable gross income. The standard license is renewed annually with the Department of Revenue. The one-time fee is \$15.00.
- A Minimal Activity License may be obtained annually for businesses having \$3,000 to \$9,999 in gross income. No annual tax return is required. The license must be renewed at the end of the fiscal year of the business. The license cost is \$15.00 each year.

Businesses having less than \$3,000 in gross income do not need a license, but can obtain a license upon request.

## Tennessee Department of Health

The Division of Environmental Health regulates, by permitting and inspecting, food service establishments, bed and breakfast establishments, organized campgrounds, tattoo parlors and body piercing studios.

Contact Tennessee Department of Health by phone at (615)741-7206 or website: <https://www.tn.gov/health/health-program-areas/eh/eh-programs/eh-foodservice.html>





## OTHER PERMITS

### Beer

The City of Morristown Beer Board issues beer permits to sell beer for on-premises and off-premises consumption. All businesses that sell beer must apply for a beer permit and appear before the beer board for approval from the City of Morristown Beer Board. This application may be obtained at the City Tax Office or on our website [www.mymorristown.com](http://www.mymorristown.com).

Requirements are provided in Title 8 of the Morristown Municipal Code. Applicants are required to complete an application, pay a (non-refundable) fee of \$280. [\$250 permit application fee and \$30 publication fee.] Once fee is paid and application complete the permit must be approved and obtained from the City of Morristown Beer Board. Certain zoning provisions apply. This License is non-transferable. The license is renewed annually by paying the annual privilege tax of \$100.00. Applicants may call Support Services at (423) 318-1552 with any questions regarding the application process.

The City Beer Board meets as needed on the first and third Tuesday of each month. To ensure consideration of an application, the applicant must submit the completed application to the City of Morristown Tax Office 30 days prior to the next Beer Board meeting in order to appear on that agenda.

All businesses that sell wine or liquor on premise must contact the Alcoholic Beverage Commission to apply for a liquor by the drink license and must pay an annual privilege tax to the City of Morristown. The tax is based on seating capacity of the facility. To obtain additional information and apply for a liquor by the drink or retail license you can contact the

Alcoholic Beverage Commission at (615)741-1602 or at <https://tn.gov/abc>

## Closing a Business

In the event your business ceases operation there are some important steps you must take to avoid unnecessary penalties and fees.

- Terminating the License

Standard Business License- a final business tax return must be filed with the Tennessee Department of Revenue within 15 days of closing.

Minimal Activity Business License- you only need to notify the Tax Office at the City Center and Hamblen County Clerks Office.

- The Hamblen County Assessor of Property office must be contacted at (423)586-1852 to close your account. Failing to close your account will result in future forced assessments. This means you will continue to receive tax bills and if not paid will be turned over to collections.
- The City of Morristown (423)585-4607 and Hamblen County Trustee's (423)586-6290 offices must be contacted to determine if any personal property tax is owed.



# BUSINESS TAX

## Reporting Tax Period/Timeline

The Uniformity and Small Business Relief Act of 2013 establishes and regulates a uniform reporting tax period for all Standard Business License classifications as well as Minimal Activity Licenses. Effective January 1, 2014 the reporting tax period runs with the taxpayer's fiscal year (January 1- December 31), unless otherwise stated to their respective city or county. New businesses must tell the city/county what their fiscal year is when opening business. All businesses must pay a minimum amount of tax based on their classification. The returns for the January 1st - December 31st period will be due April 15. All renewals are done with the State of Tennessee Department of Revenue however the city tax office can assist with any questions you have about renewals.

Business Tax Guide: <https://www.tn.gov/content/dam/tn/revenue/documents/taxguides/bustaxguide.pdf>

## For tax filing information:

All business tax returns must be filed and paid electronically annually to the Department of Revenue. Tennessee Department of Revenue, (800)342-1003, [BusinessTax@TN.gov](mailto:BusinessTax@TN.gov), <https://www.tn.gov/revenue/e-file-and-pay/electronic-filing.html>

## Business Tax Classifications

There are four main classifications of businesses. Classification is determined by dominant business activity, meaning the major or principal source of taxable gross sales. Listed below is some examples of types of businesses that are defined for each classification. You must choose only one classification per location of business. If you need assistance in determining your class, you may contact the city tax office, or the Tennessee Department of Revenue.

## Handicap Access

If you are constructing a new building or if you are adding new building features, you will be required to meet all current handicap access requirements. These modifications and features may include parking stalls, ramps, paths of travel, sales counter heights, door hardware, and restroom layout and hardware. All features must meet the current ADA Accessibility Code. Handicap access can be discussed in greater detail with one of our building inspectors.



## Additional Construction Permits

Will be needed for driveways, work in the right-of-way, and land disturbance, call (423)585-1830 to see if necessary. For backflow questions contact Morristown Utilities System at (423) 586-4121.

## Fire Marshal Review

Certain business types and occupancies require that the Fire Marshal review your plans or make site inspections. Examples include alterations to buildings with existing fire sprinkler systems, new fire alarm or extinguishing systems, changes to occupancy type or occupancy load, or businesses utilizing hazardous substances. Any questions regarding occupancy, sprinkler systems, and alarm systems should be directed to the City Fire Marshal by contacting (423)585-4657.



## Are there certain permits which must be acquired first?

There may be some instances where you must get approvals from the Planning Department prior to receiving a building permit. If you have not contacted the Planning Department prior to visiting with a building inspector, they may suggest you schedule an appointment with a planner to verify your zoning. You will also need appropriate permitting from the Tennessee State Department of Health if you are operating a business involved in the storing, selling, or serving of food and drink.

## Why do I need inspections and how do I request them?



If you are using a contractor, be sure to check that they have a valid building permit before they begin work. You can verify that they have a permit by requesting a copy from your contractor or our office or by checking to see if they have construction drawings stamped as approved from our

Building Inspections Department. The City will also provide your contractor with an inspections card which will be used to indicate that inspections of work have been passed by building inspectors.

To ensure that all building codes are being met, building inspectors will make periodic inspections throughout the process of construction. When a building inspector visits your construction site, they are checking to see if you are building what you said you would build and that all construction activity is safe and in conformance with code. To schedule inspections you should contact the Building Inspections office at (423)585-4620. Our building inspectors require at least a 24-hour notice for all scheduled inspection appointments.

### Classification 1

- A: Sales of food and beverage for home consumption
- B: Sales of lumber, building materials, and farm equipment, electrical supplies, etc.
- C: Sales of farm and nursery products
- D: Retail sales of gasoline, diesel, fuel and motor oils at retail
- E: Wholesale sales of gasoline and diesel fuel

### Classification 2

- Motor vehicles
- Clothing
- Home furnishings
- Prepared food
- Florist
- Prescription drugs

### Classification 3

- Sales of Services
- Candy
- Books
- Sporting goods
- Jewelry
- Antiques
- Toys
- Pets/Pet foods

### Classification 4

- Person improving real property (construction contractors)
- Person providing extermination services
- Persons installing tangible property

## Business Tangible Personal Property

Tangible Personal Property is moveable, touchable property used in a business. It includes furniture, computers, supplies, etc. and other property not listed as real estate. Business tangible personal property values for tax purposes are based on a self-reporting system. Values are determined by the Tangible Personal Property Schedule. The Tangible Personal Property Schedule is furnished annually on or before February 1 by the Hamblen County Assessor of Property to every business owner operating within the City of Morristown. Every business owner operating within the state of Tennessee is required to complete, sign and file the Tangible Personal Property Schedule with the Hamblen County Assessor of Property annually on or before March 1 as provided by T.C.A. 67-5-903(c). Personal property taxes are deductible. The law provided that a business owner may deduct the personal property tax against the business tax liability, but is limited to 50% when filing your Business Tax Return with the Department of Revenue.



## Free Tax Workshops

The Tennessee Department of Revenue sponsors free tax workshops for new businesses/business owners. These sessions normally include information about: business tax, sales and use tax, and issues regarding tax enforcement for the Department of Revenue. At some workshops, tangible personal property tax may also be included. Tax workshops are held bi-monthly.

For tax workshop information and registration: <https://www.tn.gov/revenue/taxpayer-education/information-and-outreach/tax-workshops.html>

## OBTAINING BUILDING PERMITS

### What Requires a Building Permit?

All businesses must obtain City Building Permits for both new construction and renovations. This may include interior or exterior improvements. Examples of work that may require a permit include new structures, building additions, demolitions, some interior walls, new plumbing fixtures, hood installations, and new electrical wiring. Finish work and minor improvements, such as carpeting and painting, typically do not require a building permit. Building permitting ensures that all construction activity meets established building codes, which have been approved by City Council. These codes provide contractors with minimum standards to ensure life and property safety. The Building Inspections Department is available to you to determine if you need a permit and to assist you with obtaining a permit.

### How do I Apply?

To obtain building permits, you or your contractor must submit a permit application, appropriate building plans, and fees to the Building Inspections Department. What is required will be dependent upon the type of permit for which you are applying. The Building Inspections Department may require detailed drawings drawn and stamped by a Tennessee-licensed design professional (such as an architect or a structural engineer) for more advanced projects. Meeting with a building inspector prior to application will help you to verify what level of detail will be required for your project. The best time to contact or speak to an inspector is between the hours of 8 a.m. to 9 a.m. or 4 p.m. to 5 p.m.