

WHAT IS A BUSINESS LICENSE?

A Business License is an annual tax you pay each calendar year for doing business within the unincorporated area of the County of Contra Costa.

The County Ordinance requires that you obtain a license for conducting any business activity within the unincorporated areas -- even if your business is located OUTSIDE our limits or you have a Business License from another city.

The Business License is evidence only that your tax has been paid. **Other permits may be required to open your business.** See NUMBERS TO CALL at end of this brochure.

WHY MUST I PAY A TAX TO DO BUSINESS IN THE UNINCORPORATED AREA OF THE COUNTY?

By County Ordinance, the tax imposed through the taxing power of the County is solely for the purpose of obtaining general revenue. Business taxes help pay for services like roads, fire and police, and other community services within the unincorporated areas.

WHO IS REQUIRED TO HAVE A LICENSE?

Any person who conducts business in or is based from the unincorporated area of the County of Contra Costa must obtain a business license. Conducting business in the unincorporated area of the County of Contra Costa without a license can result in penalties, notice of violations, and finally, court action.

WHAT IF MY BUSINESS ALSO CONDUCTS BUSINESS IN ANOTHER CITY OR COUNTY?

Check with the city's or county's Business License Bureau. You will need a separate Business License to conduct business in any other city or county.

It is important to know that most California cities and counties have a business license tax ordinance. However, each city has its own tax rate, structure, and requirements. Check with the appropriate city or county for theirs.

WHAT IF I HAVE MORE THAN ONE PLACE OF BUSINESS IN THE UNINCORPORATED AREA OF THE COUNTY?

If you own more than one place of business, you do not need a separate license for every branch establishment or separate place of business. The flat fee portion of the business license tax is assessed on one location. The per employee fee is assessed for employees at all locations.

WHAT IF MY BUSINESS IS TRANSIENT OR TEMPORARY?

You must still acquire a business license. The cost to do business in the unincorporated area of the County for transient or temporary businesses is \$100 per day

DO I NEED A BUSINESS LICENSE EVEN IF I CONDUCT BUSINESS ON A PART-TIME BASIS?

Yes. Even if you conduct business on a part-time, limited, or hobby-related basis, you are required to obtain a current Business License.

HOW LONG IS THIS LICENSE GOOD FOR?

Your license is current for the license year in which you obtain it and must be renewed each July 1st as long as you are in business.

WILL THE COUNTY NOTIFY ME WHEN TO RENEW MY LICENSE?

Yes. However, it is your responsibility to obtain a renewal license whether or not a renewal notice is received. Penalties are assessed for delinquent accounts, regardless of whether you receive a renewal notice or not. If you do NOT receive a notice by July 1st, contact our office immediately.

HOW MUCH WILL THE BUSINESS LICENSE COST?

For most businesses, the license fee is \$100 per entity plus \$10 per each full-time equivalent employee over one. For amusements and itinerant businesses, the fee is \$100 per day. The Tax Collector's Office assigns all rates.

WHAT BUSINESSES ARE EXEMPT FROM HAVING A BUSINESS LICENSE?

The Business License Ordinance may grant an exemption to a business based on its type. An application for exemption statement must be filled annually with the Tax Collector. Depending on the

type of exemption you are applying for you must submit with your statement a proof of exempt status such as State or Federal or medical certification or other documents if any. If you are mailing your application or stopping at our office, you must include a copy of your proof. Failure to submit proof may cause us to deny or delay processing of your application.

CAN I CLAIM AN EXEMPTION BY VIRTUE OF STATE OR FEDERAL LAW?

Section 64-14.406 - Exemptions: a business license is not required for transacting and carrying on any business exempt by virtue of the Constitution or applicable statutes of the United States, or of the State of California. The following businesses currently are generally exempt:

- **Exempted by State Laws and Statutes**
 - Amtrak
- Railroads

Exempted by State Laws or Statutes

- Banks
- National banking companies
- Insurance companies
- Blue Cross of California
- Bail bond agencies (Insurance Bonds)
- Title insurance companies (as opposed to Title guaranty co.)
- Alcoholic beverage manufacturers and/or distributors

DO I PAY A BUSINESS TAX IF MY BUSINESS IS A NON-PROFIT ORGANIZATION?

Section 64-14.406 - Non-Profit Organization Exemption: a business license is not required of any charitable or non-profit institution, corporation, or association organized or conducted for non-profit purposes only and having non-profit tax exempt status under State or Federal law.

DO I PAY A BUSINESS TAX FOR GROWING OR PRODUCING AGRICULTURAL PRODUCTS?

Section 64-14.406 - Agriculture Exemption: a business license is not required for carrying on the business of agriculture except for the retail of

agricultural products not grown or produced by the agricultural business that is exempted.

IS THERE ANY OTHER EXEMPTION I COULD APPLY?

Section 64-14.406- Exemption for business with annual gross receipts less than \$20,000 per year and businesses which rent or lease no more than four residential dwelling units.

DO I NEED A D.B.A. OR FICTITIOUS BUSINESS NAME?

If your business name is anything other than your surname or has more than one owner -- a partnership, association, or company -- you will need to file a fictitious business name with the County Clerk's Office. Should you accidentally "infringe" upon another business you may face legal action and will have to pay to refile your Business License -- and that gets expensive. So, it is necessary to do this before you apply for the Business License.

ARE THERE ANY RESTRICTIONS ON WHERE I DO BUSINESS?

Every business must meet zoning and building requirements to ensure that its business category and site are compatible BEFORE SIGNING any leases and moving in.

Check with County Zoning/Planning Department, (925) 335-1381, to make sure you locate your business at an address where it is allowed and that it does not heavily impact the neighborhood or require special parking consideration.

I'M NOT SURE MY BUSINESS ADDRESS IS THE LEGAL ADDRESS. WHERE DO I GO TO FIND THAT INFORMATION?

As your business address will appear on all filing documents, make sure it is accurate and legal to save you the trouble and expense of re-filing changes later. If you need assistance in determining the legal address, contact the County's Planning Division.

ARE THERE ANY REQUIREMENTS I MUST MEET BEFORE HANGING MY BUSINESS SIGN?

Please check with the Planning Department before using or installing ANY type of sign: wall, window, banners, even balloons. Temporary signs require review and approval prior to issuance of permits and installation.

DO I NEED A LICENSE IF I WORK OUT OF MY HOME?

Yes. Businesses operated from the home also require payment of a Business License tax. The Zoning Ordinance regulates the type of business operations that may be done in the home.

I AM PAID ON A "1099" BASIS WITH MY EMPLOYER (NOT AS AN EMPLOYEE). DO I NEED A BUSINESS LICENSE?

Yes, if you are not an employee, you are considered an Independent Contractor. Providing services to, or on behalf of a business, may be of an employee/employer or an independent contractor relationship depending on the nature of the work and span of control involved. Determining the relationship between you and your employer (or employee) can sometimes be confusing. However, simply put, **if you are not paid as an employee, you are considered an Independent Contractor and are required to have a Business License.**

Fortunately, the State Department of Employment Development (EDD) has a very helpful booklet highlighting specific guidelines to follow in determining the correct relationship between you and your employer or employee.

Contact EDD if you are unsure of the relationship. Once a determination has been made that your relationship is not that of an employee/employer, then by default, it is that of an independent contractor subject to a Business License.

DO STATE LICENSED CONTRACTORS NEED A BUSINESS LICENSE TOO?

Any person licensed as a contractor by the State Contractor's Board must obtain a Business License if 1) conducting business in the unincorporated areas of the County, whether based in or outside of this area, or 2) if based in the unincorporated area of the County, whether conducting business in or outside this area.

WHEN DO I NEED A SELLER'S PERMIT?

Every business intending to sell tangible goods -- wholesale or retail, commercial or home based, sales or repair oriented -- requires a California Seller's Permit. To apply, contact the Board of Equalization, (510) 622-4100.

WHAT IF MY BUSINESS HAS EMPLOYEES?

Contact the Employment Development Department for their requirements regarding State Withholding Taxes, Disability and Unemployment Insurance.

WHAT IF I'M SELF-EMPLOYED?

If you have NO EMPLOYEES, contact the Franchise Tax Board regarding Withholding Taxes, and Corporate State Taxes.

ARE LICENSES/PERMITS TRANSFERABLE TO ANOTHER PERSON, LOCATION, OR TYPE OF BUSINESS?

Since General Business Licenses are approved based on zoning requirements at a specific location, they are **NOT TRANSFERABLE** to another address, type of business or a new ownership. Special Business Licenses are **NOT TRANSFERABLE** to a different type of business or a new owner. Employee permits are **NOT TRANSFERABLE** to a different type of business activity, or a new employee.

HOW DO I CLOSE MY BUSINESS LICENSE?

In order to close a license, just return your copy of the Business License, with a letter stating that you wish to close your license, to the Business License Section.

NUMBERS TO CALL

ABC License

Dept of Alcohol Beverage Control (510) 622-4970
<http://www.abc.ca.gov/>

Barber & Cosmetologist Professional License

Brd of Barbering & Cosmetology (800) 952-5210
<http://www.barbercosmo.ca.gov>

Business Property Tax and Change of Ownership

County Assessor's Office (925) 313-7600
<http://www.cccounty.us/assessor>

Child and Adult Care License

Community Care Licensing (510) 622-2602
<http://www.cclld.ca.gov>

Child Care Provider Training & Development

Child Care Council, Contra Costa (925) 676-5437
<http://www.cocokids.org>

Contractor's License

Contractors State License Board (800) 321-2752
<http://www.cslb.ca.gov/>

Corporations, Companies, Partnerships

Secretary of State (916) 657-5448
<http://www.ss.ca.gov/>

Fictitious Business Name Statement

Clerk-Recorder's Office (925) 335-7900
<http://www.ccclerkrec.us/connect/site/>

Food Preparers and Handlers Regulations

Environmental Health Services (925) 692-2500
<http://www.cchealth.org/eh/>

Home Occupation, Zoning, Sign Permits

Application and Permit Center (925) 674-7200
<http://www.co.contra-costa.ca.us/index.aspx?NID=1963>

Local Fire Regulations

Fire Protection District (925) 941-3300
<http://www.co.contra-costa.ca.us/depart/fd/>

Massage Practitioner & Therapist Certification

CA Massage Therapy Council (916) 669-5336
<http://www.camtc.org>

Occupational Safety

Cal/OSHA (510) 286-7000
http://www.dir.ca.gov/occupational_safety.html

Seller's Permit & Tobacco Products License

California Board of Equalization (510) 622-4100
<http://www.boe.ca.gov/>

Social Security Numbers

Social Security Office (925) 772-1213
<http://www.ssa.gov/>

Solicitors and Peddlers Registration

Sheriff's Office (925) 335-1571
<http://www.cocosherriff.org/>

Vehicle sales License

Department of Motor Vehicles (800) 777-0133
<http://www.dmv.ca.gov>

Worker's Compensation Insurance

Dept of Industrial Relations (510) 622-2861
<http://www.dir.ca.gov/>

Please Recycle

RUSSELL V. WATTS
TREASURER-TAX COLLECTOR

Business License Tax

Contra Costa County Tax
Collector's Office



Russell V. Watts
Treasurer-Tax Collector
625 Court St, Room 100
County Finance Building
Martinez, CA 94553

Telephone: (925) 608-9500

For more information, visit our Web site at:
<http://www.cctax.us>