Business License FAQS



City of Crescent City

377 J Street Crescent City, CA 95531

"Where the Redwoods Meet the Sea"



The Purpose of This Information

The purpose of this information is to assist in obtaining a Crescent City Business License.

What is a business license?

A business license issued by the City of Crescent City is a permit to operate your business within the City limits of Crescent City. This serves as registration of your business and is not regulatory as mandated by Municipal Code 5.04 through 5.20.

What is considered to be a business?

A profession, trade, occupation, or any other line of work.



Who needs a business license from the City of Crescent City?

• Anyone who is doing business within the City limits of Crescent City- even if only for one day.

• Anyone living in Crescent City who is doing business from their home.

Where do I go to get my business license process started?

The Business License Application can be obtained from the City Hall office (address below) or online at crescentcity.org. The license applications are filed in the Cash Receipting Office at City Hall, Water/Sewer Billing Department, 377 J Street.

What do I need to do to get my business license?

- You will need to complete a City of Crescent City Business License Application.
- Your business must be licensed to a physical location. We cannot issue a business license to a post office box. You may use your home as your business location.
- If you are selling firearms, second hand items, alcohol, tobacco, your business involves the sale/preparation of food or beverage items, you are a mobile vendor (food truck), or you are operating a taxi service you may be required to provide additional applications, certifications, or permits before a business license will be issued to you. Please contact the business license department for more details.

What are the business license classifications and how are business license taxes calculated?

Frequent Classifications:

CLASS A-(\$52.00) Professional services, contractors, etc.

CLASS B- (\$41.50) Retailers whose business is primarily dependent on the sale of alcoholic beverages

CLASS C- (\$31.00) Real property rental providers (such as vacation rentals, hotels, motels, etc.).

CLASS D- (\$31.00) Wholesalers, other than as provided above

CLASS E- (\$31.00) Businesses providing services at least 25% of which are not subject to sales tax

CLASS F-(\$31.00) Retailers (including restaurants and service stations).

CLASS G- (\$52.00) Taxicabs

CLASS O-(\$15.00) Includes farmer's market vendors and special event booth vendors (positions are not charged to a Class O license)



Fees are based on the classification(s), number of employees, number of days doing business within City limits (for nonresident businesses), and some other miscellaneous charges to businesses such as hotels/motels, etc.

Some other frequently charged amounts:

POSITIONS – average number of persons employed (full-time equivalency) including the owner

1-2 positions (\$10.50)3-5 positions (\$41.50)6-8 positions(\$72.50)*If more than 8 positions, contact business license department for more information.

Non-resident Businesses, based on number of days within the City per year1-20 days (\$26.00)21-180 days (\$46.50)+180 days (\$88.00)

SB1186- (\$1.00) State mandated fee on "any applicant for a local business license or equivalent instrument or permit, or renewal thereof". Charged to EVERY business license.

If a business has non-profit status with the State of California or if the business owner is a veteran, fees may be waived. Proof must be provided with application.

What City department approvals are necessary for me to obtain after I have filed my business license application?

NON-RESIDENT BUSINESS LICENSE:

In most cases, if you are a non-resident business, approvals from specific City departments are not necessary.

BUSINESS LICENSE FOR PHYSICAL LOCATION INSIDE CITY LIMITS:

If your business is a "brick & mortar" building within the City limits in which you have customers or employees you will be required to receive approval from the planning, building, and fire department. You must first file your application and it is your responsibility to call and schedule any of the necessary inspections with these departments.



PLANNING----(707)464-7483 EXT 226 Most planning approvals are made internally and do not require inspections, but you may call to inquire if any inspections are necessary and of the status of your application.

BUILDING---(707)464-7483 EXT 228

The building department will require an inspection of your place of business to determine if all building requirements have been met. You may call and schedule this inspection.

FIRE---(707)464-2421

The fire department will require an inspection of your place of business when the location is ready for normal business operation to begin. You may call to schedule your inspection once your location is business ready.

How do I pay my first business license taxes?

Upon completion of the business license application process (including any necessary approvals and submission of any necessary certificates) you will receive an invoice for any appropriate taxes. Taxes are prorated quarterly. If your start date is mid fiscal year your initial taxes will be prorated accordingly. You will not receive your business license until such taxes are paid in full. You can pay for your taxes in the Cash Receipting Office at City Hall, Water/Sewer Billing Department, 377 J Street.

What happens if I do not pay my business license taxes?

Any invoice that is not paid by the due date is subject to a 10% penalty each month for up to 50% of the total of the business license taxes owed. Following the penalties if such taxes are still delinquent you may be subject to an administrative citation and/or legal action. It is **important** that you keep in contact with our office if there are any changes which prevent you from paying.

How do I renew my license each year?

Business licenses are renewed annually and expire June 30th each year (some special Class O licenses will expire May 31st). Your expiration date is located on your business license which you are required to keep posted at your place of business. You will automatically receive a renewal invoice in the mail before your expiration date. Do not ignore this invoice if you have ceased business and/or do not plan to renew for the upcoming fiscal year. Following full payment of that invoice you will receive your new license in the mail. It is the responsibility of the business owner to notify the City of Crescent City of any discontinuation of your business.

What kind of changes do I need to notify the City of?

If there are any changes to your business such as:

- Location of Business
- Number of Employees/Days per Year (for non-resident)
- Business Owner
- Business Name
- Mailing Address/ Contact Information
- Cease/Discontinue Business

It is your responsibility to notify the City of Crescent City's Business License Department of any such change as soon as possible.

Where can I find more information about the City's business license requirements and taxes?

- Crescent City Municipal Code Chapter 5.04 through 5.20
- City of Crescent City Current Fee Schedule

These resources can be found on our website at crescentcity.org or you can call for more information at (707)464-7483 ext. 235.

Resources

Questions about filing your Business License Application & Approvals Needed:

City of Crescent City Business License Department 377 J Street Crescent City, CA 95531 (707)464-7483 ext. 235- Chrissy Rawlings Email: <u>crawlings@crescentcity.org</u>

For help starting your business (by appointment only):

Small Business Development Center College of the Redwoods 883 W Washington Blvd. Crescent City, CA 95531 (707)464-2168 www.northcoastsbdc.org

Questions about filing your Fictitious Business Name Statement:

County of Del Norte –Clerk/Recorder's Office 981 H Street, Suite 160 Crescent City, CA 95531 (707) 464-7216 www.co.del-norte.ca.us

Questions about health permits (for food preparation/sale):

Del Norte County Community Development Department Environmental Health Division 981 H Street, Suite 110 Crescent City, CA 95531 (707)465-0426 www.co.del-norte.ca.us

Questions about obtaining a seller's permit:

California State Board of Equalization PO Box 942879 Sacramento, CA 94279 (800)400-7115 www.boe.ca.gov

Questions about obtaining a contractor's license:

Contractors State License Board PO Box 26000 Sacramento, CA 95826 (800)321-2752 www.cslb.ca.gov



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crescentcity.org