

Contact Information

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Administrative Service
Technician/Business Licenses
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Hours

Business License office hours are:
8:00 a.m. to 5:00 p.m.
Monday through Friday,
except holidays

Helpful Resources For Business

Reid Montgomery
Business Community Liaison
Phone: (916) 478-2261
Email: rmontgomery@elkgrovecity.org

Small Business Development Center
www.sbdc.net
(916) 563-3210

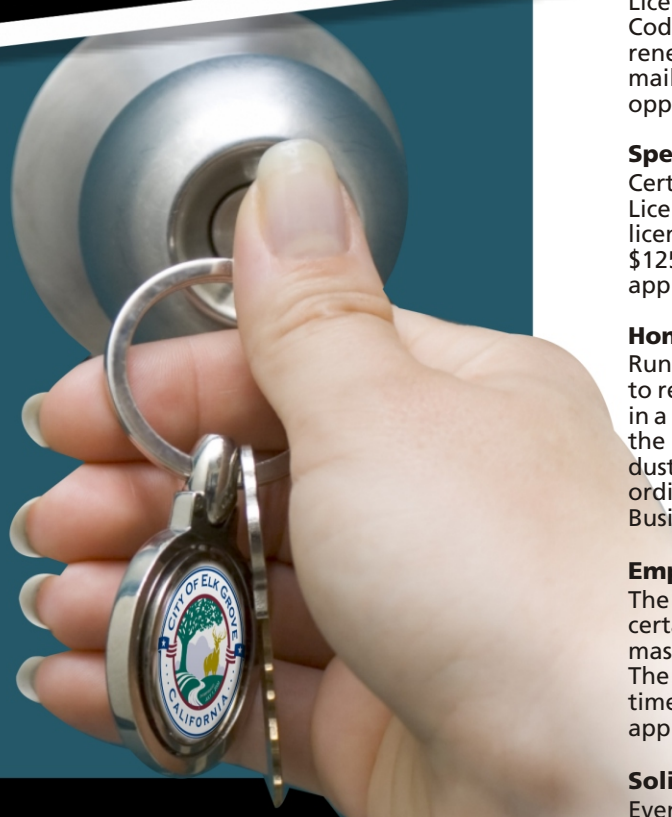
Elk Grove Chamber of Commerce
www.elkgrovecity.com
(916) 691-3760



CITY OF ELK GROVE
8400 Laguna Palms Way
Elk Grove, CA 95758

www.elkgrovecity.org

ATTN: BUSINESS OWNERS



**Updated Elk Grove Business License Program
February 1, 2006**

Business Licenses

Having current and relevant information about local businesses helps fuel economic development in the City – including the ability to attract more high quality, good paying jobs. That economic growth is good for everyone – existing residents, new residents, and business in general. Gathering information about who's doing business in Elk Grove and where is also an important public safety and planning tool. It helps the planning department consider new zoning, and helps the police and fire departments address potential issues in advance.

The most effective way for a City to gather information about businesses is through a business license program. For Elk Grove, the time for such a program is now.



As of **February 1, 2006**, most businesses in Elk Grove will need to apply for a business license and pay an application fee. The fee has been set at an amount that will just cover operation of the program, and the process has been made as easy as possible for business owners – understanding the time constraints that limit so many business owners.

Types of Business Licenses

General Business Licenses

Licenses are issued to businesses with a physical location within the City limits based on compliance with Zoning Code Requirements. The fee for a General Business License is \$110 for a two year license with a \$75 two year renewal fee. Review and investigation of the license application can take up to 45 days for approval and then mailed to the applicant. The license is non-transferable. If the license is denied, you will be notified and provided an opportunity to appeal the decision.

Special Business License

Certain types of businesses are required to have more than one license. Usually the second license is a Special License. The Special License is issued based on a character review of the owner of certain types of businesses. The license is approved by the Police Department and fingerprinting of owner is required. The fee for a Special License is \$125 and is an annual license. The one time fingerprinting fee is \$44. This license may take up to 90 days to be approved.

Home Business

Running a business from home is an attractive idea to many people, but it is important for home business operators to remember that they are conducting a business in a home, which is most likely surrounded by other homes in a residential area. The City places certain restrictions on the operation of home businesses to protect the residential nature of the neighborhood and prevent nuisance complaints regarding noise, dust, and traffic. These rules protect you and your neighborhood. Please see zoning code ordinance for home business. The fees and review process is the same as the General Business License guidelines.

Employee Permits

The Employee Permit is based on a character review of the employees of certain types of businesses (taxi drivers, car dealers, ice cream vendors, massage therapists, etc.) Permit is approved by the Police Department. The fee for an Employee Permit is \$75 and is an annual license. The one time fingerprinting fee is \$44. This permit may take up to 90 days for approval by the Police Department.

Solicitors Permit

Every person who sells, solicits or takes orders for goods, wares, merchandise, books, periodicals, subscriptions, photographs or services from private residence shall pay an annual license fee of \$36. There is also a background check with the Department of Justice of \$44. Please contact the Business License staff for further information.



Frequently Asked Questions

What if I have more than one business or more than one location?

If you own more than one business, a separate business license is required for each type of business and for each location.

Can I use the business license from the previous owner?

No. A business license cannot be transferred or assigned to another person or business. As a new owner, you need to apply for a business license in your name.

I conduct business in several cities. Can I get just one license to do business in all of them?

Unfortunately, no. Each city has its own business license requirements. It is important to know that most California Cities 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 their rules and regulations.

Will the City notify me when it is time to renew my license?

Yes. However, it is your responsibility to renew the business license on time even if the courtesy reminder notice is not received. If you do NOT receive a notice two weeks prior to the expiration date, contact staff immediately.

How long will it take for me to get my business license?

Once we receive your business license application, the process can take anywhere from one week up to 45 days. The average time is two weeks. Once the license is approved by the planning, building, code enforcement and fire departments your license will be mailed out to you.

What if I want to move the business?

Always check with the City's Planning Division to verify that the new location is zoned properly for the intended use and whether a use permit or other type of approval is required.

Your license is non-transferable. You will need to reapply for a new license for the new location.

Do I need a D.B.A. or Fictitious Name?

If your business name is anything other than your surname or has more than one owner (a partnership, association or company) you may need to file a fictitious business name statement with the County of Sacramento. You can reach Sacramento County at 916-874-6644 or download an application www.saccounty.net.

Are there any restrictions on where I do business?

Every business must meet zoning requirements to ensure that the business activity and site are compatible. Before signing any lease or rental agreement, check with the City's Planning Division to make sure business activity is appropriate for the zoning and that it will not heavily impact the neighborhood or require special parking considerations.

If I have a State Contractors License will I still need a business license too?

Yes, unless you do not have a physical location here. Out of town contractors do not need to get a license.

What about commercial business locations?

Check with a building Permit Technician to determine what building modifications, if any, may be necessary for your business type.

Usually, a fire inspector will visit your business in order to verify that your building or tenant area meets Fire and Building Code requirements and will issue a Certification of Occupancy.



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What about selling food?

If selling or preparing food, apply for a health permit from the County Environmental Health Department. Call the City of Elk Grove license staff to determine if your business will require a business license.

Do I need a license if I'm paid on a "1099"?

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

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/employee.

Will I need a Seller's Permit?

Every business intending to sell tangible goods whether its wholesale or retail, commercial or home based, sales or repair oriented will need to apply for a California Seller's Permit. To apply, contact the Board of Equalization at 916-227-6700 or www.boe.ca.gov.

Must I apply in person?

You may apply in person at City Hall, or on the web at www.elkgrovecity.org.

What if I'm self-employed?

If you have no employees, contact the Franchise Tax Board regarding withholding Taxes and Corporate State Taxes.

What about a business sign?

Please check with Planning and Building before using or installing any type of sign, flag or banner, even balloons. Permanent and temporary signs require review and approval prior to issuance of permits and installation.

Posting signs, handbills or flyers on any utility pole, traffic pole, fence, tree, pier, bridge, mailbox or other public structure is prohibited!

Should I post my business license?

Yes. The business license must be displayed in a conspicuous location on the premises of any business open to the public. Businesses that are mobile must carry a copy of the business license at all times while carrying on business activities within the City.

Do I need a license if I work out of my home?

Yes. Businesses operating from the home require a business license and must comply with the City's Zoning Ordinance. Types of home-based businesses and the manner in which they may operate are regulated by the Zoning Ordinance. Prior to starting a home based business, owners must read and sign a Home Occupation Agreement. This serves as an agreement to abide by the conditions. If you have any questions regarding zoning, please contact the Planning.

What if my business has employees?

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