

### City of Hercules, CA (9936) Business License Fee Schedule and Frequently Asked Questions (FAQs)

# Thank you for doing business in the City of Hercules.

All businesses transacting or carrying on any business in the City of Hercules must pay for and/or obtain a business license.

# Businesses Located/Based in the City Limits of Hercules:

For businesses based in Hercules, a BUSINESS USE PERMIT is required through the Planning Department. City approval and all other license pre-requisites must be met before a business license can be issued. Examples of Use Permits:

- Temporary Use Permit
- Administrative/Minor Use Permit
- Home Occupation/Home Based Permit
- Conditional Use Permit
- Special Use Permit for Wireless Facilities
- Combined Live/Work License, Parking Determination & Sign Permit

### How to file:

Preferred Method: To remit payment online: Go to <u>https://hercules.bizlicenseonline.com/</u>. Complete a simple registration, file and pay online.

Payment Methods Available Online: ACH Debit (Checking or Savings) Credit Card (Visa, MasterCard, Discover)

To remit payment by form: Complete a new or renewal business license application. Applications can be found on our website at <u>www.avenuinsights.com</u>.

Click on the following (or scroll to the bottom of the document) to see more information on the following topics:

- Fee Schedule and Calculations
- Gross Receipts, Definition of
- Image Arrow FAQs
- Municipal Code

# Important Information

### For your information:

License Due Date: Renew annually on January 1st.

License Delinquent Date: Licenses are considered delinquent on or after February 1<sup>st</sup> of each license year.

**License Expiration:** Annual licenses expire December 31<sup>st</sup> of each year and must be renewed annually. Quarterly licenses expire at the end of the quarter for which licenses have been issued. Temporary licenses expire per the date printed on the official licenses.

## To prevent a delay in the issuance of a license, please note the following:

- A license based on gross receipts cannot be issued until the gross receipt amount is provided, the license is paid in full and all other required pre-requisites are met.
- A license based on unit count (# of employees, # of vehicles, # of rooms, # of days, etc.) cannot be issued until the unit count is provided, the license is paid in full and all other required pre-requisites are met.
- Business license categories that require City approval, additional certification and/or documents cannot be issued until such approval/documentation is received and the license is paid in full.

### Customer Service

Toll Free Phone: (866) 240-3665 Toll Free Fax: (855) 219-4338 Se habla español.

Email: <u>muniblsupport@avenuinsights.com</u> Website: https://hercules.bizlicenseonline.com/

Mail to address: Avenu Insights & Analytics City of Hercules Business License Department 373 E. Shaw Avenue, Box 367 Fresno, CA 93710

Make checks payable to "Tax Trust Account"

# **City of Hercules, CA**

**Renewal License Application Fee Schedule** 

Questions? Contact Support toll free at (866) 240-3665 or muniblsupport@avenuinsights.com

#### Retail, Service, Manufacturer, Wholesale, Daycare, Short Term Lodging, Residential/Commercial Real Estate Property Rental Licenses Calculated Based on Estimated AVERAGE MONTHLY Gross Receipts.

Instructions: Use calculation table below to calculate the ANNUAL license fees for the following business descriptions. \*Annual licenses may be prorated only the first year of registration and must be renewed annually thereafter. Businesses may prorate their first year business license fee on a quarterly basis.

Code	Classification/Business Description Description	
Code 1.03	Hotel, Motel, Bed & Breakfast, Short Term Lodging	
Code 1.04	Manufacturer	
Code 1.05	Manufacturer HOME OCCUPATION	
Code 1.06	Retail	
Code 1.07	Retail HOME OCCUPATION	
Code 1.08	Service	
Code 1.09	Service HOME OCCUPATION	
Code 1.10	Wholesale	
Code 1.11	Wholesale HOME OCCUPATION	
Code 1.12	Residential Real Estate Property Rental (1+ rental unit)	
Code 1.13	Residential Real Estate Property Rental (1+ rental unit) HOME OCCUPATION	
Code 1.14	Commercial Real Estate Property Rental (1+ property)	
Code 1.15	Commercial Real Estate Property Rental (1+ property) HOME OCCUPATION	

Average Monthly Gross Receipts Range	License Fee Due*	Average Monthly Gross Receipts Range	License Fee
\$0.00 to \$1,000	\$46.00	\$35,000.01 to \$40,000	\$498.00
\$1,000.01 to \$1,500	\$58.00	\$40,000.01 to \$45,000	\$544.00
\$1,500.01 to \$2,000	\$68.00	\$45,000.01 to \$50,000	\$590.00
\$2,000.01 to \$3,000	\$91.00	\$50,000.01 to \$60,000	\$635.00
\$3,000.01 to \$4,000	\$114.00	\$60,000.01 to \$70,000	\$680.00
\$4,000.01 to \$5,000	\$137.00	\$70,000.01 to \$80,000	\$726.00
\$5,000.01 to \$6,000	\$158.00	\$80,000.01 to \$90,000	\$771.00
\$6,000.01 to \$8,000	\$182.00	\$90,000.01 to \$100,000	\$816.00
\$8,000.01 to \$10,000	\$205.00	\$100,000.01 to \$130,000	\$907.00
\$10,000.01 to \$12,000	\$226.00	\$130,000.01 to \$160,000	\$997.00
\$12,000.01 to \$14,000	\$251.00	\$160,000.01 to \$200,000	\$1,134.00
\$14,000.01 to \$16,000	\$272.00	\$200,000.01 to \$350,000	\$1,359.00
\$16,000.01 to \$18,000	\$294.00	\$350,000.01 to \$500,000	\$1,586.00
\$18,000.01 to \$20,000	\$319.00	\$500,000.01 to \$650,000	\$1,926.00
\$20,000.01 to \$25,000	\$363.00	\$650,000.01 to \$800,000	\$2,266.00
\$25,000.01 to \$30,000	\$409.00	\$800,000.01 to \$1,000,000	\$2,718.00
\$30,000.01 to \$35,000	\$453.00		

Average Monthly Gross Receipts Range	Base Fee*
\$1,000.000.01 to \$2,000,000 (Base Fee + \$1.00 per \$1,000 in excess of \$1M up to \$2M)	\$2,718.00
\$2,000.000.01 to \$4,000,000 (Base Fee + \$.80 per \$1,000 in excess of \$2M up to \$4M)	\$3,851.00
\$4,000.000.01 to \$7,000,000 (Base Fee + \$.60 per \$1,000 in excess of \$4M up to \$7M)	\$5,663.00
\$7,000.000.01 to \$10,000,000 (Base Fee + \$.40 per \$1,000 in excess of \$7M up to \$10M)	\$7,703.00
Over \$10,000,000 (Base Fee + \$.20 per \$1,000 in excess of \$10M with no cap)	\$9,060.00

Contractors		
Code	Classification/Business Description	
Code 2.01	Contractor-Located within the city limits of Hercules	
0000 2.07	Note: Must renew annually	
Code 2.02	Contractor-Located within the city limits of Hercules HOME OCCUPATION	
Code 2.02	Note: Must renew annually	
Code 2.03	Subcontractor-Located within the city limits of Hercules	
Code 2.03	Note: Must renew annually	
Code 2.04	Subcontractor-Located within the city limits of Hercules HOME OCCUPATION	
Code 2.04	Note: Must renew annually	
Code 2.05	Contractor-Out of Town	
	Note: Allowed to pay by quarter or annually	
Cada 2.06	Subcontractor-Out of Town	
Code 2.06	Note: Allowed to pay by quarter or annually	

#### **\*\*Calculation instructions – NEW BUSINESSES**

TOTAL ESTIMATED GROSS RECEIPTS divided by # of months in job this year = AVERAGE MONTHLY GROSS RECEIPTS Find AVERAGE MONTHLY GROSS RECEIPTS on the below table to determine license fee. License fee multiplied by # of quarters operating this year = Total license fee due + CASp Fee

#### \*\*Calculation instructions – ANNUAL RENEWAL FOR CODES 2.01, 2.02, 2.03 or 2.04:

TOTAL ACTUAL GROSS RECEIPTS for previous year divided by 12 months = AVERAGE MONTHLY GROSS RECEIPTS Find AVERAGE MONTHLY GROSS RECEIPTS on the below table to determine license fee. License fee multiplied by 4 quarters = Total license fee due + CASp Fee

#### \*\*Calculation instructions –RENEWAL FOR CODES 2.05 or 2.06:

TOTAL GROSS RECEIPTS divided by # of months in job this year = AVERAGE MONTHLY GROSS RECEIPTS Find AVERAGE MONTHLY GROSS RECEIPTS on the below table to determine license fee. License fee multiplied by # of quarters operating this year = Total license fee due + CASp Fee

Average Monthly Gross Receipts	License Fee Due**	Average Monthly Gross Receipts	License Fee Due**
\$0.00 to \$4,000	\$29.00 per quarter	\$45,000.01 to \$50,000.00	\$148.00 per quarter
\$4,000.01 to \$5,000.00	\$36.00 per quarter	\$50,000.01 to \$60,000.00	\$158.00 per quarter
\$5,000.01 to \$6,000.00	\$41.00 per quarter	\$60,000.01 to \$70,000.00	\$171.00 per quarter
\$6,000.01 to \$8,000.00	\$46.00 per quarter	\$70,000.01 to \$80,000.00	\$182.00 per quarter
\$8,000.01 to \$10,000.00	\$51.00 per quarter	\$80,000.01 to \$90,000.00	\$193.00 per quarter
\$10,000.01 to \$12,000.00	\$58.00 per quarter	\$90,000.01 to \$100,000.00	\$205.00 per quarter
\$12,000.01 to \$14,000.00	\$63.00 per quarter	\$100,000.01 to \$130,000.00	\$226.00 per quarter
\$14,000.01 to \$16,000.00	\$68.00 per quarter	\$130,000.01 to \$160,000.00	\$251.00 per quarter
\$16,000.01 to \$18,000.00	\$74.00 per quarter	\$160,000.01 to \$200,000.00	\$284.00 per quarter
\$18,000.01 to \$20,000.00	\$79.00 per quarter	\$200,000.01 to \$350,000.00	\$340.00 per quarter
\$20,000.01 to \$25,000.00	\$91.00 per quarter	\$350,000.01 to \$500,000.00	\$397.00 per quarter
\$25,000.01 to \$30,000.00	\$103.00 per quarter	\$500,000.01 to \$650,000.00	\$482.00 per quarter
\$30,000.01 to \$35,000.00	\$114.00 per quarter	\$650,000.01 to \$800,000.00	\$568.00 per quarter
\$35,000.01 to \$40,000.00	\$125.00 per quarter	\$800,000.01 to \$1,000,000.00	\$680.00 per quarter
\$40,000.01 to \$45,000.00	\$148.00 per quarter		

Average Monthly Gross Receipts		Base Fee**
\$1,000.000.01 to \$2,000,000		
(Base Fee + \$0.25 per \$1,000 in excess of \$1M up to \$2M =	_ multiplied by # of quarters)	\$680.00
\$2,000.000.01 to \$4,000,000		
(Base Fee + \$0.20 per \$1,000 in excess of \$2M up to \$4M =	_ multiplied by # of quarters)	\$963.00
\$4,000.000.01 to \$7,000,000		
(Base Fee + \$0.15 per \$1,000 in excess of \$4M up to \$7M =	_ multiplied by # of quarters)	\$1,415.00
\$7,000.000.01 to \$10,000,000		
(Base Fee + \$0.10 per \$1,000 in excess of \$7M up to \$10M =	<pre> multiplied by # of quarters)</pre>	\$1,926.00
Over \$10,000,000		
(Base Fee + \$0.05 per \$1,000 in excess of \$10M with no cap =	multiplied by # of quarters)	\$2,266.00

### **Miscellaneous Classifications/Business Descriptions and Fee Calculation Instructions**

Instructions: For the business classifications/descriptions listed below, see the Fee Calculation for instructions on how to calculate.

\*\*\*If proration is allowed, annual licenses may be prorated on a quarterly basis, only the first year of registration and must be renewed annually thereafter.

Code	Description/Additional Information	Fee Calculation – RENEWAL RATES
Code 3.01	Billiard or Pool Halls and Card Rooms-Per Table	\$23.00 per year per table, PLUS must pay on gross receipts. Proration allowed.
Code 3.02	Billiard or Pool Halls and Card Rooms-Gross Receipts	Must pay on gross receipts PLUS \$23.00 per year per table See RETAIL gross receipts table for calculation based on gross. Proration allowed.
Code 3.03	Boxing and Wrestling Matches	\$114.00 per exhibition. Must report # of exhibitions. No proration.
Code 3.04	Carnivals	\$568.00 per week. Must report # of weeks. No proration.
Code 3.05	Circuses	\$114.00 per day. Must report # of days. No proration.
Code 3.06	Coin Operated Amusement Devices	\$226.00 per year per device. Must report # of devices. Proration allowed.
Code 3.07	Dances with Admission Charged	\$58.00 each date of event. Must provide date(s). No proration.
Code 3.08	Exempt-Must Apply Annually	\$0.00 license fee, but Exempt businesses must pay the CASp fee. Must provide IRS 501(c)3 annually.
Code 3.09	Farmers Market	\$16.00 per year. Proration allowed.
Code 3.10	Merry-Go-Rounds	\$11.00 per day. Must report # of days. No proration.
Code 3.11	Portable Skating Rinks	\$114.00 per quarter. Must report # of days. No proration.
Code 3.12	Professional (i.e. Accountant, Chiropractor, Dentist, Engineer, Lawyer, Optometrist, Osteopath, Physician, Surgeon, Veterinarian, Mortician, etc.)	\$182.00 per each professional per year. Must report # of Professionals. Proration allowed.
Code 3.13	Professional-HOME OCCUPATION	\$182.00 per each professional per year. Must report # of Professionals. Proration allowed.
Code 3.14	Selling Bankrupt, Depreciated or Damaged Stock of Goods	\$453.00 per year. Proration allowed.
Code 3.15	Solicitor/Peddler	\$58.00 per quarter. No proration.
Code 3.16	Solicitor/Peddler-HOME OCCUPATION	\$58.00 per quarter. No proration.
Code 3.17	Traveling Advertising & Sales Promotion	\$114.00 per quarter. No proration.
Code 3.18	Traveling Exhibitions	\$114.00 per week. Must report # of weeks. No proration.
Code 3.19	Traveling Theatrical	\$23.00 per day for days 1-3. Additional \$13.00 per day thereafter. No proration.
Code 3.20	Trucks Using City Streets	\$114.00 per truck per year. Must report # of trucks. Proration allowed.
Code 3.21	Vending Machines	\$46.00 per year per machine. Must report # of machines. Proration allowed.
Code 4.01	Duplicate License Fee	\$5.00 per issuance of duplicate license

# **City of Hercules, CA**

**Business License** 

### **Frequently Asked Questions (FAQs)**

#### Who is Avenu?

Avenu Insights & Analytics is a private company that has been contracted by the City of Hercules to administer their business licenses beginning with the license year 2018. For information regarding the City of Hercules business license, please contact Avenu at:

Avenu Insights & Analytics City of Hercules Business License Department 373 East Shaw Ave Box 367 Fresno, CA 93710

Toll Free Taxpayer Support: (866) 240-3665 Monday through Friday 8:30 am – 5:00 pm PST Fax: (855) 219-4338 Email: <u>muniblsupport@avenuinsights.com</u> Online Filing: <u>https://hercules.bizlicenseonline.com/</u>

#### Who is required to have a City of Hercules business license?

The City of Hercules welcomes new business enterprises, and values the many businesses that have made Hercules their home. Any person whose business is located in Hercules or conducts business in Hercules must obtain a business license. This applies to businesses operating from a place of residence (i.e., home-based businesses) or a commercial or office space. Home-based businesses are businesses where operations are completed out of the owner's or an employee's residence. Operations include but are not limited to computer tasks, telephone calls, paperwork, appointments, financials, sales, etc.

For information regarding exemptions, see Hercules Municipal Code Title 8. Finance, Revenue and Taxation, Chapter 6. Business License Tax, Article 3. Exemptions.

#### How does my new business obtain a business license?

- 1. Obtain the necessary use permit. All businesses including home-based, mixed-use and live-work businesses require either an administrative or conditional use permit. For more information or to apply for a use permit, contact the <u>Planning Department</u> at (510) 799-8200. A separate fee is required for the use permit.
- 2. Complete a New Business application.
  - All New Business applications must pay in accordance to the Fee Schedules outlined based on the type of business being conducted.
  - All New Business applications must pay the applicable business license fees, plus the annual CASp Fee.
- 3. Sign and date the application.
- 4. Return the application to Avenu with your business license payment.

Avenu Insights & Analytics City of Hercules Business License Department 373 East Shaw Ave Box 367 Fresno, CA 93710 Online Filing: <u>https://hercules.bizlicenseonline.com/</u> Fax: (855) 219-4338

5. Note: All NEW APPLICATIONS must be approved by the City of Hercules before a business license can be issued. Additional approval may be required depending on the type of the business being conducted.

For questions concerning the business license process, contact Avenu toll free at (866) 240-3665 or muniblsupport@avenuinsights.com.

#### How is the business license fee calculated?

Most business license categories are based on gross receipts. However, there are specific business categories based on employee count or unit count. For a list of the rate calculations, see the <u>Fee Schedule</u>.

#### How long is my license valid?

Annual licenses are valid through December 31<sup>st</sup> of each year for which they are renewed. Quarterly licenses and/or temporary licenses are valid for the date(s) specified on the official licenses.

#### How do I renew my business license?

You may renew online or by paper form. Avenu will mail customized renewal applications to businesses each year. However, a blank renewal application is also available on our website at <a href="http://www.avenuinsights.com/">http://www.avenuinsights.com/</a>.

Double-check your business category/classification and your rate fee calculation prior to submitting your application and payment. Errors may delay the process.

Renewal notices are only sent as a courtesy and businesses are still responsible for renewing their business license even if they do not receive a renewal notice. Failure to pay the annual business license fee before January 31<sup>st</sup>, may result in late fees. If you need assistance, please contact Avenu toll free at (866) 240-3665 or <u>muniblsupport@avenuinsights.com</u>.

#### Where should I post my business license?

If you have a fixed place of business, the license must be posted in a visible location. If your business is mobile, carry a license with you at all times while conducting business.

#### What are gross receipts?

City of Hercules Municipal Code Section 8-6.102 (e) defines gross receipts as:

(e) Gross Receipts. "Gross receipts" means the total of amounts actually received or receivable from sales and the total amounts received or receivable for the performance of any act or service of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or services is done as a part of or in connection with a sale of materials, goods, wares or merchandise. Included in "gross receipts" shall be all receipts, cash, credits and property of any kind and nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever. Excluded from "gross receipts" shall be the following:

(1) Cash discounts allowed and taken on sales.

(2) Credit allowed on property accepted as part of the purchase price, and

which property may later be sold.

(3) Any tax required by law to be included in or added to the purchase price,

and collected from the consumer or purchaser.

(4) Such part of the sale price of the property returned by purchasers upon recision of the contract of sale, as is refunded either in cash or by credit.

(5) Amounts collected for others where the business is acting as an agent or trustee, to the extent that such amounts are paid to those for whom collected, provided the agent or trustee has furnished the Director of Finance with the names

and addresses of the others and the amounts paid to them.

(6) That portion of the receipts of a general contractor which represent payments to sub-contractors, provided that such subcontractors are licensed under this Chapter and provided the general contractor furnishes the Director of Finance with the names and

addresses of the sub-contractors and the amounts paid each sub-contractor.

(7) Receipts of refundable deposits, except that refundable deposits forfeited and taken into income of the business shall not be excluded.

(8) As to a real estate agent or broker, the sales price of real estate sold for the account of others, except that portion which represents commission or other income to the agent or broker.

(9) As to a retail gasoline dealer, a portion of his receipts from the sale of motor vehicle fuels, equal to the motor vehicle fuel license tax imposed by and previously paid under the provisions of Part 2 of Division 2 of the Revenue and Taxation Code of the State of California.

(10) As to a retail gasoline dealer, the special motor fuel tax imposed by paragraph 4041 of Title 26 of the United States Code, if paid by the dealer or collected by him from the consumer or purchaser.

(11) As to trading stamp companies, the "gross receipts" shall be measured in terms of stamp sales to merchants.

(12) Receipts from the sale of real property, when such sale is merely incidental to carrying on a business.

#### What kind of permits do I need before applying for a business license?

All businesses within Hercules need either an <u>Administrative Use Permit (AUP)</u> or <u>Conditional Use Permit (CUP)</u>. Contact the <u>Planning</u> <u>Department</u> for additional information and applicable forms.

AUPs are issued by the Community Development Director (CDD) for uses that are generally permitted within a zoning district and usually are of low impact to the community and environment. Within 30 days of receiving and determining that an application is complete and exempt under the California Environmental Quality Act (CEQA), the CDD shall either approve, approve with conditions, or deny the application. In granting conditional approval, the Director may impose requirements and conditions with respect to location, siting, construction, maintenance, operation, duration, and overall development as deemed reasonable and necessary for the protection of adjacent properties and the public interest. If the CDD denies an AUP application, the applicant may appeal the decision to the Planning Commission, where the application shall become a conditional use permit if approved. The CDD may refer any administrative use permit application to the Planning Commission for review as a conditional use permit.

CUPs are issued by the Planning Commission for conditional uses allowed within a district. The conditional use permits will usually include conditions of approval, mandatory review periods, and expiration periods as required at the discretion of the Planning Commission. In granting conditional approval, the Planning Commission may impose requirements and conditions with respect to location, siting, construction, maintenance, operation, duration, and overall development as deemed reasonable and necessary for the protection of adjacent properties and the public interest. If the Planning Commission denies a CUP application, the applicant may appeal the decision to the City Council, where the application shall become a conditional use permit if approved. The CDD may refer any administrative use permit application to the Planning Commission for review as a conditional use permit.

If you serve alcoholic beverages, you may need to <u>apply for a liquor license</u> with the below agencies IN ADDITION to a City business license.

Alcoholic Beverage Control Licensing 1515 Clay Street, Suite 2208 Oakland, CA 94612 510-622-4970

Contra Costa County Clerk 555 Escobar Street Martinez, CA 94553 925-335-7900 County Tax Collector 625 Court Street, Room 100 Martinez, CA 94553 925-646-4122

Environmental Health 2120 Diamond Boulevard Suite 200 Concord, CA 94520 925-692-2500

Additional examples of permits required:

- Home-based businesses: Required to obtain home-based occupation permits
- Taxi operators: Required to obtain taxi permits
- Food vendors: Required to obtain operator's permits
- Solicitors/Peddlers: Required to undergo background checks through the Police Department

Note: The permit process is separate from the business license process but must be completed before a business license application will be reviewed for approval.

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

Yes. All home-based businesses must contact the Planning Department. An Administrative Use Permit (AUP) and Business License are required for all home-based occupations. In addition to the AUP application for home-based businesses (PDF), you may also need to provide supplemental information, statements, and/or forms for your specific business as determined by the planning staff and other supporting agencies. Visit the Planning Department link for additional information and forms.

#### I do minor consulting on a part-time basis. Do I have to obtain a Business license?

Yes, businesses both large and small are required to obtain a Business license to comply with the City Code.

#### My business is exempt. Do I still need a City of Hercules business license?

Yes. Exempt and/or non-profit businesses must still apply and renew for an annual business license. Proof of IRS exemption must be provided annually. There is no license fee for exempt businesses; however, exempt businesses must still pay the annual CASp fee and submit it with a completed form. Once received, an official City license will be issued to you. If your exemption status changes, you must contact the Business License Department toll free at (866) 240-3665 or <u>muniblsupport@avenuinsights.com</u> for a review of any additional fees due.

#### 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 in Hercules.

## I live in Hercules, but my business is located outside the city limits. What are my liabilities for the City of Hercules?

As long as you do not have a physical location inside the city limits of Hercules, there is no need to obtain a City of Hercules business permit. However, if you conduct any function of your business inside the city limits then a business license would be required. Note: The use of a PO Box in the City of Hercules for business purposes does not constitute conducting business alone.

## I have a physical location inside the city limits of Hercules; however, that location does not generate any gross receipts. Do I still need to obtain and pay for business license?

Yes, if this business location is inside the city limits of Hercules and is primarily for clerical purposes and support and the actual business location is elsewhere, you will need to obtain a business license.

## My business entity (Corporation, LLC, Partnership, etc.) is entirely passive and/or dormant and it is just paying a minimum fee to the Secretary of State. Is my business required to get a City Business license?

Yes, if your business is registered with a Hercules location/address and as active with the Secretary of State and reporting on a business return with the FTB and IRS, it will need to obtain a business permit and license. By maintaining a business entity within the City, whether transacting public business or not, it is considered operating a business.

#### I just purchased a business. Can I use the business license from the previous owner?

No, a business license cannot be transferred or re-assigned. As the new owner, you will need to apply for a new business license in your name.

#### What if I close or sell my business?

Business licenses are NOT automatically canceled. We need to hear from you. You may email us at <u>muniblsupport@avenuinsights.com</u>, send written notification or call us toll free at (866) 240-3665. Please be prepared to provide the date that the business closed or was sold, the gross receipts up to that point and the name of the new owner if applicable.

#### What if I change the name of my business or add/delete owners?

Please complete a new business application. If there is no change in FEIN, then a business license fee normally does not apply for making updates to your account. However, if the FEIN changes for your business, it is considered a new business. New business fees will apply.

#### What if my business has changed locations?

If your business has a change of physical address, you must complete a new business permit application and obtain approval from the Planning and Building Department before a business license can be issued. Upon approval, your business license can be updated to reflect the new location address and reissued.

#### How do I obtain a Federal Identification Number (FEIN)?

If you have employees, you need to apply for a Federal Identification Number. Contact the local IRS Office or call toll-free (800) 829-1040.

#### Do I need to register my business name?

In most cases, you must register your business name with the County Clerk. Before you file your Fictitious Business Name Statement, research the name to insure that the name is not currently being used by someone else. While this is highly recommended by the City, it is not a requirement for obtaining a business licenses.

#### What if I do not respond to the business license notices?

If you do not respond, you may be in violation of the Hercules City Code. As a result, collection action may be initiated against you. The amount of any tax and penalty imposed shall be deemed a debt owed to the City.

## I do not believe I conduct business in the City of Hercules. I want to be taken off your list so that I will not receive further notices regarding obtaining a business license. What do I need to do?

Please contact Avenu for further information. You may contact us via email at <u>muniblsupport@avenuinsights.com</u> or call us toll free at (866) 240-3665.

#### Do state-licensed contractors also need a City of Hercules business license?

Any person licensed as a contractor by the State Contractor's Board must obtain a business license if they are, (1) conducting business in the City; or (2) based in the City, whether conducting business in or outside of the City.

#### Do I need a seller's permit?

Every business intending to sell tangible goods, wholesale or retail, commercial or home-based, sales or repairs – requires a California seller's Permit. For more information, please visit the website of the State Board of Equalization at http://www.boe.ca.gov/

#### I am a Peddler/Solicitor. How do I obtain a business license for a business located outside of the City limits?

To procure a business license with the City of Hercules, please complete a new business application form at the City for each individual conducting door-to-door sales. A \$60 background check fee will be assessed for each person soliciting in City limits. Please note that all peddlers & solicitors must go through the required background check to operate in Hercules whether they have previously obtained a standard City business license.

The Police Department will conduct the background checks and notify the Finance Department of clearance. Once approved by the Police Department, the business license application may be processed after the fee is paid.

#### What is the CASp fee that I see on your forms, and do I have to pay it?

On September 19, 2012, Governor Brown signed Senate Bill 1186 (SB 1186) into law. SB 1186 is intended to increase disability access, encourage compliance with construction-related accessibility requirements, develop education resources for businesses, and facilitate compliance with Federal and State disability laws. From January 1, 2013, and until December 31, 2017, cities and counties were required to collect a State mandated fee of \$1.00 from "any applicant for a local business license or equivalent instrument or permit, and from any applicant for the renewal of a business license or equivalent instrument or permit." Assembly Bill 1379 was passed on October 11, 2017 which extends the assessment of the fee indefinitely and also the State mandated fee from \$1.00 to \$4.00 from January 1, 2018 until December 31, 2023.

The City is required by law to inform you of the following: Under Federal and State law, compliance with disability access laws is a serious and significant responsibility that applies to all California building owners and tenants with buildings open to the public. You may obtain information about your legal obligations and how to comply with disability access laws at the following agencies:

The Division of the State Architect at https://www.dgs.ca.gov/DSA The Department of Rehabilitation at https://www.dor.ca.gov The California Commission on Disability Access at https://www.dgs.ca.gov/CCDA

#### Where can I locate a copy of the City Municipal Code?

You can locate a copy of the City of Hercules Municipal Code on the City's website at <u>http://www.codepublishing.com/CA/Hercules/</u> (Departments & Services  $\rightarrow$  City Clerk  $\rightarrow$  Municipal Code)

#### I applied for my business license. Why haven't I received it yet?

New business applications must be approved by the City before an official license can be issued. For questions regarding the business license process, contact Avenu toll free at (866) 240-3665 or <u>muniblsupport@avenuinsights.com</u>. A delay in the issuance of a new or renewal business license can be due to one or more of the following reasons:

- Underpaid
- Missing gross receipts
- Missing unit count Units may refer to number of employees, number of vehicles, square footage, etc.
- City approval
- Missing certifications or permits
- Outstanding delinquent license year(s) on file

#### **Other Agencies Phone Numbers**

Better Business Bureau: (510) 238-1000

California Secretary of State

Main Number: (916) 653-3595
Corporations: Extension #1
Limited Liability Company, Limited Partnerships, Trade & Service Names: Extension #3
Notary: Extension #4

Contractors State License Board: (800) 321-2752

Child Care Licensing & Fingerprinting: (510) 622-2602 Community Care 1515 Clay Street, Suite 1102 Oakland, CA 94612

Small Business Development Center: (925) 646-5377 (Formerly called Business Resource Center, Private Industry Council of CCC)