



Department of Finance
Revenue Collection Division

Business License Renewal Information & Instructions

Please Read These Instructions to Complete the Form Correctly

All Business Licenses expire on December 31st and must be renewed by February 28th

Preprinted Information

Gray Box Located on the front page, top right corner. Please review this information and make corrections that apply. If your business has changed locations from the preprinted location, please obtain the necessary sign-offs as indicated.

Mailing Address Change Please check box below the preprinted mailing address and write the corrected address on the line provided.

Miscellaneous Business Information

Please complete all information requested. If any item is not applicable to your business, please enter "N/A" in the space provided.

Number of employees and vehicles relates to those employees working and vehicles used in the **City of Berkeley** only. The maximum number of Loading Zone decals allowed per business is 4. Loading Zone decals allow use of Yellow Zones for up to 20 minutes for businesses loading/unloading.

Businesses with Tax Codes B, BM, D, E, G, L, P, R, V, W, Z

Line 1 Enter the total gross receipts from your preceding fiscal year. Multiply the gross receipt amount by the tax rate indicated. This is the business license tax due. Write this amount on the back of the Renewal form in the **Renewal Fee Section** under **Tax Amount**.

Gross Receipts includes all receipts, cash, rental payments, bonuses, commissions, and property of any kind or nature; without any deduction due to the costs of property sold, materials used, labor or services, interest paid or payable, any losses, or other expenses.

You must report Gross Receipts, Gross Payroll, or other reporting basis, from all business activity in Berkeley.

Line 2 Berkeley Business Improvement Districts (if your business is in a BID, the rate will be preprinted on your renewal form). *More information regarding BID fees can be found on the reverse side of this page.*

Businesses with Tax Code C

All contractors doing business in Berkeley must have an active business license before applying for a building permit.

Line 1 Enter the total gross receipts from your preceding fiscal year for work performed in the City of Berkeley.

Line 2 Indicate the amount of allowable deductions for subcontractors. Attach a letter that includes each subcontractor business name, address, contractor license number and the amount deducted. Subtract the total deductions for all subcontractors from Line 1 and enter the resulting amount on Line 3.

Line 3 Multiply your adjusted gross receipt amount by the tax rate indicated. This is the business license tax due. Write this amount on the back of the Renewal form in the **Renewal Fee Section** under **Tax Amount**.

Line 4 Berkeley Business Improvement Districts (if your business is in a BID, the rate will be preprinted on your renewal form). *More information regarding BID fees can be found on the reverse side of this page.*

Businesses with Tax Code M

Line 1 Enter the total gross receipts from your preceding fiscal year for work performed in the City of Berkeley.

Line 2 Value added from raw materials (including cost of energy), or the value of the partially completed product at the time it enters the manufacturing process within the City.

Line 3 Multiply your adjusted gross receipt amount by the tax rate indicated. This is the business license tax due. Write this amount on the back of the Renewal form in the **Renewal Fee Section** under **Tax Amount**.

Line 4 Berkeley Business Improvement Districts (if your business is in a BID, the rate will be preprinted on your renewal form). *More information regarding BID fees can be found on the reverse side of this page.*

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Businesses with Tax Code Q, BK

Line 1 Enter the total gross payroll from your preceding fiscal year. Multiply your gross payroll amount by the tax rate indicated. This is the business license tax due. Write this amount on the back of the Renewal form in the **Renewal Fee Section** under **Tax Amount**.

Line 2 Berkeley Business Improvement Districts (if your business is in a BID, the rate will be preprinted on your renewal form). *More information regarding BID fees can be found below.*

Businesses with Tax Codes A, H, S, X, Y

Write the amount you will be paying in the Renewal Fee Section on the back of the renewal form, \$240.00 for a full year or \$120.00 for a half of a year. A \$25.00 fee will be added to the half-year price of \$120.00 if you are only renewing for the second half of the year.

Berkeley Business Improvement District (BID)

If your business is in the Downtown BID, multiply the gross receipts from Line 1 by the rate indicated: this is the amount due for the **Downtown BID** assessment. Write the amount on the back of the Renewal form in the **Renewal Fee Section** under **BID FEE**.

If you pay your business license tax after February 28th, you must add a 10% late penalty to the Downtown BID assessment for each month the payment is late, up to 100% of the assessment amount.

If your business is in the Solano BID, write the flat rate BID amount on the back of the Renewal form in the **Renewal Fee Section** under **BID FEE**.

Closing Business License

Write the last date of business performed in Berkeley on the line provided. Locate your TAX CODE in the preprinted section of the renewal form and complete the corresponding section.

Businesses Located Outside of Berkeley

If your business is located outside the City of Berkeley and you are conducting business within Berkeley, **you must report gross receipts received from all business activities within the City** during your preceding fiscal year. If you will not be conducting business within Berkeley in the coming year, you must close your business license. (See instructions above for Closing Business License)

Total Amount Due for Business License Renewal

TAX AMOUNT Enter the Tax Amount due after the calculations have been made in the appropriate section.

BID FEE Enter the businesses Downtown BID or Solano BID fee. If BID does not apply, please leave blank.

TOTAL RENEWAL FEE Add the Tax amount and the Bid amounts to receive the businesses renewal fee.

Business Licenses Renewed After February 28th are subject to penalties and interest.
Penalties and interest apply to the business license tax as well as any BID Fees.

To avoid penalties and interest, renew your business licenses by February 28th. If renewing by mail, the envelope must have a postmark date of February 28th or earlier to avoid penalties and interest.

- **On March 1st** a 10% penalty is added to the total license fee due and interest begins to accrue.
- **On April 1st** an additional 40% penalty is added to the total license fee due, in addition to the 1% interest per month, until all fees, including penalties and interest, are paid.

10 % Penalty Added If you renew your business license tax after February 28th, you must add a 10% late payment penalty to your renewal payment.

Additional 40% Penalty If you renew your business license tax after March 31st, you must add an additional 40% late payment penalty to your renewal payment.

1% Interest Added If you renew your business license tax after February 28th, you must add a 1% interest charge on tax due.

Additional 1% Interest If you renew your business license tax after March 31st, you must add an additional 1% interest charge per month of tax and penalties due.

You can find more information about renewing your Business License on the City of Berkeley website at, www.cityofberkeley.info.

To renew in person, visit the Finance Customer Service Center at 1947 Center Street, Monday – Friday 9:00 a.m. to 4:30 p.m. Customer Service Representatives are available to assist you by phone at 510-981-7200 from 8:00 a.m. to 5:00 p.m.