

BUSINESS REGISTRATION INFORMATION

FINANCE DEPARTMENT
Revenue Division



Table of Contents

Purpose of Handbook Authority to Tax	Page 3
Who is Required to Register a Business	Page 4
Business Basics Preliminaries The Role of other Government Agencies	Page 5
How to Obtain a Business Tax Certificate Completing the Application Business Categories Tax Rates	Page 7
Other City Fees Alarm Systems & False Alarm Response Fire Inspections & Fire Permits Building Permits Entertainment Permits Transient Occupancy Taxes	Page 9
Important Business Tax Certificate Information Change of Business Location or Ownership Posting Business Tax Certificate Business Tax Certificate Renewals Sales and Use Tax Credit	Page 10
Regulated Businesses	Page 11
Directory of City Departments	Page 12
County Offices	Page 13
State Offices	Page 14
Federal Offices	Page 15
Other Agencies & Offices	Page 18

Purpose of Handbook

This pamphlet is provided as a public service to assist those persons interested in establishing and conducting a business in the City of El Segundo. It is not deemed to be all-inclusive. Any errors or omissions herein will not relieve the business owner of responsibility, obligation or liability in fulfilling all legal requirements.

In this handbook you will find general information that applies to all businesses and some that applies to only specific activities. You will also find a directory of governmental and non-governmental agencies that you may be required to comply with or who can offer business assistance.

Authority to Tax

The State of California permits cities to register businesses for both revenue and regulation [Government Code Section 37101(a)]. Municipalities, and some counties, register businesses for revenue to broaden the tax base because a business uses, or causes to be used, more municipal services than a residence. The Government Code also states that anyone who carries on a business or profession without procuring a proper tax certificate is guilty of a misdemeanor [Section 16240].

El Segundo's business tax ordinance is detailed in Title 4 of the El Segundo Municipal Code.

When the business tax is paid, a business tax certificate is issued. This is commonly referred to as a business license and the terms "business license", "business tax certificate", "business tax registration" and "business registration" are used interchangeably.

If you have any questions concerning your registration or other requirements, our staff members will gladly assist you.

Who is Required to Register a Business

GENERALLY

Any person, including but not limited to an individual, partnership, corporation or limited liability company, who wishes to conduct either directly or indirectly, any business within the City of El Segundo must secure a business tax certificate. City law states that no person shall engage in business or transact and carry on a business or business activity, show, or exhibition without complying with any and all applicable provisions of Title 4 of the Municipal Code.

A separate certificate is required for each branch or separate location of a business.

Some businesses are regulated and require approval prior to obtaining the business tax certificate. See page 12 for details.

HOME-BASED BUSINESSES

Home-based businesses are allowed if it merely serves as the base of operations and the activity does not create any traffic or noise, does not involve customers at the home, and there are no identifying signs. The use of residential property for business purposes requires a Home Occupation Permit. For information or questions regarding the Home Occupation Permit and Zoning please contact the Planning Division at (310) 524-2344.

OWNERS OF RESIDENTIAL OR COMMERCIAL PROPERTY

Owners of residential and commercial rental properties must register and hold a valid business tax certificate.

REAL ESTATE SALES AGENTS

Real estate sales agents are in business for themselves. Although they must be affiliated with a licensed broker, each agent is responsible for payment of his/her own business tax.

INDEPENDENT CONTRACTORS

Independent Contractors are in business for themselves and must obtain a business tax certificate prior to commencing work. Generally, if payroll taxes are not deducted from your pay, you are and Independent Contractor.

Business Basics for the New Business Owner

PREPARING A BUSINESS PLAN

The first step in any business venture is to prepare a comprehensive business plan. There are several local agencies that can assist you. They are listed on page 19. Bookstores and Public Libraries also have many available resources to help you with marketing, bookkeeping and to find financing.

PLANNING/ZONING & SIGN APPROVALS

Inquire about City zoning requirements for your type of business and its planned location. Zoning/Planning should always be consulted prior to applying for a business tax certificate. Signs are strictly regulated.

For information about Zoning and Signs, contact the Planning Division at (310) 524-2344.

HEALTH PERMITS

In addition to obtaining a business tax certificate, you must also comply with all City, County and State regulations for health and safety. See directory on pages 14 through 17.

FICTITIOUS BUSINESS NAME / DOING BUSINESS AS (FBN/DBA)

Anyone using a fictitious business name (also referred to as a DBA or "doing business as") must record the name with the County Clerk. Local newspapers may also handle this filing for you. This is a separate legal requirement; it is not a business tax certificate.

OWNERSHIP TYPES

Business ownership is classified into one of the following types of ownership entities (legal business structures): Sole Proprietor, Partnership, Limited Partnership, Limited Liability Partnership, Limited Liability Company, or Corporation. To determine which type of organization best suits your business needs, please consult a legal or tax professional. Information is also available through the California Franchise Tax Board Small Business Assistance Center.

The Role of Other Government Agencies

ALCOHOLIC BEVERAGES

Contact the **Alcoholic Beverage Control Board (562) 982-1337** if you plan to sell or serve alcoholic beverages.

FEDERAL TAXES

Contact the **Internal Revenue Service** at **(800) 829-3676** to request form SS-4 to obtain a Federal Employer Identification Number (**FEIN**). This is also considered the business' Tax Identification Number (TIN).

New businesses should also request federal publication Number 583, entitled *Taxpayers Starting a Business*.

FOOD PREPARATION/SALES

For County Health Requirements contact the **County of Los Angeles Department of Environmental Health** at **(888) 700-9995** if your establishment intends to prepare and/or sell food of any type.

SALES TAX

Your business activity may require a **Seller's Permit** (Retail Sales Tax Number) from the **California Department of Tax and Fee Administration**. Applications are made online or in person at one of the local district offices. To determine if your business requires a Seller's Permit you may first contact the SBE by telephone at **(800) 400-7115**.

STATE TAX

Contact the **California Franchise Tax Board** at **(800) 852-5711** to obtain Form 540 (Estimating Withholding Tax) and for information regarding State Income taxes and filing.

EMPLOYEES

Contact the California **Employment Development Department (EDD)** at **(888) 745-3886** to obtain a State Employer Identification Number (SEIN) if you have employees and withhold State Withholding Tax, Disability and Unemployment Insurance.

How to Obtain a Business Tax Certificate

COMPLETING THE APPLICATION

Read the Business Registration Application thoroughly and complete all sections that apply. Complete instructions are posted on the reverse side of the application.

Every application must contain at least the following:

- Business Name
- Business Location*
- Description of Business
- Business Start Date in El Segundo
- Number of Employees
- Square Footage
- Complete Listing of Owners or Corporate Officers
- Emergency Contacts
- Either a Federal Employer Identification Number (FEIN), also known as a Taxpayer Identification Number (TIN) or an Individual's Social Security Number (SSN).
- A Valid Signature
- Appropriate Tax Payment

*Post Office Boxes and mail handling facilities can be used for the mailing address, but cannot be used for a business location. The applicant's residence address must be used if there is no other place of business.

If more than one person is an owner, all owners must be listed. In the case of a corporation, all corporate officers must be listed.

When the application has been completed, it can be mailed or presented at City Hall. The application becomes effective when all necessary approvals have been received. The Business Tax Certificate will be mailed within ten business days.

Business Categories

All businesses and/or business activities will be categorized into one of the following categories:

1. Commercial Business

Generally includes all businesses located within the city (i.e. shops, restaurants, offices, hotels, etc.) and some located out of city conducting business within city limits. Also includes Commercial and Residential property rental/lease.

2. Building Contractors

Engineering, General and Specialty.

3. Contract Employees

Those individuals not specifically considered employees under applicable State and/or Federal regulations.

4. Home Occupations

Includes all home based businesses and home offices.

5. Delivery Vehicles

All commercial delivery vehicles are required to register.

6. Miscellaneous

Includes all business activity not categorized above.

More information may be found on the City's website under Business Registration.

2019 Tax Rates

Listed below are some common business tax rates. These rates will not necessarily apply to all business types. Additionally, there may also be other required permit or inspection fees depending on your business activity. Contact the **Revenue Division** at TaxInquiries@elsegundo.org or **(310) 524-2317** for help in determining your business' exact business tax rate.

Base Tax	First 10 Employees & 5,000 Sq. Ft.	\$105.90
Employee	Per employee over 10.	\$131.20
Square Footage	Per Square Foot over 5,000.	\$ 0.26
Home Occupations	Flat Fee	\$ 25.25
Contractors-General	Engineering (A), Building (B), Electrical (C10), Plumbing (C36)	\$154.05
Contractors-Specialty	All Classifications Except C35 = \$122.20	\$105.90

OTHER FEES

ALARM SYSTEMS

Business and Residential alarm systems must be registered with the El Segundo Police Department. There is a charge for each false alarm response after three responses during each calendar year. The 4th response = \$200, 5th response = \$300, and 6th and subsequent responses = \$400.

FIRE INSPECTIONS

The Fire Department inspects business places and apartment houses on a regular schedule. Each business tenant (not the building owner) may be subject to an annual charge. Apartment house owners (not the tenants) are also subject to the charge. The amount is based on the size of the facility.

FIRE PERMITS

Certain activities, such as welding, cutting & paint-spray booths and storage of flammable liquids, may require a Fire Permit. Based on the Uniform Fire Code, the need for a fire permit will be determined by Fire Prevention Personnel. Contact the Fire Prevention office in the Fire Department directly for specific requirements.

BUILDING PERMITS

Any building or structure regulated by the Uniform Building Code which is erected, constructed, enlarged, altered, repaired, moved, improved, removed, converted, or demolished will require a Building Permit. Separate plumbing, electrical and mechanical permits *may* be required, even if exempted from needing a building permit. In addition, other City approvals or permits may be required. It is strongly recommended that you contact the Planning Division and Fire Department, before you proceed with any construction.

ENTERTAINMENT PERMITS

An entertainment permit will be required for any act, play, review pantomime, scene, dance act, or song and dance act, performed by one or more persons, whether or not such person or persons are compensated for such performances. Includes any form of dancing upon the premises by patrons thereof. For more information, please contact the planning division at (310) 524-2343.

TRANSIENT OCCUPANCY TAX

Hotel, Motels, Bed & Breakfast and other businesses with transient guests (rental of sleeping accommodations for thirty days or less) are required to register with the City and collect the Transient Occupancy Tax. Please call (310) 524-2332 for more information.

Important Information About Business Tax Certificates

CHANGE OF BUSINESS LOCATION OR OWNERSHIP

A Business Tax Certificate is **not transferable**. The certificate is terminated when business ownership changes. It also becomes invalid when a business changes location. Advise the **Revenue Division** immediately of any changes to your business registration application, especially if the business has ceased to operate.

POSTING OF BUSINESS TAX CERTIFICATE

All Business Tax Certificates must be displayed on the premises of the place of business. It must be posted in a conspicuous place and open to public viewing.

BUSINESS TAX CERTIFICATE RENEWALS

Once you have obtained a Business Tax Certificate, a courtesy renewal notice will be e-mailed to you before your expiration date. You have 30 days after your expiration date to renew your certificate. If you do not receive a renewal notice, please contact the Revenue Division. Failure to receive a renewal notice does not relieve the business owner of responsibility to renew the business registration.

BUSINESS TAX IS PAYABLE IN ADVANCE

Payment must be made on or before commencement of business. Payment is for the privilege of conducting business in the year ahead. Tax Payments are not refundable

SALES AND USE TAX CREDIT

You may be entitled to a sales tax credit if sales tax is collected and apportioned to the City of El Segundo. This credit is based solely on the 1% local sales and use tax allocated to the City and is calculated on the actual amount of sales and use tax received by the City. This credit may offset up to 100% of the business tax. The credit does not apply to late filing penalties.

You may also be entitled for a use tax credit if use tax is paid to State Board of Equalization using a Direct Pay Permit. For information on applying and establishing a Direct Pay Permit contact the Revenue Manager at (310) 524-2332.

Regulated Businesses

If you wish to operate a business in any of the following regulated categories, a separate application may be required. All business types listed will require additional review, approval or a permit. Businesses are subject to review and approval by any or all of the following: Business Licensing, City Council, Fire Department, Police Department, Planning and Zoning. Certain businesses will also be required to submit to Law Enforcement review.

Amusement Games Arcade

Massage Establishment/Parlor

Circus/Carnival

Pawn Broker/Secondhand Dealer³

Check Cashing ¹

Peddler/Door to Door Sales

Dances/Dance Hall

Pool & Billiards Room

Firearms Sales²

Private Patrol/Security Guards⁴

Fortune Teller

Taxi/Vehicle for Hire

Massage Therapist

¹ Requires California Department of Justice permit.

² Requires Federal Firearm License (FFL) and State Certificate of Eligibility.

³ Requires California State Department of Justice clearance.

⁴ Requires Department of Consumer Affairs approval/permit.

City of El Segundo

www.elsegundo.org

Administration

City Manager (310) 524-2303
Mayor & City Council (310) 524-2302
Fax (310) 322-7137

City Clerk

(310) 524-2307
Fax (310) 615-0529

El Segundo Police Department

348 Main Street
El Segundo, CA 90245
(310) 524-2200
Fax (310) 640-8648

City Treasurer

(310) 524-2310
(310) 524-2311
Fax (310) 322-7137

El Segundo Fire Department

314 Main Street
El Segundo, CA 90245
(310) 524-2234
(310) 524-2235
Fax (310) 414-0929

Public Works

Administration (310) 524-2357
Maintenance Facility (310) 524-2709
Water Plant (310) 524-2742
Fax (310) 640-0489

Finance Department

Accounts Payable (310) 524-2323
Purchasing (310) 524-2331
Fax (310) 322-2756
Accounts Receivable (310) 524-2318
Business Licensing (310) 524-2317
Fax (310) 640-0489

Planning

(310) 524-2357
(310) 524-2344

Economic Development

(310) 524-2359

Building Safety

(310) 524-2355
(310) 524-2380
Fax (310) 322-4167

Recreation and Parks

339 Sheldon Street
(310) 524-2700
Fax (310) 322-3693

Human Resources

(310) 524-2337
(310) 524-2336
Fax (310) 322-6053

County of Los Angeles

www.co.la.us

Air Quality Management District (www.aqmd.gov)

21865 Copley Dr
Diamond Bar, CA 91765
(909) 396-2000 (800) 288-7644

County Clerk, Recorder, Registrar (www.lavote.net)

12400 E Imperial Hwy
Norwalk, CA 90650
(800) 815-2666

Department of Consumer Affairs (dca.lacounty.gov)

500 W Temple St Rm B-96
Los Angeles, CA 90012
(213) 974-1452 (800) 593-8222

Health Services Department (www.ladhs.org)

123 W. Manchester, Room 224
Inglewood, CA 90301
(310) 419-5358

District Attorney (da.co.la.ca.us/lax)

Airport Branch
11701 S La Cienega Blvd, Suite 601
Los Angeles, CA 90045
(310) 727-6500

Treasurer – Tax Collector (ttc.lacounty.gov)

500 W Temple St
Los Angeles, CA 90012
(888) 807-2111

State of California

www.ca.gov

Alcoholic Beverage Control Dept

www.abc.ca.gov

1 Manchester Blvd, 6th Floor

Inglewood, CA 90306

(310) 412-6311

*Licensing, Enforcement,
Information*

Board of Equalization

www.boe.ca.gov

5901 Green Valley Circle, Suite 200

Culver City, CA 90231

(310) 342-1000

*Resale Number (Seller's
Permit),*

Sales and Use Tax Info

Contractors State License Board

www.cslb.ca.gov

12501 E Imperial Hwy, 6th Floor

Norwalk, CA 90650

(562) 345-7656 (800) 321-2752

Building Trades

*State Contractors License
Information*

Department of Justice

<http://oag.ca.gov/>

Firearms and Dealer Licensing

PO Box 820200

Sacramento, CA 94203-0200

(916) 227-7527 (916) 227-1021

*Firearms Licensing and Permits,
Certificate of Eligibility
Secondhand Dealer and
Pawnbroker Licensing*

Check Cashier Permit Program

<http://ag.ca.gov/>

PO Box 903387

Sacramento, CA 94203-3870

(916) 227-6409 (916) 227-3250

email: chkcashpermit@doj.ca.gov

*Check Cashier Permits,
Information*

Security and Investigative Services, Bureau of

(800) 952-5210 (800) 322-4000

www.bsis.ca.gov

*Licensing of Private Patrol and
Security Guard Businesses*

State of California

Employment Development Department

www.edd.ca.gov
(888) 745-3886

*Payroll Tax
Forms and
Information
Employer
Registration
Request
Employers Tax
Guide DE-44*

Commerce & Economic Development Program - Office of Small Business

www.business.ca.gov
www.commerce.ca.gov

*Information on
resources
available to
new businesses*

Franchise Tax Board

www.ftb.ca.gov
300 S Spring St, Suite 5704
Los Angeles, CA 90013
(800) 852-5711 *Tax Information*
(800) 338-0505 *Forms*

*Business and
Income Tax,
Non-Profit
Organizations*

Small Business Assistance Center - Franchise Tax Board

www.taxes.ca.gov/small_business_assistance_center
P.O. Box 942840
Sacramento CA 94240-0040
(800) 852-5711

*Small Business
Resource and
Info on Tax and
Business
Planning*

Permit Assistance Center (CalGOLD)

www.calgold.ca.gov
email: calgold@calepa.ca.gov

*Provides
Assistance to
Identify all
Necessary
Permits and
Licenses*

CA Department of Consumer Affairs

www.dca.ca.gov
(916) 445-1254 (800) 952-5210

*Consumer
Assistance,
Information,
Referrals*

State of California

Department of Industrial Relations

www.dir.ca.gov
300 Oceangate, Suite 302
Long Beach, CA 90802
(562) 590-5048
(562) 491-0160, Information Line

*Labor Standards, Wages &
Hours, Workers Comp, Cal-
Osha*

Secretary of State

www.ss.ca.gov
300 South Spring St, Room 12513
Los Angeles, CA 90013
(213) 897-3062

*Incorporation, Partnerships,
Registration of Service or
Trade Marks*

Public Utilities Commission

www.cpuc.ca.gov
320 W 4th Street, Suite 500
Los Angeles, CA 90013
(213) 576-7000 Fax (213) 576-7007

*Passenger Carrier Licensing,
Privately Owned Utilities*

California Highway Patrol

www.chp.ca.gov
6300 Bristol Pkwy
Culver City, CA 90230
(310) 642-3939

Motor Carrier Permits

Department of Social Services

www.dss.cahwnet.gov/cdssweb
6167 Bristol Parkway, Ste 400
Culver City, CA 90230
(310) 337-4333 Fax (310) 342-6849

*Child Care, Adult Care,
Senior Care, Community
Care Licensing*

Attorney General - <http://ag.ca.gov/>

PO Box 944255
Sacramento, CA 94244-2550
(916) 322-3360 (800) 952-5225

*Telephonic Seller
Registration, Registry of
Charities*

United States

www.firstgov.gov

Department of Commerce (www.commerce.gov)

International Trade Administration

11150 W. Olympic Blvd, Ste. 975

Los Angeles, CA 90064

(310) 235-7104 Fax (310) 235-7220

Import and Export Licenses

Department of Treasury (www.atf.gov)

Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)

National Licensing Center

244 Needy Road

Martinsburg, WV 25405

(404) 417-2750 (866) 662-2750

Federal Firearms License

Internal Revenue Service (www.irs.gov)

300 N Los Angeles St

Los Angeles, CA 90012

(800) 829-1040 *Assistance and Information*

(800) 829-3676 *Forms, Form SS-4 for Employer ID Number
Request Pub 583 "Taxpayers Starting a Business"*

US Government Official Web Portal

(www.firstgov.gov) (800) 333-4636

*Information regarding Federal Government Services,
Programs and Regulations*

Federal Citizen Information Center

Pueblo, CO 81009

(publications.usa.gov)

(888) 878-3256

Low Cost or Free Publications, ask for Free Catalogue

Other Agencies

El Camino College

Business Training Center

13430 Hawthorne Blvd

Hawthorne, CA 90250

(310) 973-3178

www.businessassist.org or www.sba.gov/sbdc/

Small Business Development Center

13430 Hawthorne Blvd

Hawthorne, CA 90250

(310) 973-3177 Fax (310) 973-3132

<http://www.southbaysbdc.org>

SCORE – Service Corps of Retired Executives

330 N Brand Blvd, Suite 190

Glendale, CA 91203

(818) 552-3206 Fax (818) 547-1220

www.score.org or www.scorela.org

US Small Business Administration

330 N Brand Blvd, Ste 1200

Glendale, CA 91203

(818) 552-3210

www.sba.gov

El Segundo Chamber of Commerce

427 Main St

El Segundo, CA 90245

(310) 322-1220

www.elsegundochamber.org

Revenue Division
City of El Segundo
350 Main Street
El Segundo, CA 90245
(310) 524-2317

TaxInquiries@elsegundo.org
www.elsegundo.org

Rev2019