



## **City of Foster City**

### **Business License Tax FAQ**

#### **How do I renew my Business License Tax?**

Business License Tax Renewal fees are due on or before January 1<sup>st</sup> annually. Renewal notices are sent out as courtesy in early December. If you do not receive any notices, please contact the Business Support Center at [fostercity@hdlgov.com](mailto:fostercity@hdlgov.com) or (650) 331-2802. It is the responsibility of the business to file and pay when required.

#### **What if I am an independent contractor?**

Independent contractors are generally issued an IRS Form 1099 Statement of Earnings. The business license tax applies to independent contractors.

#### **I am a solicitor/ peddler, what must I do?**

If you intend to go door to door to solicit funds or sell a product, you first must go to the Police Department at 1030 E. Hillsdale Blvd, Foster City, Ca 94404 and obtain an application for a solicitor's permit. After receiving approval to obtain the solicitor's permit from the Police Department, you must obtain a Business License Tax Certificate with the Business Support Center and pay the business license tax. Once you have both documents in hand, then you may start soliciting. It takes approximately 3 weeks to obtain a solicitor's permit because a background check is required.

#### **I want to do massage therapy in Foster City. What do I need to do?**

A massage establishment permit must be obtained through the City's Police Department at 1030 E. Hillsdale Blvd, Foster City, Ca 94404. The permit must be included to the business license application. Failure to submit all requested documents together will result in delay of processing the application.

#### **What is the fee to get a replacement copy of a business license?**

The fee for a new copy of an existing license is listed in the City's Master Fee Schedule.

#### **What is the fee for changes to an existing business license?**

If the ownership changes, the business license is not transferable, and you will need to apply for a new business license and pay the appropriate fees. There is no charge to change a mailing address or

business name on a business license. However, if the business license certificate is required to be reprinted after business information updating, a fee is required based on City's Master Fee Schedule. If your business address is changing, it will require new zoning clearance and payment of zoning clearance fees.

### **How long does my Business License Tax last?**

Your Business License Tax is a non-refundable annual tax. The Business License Tax needs to be renewed annually. You will receive a courtesy renewal notice in December each year. The City assesses late filing charges 60 days after a Business License Tax has expired. It is the business owner's responsibility to renew the Business License Tax on time even, if the renewal notice is not received. Penalties are assessed for delinquent accounts, regardless of whether you received a renewal notice.

### **What if my business is in my home?**

You are still required to obtain a Business License Tax Certificate if your residence is in Foster City limits. Check with the Planning Department at (650) 286-3225 or [planning@fostercity.org](mailto:planning@fostercity.org) to ensure that your business is permissible from your home.

### **I have a wonderful idea for a great sign!**

Please check with the Planning Department at (650) 286-3225 or [planning@fostercity.org](mailto:planning@fostercity.org) 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 installations.

### **How do I obtain a Fictitious Business Name?**

The City does not issue Fictitious Business Names. You must file a Fictitious Name registration or a "doing business as" (dba) with the County of San Mateo if you are using a name other than your own. Contact the County Clerk's office at (650) 363-4712 or visit their website. The fictitious business name must be filed before applying for a business license with the City.

### **How can I pay for the Business License Tax?**

Payment methods include, check by mail (payable to City of Foster City), eCheck, and credit card (VISA or MasterCard online or by phone). Applications may be submitted online, by mail, fax or email.

City of Foster City  
Business Support Center  
Mailing Address:  
8839 N CEDAR AVE #212  
FRESNO, CA 93720  
(650) 331-2802  
[fostercity@hdlgov.com](mailto:fostercity@hdlgov.com)

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

If you own more than one business, a separate Business License Tax Certificate is required for each type of business.

If you have one business with multiple locations within the City, each location requires a Business License Tax Certificate. The fee for an additional copy of an existing license is listed in the City's Master Fee Schedule.

**I just purchased this business. Can I use the business license from the previous owner?**

No. A Business License Tax Certificate cannot be transferred or re-assigned. As a new owner, you need to apply for a Business License Tax Certificate in your name.

**What do I need to do if my business is a nonprofit organization?**

If your business is a nonprofit organization, it is exempt from the Business License Tax. However, a business license with the City is still required. Tax-exempt organizations are required to provide proof of their nonprofit status in order to receive a business license. They must provide a copy of a statement from the California Secretary of State or the Internal Revenue Service stating that the business has a nonprofit status of 501(c)(3). The \$4 State CASp fee or other applicable City-related fees are NOT exempt from nonprofit organizations.

**Do state-licensed contractors also need a Foster City business license?**

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

**Can I use my license to do business in another city?**

No. This license is for doing business in the incorporated area of the City of Foster City only. If you plan on doing business in another city, you must contact them in order to obtain their requirements for a business license.

**What do I need to do to close my business?**

Business License Tax Certificates are NOT automatically canceled. When a business is sold, closed, or moved out of Foster City, the Business License Tax Certificate must be inactivated. You may send a written notification to [fostercity@hdlgov.com](mailto:fostercity@hdlgov.com), by post mail, or fax to 909-348-0465. Please be prepared to provide the date the business is closed or sold and the name of the new owner, if applicable.

**What business records are subject to inspection?**

The license collector and any person designated as an agent by the license collector may inspect, at any time during business hours, the accounts, books, papers, and documents of any business that holds any permit or tax certificate of the city.

**Why is there a need for an audit?**

Tax compliance requires enforcement in order to ensure equal application of the law and collection of the tax. An audit provides the means to increase compliance with the law.

**Isn't this information confidential?**

The ordinance guarantees the confidentiality of the information and prohibits revealing the information to anyone not charged with the administration and enforcement of the ordinance. Business name, location, phone number, and owner's name are subject to the Public Record Act.

**Who can I contact with additional questions?**

You may contact the HdL Business Support Center at (650) 331-2802 or [fostercity@hdlgov.com](mailto:fostercity@hdlgov.com).