



2009 BUSINESS TAX RENEWAL HIGHLIGHTS

A Message from Antoinette Christovale, Director of Finance

On behalf of the City of Los Angeles I would like to express our appreciation once again to all of you who file your business tax renewals on time. Your business taxes fund a wide range of essential City services such as public safety, libraries, and recreation parks to name a few. We have updated and streamlined the look of our renewal form this year as we continue to strive to serve you better.

- For 2009, most businesses will see a **3.9% reduction** in their business tax rate to complete the 15% maximum reduction of tax relief provided for under the 2004 tax reform package.
- **RENEW ONLINE – SAVE TIME, EFFORT AND OR POSTAGE!**
Our **E-Filing System** speeds and simplifies the filing of your renewal. Visit www.lacity.org/finance, enter a few details and the system automatically calculates your Business Tax liability, if any. You may then either pay online or print a renewal form to accompany your payment via U.S. Mail. Businesses with a tax liability of more than \$50,000 must submit payment electronically by ACH. If you qualify for an exemption or otherwise owe nothing, submit the form online and you are done! (Please print a copy of the Renewal Confirmation screen for your records.)
- **Business Tax Exemptions** – Small businesses with total gross receipts under \$100,000 and creative artists with total gross receipts under \$300,000 may be tax exempt. To obtain an exemption, you must file your renewal no later than March 2, 2009. Please check our website for more details regarding eligibility.
- **Small Business Tax Assistance Program** – Businesses that qualify for the Small Business Exemption are also eligible to receive assistance in completing their tax renewal forms at our City Hall, Hollywood and Van Nuys offices. This program is available by appointment only and is administered on a first come, first served basis from January 5 through February 12, 2009. Please call (213) 978-3403 or check our website for more details and to schedule an appointment.
- Even if no tax is due, you must submit a completed renewal either electronically or by mail no later than March 2, 2009 to qualify for an exemption. Interest and penalties are applicable to renewals postmarked after March 2, 2009.

For more information or if you have questions, please visit our website at www.lacity.org/finance, call for taxpayer assistance at (213) 473-5901 or visit any of our branch offices listed on the inside back cover of this booklet.

Account#: _____ Name: _____

VI. Information Update	NOTE:	Tax Registration Certificates are not transferable. If your business is sold or transferred to another entity or you purchase a business, a new Tax Registration Certificate is required. If you have moved out of the City of Los Angeles, but continue to solicit or promote business activities within the City of Los Angeles for seven or more days a year, you are still required to file a business tax.		
	A.	<input type="checkbox"/> Doing Business As (DBA) _____	Effective:	____ / ____ / ____
	B.	<input type="checkbox"/> Mailing Address _____	Effective:	____ / ____ / ____
		City: _____ State: _____ Zip: _____		
		Is this a residential address? <input type="checkbox"/> YES <input type="checkbox"/> NO (Check one)		
	C.	<input type="checkbox"/> Legal Name Change _____	Effective:	____ / ____ / ____
		New Telephone Number: (____) _____		
	D.	<input type="checkbox"/> Business Address: _____	Effective:	____ / ____ / ____
		City: _____ State: _____ Zip: _____		
		Is this a residential address? <input type="checkbox"/> YES <input type="checkbox"/> NO (Check one)		
E.	<input type="checkbox"/> Rental Property Sold	Effective:	____ / ____ / ____	
F.	<input type="checkbox"/> Entire Business(es) Sold or Discontinued	Effective:	____ / ____ / ____	
G.	<input type="checkbox"/> Individual Business Activity Sold or Discontinued	Effective:	____ / ____ / ____ Fund/Class(es) _____	
H.	<input type="checkbox"/> Fiscal year reporting START – fiscal year beginning: _____			

VII. Vendor / Subcontractor / Commercial Tenant Listing	<p>The Los Angeles Municipal Code requires you to provide a list of all out-of-city vendors and subcontractors that meet the following criteria: generated total invoices/billings to your business of \$500,000 or more during your last complete business year AND physically enter the city of Los Angeles seven (7) or more times a year. Provide this information below.</p> <p>If you are an owner, lessor or sublessor, of office and/or commercial space in the City of Los Angeles, The Los Angeles Municipal Code requires that you provide the Office of Finance the following information regarding your commercial tenants.</p>			
	NAME	COMPLETE ADDRESS including SUITE NUMBER	PHONE NO.	INVOICED AMOUNT / RENTAL
(PLEASE USE ADDITIONAL SHEETS IF NECESSARY)				

Non-financial information such as name, business address, etc., contained in your City of Los Angeles tax and permit records, is subject to disclosure under provisions of the California Public Records Act, Government Code Section 6250 et seq. If you are engaged in a home-based business, your residential information is also subject to public disclosure if that location is utilized for business purposes.

2009 TAX RENEWAL INSTRUCTIONS

Business Tax Renewal Forms are Delinquent After March 2, 2009. For your convenience you can **electronically file** at www.lacity.org/finance. This is an easy way to file your return and will save you time and postage.

I. Taxpayer Information

Business Information - This is the current Legal Name, Business Address and Mailing Address that the City of Los Angeles has on file for your business.

Changes of Information – Check this box and report any corrections as instructed in Section VI, Information Update.

II. Tax Reform & Incentives

- Small Business Exemption** - The City of Los Angeles provides a small business exemption to businesses whose worldwide gross receipts did not exceed \$100,000 for the 2008 calendar year and file their renewal by **March 2nd**. If you qualify, check the box on line 1 and enter your worldwide gross receipts, which includes gross receipts from all operations inside and outside the City of Los Angeles for 2008.
- Newly Established Business** - The City of Los Angeles provides a second year exemption to newly established businesses whose total taxable gross receipts did not exceed \$500,000 for the 2008 calendar year, file their renewal by **March 2nd**, and are not one of the following (1) CONSTRUCTION BUSINESS (as defined in Sec. 21.30b1 of the Los Angeles Municipal Code (LAMC); (2) FILM PRODUCERS (as defined in Sec.21.109 of the LAMC); and, (3) any business owned in whole or in part by a person that was engaged in business inside the City of Los Angeles during the preceding tax period and is engaged in business in the City during the current tax period. If you qualify, check the box on line 2.
- Creative Artist Exemption** – The City of Los Angeles provides an exemption to “Creative Artists” if the worldwide gross receipts from “Creative Artist” activities **did not exceed \$300,000** for the 2008 calendar year. A “Creative Artist” is defined as a person who operates either (1) as an individual, (2) through a corporation with one individual as the only shareholder and the only employee, or (3) through a limited liability company with one individual as the only member and the only employee. Individuals who may be eligible for this exemption are: actor/announcer; art director, costume designer, production designer, scenery/set designer; choreographer; cinematographer; musical conductor; director; motion picture editor, sound dubbing, special effects, or titling artist; creative writing; music/lyrics arranger, composer or writer; author; cartoon artist; lithographer/painter/sculptor of visual fine arts; drawing, graphic, illustration or sketch artist; performing artist; and photographer (if primarily artistic and not journalistic or commercial). Please refer to LA Municipal Code Section 21.29(b) for more complete definitions or descriptions.
If you qualify for this exemption and your renewal is submitted timely, check the box on line 3 and enter gross receipts from creative activities inside the City of Los Angeles.

RENEWALS SUBMITTED AFTER MARCH 2ND ARE NOT ELIGIBLE FOR SMALL BUSINESS, NEWLY ESTABLISHED BUSINESS, AND CREATIVE ARTIST EXEMPTIONS.

- Number of Employees** – Please enter the total number of persons employed at this location on line 4.
- Leased Parking** – Please indicate whether or not your business location provides leased parking for employees at this location by checking the appropriate box on line 5.

III. Tax Worksheet

6-12 will be used to perform your tax calculations for each fund/class. Please follow the steps below for calculation of the tax due for each activity.

- A. Business Activity** - A listing of your taxable business activities that are currently reported to the City of Los Angeles.
- i. If you are in a **business activity not listed on the Renewal Form**, call or bring your renewal to one of the offices listed on the inside back cover.
 - ii. If you are still in business but have **ceased one or more of the activities listed**, or if you are no longer in business, check the Change of Information box in Section I on the Renewal Form and complete the Information Update section on the back (Section VI).
 - iii. If you purchased your business from the owner shown on this Renewal Form, please contact one of our offices listed on the inside back cover.
- B. Fund/Class** – A listing of the fund/class that correlates to each taxable business activity listed in Col. A.
- C. Primary Class** - If you have 2 or more Business Activities whose “Basis For Tax” is gross receipts listed on lines 6 through 12, and the Primary Class constitutes at least 80% of your annual taxable gross receipts, you may then consolidate all gross receipts and report them under this one Primary Class by checking one box in Col. C. Leave Columns D, E and H on the Renewal Form blank for the activities which were not selected as the Primary Class. More information on eligibility and additional instructions for Single Category Filing are available at our website (www.lacity.org/finance).
- D. Basis for Tax** – Refer to the table below and enter your Basis for Tax in Col. D for each Fund Class code you are reporting on your renewal.

Fund / Class	Basis for Tax
L043	Gross Receipts of \$20,000 or more
L055, L094, L108	Flat Rate
L062	Number of Tables
L063, L064, L265, L763	Number of Machines
L070	Number of Alleys, Machines, Tables and Courts
L109, L309, L142, L188, L193, L194, L195, L196	See Worksheet
All Other Fund/Classes	Gross Receipts

The term “gross receipts” shall mean gross receipts (including reimbursed expenses) from the previous calendar year or your previously designated fiscal year reported on an accrual or cash basis in accordance with Internal Revenue Service guidelines. If reporting on an accrual basis, you may exclude from your reportable gross receipts any uncollectible amount (“bad debt”) apportioned to the City of Los Angeles, which has been written off as a “bad debt” in compliance with IRS guidelines. Any portion of “bad debt” subsequently recovered by a taxpayer shall constitute taxable gross receipts in the year that it is recovered. Gross receipts associated with certain activities may be excluded from the basis for tax for businesses conducting only part of their activities within the City or whose gross receipts include amounts received from or paid to a related entity. For additional information refer to our website, (www.lacity.org/finance) or call the nearest branch office listed on the back cover of this booklet.

Small Business/New Business Exemption - If you checked either box on line 1 or line 2 per the instructions in Section II and file your renewal by March 2nd, enter “0” on line 18 and proceed to Section IV line 19.

Creative Artist Exemption - If you checked the box on line 3 of the Renewal Form and file your renewal by March 2nd, do the following for each fund/class listed:

- If all gross receipts for the fund/class are derived from “Creative Activities”, enter “0” in Col. D “Basis for Tax”, otherwise,
- Enter taxable gross receipts, except those derived from “Creative Activities”, in Col. D, “Basis for Tax”.

- E. Tax Rate** – The assigned rate of tax for the correlating activity. If you see “WKST” in Col. E go to your supplemental worksheet to calculate the tax.

F. Tax Computation – For gross receipts, the tax computation is based on the rate shown in Col. E per one thousand dollars (\$1,000) of gross receipts or fractional part thereof. **Round up total gross receipts** in Col. D to the next highest \$1,000, then multiply the result by Col. E and enter the result in Col. F. Example: Gross receipts of \$237,461 would be calculated as 238 x TAX RATE = TAX Computation. For all others, multiply Col. D by Col. E and enter result in Col. F.

G. Back Tax – This column will only apply to businesses or activities newly established in 2008. Copy the amount from Col. F into Col. G unless there is a presence of N/A in Col. G. This is the Back Tax amount due.

H. Tax Due – Add Columns F and G. Enter result in Col. H.

13. Add lines 6-12 in Col. H and enter result on line 13.

Empowerment Zone A (EZA) incentive shall not be available to any persons whose **primary activity** at any location is the **sale of alcoholic beverages for off premises consumption, the sale of guns and ammunition, or “adult entertainment business”** as defined in Los Angeles Municipal Code Section 12.70b.

As a business in the EZA, you may be entitled to a tax incentive. Following are the instructions on how to calculate your total tax due.

14. If line 13 is less than \$25, write the amount from line 13 on line 15. Otherwise, if line 13 is greater than \$25, subtract \$500 from line 13 and enter the result on line 14. If the result is less than “0”, enter “0” on line 14.

15. **Total Tax Due** -If line 14 is less than \$25 then write \$25 on line 15, otherwise, write the amount from line 14 on line 15.

TIMELY FILING: Business Tax is due January 1st of each year and is delinquent if not paid on or before the last day of February of each year. If February 28th falls on Saturday or Sunday then the next business day will be considered timely. March 2nd is the last day for timely filing for 2009 Renewals. All payments received at any of our branch offices by 5:00 P.M. on March 2nd, postmarked by the U.S. Post Office, or filed electronically not later than 11:59 P.M. on March 2nd are considered timely. Compute interest and penalty on late payments as shown in numbers 16 & 17 below.

16. **Interest** – Interest at the rate of 0.5% per month applies as of March 3, 2009 and the first day of each month thereafter until paid. Interest applies only to the amount of principal tax due. To calculate, multiply 0.005 x number of months delinquent x amount on line 15. Enter the result on line 16.

17. **Penalty** – A penalty of 5% applies to the amount of unpaid tax due as of March 3, 2009; 10% as of April 1st, 15% as of May 1st, 20% as of June 1st and 40% as of July 1st. Penalty applies only to the amount on line 15. Enter the result on line 17.

18. **Total Amount Due** – Add lines 15-17, and enter result on line 18. This is the total amount due to the City of Los Angeles for your Business Tax Renewal.

IV. Certifications

19-21 - The owner, partner or officer must sign and print name on line 19. Indicate your title and daytime phone number with extension, if any, on line 20. Enter the date and provide an e-mail address where the City may contact you on line 21.

FILING EXTENSION: You may request in writing an extension of the filing deadline by a maximum of 45 days for good cause. Any extension request must be accompanied by payment of at least 90% of the total tax due **and** be received or postmarked by March 2nd. If less than 90% of the total tax due is received by March 2nd, **interest and a 20% penalty** shall be applied to any unpaid principal tax due.

V. Payment Information

22. **Payment Type** – Check the box on line 22 of the Renewal Form corresponding to the method of payment you will be using. Only one form of payment is

allowed. If paying by check, please write your account number on your check. If your total amount due is in excess of \$50,000, you must remit your payment to the City electronically via Automated Clearing House (ACH) transaction through your bank in addition to submitting the completed Renewal Form. You must pre-register no later than February 14th in order to make an ACH transaction. Please refer to www.lacity.org/finance or call (213) 368-7166 for registration information.

23-25 – If you have chosen to pay by credit card, please complete lines 23-25, providing all required cardholder information.

Make a copy of your completed Renewal Form to retain for your records. If mailing your form, please ensure that your check is enclosed and mail the original with required signatures to the following address: City of Los Angeles, Office of Finance, File 57065, Los Angeles, CA 90074-7065. The Renewal **MUST BE POSTMARKED NO LATER THAN MIDNIGHT on March 2, 2009**. Your cancelled check is your receipt if mailing your renewal. Your printed copy is your receipt if submitting electronically. You will NOT receive a new "Business Tax Registration Certificate". The certificate you have will remain valid unless it is suspended or revoked. If you notify us of a change in your name and/or address, a certificate will be mailed.

VI. Information Update

Please provide updates to any information in the following areas. Please use the Information Update section on the reverse side of your renewal form.

A-D. DBA (Doing Business As), MAILING ADDRESS, LEGAL NAME, AND/OR BUSINESS ADDRESS - If any of these have changed, check the appropriate box and provide the updated information.

E. RENTAL PROPERTY SOLD – Fund Class Code L043 (1) If you sold all rental properties prior to January 1st of this year, check box (E) and provide the date of sale for the properties. (2) If you sold only a portion of the properties, you may exclude from your business tax the gross receipts attributable to those properties.

Please Note: If you sold all properties prior to January 1st of this year, but are still engaged in other activities listed on the Renewal Form, see instruction (G).

F. ENTIRE BUSINESS SOLD / DISCONTINUED OR NEW BUSINESS ACTIVITIES – If you sold or discontinued all activities listed on the Renewal Form prior to January 1st of this year, check box (F) and provide the effective date of the end of business. If there were new business activities last year, enter your gross receipts in Col. D, lines 6-12 of the Renewal Form and complete the form.

G. INDIVIDUAL BUSINESS ACTIVITY SOLD, DISCONTINUED, OR TRANSFERRED – If your business is still in operation but you have sold or completely discontinued one or more of the business activities listed on the Renewal Form prior to January 1st of this year, check box (G) and indicate the effective date(s) and discontinued class code(s). If the activity, which ended, was new last year, enter your gross receipts in Col. D, lines 6-12 on the Renewal Form and complete the form.

H. FISCAL YEAR FILING – If you choose to convert from calendar year to fiscal year reporting, please visit our website at www.lacity.org/finance for additional information.

VII. Vendor/Subcontractor/Commercial Tenant Listing

Businesses with out-of-City vendors, sub-contractors and/or in-City commercial tenants only:

Complete this section on the reverse side of the renewal form, if applicable.

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodations to ensure equal access to its programs, services, and activities.

GENERAL TAX INFORMATION

(213) 473-5901 www.lacity.org/finance

CITY HALL OFFICE INFORMATION (213) 978-1521
200 North Spring Street (Use Main Street Entrance) Room 101
Open Monday through Friday 8:00 a.m. to 5:00 p.m.

BRANCH OFFICES AND HOURS

Van Nuys Civic Center

Braude Constituent Services Center
6262 Van Nuys Blvd Ste 110
Phone (818) 374-6850
Open Monday through Friday
8:00 a.m. to 5:00 p.m.

West Los Angeles

1828 Sawtelle Blvd Rm 102
Phone (310) 575-8888
Open Monday through Friday
8:00 a.m. to 5:00 p.m.

Hollywood

6501 Fountain Avenue
Phone (213) 485-3935
Phone (213) 485-6305
Open Monday through Friday
8:00 a.m. to 5:00 p.m.

San Pedro

638 South Beacon St Rm 211
Phone (310) 732-4537
Open Monday, Wednesday, and Friday
7:30 a.m. to 12 Noon
1:00 p.m. to 4:30 p.m.

Westchester Municipal Building

7166 W Manchester Ave Rm 9
Phone (213) 473-6750
Open Tuesday and Thursday
8:00 a.m. to 12 Noon

Watts Civic Center Building

10221 Compton Ave Rm 202
Phone (213) 473-5109
Open Tuesday and Thursday
1:00 p.m. to 4:30 p.m.

Figueroa Plaza Building

One Stop Permitting Center
201 North Figueroa Street
Third Floor, Counter 17
Phone (213) 482-7032
Monday, Tuesday, Thursday, and Friday
7:30 a.m. to 4:30 p.m.
Wednesday
9:00 a.m. to 4:30 p.m.

TEMPORARY OFFICE AND HOURS

Manchester-Vermont Area
Constituent Service Center
City Services Room
8475 South Vermont Avenue 2nd Level
January | Open Monday thru Friday
9:00 a.m. to 12 Noon
February | Open Monday thru Friday
9:00 a.m. to 12 Noon
12:30 to 5:00 p.m.

SMALL BUSINESS TAX ASSISTANCE PROGRAM

Small Business Program
Appointments are available only at the City Hall, Van Nuys and Hollywood Offices through February 12, 2009
Phone (213) 978-3403
Monday through Friday
9:00 a.m. to 4:00 p.m.

ALL CITY OFFICES WILL BE CLOSED IN OBSERVANCE OF THE FOLLOWING HOLIDAYS:

New Years Day,
Thursday, January 1, 2009
Martin Luther King Day,
Monday, January 19, 2009
President's Day,
Monday, February 16, 2009