



Memorandum

TO: SMALL BUSINESS
DEVELOPMENT COMMISSION

FROM: David McPherson
Deputy Director, Finance

SUBJECT: BUSINESS TAX FEES

DATE: October 3, 2008

On June 17, 2008, the City Council approved resolution number 74452 adopting the fees and charges for the Business Tax Administrative Fee of \$22.00. At the Commission's meeting on October 8, a representative of the Finance Department will discuss the cost recovery fee for the business tax process.

A handwritten signature in cursive script that reads "David McPherson".

David McPherson
Deputy Director
Finance

The City of San José Business Tax Administration Fee



Business Tax Administration Fee

- 31 Cities in California have processing fees.
- Statewide average for new application fee is \$66.71
- Statewide average for renewal fee is \$22.07
- Currently San José has a fee of \$22.00



Administration Fee Comparison

- Other Large Cities:
 - Anaheim \$27.00
 - Fresno \$10.00
 - Huntington Beach \$22.25
- Other Bay Area Cities:
 - Gilroy \$70.00
 - Morgan Hill \$ 51.00
 - Berkeley \$25.00
 - Brentwood \$34.18



Small Business Options

- Hardship:
 - Businesses who gross less than \$20,800 can apply for the Hardship Program.
 - Hardship accounts pay a \$35.00 application fee.
 - There is no admin fee for hardship businesses.
- Exempt:
 - Businesses pay a one time \$35.00 application fee.



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