



# CITY OF NEWPORT BEACH

## FINANCE DEPARTMENT Revenue Division

### BUSINESS LICENSE FREQUENTLY ASKED QUESTIONS

**Q: Who needs a business license?** Every business operating in the City of Newport Beach is required to file a Business License Tax application prior to the start of business and pay the annual tax each year thereafter. This ordinance applies to businesses operating at a commercial or residential location within the city, or any business using a City of Newport Beach address or Post Office box for receiving mail. Businesses based out of the City of Newport Beach who are conducting activity in the city (for example: contractors, consultants, landscape maintenance companies) must also file an application. Exemptions may apply to charitable and non-profit organizations and to disabled veterans.

**Q: How do I apply and obtain a business license?** You can save time and money (the 44.00 processing fee is waived) by using our convenient on-line service to apply for your business tax certificate. Click on the "Quest Service Request" from the Online Services link at the City's website [www.newportbeachca.gov](http://www.newportbeachca.gov) to pay by credit card or check. If you do not have Internet access, please call 949-644-3141 and we will send you a copy by mail or fax.

**Q: How long does it take to get a business license?** The actual process to obtain the business license takes only a few minutes when you apply using our on-line service. When the application is complete and payment is received, a business license number is issued. The permanent business license will be mailed in about one week. A business license may be issued at City Hall while you wait. Your application must be complete and include all necessary information.

**Q: I have difficulty using a computer. How can I submit my application?** We have public computers at City Hall that can be used to submit your application. Assistance with the process will be provided.

**Q: How much does it cost?** The City Business License Tax is an annual tax, based on a fiscal year. It is renewable every 12 months. The business license tax is based on the location of where your business operates in the City. Every year in July, the business tax is adjusted to reflect inflation, as measured by the Consumer Price Index (CPI).

**Q: How often do I need to renew it?** Business licenses are renewed annually. A courtesy notice is mailed weeks before the due date. However, you are responsible for renewing your license whether or not the renewal notice is received. If the payment is received more than 30 days past the due date, a 25% per month penalty is charged. Administrative Citations may also be issued.

**Q: What if I am moving to a new location in the City.** Please notify us of your new address, phone number, and any other changes to your business. After compliance with any applicable city requirements, your business license may be transferred to the new location for a small fee.

**Q: What if I stop doing business or move away?** Let us know in writing if you want your license cancelled. No refunds are given when the business ceases.

**Q: Can I transfer my license to someone else?** Business Licenses are not transferable from one owner to another. The new owner must apply for a business license in their name.

**Q: What does my tax payment go to?** Business licenses taxes help pay for city services like roads, fire, police and other community services. These services benefit businesses, business owners, and the general public.

**Q: What should I do before I apply?** Inquire about city zoning requirements for your type of business and its planned location by contacting our Planning Department at 949-644-3204. In addition to obtaining the business license, you must also comply with all City, County and State regulations for zoning, building, health and safety.

**Q: Do I need to display my business license?** Yes, all business licenses must be posted in public view at the fixed location of the business. For those businesses without a fixed location, the responsible party must carry the business license with them while conducting business in Newport Beach.

**Q: What if I don't obtain a license?** Conducting business in the city without a license can result in penalties and or Administrative Citations

#### **What Other Things May I need?**

- **Fictitious Name (dba)** – must be filed Contact the County Clerk's office at (714) 834-2889, go online at [www.oc.ca.gov/recorder](http://www.oc.ca.gov/recorder) or contact your local newspaper office
- **Seller's Permit (Resale #)** – required by the State Board of Equalization if you sell merchandise. Call (949) 440-3473 or visit [www.boe.ca.gov](http://www.boe.ca.gov)
- **Federal Tax ID #** – required if you have employees, are incorporated, or have a registered partnership. Call (800) 829-1040 or visit [www.irs.gov](http://www.irs.gov)
- **Worker's Compensation Insurance** required if you have employees. Contact local insurance agent, state fund or [www.dir.ca.gov/workers\\_comp.html](http://www.dir.ca.gov/workers_comp.html)
- **Liquor License** – required by the State Department of Alcoholic Beverage Control if you sell or serve alcohol. Contact (714) 558-4101 or visit [www.abc.ca.gov](http://www.abc.ca.gov)
- **Health Permit** – required for food handling and other environmental issues. Contact O.C. Environmental Health at (714) 433-6000.

**Disclosure:** A Business License Tax Certificate does not authorize the conduct or continuance of any illegal or unlawful operation in violation of any law or ordinance.