



**REVISED BUSINESS LICENSE TAX  
ORDINANCE NO. 17.18  
EFFECTIVE OCTOBER 1, 2019**

The business license tax is an annual fee that businesses pay for doing business in Mountain View.

The tax structure was significantly altered by a ballot measure approved by voters on November 6, 2018. The tax now has a progressive structure based on the number of employees. The tax is based on a calendar year, due and payable annually on January 1. Business licenses expire annually on December 31.

If payments are not received by January 1, a 10 percent penalty and 1 percent monthly interest will be added to the original business license tax.

If payments are not received by February 1, a second 10 percent penalty and 1 percent monthly interest will be added to the original business license tax.

Qualified nonprofit organizations, as well as businesses whose annual gross receipts in the City are \$5,000 or less, are exempt from paying the business license tax. The attached affidavits should be completed for those claiming either of these exemptions.

Businesses whose annual gross receipts total \$5,001 or more pay the following tax rate:

Number of Employees	Business License Tax
1	\$75
2-25	\$75 + \$5/employee for each employee over 1
26-50	\$195 + \$10/employee for each employee over 25
51-500	\$445 + \$75/employee for each employee over 50 employees
501-1,000	\$34,195 + \$100/employee for each employee over 500 employees
1,001-5,000	\$84,195 + \$125/employee for each employee over 1,000
5,001 up	\$584,195 + \$150/employee for each employee over 5,000

Businesses with 50 employees or less pay total tax due on January 1.

Businesses with 51 employees or more pay tax phased-in over 3 years as follows:

January 1, 2020	January 1, 2021	January 1, 2022
1/3 of total tax	2/3 of total tax	3/3 of total tax

Businesses located outside of the City pay the following tax rate based on the number of days their employees conduct business or provide services in the City:

0 - 5 days 0%	6 - 64 days 25%	65 - 129 days 50%	130+ days 100%
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### Example 1

Company A located in the City with one employee.

Payment Date	Business License Tax
Payment received on or before January 1	\$75.00 (Tax) + \$4.00 (State Fee AB 1379) = \$79.00
Payment received on or after January 2	\$75.00 + \$7.50 (10% Penalty) + \$0.75 (1% Interest) = \$83.25 \$83.25 + \$4.00 (State Fee AB 1379) = \$87.25
Payment received on or after February 2	\$75.00 + \$7.50 (1 <sup>st</sup> 10% Penalty) + \$0.75 (1 <sup>st</sup> 1% Interest) + \$7.50 (2 <sup>nd</sup> 10% Penalty) + \$0.75 (2 <sup>nd</sup> 1% Interest) = \$91.50 \$91.50 + \$4.00 (State Fee AB 1379) = \$95.50

### Example 2

Company B located in the City with 6 employees.

Payment Date	Business License Tax
Payment received on or before January 1	\$75.00 (Tax) + (\$5.00 x 5) + \$4.00 (State Fee AB 1379) = \$104.00
Payment received on or after January 2	\$75.00 (Tax) + (\$5.00 x 5) + \$10.00 (10% Penalty) + \$1.00 (1% Interest) = \$111.00 \$111.00 + \$4.00 (State Fee AB 1379) = \$115.00
Payment received on or after February 2	\$75.00 (Tax) + (\$5.00 x 5) + \$10.00 (1 <sup>st</sup> 10% Penalty) + \$1.00 (1 <sup>st</sup> 1% Interest) + \$10.00 (2 <sup>nd</sup> 10% Penalty) + \$1.00 (2 <sup>nd</sup> 1% Interest) = \$122.00 \$122.00 + \$4.00 (State Fee AB 1379) = \$126.00

### Example 3

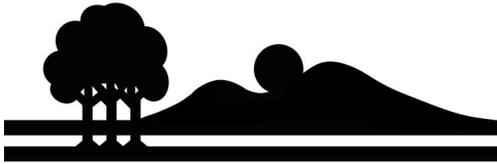
Company C located in the City with 60 employees.

Payment Date	Business License Tax
Total Tax & Fee	\$445.00 (Tax) + (\$75.00 x 10) = \$1,195.00 \$1,195.00 + \$4.00 (State Fee AB 1379) = \$1,199.00
1/3 of Total Due by January 1, 2020	\$1,195.00 / 3 = \$399.00 \$399.00 + \$4.00 (State Fee AB 1379) = \$403.00
2/3 of Total Due by January 1, 2021	\$1,195.00 x 2/3 = \$798.00 \$798.00 + \$4.00 (State Fee AB 1379) = \$802.00
3/3 of Total Due by January 1, 2022	\$1,195.00 \$1,195.00 + \$4.00 (State Fee AB 1379) = \$1,199.00

### Example 4

Company D located in San Jose (out of town) sent 6 employees to the City for construction work.

Payment Date	Number of Employees Working in the City	Number of Working Days in the City	Business License Tax
Pay on or before January 1	6	7	\$75.00 + (\$5.00 x 5) = \$100.00 \$100 x 25% = \$25.00 (Tax) \$25.00 + \$4.00 (State Fee AB 1379) = \$29.00



AFFIDAVIT

The following information pertains to your claim for exemption for either:

- (1) The business license tax based on your business' annual gross receipts being \$0 - \$5,000 (complete Nos. 1 through 7 below); or
(2) The qualified nonprofit organization (complete Nos. 1 through 6 and No. 8 below).

Please complete the following information, sign and date this affidavit, then return to the City of Mountain View with your completed forms.

- 1. Business Name
2. Business Location
3. Business License Number
4. First Date of Work in the City of Mountain View
5. Number of employees reported to Employment Development Department
6. Description of your business (what do you do?)
7. Gross receipts for most recent calendar year (actual or estimated)
a. Year
b. Amount \$ Actual Estimated
8. For qualified nonprofit exemption, do you have an IRS Determination Letter (e.g., 501 (c)(3)) confirming this exemption?
Yes No (If yes, please provide copy of IRS letter with this form.)

AFFIDAVIT: I certify, under penalty of perjury, the information I provided above is true and correct, to the best of my knowledge.

Printed Name

Position Title

Signature

Date (mo./day/year)