

CITY OF SANTA ANA
BUSINESS TAX OFFICE

20 CIVIC CENTER PLAZA, FIRST FLOOR (M-15), P.O. BOX 1964, SANTA ANA, CA 92702 (714) 647-5447



Independent Contractors & State Licensed Contractors
Alternate Tax Return Worksheet (Flat Rate Assessment)

If you are: **(1)** a State Licensed Contractor or **(2)** a Self-Employed Independent Contractor complete the alternate tax return worksheet on the back side of this notice in lieu of the standard gross receipts assessment worksheet printed on reverse side of the accompanying Business License Tax Application Form.

If you are doing business as a sole proprietorship, general partnership, or as a principle in any business including the rental of commercial real estate complete the standard gross receipts tax return worksheet printed on reverse side of the accompanying Business License Tax Application Form. Note: Individuals who have registered a County of Orange Fictitious Business Name or DBA (doing business as) or who have registered a Business Entity Name with the California Secretary of State are not deemed to be operating as independent contractors. State Licensed Contractors are qualified to complete the alternate tax return worksheet regardless of whether they are individuals, a sole proprietorship, partnership, corporation or other registered business entity.

Exceptions: If you are an independently practicing State Licensed Professional Business operating within the City of Santa Ana, or if you are engaged in the Rental of Residential Real Estate within the City or operate such a business from within the City, or if you maintain Coin-operated Machines within the City or operate such a business from within the City, if you operate Catering, Produce, or Delivery Trucks or other Vehicular Businesses within the City or operate such a business from within the City contact us by email at INDNotice@santa-ana.org or call us at (714) 647-6720 to receive your specific tax rate schedule worksheet(s).

Independent Contractors & State Licensed Contractors

Business licenses assessed on a flat rate tax category basis are issued for calendar year periods for Independent Contractors & State Licensed Contractors and are payable in advance. The tax is calculated based on Tax Rate Category. Back taxes are due for the number of prior tax years for which the independent contractor / state licensed contractor failed to register or file – up to 3. The maximum number of tax years which may be assessed are 4 (three prior years, plus the current year. Businesses or self-employed individuals, whose start date was after March 31st 2007, may prorate the initial year's tax. Flat rate tax assessments are proratable on a quarterly calendar year basis.

Independent Contractors including building tradesmen, gardeners, janitors, maintenance men, peddlers, real estate sales agents, security guards, solicitors, or other free-lance/self-employed individuals for whom a Form 1099 is issued are assessed based on a single annual rate.

State Licensed Contractors are assessed on a multiple rate based on the highest California State Licensed Contractor Board License held by the contractor.

Completing Your Business License Tax Application & Tax Return Worksheet

Steps: First complete the accompanying **Business License Tax Application - front side only [STEP 1]**, then go to the reverse side of this notice and report your the Tax Rate Category for the appropriate tax years on the Tax Return Worksheet on the reverse side of this notice **[STEP 2] (required / self-compute tax – optional)**; sign and return both the completed application and Tax Return Worksheet along with the a minimum **\$29.00** Registration Charge by the date indicated on the notification letter **[STEP 3]**. A billing statement with a thirty-day grace period will be sent within 60 days. For tax deferral and installment payment plans – refer to the notification letter sent.

TAX RETURN WORKSHEET: (Independent Contractors / State Licensed Contractors Only):

[STEP 1: COMPLETE ACCOMPANYING BUSINESS LICENSE TAX APPLICATION FORM - Front Side Only].

[STEP 2: COMPLETE REPORT OF TAX RATE CATEGORY - REQUIRED / SELF-COMPUTE TAX - OPTIONAL].

(You may self-compute your tax or have us do it for you based on your start date as an Independent Contractor or State Licensed Contractor. If you choose to have us calculate your tax – just enter a (✓) next to applicable tax rate category and leave the Tax Amount Due blank - pay only the \$29 Registration Charge now and we will send you a billing statement with a 30 day grace period.)

YEAR	TAX RATE CATEGORY	RATE	TAX AMOUNT DUE
2011 *	<input type="checkbox"/> Independent Contractor	\$ 68.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class A or B)	\$ 234.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class C)	\$ 215.00	\$ _____
	<input type="checkbox"/> Gratuitous Licensee †	\$ 20.00	\$ _____
2010 *	<input type="checkbox"/> Independent Contractor	\$ 68.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class A or B)	\$ 234.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class C)	\$ 215.00	\$ _____
	<input type="checkbox"/> Gratuitous Licensee †	\$ 20.00	\$ _____
2009 *	<input type="checkbox"/> Independent Contractor	\$ 68.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class A or B)	\$ 234.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class C)	\$ 215.00	\$ _____
	<input type="checkbox"/> Gratuitous Licensee †	\$ 20.00	\$ _____
2008 *	<input type="checkbox"/> Independent Contractor	\$ 68.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class A or B)	\$ 234.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class C)	\$ 215.00	\$ _____
	<input type="checkbox"/> Gratuitous Licensee †	\$ 20.00	\$ _____

* If your start date was after March 31st of your initial year, you may prorate the initial year's tax. To prorate first *divide* the initial year's Tax Amount Due by 4 (representing the 4 calendar quarters); then *multiply* this amount by the number of quarters starting with the quarter in which your business/self-employment commenced. Enter the prorated amount under TAX AMOUNT DUE.

Tax Amount Due (2008 - 2011) - (Enter if self-computed or leave blank and we will calculate) \$ _____

50% Penalty – (Not applicable based on timely submission of worksheet & registration payment) \$ _____

Business License Tax Registration Charge - (Required) \$ 29.00

Total Amount Remitted - (\$29.00 minimum payment required - we will bill you for the balance) = \$ _____

Additional fees for an Occupancy Inspection or Home Occupation Permit may be required. Businesses operating from a commercial location within the City are required to obtain a Certificate of Occupancy. Businesses operating from a residence within the City are required to obtain a Home Occupation Permit. To initiate the review and or inspection process, contact the Planning & Building Agency – Development Services Center at (714) 647-5804 or come in person to City Hall Ross Annex, First Floor Planning Counter.

If you pay by check and it is returned, you expressly authorize the electronic debit of your account for the check amount plus a processing fee.

[STEP 3: SIGN, DATE, AND MAIL-IN COMPLETED APPLICATION/REPORT FORM + \$29 REGISTRATION CHARGE].

Signature _____

Date _____

Print Name _____

Title _____

† To qualify as a Gratuitous Licensee your occupation or business must be part-time and you must gross not more than \$2,340 annually.