

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 Contractor & State Licensed Contractor
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 principal 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 engaged in the rental of residential real estate within the City, or if you maintain coin-operated machines within the City, if you operate catering, produce, or delivery trucks within the City, contact us by email at abatment@santa-ana.org or call us at (714) 647-5447 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 and are payable in advance. The tax is calculated based on Tax Rate Category (see reverse side of this form). Businesses or self-employed individuals, whose start date was after March 31, 2021, may prorate the initial year's tax. Flat rate tax assessments are pro-ratable on a quarterly calendar year basis.

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

California State Licensed Contractors - with valid Board licenses are assessed on the highest rate based on the license(s) held by the contractor.

Gratuitous Businesses/Hobbyists - To qualify as a gratuitous licensee or hobbyist, your occupation or business must be part-time and you must gross not more than \$5,300 annually.

Completing Your Business License Tax Application & Tax Return Worksheet

[Step 1:] Complete the accompanying **Business License Tax Application** - front side only, **[Step 2:]** Go to the reverse side of this notice and report the Tax Rate Category for the appropriate tax years (this is **REQUIRED**). You can also self-calculate the tax owed (this is **OPTIONAL**) or allow us to calculate the tax owed and send you a bill; **[STEP 3:]** sign and date the worksheet and return both the completed application and Tax Return Worksheet along with the minimum \$20.00 Registration Charge and State Fee by the date indicated on the notification letter.

A billing statement with a thirty-day grace period will be sent within 60 days. For extensions and payment arrangements, please contact our office.

TAX RETURN WORKSHEET: (Independent Contractors / State Licensed Contractors / Gratuitous Licensees):[STEP 1: COMPLETE ACCOMPANYING BUSINESS LICENSE TAX APPLICATION FORM – Front Side Only].

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

(You may self-calculate your tax or have us do it for you based on your start date as an Independent Contractor, State Licensed Contractor or Gratuitous Licensee. If you choose to have us calculate your tax, just enter a (✓) in the box next to applicable tax rate category and leave the Tax Amount Due blank - pay only the \$20 Registration Charge now and we will send you a bill for the balance with a 30-day grace period.)

YEAR	TAX RATE CATEGORY	RATE	TAX AMOUNT DUE
2021*	<input type="checkbox"/> Independent Contractor	\$ 37.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class A or B)	\$ 318.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class C)	\$ 292.00	\$ _____
	<input type="checkbox"/> Gratuitous Licensee	\$ 11.00	\$ _____
2022*	<input type="checkbox"/> Independent Contractor	\$ 37.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class A or B)	\$ 318.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class C)	\$ 292.00	\$ _____
	<input type="checkbox"/> Gratuitous Licensee	\$ 11.00	\$ _____
2023*	<input type="checkbox"/> Independent Contractor	\$ 37.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class A or B)	\$ 318.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class C)	\$ 292.00	\$ _____
	<input type="checkbox"/> Gratuitous Licensee	\$ 11.00	\$ _____
2024*	<input type="checkbox"/> Independent Contractor	\$ 37.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class A or B)	\$ 318.00	\$ _____
	<input type="checkbox"/> State Licensed Contractor (Class C)	\$ 292.00	\$ _____
	<input type="checkbox"/> Gratuitous Licensee	\$ 11.00	\$ _____

* 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 commences. Enter the prorated amount under TAX AMOUNT DUE.

Tax Amount Due 2021 - 2024 - (Enter if self-calculated or leave blank and we will calculate).....\$ _____

50% Penalty - (Not applicable with timely submission of worksheet & minimum payment).....\$ _____

Business License Tax Registration Charge - (Required)\$ **\$20.00**

Total Amount Remitted - (\$20.00 minimum payment required - we will bill you for the balance)\$ _____

Additional Fees for an Occupancy Inspection of 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 at (714) 647-5804 or via email at Planning@santa-ana.org, 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 processing fee.

[STEP 3]: SIGN, DATE AND MAIL-IN COMPLETED APPLICATION/REPORT FORM + \$20 REGISTRATION CHARGE

Signature _____

Date _____

Print Name _____

Title _____