

**REAL ESTATE AGENT
INFORMATION AND INSTRUCTION SHEET**

BUSINESS LICENSE TAX AUTHORITY

A Business License is a tax imposed upon an individual or company by a local government for the privilege of conducting business in its jurisdiction. Cities and counties are empowered to levy this tax pursuant to California Government Code Sec. 37101; Business and Professions Code Sec. 16000. The City of Ventura Municipal Code (SBMC) Chapter 4.155 provides the business license requirements for the City of Ventura.

CLASSIFICATION

Real Estate Agents who work as independent contractors – reported to the IRS by Form 1099 – are subject to the local jurisdiction's business tax requirements.

GROSS RECEIPTS

Gross receipts are defined as any salary, commission, or other remuneration that is received for providing goods or services. IRS, Schedule C or other financial report such as a commission report from your broker can provide verification of gross receipts.

BUSINESS TAX RATES

Taxes are calculated using an amount based on a business' gross receipts added to an annual base tax, and are apportioned based upon the amount of business that is generated from and/or transacted in the City of Ventura.

Annual Base Tax:	\$45.00
Gross receipts up to \$5 million:	add 34 cents per thousand dollars
Gross receipts exceeding \$5 million:	add 17 cents per thousand dollars

PREVIOUS YEARS UNPAID BUSINESS LICENSE TAX

Under SBMC Section 4.155.640, the Collector may recover three (3) years or less of unpaid business license taxes pursuant to Code of Civil Procedures Section 338, subsection (a).

CALCULATING THE BUSINESS LICENSE TAX

Determine the annual gross receipts for each year of conducting business from or in the City of Ventura. The application form provides room for up to 3 years prior including the current year.

1. Multiply the annual amount by .00034
2. Add that amount to the base tax of \$45.00
3. Apply penalties as instructed on the reverse of the application form
4. Mail or bring the completed application form and tax payment to the Business Tax Office.

This fact sheet is provided for the purpose of assisting in calculating business license taxes for Real Estate Agents. For a complete informational brochure, a copy of the San Buenaventura Municipal Code, or if you just need further assistance, please call staff at (805) 658-4715.