



C i t y o f S u n n y v a l e

**Department of Finance
650 West Olive Avenue
Phone (408) 730-7620**

**Treasury Division
Sunnyvale, California 94086**

What is a business license?

A business license is a tax for the privilege of doing business in Sunnyvale. The Sunnyvale Municipal Code requires that you obtain a license to conduct business within the city limits of Sunnyvale, even if your physical office is located outside city limits. The tax pays for street maintenance, police and fire protection, and other General Fund services that benefit businesses and the general public.

Who is required to have a Sunnyvale business license?

Anyone who conducts business within Sunnyvale city limits or is based in Sunnyvale must obtain a business license on or before the date the business commences.

I am paid on a 1099 basis, not as a W2 employee. Do I need a business license?

Yes, if you are not paid as an employee, you are considered an independent contractor and are required to have a business license.

I received a letter stating that the Franchise Tax Board notified you that I am conducting business. What does this mean?

The City of Sunnyvale receives information regarding individuals or entities that file business tax returns or indicate a Principal Business Activity Code on their CA State Form 540 (which would indicate that a IRS Form 1040 Schedule C has been filed). If you have questions regarding your individual situation, please contact the Business License desk for assistance at (408) 730-7620.

Does a non-profit organization need a business license?

Sunnyvale does not require non-profit organizations to obtain a business license. Should a non-profit organization choose to obtain a business license, the business license tax will be waived upon presentation of proof that the business has a non-profit status. However, any applicable processing fees must be paid at the time of application/renewal.

Do I need a license if I run a business out of my home?

Yes, a home-based business requires a business license and must comply with local zoning.

What if I have more than one business location?

Businesses with multiple locations can utilize the same business license.

I conduct business in several cities. Can I get one license for all cities?

No, each city has its own business license requirements, fees, and taxes. Check with the appropriate city or county for its rules and regulations.

I just purchased an existing business. Can I use the previous owner's license?

No, unless a business is a corporation and the Tax Identification Number is not changing, a business license cannot be transferred. As a new owner, you need to apply for a business license to cover the business operations under your ownership.

What if I close or sell the business?

Business licenses are not automatically cancelled. We require written notification from the owner in the event of a closure or sale. Please provide the date the business was closed or sold and the name of the new owner, if applicable.

What if I want to move the business?

Always check with the City's Planning Division to verify that the new location is zoned properly for the intended use and whether a Use Permit or another type of approval is required. You must also submit a Business License Status Change form with your updated location information.

Will the City of Sunnyvale notify my when it is time to renew my license?

The City mails renewal notices to businesses as a courtesy; however, it is your responsibility to renew your business license in a timely manner even if the renewal notice is not received. Penalties are assessed on delinquent accounts, regardless of whether you received a renewal notice.

I mailed my renewal notice by the due date. Why was I charged late penalties?

As indicated on the renewal notice, your renewal must be physically received by the City by the due date. We do not accept postmarks.

The City received my renewal only a few days after January 30. Why was I charged late penalties?

Annual renewals are due January 1. There is a 30-day grace period, after which penalties and interest are assessed. If your payment was received after January 31, your payment is not within the grace period, and penalties and interest will apply.

Are there any restrictions on where I do business?

Every business must abide by the City's zoning requirements. Before signing any lease or rental agreement, please contact the City's Planning Division at (408) 730-7444 to make sure your business activity is appropriate for the area's current zoning designation and that it will not require a public hearing or special permits.

Do I need a seller's permit?

Most businesses engaged in the sale of tangible goods require a California Seller's Permit in addition to obtaining a business license. To apply, contact the State Board of Equalization.

State Board of Equalization
250 South Second Street
San Jose, CA 95113-2706
(408) 277-1231
www.boe.ca.gov

Do I need a Fictitious Business Name?

Check with the Santa Clara County Clerk Recorder's office to see if you need a Fictitious Business Name (also known as a "Doing Business As" or "DBA").

Santa Clara County Clerk Recorder's Office
70 West Hedding Street, East Wing, First Floor
San Jose, CA 95110
(408) 299-2481
www.clerkrecorder.org

Does Sunnyvale regulate business signage?

Check with the City's Planning Division at (408) 730-7444 before using or installing any type of sign, flag, banner, even balloons. Permanent and temporary signs require review and approval prior to issuance of permits and installations.

Is my business information confidential?

Only certain information is available to the public – for example, business and owner names, physical and mailing addresses, and business types. This information is printed on your business license tax certificate. We do not disclose personal information such as an owner phone number, tax ID number, or financial information to the public, except as required by law.

Is my business license tax deductible?

You should consult your tax advisor regarding your particular circumstances.