

2014 Business Tax Renewal Instructions
Regular Form

1000A

Business Tax Renewal Forms are Delinquent After February 28, 2013. For your convenience you can **electronically file** at finance.lacity.org. This is an easy way to file your return and will save you time and postage.

I. Taxpayer Information

Business Information - This is the current Legal Name, Business Address and Mailing Address that the City of Los Angeles has on file for your business.

Changes of Information - Check this box and report any corrections as instructed in Section VI, Information Update.

II. Tax Reform & Incentives

1. **Small Business Exemption** - The City of Los Angeles provides a small business exemption to businesses with worldwide gross receipts did not exceed \$100,000 for the 2013 calendar year and file their renewal by **February 28th**. If you qualify, check the box on line 1 and enter your worldwide gross receipts, which includes gross receipts from all operations inside and outside the City of Los Angeles for 2013.
2. **Newly Established Business** - The City of Los Angeles provides a second year exemption to businesses established within the City of Los Angeles during the 2013 calendar year, file their renewal by **February 28th**, and are not one of the following (1) CONSTRUCTION BUSINESS (as defined in Sec. 21.30(a)2 of the Los Angeles Municipal Code (LAMC)); (2) FILM PRODUCERS (as defined in Sec. 21.109 of the LAMC); and, (3) any business owned in whole or in part by a person that was engaged in business inside the City of Los Angeles during the preceding tax period and is engaged in business in the City during the current tax period. If you qualify, check the box on line 2.
3. **Creative Artist Exemption** - The City of Los Angeles provides an exemption to "Creative Artists" if the worldwide gross receipts from "Creative Artist" activities **did not exceed \$300,000** for the 2013 calendar year. A "Creative Artist" is defined as a person who operates either (1) as an individual, (2) through a corporation with one individual as the only shareholder and the only employee, or (3) through a limited liability company with one individual as the only member and the only employee. An individual who may be eligible for this exemption is: actor/announcer; art director, costume designer, production designer, scenery/set designer; choreographer; cinematographer; musical conductor; director; motion picture editor, sound dubbing, special effects, or titling artist; creative writing; music/lyrics arranger, composer or writer; author; cartoon artist; lithographer/painter/sculptor of visual fine arts; drawing, graphic, illustration or sketch artist; performing artist; and photographer (if primarily artistic and not journalistic or commercial). Please refer to LA Municipal Code Section 21.29(b) for more complete definitions or descriptions.
If you qualify for this exemption and **your renewal is filed by February 28th**, check the box on line 3 and enter gross receipts from creative activities inside the City of Los Angeles.

RENEWALS SUBMITTED AFTER FEBRUARY 28, 2014 ARE NOT ELIGIBLE FOR SMALL BUSINESS, NEWLY ESTABLISHED BUSINESS, AND CREATIVE ARTIST EXEMPTIONS.

4. **Application of Overpayment** - Please checkmark this box **only** if you have an overpayment that you want to apply to your 2014 renewal. Indicate the overpayment amount and deduct this amount from your Total Amount Due on line 18. However, please note that an overpayment cannot be applied if the original payment date was over three years ago.

III. Tax Worksheet

5-12 will be used to perform your tax calculations for each fund/class. Please follow the steps below for calculation of the tax due for each activity.

- A. **Business Activity** - A listing of your taxable business activities that are currently reported to the City of Los Angeles.
 - i. If you are in a **business activity not listed on the Renewal Form**, call or bring your renewal to one of the offices listed on the inside back cover.
 - ii. If you are still in business but have **ceased one or more of the activities listed**, or if you are no longer in business, check the Change of Information box in Section I on the Renewal Form and complete the Information Update section on the back (Section VI).
 - iii. If you purchased your business from the owner shown on this Renewal Form, please contact one of our offices listed on the inside back cover.
- B. **Fund/Class** - A listing of the fund/class code(s) that correlates to each taxable business activity listed in Col. A.

- C. Primary Class** - If you have 2 or more Business Activities whose "Basis For Tax" are gross receipts listed on lines 6 through 12, and the Primary Class constitutes at least 80% of your annual taxable gross receipts, you may then consolidate all gross receipts and report them under this one Primary Class by checking one box in Col. C. Leave Columns D, E and H on the Renewal Form blank for the activities which were not selected as the Primary Class. More information on eligibility and additional instructions for Single Category Filing are available at our website (finance.lacity.org).
- D. Basis for Tax** – Refer to the table below and enter your Basis for Tax in Col. D for each Fund Class code you are reporting on your renewal.

Fund / Class	Basis for Tax
L043	Gross Receipts of \$20,000 or more
L055, L094, L108	Flat Rate
L062	Number of Tables
L063, L064, L265, L763	Number of Machines
L070	Number of Alleys, Machines, Tables and Courts
L109, L309, L142, L188, L193, L194, L195, L196	See Worksheet
All Other Fund/Classes	Gross Receipts

The term "gross receipts" shall mean gross receipts (including reimbursed expenses) from the previous calendar year or your previously designated fiscal year reported on an accrual or cash basis in accordance with Internal Revenue Service guidelines. If reporting on an accrual basis, you may exclude from your reportable gross receipts any uncollectible amount ("bad debt") apportioned to the City of Los Angeles, which has been written off as a "bad debt" in compliance with IRS guidelines. Any portion of "bad debt" subsequently recovered by a taxpayer shall constitute taxable gross receipts in the year that it is recovered. Gross receipts associated with certain activities may be excluded from the basis for tax for businesses conducting only part of their activities within the City or whose gross receipts include amounts received from or paid to a related entity. For additional information refer to our website, (finance.lacity.org) or call the nearest branch office listed on the back cover of this booklet.

Small Business/New Business Exemption - If you checked either box on line 1 or line 2 per the instructions in Section II and file your renewal by February 28th, enter "0" on line 18 and proceed to Section IV line 19.

Creative Artist Exemption - If you checked the box on line 3 of the Renewal Form and file your renewal by February 28th, do the following for each fund/class listed:

- If all gross receipts for the fund/class are derived from "Creative Activities", enter "0" in Col. D "Basis for Tax", otherwise,
- Enter taxable gross receipts, except those derived from "Creative Activities", in Col. D, "Basis for Tax".

- E. Tax Rate** – The assigned rate of tax for the correlating activity. If you see "WKST" in Col. E go to the previous web page and select the appropriate supplemental worksheet to calculate the tax.
- F. Tax Computation** – For gross receipts, the tax computation is based on the rate shown in Col. E per one thousand dollars (\$1,000) of gross receipts or fractional part thereof. **Round up total gross receipts** in Col. D to the next highest \$1,000, then multiply the result by Col. E and enter the result in Col. F. Example: Gross receipts of \$237,461 would be calculated as 238 x TAX RATE = TAX Computation. For all others, multiply Col. D by Col. E and enter result in Col. F.
- G. Back Tax** – This column will only apply to businesses or activities newly established in 2013. Copy the amount from Col. F into Col. G unless "N/A" is printed in Col. G. This is the Back Tax amount due.
- H. Tax Due** – Add Columns F and G. Enter result in Col. H.

13. Add lines 5-12 in Col. H and enter result on line 13.

14-15. These lines are not applicable for your renewal.

TIMELY FILING: Business Tax is due January 1st of each year and is delinquent if not paid on or before the last day of February of each year. If February 28th falls on Saturday or Sunday then the next business day will be considered timely. February 28th is the last day for timely filing for 2014 Renewals. All payments received at any of our branch offices by 5:00 P.M. on February 28th, postmarked by the U.S. Post Office, or filed electronically not later than 11:59 P.M. on February 28th are considered timely. Compute interest and penalty on late payments as shown in numbers 16 & 17 below.

- 16. Interest** – Interest at the rate of 0.3% per month applies as of March 1, 2014 and the first day of each month thereafter until paid. Interest applies only to the amount of principal tax due. To calculate, multiply 0.003 x number of months delinquent x amount on line 13. Enter the result on line 16.

17. **Penalty** – A penalty of 5% applies to the amount of unpaid tax due as of March 1, 2014; 10% as of April 1st, 15% as of May 1st, 20% as of June 1st and 40% as of July 1st. Penalty applies only to the amount on line 13. Enter the result on line 17.
18. **Total Amount Due** – Add lines 13-17, and enter the result on line 18. This is the total amount due to the City of Los Angeles for your Business Tax Renewal.

IV. Certifications

19-21 - The owner, partner or officer must sign and print name on line 19. Indicate your title and daytime phone number with extension, if any, on line 20. Enter the date and provide an e-mail address where the City may contact you on line 21.

FILING EXTENSION: You may request in writing an extension of the filing deadline by a maximum of 45 days for good cause. Any extension request must be accompanied by payment of at least 90% of the total tax due **and** be received or postmarked by February 28th. If less than 90% of the total tax due is received by February 28th, **interest and a 20% penalty** shall be applied to any unpaid principal tax due.

V. Payment Information

22. Payment Type – Check the box on line 22 of the Renewal Form corresponding to the method of payment you will be using. Only one form of payment is allowed. If paying by check, please write your account number on your check. If your total amount due is \$50,000 or more, you must remit your payment to the City electronically via Automated Clearing House (ACH) transaction through your bank in addition to submitting the completed Renewal Form. You must pre-register no later than February 11th in order to make an ACH transaction. Please refer to finance.lacity.org or call (213) 922-9690 for registration information.

23-24 – If you have chosen to pay by credit card, please complete lines 23-24, providing all required cardholder information. All Visa Debit Card payments will be assessed a flat fee of \$ 3.95 per transaction with a maximum allowed payment amount of \$1,200. All other Credit or Debit Card payments will be assessed a fee equal to 2.7% of the payment amount with a minimum fee of \$3.95. This fee is non-refundable and will be assessed to the same Credit/Debit card used.

Make a copy of your completed Renewal Form to retain for your records. If mailing your form, please ensure that your check is enclosed and mail the original with required signatures to the following address: **City of Los Angeles Business Tax, Office of Finance, P.O. Box 513996, Los Angeles, CA 90051-3996**. The Renewal **MUST BE POSTMARKED NO LATER THAN MIDNIGHT on February 28, 2014**. Your cancelled check is your receipt if mailing your renewal. Your printed copy is your receipt if submitting electronically. You will NOT receive a new "Business Tax Registration Certificate". The certificate you have will remain valid unless it is suspended or revoked. If you notify us of a change in your name and/or address, a new certificate will be mailed.

VI. Information Update

Please provide updates to any information in the following areas. Please use the Information Update section on the reverse side of your renewal form.

A-D. DBA (Doing Business As), MAILING ADDRESS, LEGAL NAME, AND/OR BUSINESS ADDRESS - If any of these have changed, check the appropriate box and provide the updated information.

E. RENTAL PROPERTY SOLD – Fund Class Code L043 (1) If you sold all rental properties prior to January 1st of this year, check box (E) and provide the date of sale for the properties. (2) If you sold only a portion of the properties, you may exclude from your business tax the gross receipts attributable to those properties.

Please Note: If you sold all properties prior to January 1st of this year, but are still engaged in other activities listed on the Renewal Form, see instruction (G).

F. ENTIRE BUSINESS SOLD / DISCONTINUED OR NEW BUSINESS ACTIVITIES – If you sold or discontinued all activities listed on the Renewal Form prior to January 1st of this year, check box (F) and provide the effective date of the end of business. If there were new business activities last year, enter your gross receipts in Col. D, lines 6-12 of the Renewal Form and complete the form.

G. INDIVIDUAL BUSINESS ACTIVITY SOLD, DISCONTINUED, OR TRANSFERRED – If your business is still in operation but you have sold or completely discontinued one or more of the business activities listed on the Renewal Form prior to January 1st of this year, check box (G) and indicate the effective date(s) and discontinued class code(s). If the activity, which ended, was new last year, enter your gross receipts in Col. D, lines 6-12 on the Renewal Form and complete the form.

H. FISCAL YEAR FILING – If you choose to convert from calendar year to fiscal year reporting, please visit our website at finance.lacity.org for additional information.

VII. Vendor/ Subcontractor/ Commercial Tenant Listing

Businesses with out-of-City vendors, sub-contractors and/or in-City commercial tenants only:

Complete this section on the reverse side of the renewal form, if applicable.

General Tax Information

(213) 473-5901

finance.lacity.org

CITY HALL OFFICE INFORMATION

200 North Spring Street (Use Main Street Entrance) Room 101
Open Monday through Friday 8:00 a.m. to 5:00 p.m.

BRANCH OFFICES AND HOURS

Van Nuys Civic Center

Braude Constituent Services Center
6262 Van Nuys Blvd Rm 110
Phone (818) 374-6850
Open Monday through Friday
8:00 a.m. to 5:00 p.m.

West Los Angeles

1828 Sawtelle Blvd Rm 102
Phone (310) 575-8888
Open Monday through Friday
8:00 a.m. to 5:00 p.m.

Figueroa Plaza Building

One Stop Permitting Center
201 North Figueroa Street
Third Floor, Counter 17
Phone (213) 482-7032
Monday, Tuesday, Thursday, and Friday
7:30 a.m. to 4:30 p.m.
Wednesday
9:00 a.m. to 4:30 p.m.

SMALL BUSINESS TAX ASSISTANCE PROGRAM

Small Business Program
Call in service from January 2
through February 14, 2014
Phone (818) 374-6875
Monday through Friday
9:00 a.m. to 4:00 p.m.

ALL CITY OFFICES WILL BE CLOSED IN OBSERVANCE OF THE FOLLOWING HOLIDAYS:

Christmas Day

Wednesday, December 25, 2013

New Years Day,

Wednesday, January 1, 2014

Martin Luther King Day,

Monday, January 20, 2014

President's Day,

Monday, February 17, 2014

Due to City budget reductions, the Office of Finance public counter locations in San Pedro, Watts, and Westchester were closed effective July 1, 2012, and Hollywood effective July 1, 2014.

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodations to ensure equal access to its programs, services, and activities.