

# — FAQ —

## BUSINESS LICENSE

**1. Q: Do I need a business license?**

*A: Any business conducting business, generating gross receipts, or doing administrative work is required to obtain a city business license.*

<https://tessa.costamesaca.gov>

**2. Q: How often do I have to pay for my business license?**

*A: The business license tax is an annual fee. The license expires after one year, and a payment is required at the time the license will expire.*

**3. Q: Do home based businesses need a business license?**

*A: Yes. All home-based businesses located in Costa Mesa are required to obtain a business license. You will need to fill out a business license application and a Home Occupation Permit. There is a one-time, non-refundable fee of \$100.00 for this permit.*

<https://tessa.costamesaca.gov>

**4. Q: Do I need to fill out a Home Occupation Permit even if I am not conducting the business from home?**

*A: Yes. Anytime someone uses his or her home as the business address, even if no work is being done at the home, the permit is still required.*

**5. Q: What if my property owner will not sign the home occupation permit?**

*A: Please contact the Planning Department in regards to any of the requirements on the Home Occupation Permit. (714) 754-5245.*

**6. Q: Do I need a seller's permit?**

*A: When you sell or lease merchandise, vehicles, or other tangible property in California, even temporarily, you are required to register with the California Department of Tax and Fee Administration (CDTFA), to pay sales tax on your taxable sales. You can contact the CDTFA at (949) 440-3473. <https://www.cdtfa.ca.gov/services/#Register-Renewals>*

**7. Q: Do I need to file for a fictitious business name (DBA)?**

*A: You are not required to file for a fictitious business name to apply for a City of Costa Mesa business license. Although not required, the City does recommend that every business file a statement.*

**8. Q: Where do I file for a fictitious business name?**

*A: You can file for a fictitious business name at the County Clerk-Recorder's office at (714) 834-2500 or any local newspaper.*

<http://www.ocrecorder.com/services/fictitious>

**9. Q: Where do I get a Tax I.D or Federal EIN?**

*A: You will file for a Federal EIN through the IRS at (657) 247-3438.*

<https://www.irs.gov/businesses/small-businesses-self-employed/employer-id-numbers>

**10. Q: Do I need additional permits for a Check Cashing Business?**

*A: Yes, permit from the Department of Justice required before business license can be issued. Contact the DOJ personnel at (916) 227-3250.*

**11. Q: Do I need additional licenses for a Day Care Center?**

A: Yes, License from The Community Care Services Required. (714) 703-2800. If you will have 7 or more children in your care, contact our Planning Department for further requirements. (714) 754-5245.

**12. Q: What is the fee for a business license application?**

A:

- The fee for a general business license application is based off estimated gross receipts for the first 12 months of doing business in Costa Mesa.
- The fee for a California State Contractor is \$50.
- Any business conducted by vehicle (Food truck, delivery services, etc.) is \$25 per vehicle.
- All businesses are required to pay an additional \$4 AB1379 State fee.

Fees based on annual operating expense ONLY when no gross receipts are generated. See below for more information on the fee breakdown.

*Estimated Annual Gross Receipts/Annual Expenses*

\$	to	\$ 1,000.00	\$ 0.00
\$ 1,000.0	to	\$ 25,000.00	\$ 25.00
\$ 25,000.01	to	\$ 40,000.00	\$ 35.00
\$ 40,000.01	to	\$ 75,000.00	\$ 45.00
\$ 75,000.01	to	\$200,000.00	\$ 60.00
\$200,000.01	to	\$500,000.00	\$100.00
	Over	\$500,000.00	\$200.00

**13. Q: I am a contractor and closed my license with the city. Will I have to reapply for a new business license?**

A: If you are a contractor and have ever had a business license with the City of Costa Mesa, please contact our business licensing phone: (714) 754-5235 or [email: bl@costamesaca.gov](mailto:bl@costamesaca.gov). You most likely have an account on file and will not need to reapply for a new license. There is a \$35 reactivation fee.

Contact State Contractors Board At (800) 321-2752 for any questions regarding State Contractor’s License.

**14. Q: My business is located in Costa Mesa and I have changed locations within the City. Will I have to reapply for a new business license with the new address?**

A: No. If you have a change of address for your business, please contact our business licensing phone: (714) 754-5235 or email: [bl@costamesaca.gov](mailto:bl@costamesaca.gov). A change of address form will need to be completed and approved by our Planning Department.

**15. Q: My business is not located in Costa Mesa and I need to update the address on my license. How can I update my license?**

A: Please contact our business licensing phone: (714) 754-5235 or email: [bl@costamesaca.gov](mailto:bl@costamesaca.gov) to speak with someone about updating the license.

**16. Q: What is the quickest way to obtain my business license?**

A: Applying for the business license online is the quickest way to complete the business license application process.

**17. Q: What do I need to provide if my business is a non-profit?**

A: You will need to supply proof of your non-profit status by submitting letters from the Internal Revenue Service, State Franchise Tax Board, Current Audited Financial Report and List of Members.

Certain businesses require special permits before issuance of a Business License. These uses and the approving authority are listed below:

Adult entertainment	Police Chief
Advertising by handbills	Finance Director
Advertising by sound trucks, City Council	
Street banners or signs	
Other than billboards	
Amusement games and rides*	Finance Director
Auctions and closeout sales	Finance Director
Auto salvage/dismantling	City Council
Bingo games	Finance Director
Christmas tree lots*	Finance Director/Fire Chief
Firearms dealer permits	Finance Director
House number painter	Street Dept./Public Works Director
Itinerant merchant	Finance Director
Junk collector/dealer	Finance Director
Massage parlor*	Police Chief
Masseur/Masseuse	Police Chief
Peddler (door-to-door)	Police Chief
Safe and sane fireworks	Finance Director/Fire Chief
Secondhand dealers	Police Chief
Sidewalk/Parking lot sales	Finance Director
Solicitor (door-to-door)	Finance Director/Police Chief/ City Council
Swap meet* City Council	
Transient Occupancy Tax Permit (TOT)	Finance Director

- These uses also require review by Building and Safety Division to ensure proper occupancy and compliance with structural, electrical and accessibility codes.

Before applying for any of the permits described above or leasing or buying a building, it is critical that you make sure that your proposed business is consistent with the zoning of the property on which you plan to locate. This can be done by either calling (714) 754-5245 or by visiting the Planning Division of the Development Services Department located on the 2nd floor of City Hall, 77 Fair Drive. Planners are available to check the zoning of the property and can advise you on your business' consistency with the applicable zoning district. If you use required special consideration such as a Conditional Use Permit or Minor Conditional Use Permit, the staff planner can advise you of the procedures you will need to follow. If your business is not permitted by the zoning district you have chosen, the planner can also advise you of the proper zoning district for your business.

**FOR ANY OTHER QUESTIONS PLEASE CONTACT [BL@COSTAMESACA.GOV](mailto:BL@COSTAMESACA.GOV) OR (714) 754-5235.**