

NON-RESIDENTIAL OR RESIDENTIAL PROPERTY FACT SHEET

BUSINESS TAX RATES

A Business License is an annual tax you pay each fiscal year for conducting business within the City of Ventura. As the owner of property that is rented for commercial uses or residential as described below,

To calculate your business license tax, use either of the following methods:

1. *Estimate* gross rents and other related revenue for the period July 1 to June 30.
2. Use the gross rents and other related revenue as reported to the IRS for the last completed tax year.

Rental of Non-Residential or Residential Property, Services

Base Tax	\$45 plus
Gross Rents up to \$5 million	34 cents per thousand
Gross Rents exceeding \$5 million	17 cents per thousand

SAN BUENAVENTURA MUNICIPAL CODE

The San Buenaventura Municipal Code Sec. 4.155.810, classifies the rental of non-residential and residential properties as follows:

(10) Rental of Nonresidential Property: Any person engaged in the business of renting or letting a building or structure to a tenant for purposes of conducting business such as commercial retail space, office buildings, warehouses or other nonresidential property use. Space occupied by an owner is exempt. Leasing agents and property managers are taxed under the business classification of services.

(11) Rental of Residential Property: Any person engaged in the business of renting or letting four or more units, buildings or structures to tenants for purposes of dwelling, sleeping or lodging, such as apartments, duplexes, condominiums, single family units or other residential property rental excluding hotels/motels.

BUSINESS LICENSE TAX ADMINISTRATIVE POLICIES AND PROCEDURES

1. Any person advertising for rent or lease of a non-residential building or structure, currently not leased, is “engaged in the business of renting or letting” under Section 4.155.810 and, thus subject to a business license tax and required to obtain a business tax certificate. If the person in such a case has no gross receipts [rents and related revenues] from the non-residential property, the minimum business license tax shall be imposed.
2. The exemption of “space occupied by an owner” under Section 4.155.810 *is not* applicable to a person who is owner of the building and occupier of the building through different legal entities where rent is charged to the occupier-entity and reported as income for tax purposes by the owner-entity.
3. If a person is engaged in renting or leasing multiple non-residential property units from a single location and title to each unit is held separate from the other units, then such person must obtain a separate business tax certificate for each unit. In such case the person subject to the tax may request consolidation of the tax under Section 4.155.2120. An example is a commercial condominium complex.

This fact sheet is provided for the purpose of calculating non-residential or residential property business license taxes. For a copy of the San Buenaventura Municipal Code, please call staff at (805) 658-4715.