

DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT

B U S I N E S S L I C E N S E D I V I S I O N

AT YOUR FINGERTIPS

- BUSINESS LICENSE ...
WHAT IS IT?
- REGULATORY FEES
- QUICK NOTES
- KEYS TO OWNING A BUSINESS IN THE CITY

BUSINESS LICENSE...WHAT IS IT?

A business license is an occupation tax that is assessed and permits the permanent location of a business, trade or profession operating in the City of East Point. The occupation tax is also assessed for out-of-state businesses with no permanent location in Georgia. It is a tax levied by the City for revenue purposes and is not intended for regulatory purposes.

The *Business License & Occupational Tax* is computed based on the number of employees (including business owner), annual gross receipts plus a minimum flat tax of \$50.00 and an assessment of \$75.00 administrative fee. Tax on gross receipts are based on the associated tax class for each \$1,000.00 over \$10,000.00 in annual gross receipts. Gross receipts calculation is capped at \$3-million. There are six (6) tax classes that represent the *Standard Industrial Classification* (SIC) system for different types of professions. See the sample calculation below:

Parameters:

SIC Code	= 81(Legal Services)
Tax Class	= 4
Gross Receipts	= \$500,000
#Employees	= 6 (2 Attorneys + 4 support staff)

Calculation:

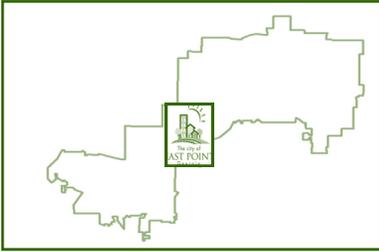
Administrative Fee	\$75.00
Flat Tax + Gross Receipts	\$50.00 + \$1.15(490) = \$613.50
Employees	\$60.00 + \$15.00 (4) = \$120.00
Total	\$808.50

Practitioners such as doctors, lawyers, accountants, etc. may choose to pay the occupation tax as stated above or pay a **practitioner professional tax equal to \$400.00 per practitioner + administrative fee + #employees**. Using the same parameters above, the total tax would be **\$995.00**



REGULATORY FEES

Regulatory fees are assessed for those businesses or professions of occupations which require the City to perform an investigation or inspection to ensure public health safety or welfare prior to opening. This fee is in addition to the administrative fee, flat tax plus gross receipts and number of employees. Types of businesses that may be subject to a regulatory fee include but are not limited to: Tattoo Artist, Pawnbrokers, Home Daycare, Locksmiths, etc.



BUSINESS LICENSE DIVISION

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**WE ARE ON THE
WEB
Eastpointcity.org/**

Your *One-Stop-Shop* for **ALL** Development Needs

Vision: The Business License Division is an effective division of the Department of Planning & Community Development which creates and maintains a pleasant environment that fosters business registration and retention in the City.

Mission: The purpose of the Business License Division is to assess and track all existing and new businesses operating in the City of East Point via licensing and regulatory fees.

Goals: The goals of the Division are as follows:

- * Create a customer-friendly environment for all persons desiring to do business in

the City of East Point

- * Foster cooperative relationships with other departments regarding businesses locating in the City



- * Ensure the renewal process is fair, effective and efficient
- * Incorporate current and appropriate technologies in the licensing and renewal processes

QUICK NOTES

A Certificate of Occupancy (CO) is required for new businesses opening permanent locations in the City. The CO must be obtained prior to applying for a business license.

E-verify certification numbers are required for businesses with more than 10-employees.

Fees for business license & occupation tax are due by March 31st of each year.

Fees received after the due date will be assessed a penalty of ten (10%) percent of the tax due plus one and one-half (1.5%) percent interest per month.

A separate license, independent of the business license, is required for the sale and distribution of liquor, beer, wine and malt beverages.

Businesses and occupations without a fixed location in the City must register their current year business license from the respective jurisdiction and pay a \$50.00 fee to the City of East Point.

KEYS TO OWNING A BUSINESS IN THE CITY

Before starting a business, there are key steps you should take to ensure your new endeavor is successful.

-  Research your market
-  Create a business plan
-  Determine your commitment level
-  Consider the source and amount of your financing
-  Consider the options for the business' legal structure
-  Plan for complying with regulatory requirements

