

City of San Jose Historic Business Tax Rates (1986 – 2017)

Employee Count

Every person engaged in business in the City shall pay a business tax based on employee count¹, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Businesses:	
Employee Count ¹	1986 - June 2017
Base Tax: 1-8 employees	\$150.00
Tier Tax: 9+ employees ²	\$18.00
Cap	\$25,000

¹ Businesses choose between calculating the number of employees based on full-time equivalent (FTE) or based on the number employers report to the California Employment Development Department (EDD).

² Starting at the 9th employee, there is an \$18 per employee fee.

Residential Rental Property Units

Every person in the City engaged in the business of renting or leasing any residential real estate shall pay a business tax based on the number of rental units held for rental, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Residential Landlords:	
Rental Units	1986 - June 2017
Base Tax: 3-30 units	\$150.00
Tier Tax: 31+ ¹	\$5.00
Cap	\$5,000

¹ Starting at the 31st unit, there is a \$5 per unit fee.

Commercial (Non-Residential) Rental Property Units

Every person in the City engaged in the business of renting or leasing any nonresidential real estate shall pay a business tax based on the square footage of space held for rental, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Commercial Landlords	
	1986 - June 2017
Base Tax: 15,000 ft ²	\$150.00
Tier Tax: per Sq. Ft. ¹	\$0.01
Cap	\$5,000

¹ Starting at the 15,001st ft², there is a \$0.01 per ft² fee.

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Mobile Home Parks Rental Units

Every person in the City engaged in the business of renting or leasing any mobile home parks shall pay a business tax based on the number of lots held for rental, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Mobile Home Parks – Rental Lot	1986 - June 2017
Base Tax: 1-30 lots	\$150.00
Tier Tax: 31+ lots ¹	\$5.00
Cap	\$5,000

¹ Starting at the 31st lot, there is a \$5 per lot fee.

Water Meter Connections

Every person in the City engaged in the business of operating any water meter connections shall pay a business tax based on the number connections, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Water Meter Connections	1986 - June 2017
Base Tax	\$150.00
Tier Tax: 1+ connections ¹	\$0.10-0.30
Cap	\$20,000

¹ Starting at the 1st connection, there is a \$0.10-0.30 per connection fee.

Out of Town Businesses

Every person engaged in business in the City shall pay a business tax based on employee count¹, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Out of Town Businesses: Employee Count ¹	1986 - June 2017				
	120+ Days	90-119 Days	30-89 Days	6-29 Days	5 or Less Days ²
Base Tax: 1-8 employees	\$150.00	\$75.00	\$56.25	\$37.50	\$0.00
Tier Tax: 9+ employees ²	\$18.00	\$9.00	\$6.75	\$4.50	\$0.00
Cap	\$25,000	\$25,000	\$25,000	\$25,000	\$0.00

¹ Businesses choose between calculating the number of employees based on full-time equivalent (FTE) or based on the number employers report to the California Employment Development Department (EDD).

² Starting at the 9th employee, there is an \$4.50-18.00 per employee fee.

³ For businesses in San Jose only 5 or less days, there is no fee, but the business is still required to submit registration.