

City of San Jose Historic Business Tax Rates (2017-2018)

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	July 2017- June 2018
Base Tax: 1-2 employees	\$195.00
Incremental Tax: 3-35 ²	\$30.00
Incremental Tax: 36-100 ²	\$40.00
Incremental Tax: 101-500 ²	\$50.00
Incremental Tax: 501+ ²	\$60.00
Cap	\$150,000

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 Incremental tax rates are applicable per employee.

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	July 2017- June 2018
Base Tax: 1-2 units	\$195.00
Incremental Tax: 3-35 ¹	\$10.00
Incremental Tax: 36-100 ¹	\$15.00
Incremental Tax: 101-500 ¹	\$20.00
Incremental Tax: 501+ ¹	\$25.00
Cap	\$150,000

¹ Incremental tax rates are applicable per unit.

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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	July 2017- June 2018
Base Tax	\$195.00
Flat Incremental Tax: per Square Foot ¹	\$0.02500
Cap	\$150,000

¹ Incremental tax rates are applicable per square foot.

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	July 2017- June 2018
Base Tax: 1-2 lots	\$195.00
Incremental Tax: 3+ lots ¹	\$10.00
Cap	\$150,000

¹ Incremental tax rates are applicable per unit.

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	July 2017- June 2018
Base Tax	\$195.00
Flat Incremental Tax: 1+ connections ¹	\$1.00
Cap	\$150,000

¹ Incremental tax rates are applicable per connection.

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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	July 2017- June 2018				
	120+ Days	90-119 Days	30-89 Days	6-29 Days	5 or Less Days ³
Base Tax: 1-2 employees	\$195.00	\$97.50	\$73.13	\$48.75	\$0.00
Flat Incremental Tax: 3-35 ²	\$30.00	\$15.00	\$11.25	\$7.50	\$0.00
Flat Incremental Tax: 36-100 ²	\$40.00	\$20.00	\$15.00	\$10.00	\$0.00
Flat Incremental Tax: 101-500 ²	\$50.00	\$25.00	\$18.75	\$12.50	\$0.00
Flat Incremental Tax: 500+ ²	\$60.00	\$30.00	\$22.50	\$15.00	\$0.00
Cap	\$150,000	\$150,000	\$150,000	\$150,000	\$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 Incremental tax rates are applicable per employee.

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