

CITY OF GARDEN GROVE

FINANCE DEPARTMENT

EMPLOYEE CERTIFICATION

Name of Employee: _____

City of Garden Grove Municipal Code, Chapter 5.01.040 (Business Tax Certificate-Required) states "It is unlawful for any person to transact and carry on any business, trade, profession, calling or occupation in the city without first having procured a business operations tax certificate" However, California state law (Business and Professions Code §16300) prohibits any municipality from imposing a business license tax on a W2'd employee, as defined by the Internal Revenue Service (IRS) and the Franchise Tax Board (FTB). This means all services and income made as a W2 employee are not subject to business license tax, *but* any services and income for which a Form 1099 was issued is subject to business license tax

Employee Declaration

I am employed by _____ since _____
(Name of Employer)
at _____ as an
(Employer's Address)

employee as determined by reference to the common law factors reflected in rulings or guidelines used by either the IRS or the FTB and therefore request exemption from paying City of Garden Grove Business License Tax.

I hereby declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct of my own knowledge.

<i>Employee signature</i>	<i>Date</i>
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Employer Certification

I certify that _____ is my employee as determined by
(Employee Name)
reference to the common law factors reflected in rulings or guidelines used by the IRS and/or FTB common law factors reflected in rulings or guidelines used by either the IRS or the FTB.

<i>Employer signature</i>	<i>Print Name</i>	<i>Date</i>	<i>Phone #</i>
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Please return this form (including the Business License Tax Review, if applicable) with both signatures to:
City of Garden Grove – Business Tax
Post Office Box 3070
Garden Grove, CA 92843