

# HOW TO START A NEW BUSINESS IN MAMMOTH LAKES

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The Town of Mammoth Lakes welcomes you as a prospective business operator in our town. We are committed to the support and growth of our local business community. If you wish to become a business owner outside the Town's limits, but within the limits of Mono County, please contact the Mono County Treasurer – Tax Collector office:

Mono County Treasurer – Tax Collector  
P.O. Box 495  
Bridgeport, CA 93517  
(760) 932-5480  
<http://www.monocounty.ca.gov/>

Please review the following check list to help you start a new business in Mammoth Lakes:

- **Business Licenses and Tax Certificates**
- **Local Taxes and Fees (Transient Occupancy Tax and TBID)**
- **Federal and State Tax Information**
- **Fictitious Business Names**
- **State Resale Permit from the State Board of Equalization**
- **Local Code Requirements**
- **Occupational and Professional Licenses**
- **Nonprofit/Charitable Organizations**
- **Corporations or Businesses with Employees**

It is possible that some of these items may or may not be applicable to your type of business, or there may be additional requirements not listed above. Therefore, please allow yourself time to review your business license application with our Finance Department in case there are other requirements that you will need to complete in order to obtain your Business Tax Certificate. You may contact the Finance Department, at (760) 965-3660

## **Business Licenses and Tax Certificates**

### **Paying Your Annual Business Tax**

[Chapter 5.04 of the Town Municipal Code](#) requires all persons or entities doing business in the Town of Mammoth Lakes to have a valid Business Tax Certificate. A valid Business Tax Certificate must be issued prior to the commencement of business in the Town of Mammoth Lakes and is renewed each calendar year. Business Tax Certificates expire at the end of each calendar year on December 31<sup>st</sup>. If you are applying for a Business Tax Certificate with a start date in the 2<sup>nd</sup>, 3<sup>rd</sup>, or 4<sup>th</sup> Q of the calendar year, your business tax will be prorated.

### **Business Tax Certificate**

The Business Tax Certificate is sometimes also referred to as a “business license,” but it is not a substitute for more specific licenses or permits required for certain businesses as indicated in [Chapter 5.04.050 of the Town Municipal Code](#), nor does it indicate clearance or approval for zoning, fire code, occupancy, or any other City, County, State or Federal requirement. Once your Business Tax Certificate is issued, it must be displayed in your place of business.

*Please Note:* If you are a transient rental businesses, such as a condominium rental business or a property management company, you are also required to obtain a Transient Occupancy Tax (TOT) Certificate for each unit that you are registering under your Business Tax Certificate. You may download the [Transient Occupancy Tax Certificate Application](#) or visit the Town of Mammoth Lakes Finance Department.

### **Obtaining and Renewing the Business Tax Certificate**

Business Tax Certificates are issued on an annual basis by the Finance Department. You may download the [Business Tax Certificate Application](#), or visit the Town of Mammoth Lakes Finance Department at the address listed below. Once you have completed your application, you may then mail in or drop off the completed form and any applicable payments to:

Attn: Finance Department  
Town of Mammoth Lakes  
P.O. Box 1609  
437 Old Mammoth Rd., Suite 230  
Mammoth Lakes, CA 93546  
(Located on the second floor of the Minaret Village Mall)  
(760) 935-3660  
Hours: M-Th 8:00 AM - 12:00 PM & 1:00 PM – 5:00 PM  
Available Fridays by appointment only

## **Local Taxes and Fees**

### **Transient Occupancy Tax (TOT)**

Transient Occupancy Tax, or TOT, is a 13% tax that is charged “for the privilege of occupancy of any transient occupancy facility.” The tax is required to be paid to the operator of the transient occupancy facility at the time the rent is paid. It is the operator’s responsibility to remit the TOT to the Town. Once your Business Tax Certificate has been approved, you will be required to file a Monthly Return for Transient Occupancy Tax (TOT) and Tourism Business Improvement District (TBID). For more information, please visit the [Transient Occupancy Tax page](#) on the Town website.

### **Transient Rental Frequently Asked Questions**

### **Tourism Business Improvement District (TBID)**

Developed by Mammoth Lakes Tourism (MLT) with the direction of a steering committee, the Tourism Business Improvement District (TBID) is a benefit assessment district developed to help fund marketing and sales promotion efforts for Mammoth Lakes tourism businesses. This approach has been used successfully in other destination areas throughout the country to improve tourism and drive additional commerce and room night sales.

Based on the benefit received, the assessment rate will be tiered as indicated on the table below. Retail and restaurant businesses are divided into two types: Type 1 businesses are those which have at least \$150,000 in annual revenue and receive at least half of that revenue from visitors, as determined by verifiable data provided by the business; Type 2 businesses are those with less than \$150,000, but more than \$50,000 in annual revenue or which do not receive at least 50% of their annual revenue from visitors as determined by verifiable data provided by the business. Type 3 businesses are those retail and restaurants that do less than \$49,999 annually in gross revenue. Type 3 businesses will pay a flat \$50.00 annual fee. All lodging business regardless of annual gross revenue will pay the 1% assessment on all bookings. To be considered a type 2 or 3, businesses must file an appeal with Mammoth Lakes Tourism.

<b>Business Type</b>	<b>Annual Assessment Rate</b>
Lodging	1% of Gross Revenue
Retail Type 1	1.5% of Gross Sales
Restaurant Type 1	1.5% of Gross Sales
Ski Resorts	2% of Lift Ticket and Ski School Sales
Retail Type 2	\$500 per year (Appeal required)
Restaurant Type 2	\$500 per year (Appeal required)
Retail Type 3	\$50 per year (Appeal required)
Restaurant Type 3	\$50 per year (Appeal required)

For more information the assessment district, please visit the [TBID page](#) on the Town website. You may also obtain more information from <http://mltbid.com/>.

[TBID Frequently Asked Questions](#)

## **Federal and State Tax Information**

### **Federal Taxes**

There are three primary types of business taxes at the federal level: income taxes, employment taxes, and excise taxes. In general, these taxes are determined by the type of business and its legal structure.

**Income Taxes** - All businesses (except partnerships) must file an annual income tax return. Federal Income tax is a “pay-as-you-go” tax, meaning taxes must be paid as income is received throughout the year. Often, this means making regular payments of [estimated taxes](#) during the year.

**Employment Taxes** - Employment taxes apply to individuals who work for themselves and businesses which have additional employees. [Self-employment taxes](#) contribute to social security system coverage, including retirement and disability benefits as well as Medicare. For businesses with multiple employees, the employer is responsible for [employment taxes](#) including social security and Medicare taxes, federal income taxes, and federal unemployment taxes.

**Excise Taxes** - Excise taxes may also apply to certain businesses; more information on excise taxes is available from the [Internal Revenue Service](#) (IRS).

### **State Taxes**

At the California state level, there are three primary taxing agencies:

The [Franchise Tax Board](#) (FTB) – The Franchise Tax Board administers personal and corporate income and franchise taxes.

The [State Board of Equalization](#) (BOE) – The State Board of Equalization issues seller’s permits and is responsible for the administration and collection of the state’s sales and use, fuel, alcohol, tobacco, and other special taxes and fees.

The [Employment Development Department](#) (EDD) – The Employment Development Department issues employer account numbers and administers state payroll taxes, including Unemployment Insurance, Employment Training Tax, State Disability Insurance, and California Personal Income Tax withholding.

## **Fictitious Business Names**

The County of Mono requires that local businesses file a Fictitious Business Name statement, also sometimes referred to as a “dba” or “doing business as” statement. If a business is to be operated under an assumed name, the name under which it proposes to operate should be filed with the Mono County Community Development Department, Clerk’s Office. Prior to filing the assumed name, contact the office of the County Clerk to determine if any other business is presently operating under the name.

Attn: County Clerk  
Mono County Community Development Department  
P.O. Box 347  
437 Old Mammoth Rd., Suite 220  
Mammoth Lakes, CA 93546  
(Located on the second floor of the Minaret Village Mall)  
(760) 924-1800  
Hours: M-F 8:00 AM -12:00 PM, 1:00 PM – 5:00 PM  
[www.monocounty.ca.gov](http://www.monocounty.ca.gov)

**Corporations or LLCs** must also provide a copy of their Articles of Incorporation filed with the Secretary of State with their Fictitious Business Name statement.

## **State Resale Permit from the California State Board of Equalization**

The California State Board of Equalization administers the **state's** sales and use, fuel, alcohol, tobacco, and other taxes, and for the collection of fees that fund specific **state** programs.

Your business may need permits, such as a State Resale Permit for a retail business, from the California State Board of Equalization, or you may also be required to obtain a Seller's Permit. For more information, please contact your local California State Board of Equalization district office. For Mono County, contact the Sacramento District Office:

**Sacramento District Office**  
California State Board of Equalization  
3321 Power Inn Road, Suite  
210 Sacramento, CA  
95826-3889  
(916) 227-6700  
[www.boe.ca.gov](http://www.boe.ca.gov)

## **Local Code Requirements**

The Town of Mammoth Lakes has requirements for local businesses in a number of categories, including:

- Zoning
- Parking
- Signage
- Building
- Fire Safety
- Waste Management

These requirements vary based upon the type and location of the business. You may contact the Town of Mammoth Lakes Community Development Department for more information.

Attn: Community Development Department  
Town of Mammoth Lakes  
P.O. Box 1609  
437 Old Mammoth Rd., Suite 230  
Mammoth Lakes, CA 93546  
(760) 965-3630  
(Located on the second floor of the Minaret Village Mall)  
Hours: M-Th 8:00 AM -12:00 PM, 1:00 PM – 5:00 PM  
Available Fridays by appointment only

## **Occupational and Professional Licenses**

The Town of Mammoth Lakes also requires additional permits, licenses or fees for certain businesses in Mammoth Lakes. Please see the items listed below.

### **Restaurants, Businesses Involving Foods**

Any firms involved in the handling, processing, packaging and warehousing of foods must have Health Permits, which are issued by the Mono County Environmental Health Department:

Mono County Environmental Health  
P.O. Box 347  
437 Old Mammoth Rd., Suite 200  
Mammoth Lakes, CA 93546  
(Located on the second floor of the Minaret Village Mall)  
(760) 924-1800  
Hours: M-F 8:00 AM -12:00 PM, 1:00 PM – 5:00 PM

### **Restaurants, Businesses Involving Alcoholic Beverages**

Information about licenses and fees pertaining to the sale, transportation or storage of alcoholic beverages can be obtained from the California Department of Alcoholic Beverage Control (ABC). For Mono County, contact the Bakersfield ABC Office at the address below:

California Department of Alcoholic Beverage Control  
4800 Stockdale Highway, Suite 213  
Bakersfield, CA 93309  
(661) 395-2731  
[BKF.Direct@abc.ca.gov](mailto:BKF.Direct@abc.ca.gov)  
Primary Contact: Armando Gonzalez

## **Nonprofit / Charitable Organizations**

California Nonprofit, Nonstock corporations organized for religious, charitable, social, educational, recreational or similar purposes are formed pursuant to the Nonprofit Corporation Law, commencing with California Corporations Code section 5000. For information on California Nonprofit, Nonstock Corporations, contact:

### **Organization of California Nonprofit, Nonstock Corporations**

**Secretary of State**  
Business Programs Division  
1500 11th Street, 3rd Floor  
Sacramento, CA 95814  
(916) 657-5448

## **Corporations or Businesses with Employees**

An Employer Identification Number (EIN) is also known as a Federal Tax Identification Number, and is used to identify a business entity. Generally, businesses need an EIN. You may apply for an EIN in various ways. This is a free service offered by the Internal Revenue Service.

### **Change of Ownership or Structure**

Generally, businesses need a *new* EIN when their ownership or structure has changed. Refer to “do you need a new EIN” at the below IRS website to determine if this applies to your business. You can apply for an EIN on-line at: [www.irs.gov/businesses/small](http://www.irs.gov/businesses/small).

### **Obtaining information from the Bureau of Labor Statistics and Occupational Safety and Health Administration**

You can obtain information on laws that relate to employers and safety at the following websites:

United States Department of Labor  
Bureau of Labor Statistics  
[www.bls.gov](http://www.bls.gov)

Occupational Safety and Health Administration (OSHA)  
[www.osha.gov](http://www.osha.gov)

Thank you for reviewing our “How to Start A Business in Mammoth Lakes” informational packet. Please call the Town of Mammoth Lakes Finance Department at (760) 965-3660 if you have questions or need additional information. We wish you luck in opening your business in Mammoth Lakes!