



THE CITY OF SAN DIEGO

OFFICE OF SMALL BUSINESS

10 Key Steps to Starting a Business

(For Businesses within San Diego City Limits)

There are several key steps to starting a business in the City of San Diego. The steps may vary according to the type of business you intend to start, but the following 10 steps will give you a general idea.

Note: Many of the following steps can be researched and accomplished by first visiting the respective web sites listed, rather than calling or visiting agency offices. For those business start-ups that do not have access to the Internet, the Central Library and all Branch Libraries provide access to the Internet during hours the library is open.

1. Get Basic Information

The City of San Diego's Main Library provides significant resource materials, including information on market research, trademark and service marks, how-to books on a variety of businesses and industries, etc. The Central Library also offers workshops on patent, trademark and copyright issues. For more information, contact:

City of San Diego Public Library
820 E Street, San Diego, CA 92101
(619) 236-5800 website: www.sandiego.gov/public-library/

The U.S. Small Business Administration has a Business Resource Center which provides a one-stop location for free access to a variety of information, education and training designed to help entrepreneurs start, operate and grow their business. In addition, there is on-site free counseling provided by the Service Corps of Retired Executives (SCORE). For more information contact:

U.S. Small Business Administration
550 West "C" Street, Suite 550, San Diego, CA 92101
(619) 557-7250 website: <http://www.sba.gov/index.html>

The City of San Diego's Office of Small Business acts as an information clearinghouse for City programs and those of other agencies in the area. The information can be requested via e-mail or telephone or can be accessed online or by visiting the office.

City of San Diego, Office of Small Business
1200 Third Avenue, Suite 1400, San Diego, CA 92101
(619) 236-6700 e-mail: sdbusiness@sandiego.gov
website: www.sandiego.gov/economic-development/business-assistance/small-business/

2. Create a Business Plan

A business plan is like a roadmap; it shows you where you are in relation to where you want to be. Whether you believe in a business plan or not, starting a business involves many ideas that need to be documented and actions that need to be taken. Many businesses fail without a business plan, and furthermore, banks require one prior to being considered for a loan. Contact:

U.S Small Business Administration, Service Corps of Retired Executives

550 West C Street, Suite 550, San Diego, CA 92101

(619) 557-7272 website: <https://www.score-sandiego.org/index.asp>

3. Determine a Business Name

The name you choose for your business is very important. If the name you choose is your own legal surname and a one-word description (such as "John Smith Roofing") then you are not required to register a fictitious business name. If you choose a business name that does not meet these parameters (such as JS Expert Roofing) and your business is not registered with the state then state law requires you to file a *fictitious business name statement* with the County of San Diego. Please note that this statement does not protect the business name.

County of San Diego, Assessor/Recorder/County Clerk's Office

1600 Pacific Highway, Room 260, San Diego, CA 92101

(619) 237-0502 website: http://arcc.co.san-diego.ca.us/arcc/services/fbn_info.aspx

4. Determine the Legal Structure of the Business

Several legal structures exist in the state of California. Your choice of legal structure will affect your income taxes and personal liability. Most businesses start as a **Sole Proprietorship** or a **General Partnership** and are generally the least complicated. **Limited Partnerships, Limited Liability Partnerships, Corporations** and **Limited Liability Companies** must register with the Secretary of State. You are strongly advised to contact your own accountant or attorney for advice and assistance in determining the best legal structure for you and your business.

California Business Portal

(916) 657-5448 website: www.ss.ca.gov/business/business.htm

IRS'S Technical Services Division

(800)-829-4933 website: www.irs.treas.gov

5. Determine the Business Activity Type

There is a classification system for business activity types in San Diego, which identifies a business activity and determines many of the start-up requirements and where the business can be located. Determine the general business activity type from the list below. The same list is also provided with the Business Tax Certificate application.

Agriculture (11)	Transportation and Warehousing (48-49)	Educational Services (61)
Mining (21)	Information Services (51)	Health Care/Social Assistance (62)
Utilities (22)	Finance and Insurance (52)	Arts/Entertainment/Recreation (71)
Construction (23)	Real Estate/Rental/Leasing (53)	Accommodation/Foodservices (72)
Manufacturing (31-33)	Professional/Scientific/Technical (54)	Other Services (81)
Wholesale (42)	Management Services (55)	Public Administration (92)
Retail (44-45)	Administrative Support (56)	

For more information on business activity type contact:

City Treasurer's Office
1200 Third Ave., First Floor, San Diego, CA 92101
(619) 615-1500 website: www.sandiego.gov/treasurer/index.shtml#btax

6. Select a Site and Determine Zoning and Site Permit Requirements

Determining zoning requirements prior to signing a lease or contract is imperative. You must check with the City to see if the type of business you plan to operate is legal in the desired location. You can usually receive same day information on the status of your location if you have the proposed business address and a description of the business when you contact:

City's Development Services Department
1222 First Avenue, Third Floor, San Diego, CA 92101
website: <http://www.sandiego.gov/development-services/>
General Information - (619) 446-5000

If operating from home, you must follow the requirements for Home Occupations and may need to obtain a Neighborhood Use Permit. You can obtain this information by contacting:

City's Development Services Department
(619) 446-5000 website: <http://www.sandiego.gov/development-services/>

Information about Home Occupations and the Neighborhood Use Permit is also available via website: www.sandiego.gov/development-services/industry/pdf/infobulletin/ib540.pdf

7. Obtain Any Special Licenses and Permits

The business activity type chosen determines the licenses and permits needed to operate a business legally. Some of the key contacts are listed below.

The CalGOLD database provides detailed information on the business permit, license and registration requirements from all levels of government. The information includes a description of the requirement, the name, address, and telephone number of the agency, and frequently, a direct link to that agency's Internet web pages. The information identified is specific to the type of business and its location in California.

CalGOLD
(916) 322-7394 website: www.calgold.ca.gov

For a list of more than 200 regulated Occupations and Professional Services, contact:

State Department of Consumer Affairs
(800) 952-5210 website: www.dca.ca.gov

For the list of **Police Regulated Business** within the City of San Diego, contact:

San Diego Police Licensing Division
(619) 531-2250 website: <http://www.sandiego.gov/police/permits/index.shtml>

Hazardous materials and some issues regarding high occupancy require permits from the **San Diego Fire-Rescue Department**. For more information, call (619) 533-4400.

Businesses selling tangible personal property in the state of California must apply for a **Seller's Permit/Resale Number**

State Board of Equalization
1350 Front Street, Room 5047, San Diego, CA 92101
(619) 525-4526 website: www.boe.ca.gov

Businesses engaged in selling goods by weight or volume must register the devices with the County Agriculture, Weights and Measures Office. Permits must usually be obtained by: import/export businesses, agricultural-related production, and businesses using pesticides.

County - Agricultural, Weights and Measures Department
5555 Overland Ave., Bldg 3
San Diego, CA 92122-1295
(858) 694-2739 website: www.sdcawm.org

Business engaged in: selling or handling food products, operating a pool or spa, handling hazardous materials, underground storage tanks, medical wastes, x-ray equipment, or waste handling must contact the Department of Environmental Health at the County. Please note, this department operates from four locations, which each provide a different combination of services.

County - Environmental Health
Tel: (619) 338-2222, Fax: (619) 338-2377 website: www.sdcdeh.org

Other permits and licenses may also be required.

8. Get Tax Information

Several types of taxes may be levied on businesses including income tax, unsecured personal property tax, employment tax and the City's Business Tax. For City tax information contact:

City Treasurer's Office
(619) 615-1500 website: www.sandiego.gov

For unsecured property tax information, contact:

San Diego County Treasurer – Tax Collector
(858) 505-6100 website: http://www.sdcountv.ca.gov/ttc/pt_general.html

For state taxes visit the California Tax Information Center that is sponsored by California's tax agencies (Board of Equalization, Employment Development Department, and Franchise Tax Board) and the IRS.

California Tax Information Center website: www.taxes.ca.gov/

For a copy of "Striking Gold in California", which outlines state taxes for businesses, contact:

State Board of Equalization (800) 400-7115
website: http://www.boe.ca.gov/info/VirtualSeminars/business_publications.htm

For federal tax information specific to businesses, contact:

Internal Revenue Service (800) 829-1040
website: <http://www.irs.gov/businesses/index.html>

9. Employer Responsibilities

A whole new set of responsibilities arises when a business hires employees. Employers must register as an employer and obtain a federal Employer Identification Number (EIN), pay additional taxes, withhold, match and submit employee withholdings, must obtain worker's compensation insurance and adhere to employee eligibility regulations.

The EIN, also known as a Federal Tax Identification Number, is a nine-digit number that the IRS assigns to business entities. The IRS uses this number to identify taxpayers that are required to file various business tax returns. EINs are used by employers, sole proprietors, corporations, partnerships, non-profit organizations, trusts and estates, government agencies, certain individuals and other business entities. Federal Employer ID numbers can be obtained by completing form SS-4 online or calling:

Internal Revenue Service

(800) 829-4933 website: www.irs.gov/businesses/small/article/0,,id=102767,00.html

Get information on state requirements, taxes and services for employers by contacting the State's Employment Development Department:

10636 Scripps Summit Court, Suite 202, San Diego, CA 92131

1 (888) 745-3886

website: <http://www.edd.ca.gov/>

10. Apply for a Business Tax Certificate (License)

Any person or entity doing business in the City of San Diego for more than six days in one calendar year must have a business tax certificate. Home-based businesses, self employed persons and independent contractors are also required to have a business tax certificate. The applications can be obtained and filed at the following locations or downloaded from the City's website:

City Treasurer's Office, Business Tax Division

1200 Third Ave., First floor, San Diego, CA 92101

(619) 615-1500

website: <http://www.sandiego.gov/treasurer/taxesfees/btax/btaxhow.shtml>

By following these key steps, the process should run more smoothly. If you do encounter obstacles with the process, or with permitting, zoning, etc., contact the City of San Diego's Office of Small Business. The office maintains a small business advocacy/ombuds program, which is designed to provide zoning, permit, and regulatory assistance to small businesses.

City of San Diego, Office of Small Business

1200 Third Avenue, Suite 1400, San Diego, CA 92101

(619) 236-6700 e-mail: sdbusiness@sandiego.gov

website: <http://www.sandiego.gov/economic-development/>

Additional Resources and Information

Financial Resources

Several financial resources exist for small businesses in San Diego. However, loans are **generally not available** to start-ups. Most loan programs require that businesses have at least one year of history.

Loan Programs

CDC Small Business Finance Corporation
Tel: (619) 291-3594, Fax: (619) 291-6954
California Southern Small Business
Development Corp./State of California Loan
Guarantee Program
Tel: (619) 232-7771, Fax: (619) 232-6743

Micro Loans

ACCION San Diego (requires at least six
months of business operation)
Tel: (619) 795-7250, Fax: (619) 795-7260
www.accion.org

Business Loans

City of San Diego,
City Planning & Community Investment.
Business Finance Section
1200 Third Ave, Suite 1400
San Diego, CA 92101
(619) 236-6700
www.sandiego.gov/

Matching Grant Programs

Storefront Improvement Program
City of San Diego
Office of Small Business
Tel: (619) 236-6460, Fax (619) 533-3219
www.sandiego.gov

Certification and Contracting Opportunities

Certification for City Contracts

City of San Diego Contract Services,
Equal Opportunity Contracting Program
1010 Second Ave., 5th Floor
San Diego, CA 92101
Tel: (619) 533-4464, Fax: (619) 533-4474
www.sandiego.gov

State Certification as a Small Business

Office of Small Business Certification &
Resources, California Department of General
Services
(916) 322-5060
www.osmb.dgs.ca.gov/

Small Business Registration

Small Business Administration
550 West C Street, Suite 550
San Diego, CA 92101
(619) 557-7250
[http://www.sba.gov/contractingopportunities/
owners/start/regcompany/index.html](http://www.sba.gov/contractingopportunities/owners/start/regcompany/index.html)

Contracting with City of San Diego

City of San Diego Purchasing Division
1200 Third Ave., Suite 200
San Diego, CA 92101-4195
Tel: (619) 236-6000, Fax: (619) 533-3236
<http://www.sandiego.gov/purchasing/>

Contracting Opportunities Center

Southwestern College
4007 Camino Del Rio South, Suite 210
San Diego, CA 92108
Tel: (619) 285-7020, Fax: (619) 285-7030
www.ptac-sandiego.org

County of San Diego Resources

County Property Tax Information

Assessor, Recorder, County Clerk
1600 Pacific Highway, Room 103
San Diego, CA 92101
(619) 236-3771
http://www.sdtreastax.com/pt_general.html

County Zoning Information

County Department of Planning & Land Use
5201 Ruffin Road, Suite B
San Diego, CA 92123
(858) 565-5981
www.sdcounty.ca.gov/dplu/

County Air Pollution Control

County Small Business Assistance Program
9150 Chesapeake Drive
San Diego, CA 92123
Tel: (858) 650-4700, Fax: (858) 650-4659
<http://www.sdapcd.org/comply/SBA/sba.html>

County Office of Trade & Business Development

5201 Ruffin Road, Suite N
San Diego, CA 92123
Tel: (858) 495-5494, Fax: (858) 495-5400
www.co.san-diego.ca.us/cnty/cntydepts/landuse/ombuds/

State of California Resources

Many City of San Diego businesses will need to work with state agencies if they intend to incorporate their business, sell alcohol and other goods, hire employees, etc.

State Payroll Taxes

State Employment Development Department
3110 Camino Del Rio South, Suite 100
San Diego, CA 92108
Tel: (619) 516-1920, Fax: (619) 516-1930
www.edd.ca.gov

State Alcohol Sales Licensing

State Alcoholic Beverage Control
1350 Front St., Suite 5056
San Diego, CA 92101
Tel: (619) 525-4064, Fax: (619) 231-1171
www.abc.ca.gov

State Worker's Compensation

State Compensation Insurance Fund
9444 Waples St.
San Diego, CA 92121
(858) 552-7000
<http://www.statefundca.com/?WT.svl=5>

State Incorporation Information

California Secretary of State
(916) 657-5448
www.sos.ca.gov

U.S. Federal Government Resources

The federal government provides a host of pertinent information and services to small businesses, including consulting services, tax information, export information and wage and hour information.

Income Tax Information

Internal Revenue Service
880 Front St., First Floor
San Diego, CA 92188
Information: (800) 829-1040
Forms and Publications: (800) 829-3676
www.irs.treas.gov

Export Information

Department of Commerce
<http://www.ita.doc.gov/>

Import & Customs

Bureau of Customs & Border Protection
Airport and Seaport (619) 685-4304
Otay Mesa Border (619) 671-8000
Tecate Border (619) 938-8300
<http://cbp.customs.gov/>

Wage & Hour Information

U.S. Department of Labor
5675 Ruffin Road, Suite 310
San Diego, CA 92123-5378
(619) 557-6489
(415) 703-5050 Sacramento
www.dol.gov and www.labor.ca.gov

Social Security Information

Social Security Administration
1333 Front St.
San Diego, CA 92101
Tel: (800) 772-1213
www.ssa.gov

Internet, Mail, or Telephone Order

Business Regulations
Federal Trade Commission
1-877-382-4357
www.ftc.gov/

Market Research, Technical Assistance and Networking Opportunities

General Information, Research and Networking

San Diego Regional Chamber of Commerce
402 W. Broadway, Suite 1000
San Diego, CA 92101
Tel: (619) 544-1300, Fax: (619) 744-7481
www.sdchamber.org

Demographics

San Diego Association of Governments
401 "B" Street, Suite 800
San Diego, CA 92101
Tel: (619) 595-5353, Fax: (619) 595-5305
www.sandag.org

Business Improvement Districts

BID Council
1010 Second Avenue, Suite 1835
San Diego, CA 92101
Tel: (619) 239-2437, Fax: (619) 239-0714
www.bidcouncil.org

Health Care Program Information

San Diego Business Healthcare Connection
2760 Fifth Avenue, Suite 220
San Diego, CA 92103
619-231-0333
www.sdbhc.org

Small Business Consulting

Small Business Development & International
Trade Center
Located at Higher Education Center
880 National City Boulevard
National City, CA 91950
Tel: (619) 482-6391, Fax: (619) 216-6703
www.sbditc.org

Fermanian Business Center

Point Loma Nazarene University
3900 Lomaland Drive
San Diego, CA 92106
(619) 849-2564
<http://www.pointloma.edu/Fermanian.htm>

Entrepreneur Clinic – USD Law School

University of San Diego
5998 Alcalá Park
San Diego, CA 92110-7425
(619) 260-7470
http://www.sandiego.edu/law/academics/clinical_education/clinics/entrepreneur.php

Food & Beverage Association of S.D. County

3110 Camino Del Rio South, Suite 315
San Diego, CA 92108
(619) 228-2291 Fax: (619) 228-2297
<http://www.foodnbeverage.org/>