



Business License Frequently Asked Questions

1. Who needs a business license?

Every person engaged or intending to engage in any calling, business, occupation or profession in whole or in part within the unincorporated area of El Dorado County, is required to obtain a business license and pay an annual license fee for the privilege of doing business in the unincorporated area of El Dorado County. [El Dorado County Code Title 5 Chapter 5.08](#)

2. Do I need a business license?

Does your entity (person, partnership, organization, or business):

- Sell items to the public
- Claim office deductions or business expenses for a commercial or a residential location
- Use advertisements or business cards using an address based in the unincorporated area of El Dorado County
- Have a business checking account
- Have an Employer Identification Number (EIN) from the IRS
- Have any other professional or occupational state license regulated by California agencies (architect, contractor, cosmetologist, engineer, physician, therapist, etc)
- Transport passengers
- Receive compensation as an independent contract and/or a form 1099 for work
- Own and/or lease property to other businesses or individuals
- Occupy a commercial space used for an office
- Have a physical location outside the unincorporated area of El Dorado County and provide services within the unincorporated area of El Dorado County
- Have a physical location outside the unincorporated area of El Dorado County and perform work on or provide services to a construction project within the unincorporated area of El Dorado County

If the answer is YES to any item listed above, then a business license is required. [§5.08.010](#)

3. When is a business license needed?

Any time a person or business is:

- physically located in
or
- conducts business within the unincorporated area of El Dorado County

a business license is required. A business license is required even if no income has been generated when your business is physically located within the unincorporated area of El Dorado County, unless your business is closed and a written closing business statement has been submitted to the Tax Collector.

[§5.08.010](#)

4. Does a Business license expire?

Yes. The term for a business license shall be for a period of one year commencing with the first day of the calendar month during which the license is issued and expiring on the last day of the 12th succeeding month. §5.08.100

If your business has closed, indicate this on the renewal form and include the date the business closed.

5. Are any businesses exempt from obtaining a business license?

Yes. The exemptions are listed in Title 5 Chapter 5 §5.08.070.

6. Does the business license have to be displayed?

The license is to be displayed in a conspicuous place in the business establishment. A transient or non-resident business should carry the license upon their person or in a vehicle used in the business readily available for inspection by any authorized agent of the County of El Dorado. For companies with multiple vehicles, it is recommended that each vehicle contain a copy of the license. §5.08.120

7. If purchasing a business that already has a business license, is the business license transferable?

Where the ownership of a business is transferred, any County business license issued for the business is automatically expired upon the date of transfer. It is unlawful for the new owner to operate the business until a new County business license is issued. §5.08.110

8. Are separate business licenses required for each location and/or for each type of business activity?

A separate business license is required for each separate place of business, even though two or more of the businesses are owned or operated by the same person.

A separate business license is not required where combinations of two or more kinds of businesses are operated at the same fixed place of business by the same person. Only one license specifying the kinds of business operated is required.

A separate license is required for two or more businesses operated by different persons located at the same fixed place of business.

Separate business licenses are required for each individual engaged in any itinerant business even though any two or more of the individuals are employed by the same person or are associated together in the same business. §5.08.080

9. Can a business license be applied for online?

Yes. Go to the Treasurer-Tax Collector website at <https://www.edcgov.us/Government/TaxCollector>.

You can apply for or renew a business license as well as pay any fees due.

10. How do I get a copy of my business license?

Go to the Treasurer-Tax Collector website at <https://www.edcgov.us/Government/TaxCollector>.

Enter your account and pin number and print your business license.

11. What else do I need to do to start my business?

If you conduct business using a name other than your legal name (DBA), you are using a fictitious business name. Contact El Dorado County Recorder's Office for more information at (530) 621-5490 or visit the Recorder's website at <https://www.edcgov.us/Government/CountyClerk>.

If tangible property is sold, you are required to obtain a Seller's Permit from the Department of Tax and Fee Administration. <https://www.cdtfa.ca.gov/>

If you have employees and withhold State Income Tax, Disability and Unemployment insurance contact the State Employment Development Department (EDD) to obtain a State Employer ID number. <https://www.edd.ca.gov/>

If you intend to have employees or to obtain a form 540 for estimating State Withholding Tax for yourself, contact the Franchise Tax Board (FTB). <https://www.ftb.ca.gov/>

If you plan to sell or serve alcoholic beverages, contact the Alcoholic Beverage Control Board (ABC). <https://www.abc.ca.gov/>

The Department of Consumer Affairs (DCA) is a licensing entity, a regulator, and an educator. Contact the DCA at <https://www.dca.ca.gov/>

Contact the Internal Revenue Service (IRS) for a federal employer ID number, a businessman's kit, seminars for new businesses, additional information and forms. <https://www.irs.gov/>

If your business uses a weighing or measuring devices (gasoline pumps or large capacity vehicles scales), a price lookup (PLU) system or scan gun system for retail sales, a permit from the El Dorado County Sealer of Weights and Measures will be necessary. (530) 621-5520 or https://www.edcgov.us/Government/ag/Pages/agriculture_main_information.aspx