Frequently Asked Questions:

(Previously known as Occupational License)

How much does a Local Business Tax Receipt cost?

It depends on your business. Many are under $75. Large retail enterprises cost more. You will need to contact a Local Business Tax Receipt Technician at 941-954-4186 for taxes for a specific business. For retail operations, you will need to provide your average inventory (stock-on-hand) value to get an accurate quote.

Why must I obtain a Local Business Tax Receipt?

First, it allows the City to assure that all of the members of our thriving business community have the proper state and federal licenses and operate safely, which protects our citizens. Second, the law requires securing a tax receipt prior to opening or operating a business in the City.

I have a Sarasota County Local Business Tax Receipt. Why would I need a second one from the City?

The County has different codes and zoning regulations than the City; the County is responsible for making sure only that you meet their requirements and we are required to make sure that businesses meet our codes. Just as you may need both a state and federal license to engage in certain occupations, you need a Local Business Tax Receipt from both the City and County if your business is located inside the City of Sarasota.

When does an individual need a separate Local Business Tax Receipt?

Anyone who must have a professional license to perform their job (such as a real estate agent, hairdresser, CPA, attorney or doctor, etc.) must have an individual Local Business Tax Receipt to base their business within the City limits.

Whom does a Local Business Tax Receipt cover?

A Local Business Tax Receipt covers all regular employees of a single enterprise and a single location. An alternate location requires an additional Local Business Tax Receipt. An alternate business name or fictitious name requires an additional Local Business Tax Receipt. Non-employees, employees requiring a professional license and independent contractors must obtain individual Local Business Tax Receipts. The site's Local Business Tax Receipt for the business does NOT cover anyone paid with a 1099; they must have their own Local Business Tax Receipt.

Do people working from home need a Local Business Tax Receipt?

Yes. Everyone doing business in the City of Sarasota must have a Local Business Tax Receipt. That includes anyone doing business out of their home, as well as those with a traditional office or shop. All home-based businesses must apply for a Local Business Tax Receipt and pay the Local Business Tax Receipt Tax if the business is based within the City limits.

Do non-profit organizations, churches and charitable organizations need Local Business Tax Receipts?

According to the statutes, no, you do not have to have a Local Business Tax Receipt. There is a specific exemption for religious and charitable organizations, including fraternal, civic and social service organization. Please refer to section 205.192 of the Code of the City of Sarasota for details, and call the Local Business Tax Receipt Inspector at 941-954-4186 to determine if your organization qualifies for this exemption. However, most organizations will need a Local Business Tax Receipt to open a bank

account or to perform other normal business tasks, so we offer qualified non-profit entities Local Business Tax Receipts and waive the Local Business Tax Receipt taxes. Simply complete the Local Business Tax Receipt Application and return it to the Local Business Tax Receipt Inspector. This also will help you be sure that your organization meets all applicable Zoning codes to avoid inconvenience in the future.

What happens if I do not obtain a Local Business Tax Receipt or fail to renew?

The Code of the City of Sarasota provides for penalties and fines, plus the cost of enforcement (inspections, citations, summons, etc.) for entities that operate within the City limits without a Local Business Tax Receipt, and you will be required to pay the back Local Business Tax Receipt Taxes for the year(s) in which you operated your business without a tax receipt.

If my business changes or moves, do I need a new Local Business Tax Receipt?

Yes. We request the businesses in our community to review and report changes to their Local Business Tax Receipt renewal each year. This makes sure that every member of the community is treated fairly, and that our zoning regulations are met. Simply call us and let us know as your business grows or changes so we can make sure that your Local Business Tax Receipt covers your business. If your business moves from one location to another within the City during the year, simply send the original Local Business Tax Receipt showing the new address, to the Tax Receipt Technician at 1565 1st Street, City Hall Annex 2nd Floor, Sarasota, FL 34236, and enclose a check equal to 10% of your Local Business Tax Receipt fee (minimum $3.00 and maximum of $25) for each Local Business Tax Receipt that needs to be changed. This must be done before you open for business at the new location.

How do fictitious names affect a Local Business Tax Receipt?

Fictitious names affect Local Business Tax Receipts in two ways. First, you must have the fictitious name registered with and approved by the State prior to the issuance of the Local Business Tax Receipt. The State process normally takes about two weeks, so please allow plenty of time. Second, you must have a separate Local Business Tax Receipt for each fictitious name. If a single organization operates under two or more names, or your organization uses different names for different business lines, you are specifically required by code to obtain a Local Business Tax Receipt for each name.

I am a building contractor. Do I need a Local Business Tax Receipt?

Yes, but only if your "place of business" is located within the City limits and not a particular job.