

CITY OF OAKLAND  
OFFICE OF FINANCE  
REVENUE DIVISION

DIRECTOR OF FINANCE RULING NO. 12

TRANSFER OF BUSINESS TAX CERTIFICATE

Reference: Section 5-1.14 of the Oakland Municipal Code.

Purpose

Establishes the procedure for effectively establishing a transfer or change of ownership, business name or business location.

BACKGROUND

The Business tax provision of the Oakland Municipal Code permits the transfer of a taxpayer's Business Tax Certificate but does not outline a procedure for effecting such transfer. The ruling promulgated herein sets forth the means whereby such transfer may be effectuated.

RULING OF THE DIRECTOR OF FINANCE

- (a) When a person as defined in Section 5-1.02(e) transfers 80% or more of his interest, or more than 80% of the stock or assets of a business operated at a fixed place of business, regardless of whether the transfer is made under such circumstances that the real or ultimate ownership after the transfer is substantially similar to the ownership existing before the transfer, the transferee shall first report such change to the Business Tax Section and pay a registration transfer fee in the amount of fifteen dollars. For purposes of this subsection, stockholders, bondholders, partnerships or other persons holding an interest in a corporation or other entities herein defined to be a person are regarded as having the real or ultimate ownership of such corporation or other entity.
- (b) When a person transfers the location of a fixed place of business within the City, he shall first report such change to the Business Tax Section and pay a registration transfer fee of \$15.00.
- (c) When a person operating a business at a fixed place of business changes the name of the business, he shall first report such change to the Business tax Section and pay a registration transfer fee of \$15.00.
- (d) When a person simultaneously makes more than one transfer or change described in sections (a), (b) or (c), he shall pay only one registration transfer fee.

- (e) When effecting a transfer of ownership as described in section (a) of this section the new owner, hereinafter called the transferee, must provide documentary proof, in the form of a notarized sales agreement, letter of certificate, or copy thereof indicating the nature of the transaction. Also the transferee will, in the current subsequent tax periods, pay a business tax and registration tax for such period as would have been required of the former owner, hereinafter called the transferor, had not the transfer been effected. Such tax, as applicable, shall be due upon the date of transfer and shall be delinquent on the thirtieth (30<sup>th</sup>) day after the date of transfer. In the event the transferee is unaware of the gross receipts, gross payroll or other measure of tax of the transferor, the transferee shall furnish his gross receipts, gross payroll or other applicable measure of tax and such other information as the Business Tax Section may deem necessary to determine the tax due. The Business Tax Section shall then compute and fix as the business tax for the transferee an amount that is reasonable and non-discriminatory and the approximate amount that the transferor would have paid the City had the transfer of ownership not been effected.