

407-599-3530 • licensing@cityofwinterpark.org

Business Certificates

Frequently Asked Questions for Business Certificates

1. What should I expect once I've applied for a Business Certificate using the City's online self-service portal (cityofwinterpark.org/selfservice)?

Once the Business Certificate Office receives your application:

- Your information gets verified and compared against other government records.
- If the City Fire Marshall determines that a fire inspection is required for your business, a fire inspector will contact you to schedule the onsite inspection.
- If everything looks in order following the determination of the fire inspector or if a fire inspection is not required, your application will be reviewed for sufficiency and processed. Then a Business Certificate invoice will be generated and you will be notified automatically via email.
- Upon receipt of your payment in full, the system will generate the Business Certificate, which will then be accessible and printable via the online self-service portal.
- If any of the information we receive from your application is incorrect or insufficient, we'll contact you by email and/or phone requesting additional information or clarification to the information provided on the application.

2. What is NAICS and how do I know the NAICS relevant to my business or profession?

As explained on the US Census Bureau website:

The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

NAICS was developed under the auspices of the Office of Management and Budget (OMB), and adopted in 1997 to replace the Standard Industrial Classification (SIC) system. It was developed jointly by the U.S. Economic Classification Policy Committee (ECPC), Statistics Canada, and Mexico's Instituto Nacional de Estadistica y Geografia, to allow for a high level of comparability in business statistics among the North American countries.

The official U.S. Census Bureau Government website provides the latest information on plans for NAICS revisions, as well as access to various NAICS reference files and tools. Additional information on the background and development of NAICS is available in the History section of this Web site.

Please go to the <u>NAICS website</u> to determine the NAICS code that is relevant to your business.

3. Why do I need a Business Certificate?

Simply put, it's the law.

The Business Certificate is required to conduct business in over 90% of the cities and counties in the State of Florida. Possession of a Business Certificate, which used to be called an Occupational License, is mandated at all levels of government: State, County and City pursuant to the following laws and ordinances:

- State: Florida Statutes Chapter 205
- County: Orange County Chapter 25 Article III
- City: City of Winter Park Ordinances <u>Chapter 94 Article II</u>

The Business Certificate is the equivalent to Local Occupation License, which is mandated in most states in the United States.

4. Who needs a Business Certificate?

According to the City's ordinance Chapter 94, Article II and Florida Statutes (F.S.) Chapter 205, any **Person** that is not exempt (Addressed later in this FAQ section) pursuant to <u>F.S.-205</u> **must** obtain a Business Certificate if they meet any of the following conditions:

- (1) Any **Person** who maintains a permanent business location or branch office within the City, for the privilege of engaging in or managing any business within its jurisdiction.
- (2) Any **Person** who maintains a permanent business location or branch office within the City, for the privilege of engaging in or managing any profession or occupation within its jurisdiction.
- (3) Any **Person** who does not qualify under the previous two paragraphs (1) or (2) and who transacts any business or engages in any occupation or profession in interstate commerce, if the business tax is not prohibited by Section 8, Article I of the United States Constitution.
- (4) Any **Person** exercising the privilege of carrying on or engaging in any business, profession or occupation within this city who does not maintain a permanent business location or branch office within the city and who had paid a business tax in another city or county in the state as evidenced by a currently valid local business tax receipt issued by such city or county shall be exempt from this tax. However, such persons shall still be required to obtain an occupational license in accordance with Section 94-33 and post a bond if required under Section 94-43.

A **Person** is defined as any of the following including the plural as well as the singular:

- individual,
- firm,
- partnership,
- joint adventure,
- syndicate, or other group or combination acting as a unit,
- association,
- corporation,
- estate,

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- trust,
- business trust,
- trustee,
- executor,
- administrator,
- receiver, or
- other fiduciary.

5. How come I was never contacted in the past about Business Certificate requirements?

It is the responsibility of each **Person**, whether an individual, a business or a corporation, to obtain a Business Certificate before engaging in or managing any business, occupation or profession within the jurisdiction of the City and the County. As previously explained, it is the law. The City was recently made aware of the number of **Persons** that were not in compliance with the Business Certificate requirements. The City is mandated by Law to collect all taxes due. It's a statutory requirement.

6. What happens if I do not apply or pay for a Business Certificate?

Any **Person** required under this article to obtain a Business Certificate who engages in or manages any business, occupation or profession without first obtaining an occupational license shall be subject to a penalty of twenty-five percent (25%) of the business tax determined to be due in addition to any other penalty provided in Article II of Chapter 94 of the City ordinances or otherwise by law.

7. How can I pay for my Business Certificate online?

After the Business Certificate invoice has been issued, payment may be made in the City's self-service portal (<u>cityofwinterpark.org/selfservice</u>).

Once you are logged in, click the button labeled "Dashboard", Then scroll to the "My Invoices" section. Add the invoice(s) to your cart and simply follow the payment instructions. This will only be active for those with an outstanding balance.

Paying your invoice online with a Visa, MasterCard, or Discover credit/debit card is convenient, fast, and secure. Currently, the City does not accept American Express or e-Checks as acceptable payment methods.

8. When does my Business Certificate expire?

The Business Certificate cycle, which is renewed on a yearly basis, runs from October 1st to September 30th. As a courtesy, renewal notices are sent out by email no later than August of every year and the fees are due by September 30th at midnight.

The Business Certificate non-compliance penalties start on October 1st.

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- October 10% of the annual fee
- November An additional 5% of the annual fee (for a total of 15%)
- December An additional 5% of the annual fee (for a total of 20%)
- January An additional 5% of the annual fee (for a total of 25%)

9. What if I have multiple businesses and/or regulated State Licenses?

Each business or nonexempt individual operating inside the incorporated City limits must have a separate Business Certificate with the City. For instance, a CPA that owns a business within the City MUST obtain two Business Certificates: one for him/herself as a professional individual that is licensed by the Department of Business and Professional Regulations (DBPR) and another for the business.

According to Section 94-32(c) of the City Ordinances: Whenever any business, occupation or profession shall fall into more than one of the classifications contained in the schedule set forth in section 94-43, such occupation, business or profession shall be required to comply with the tax receipt requirements and to pay the business tax imposed under or pertaining to each classification or privilege.

10. What if I have multiple locations?

Each location inside the incorporated City limits must have a separate Business Certificate with the city.

11. Can my Business Certificate be issued to a P.O. Box?

No, your Business Certificate must be issued to a street address, however you may have a P.O. Box as your mailing address. The street address must correspond to a utility bill in the name of the business or one of the business-owner(s).

12. How much does a Business Certificate cost?

Business Certificate fees are mandated by Ordinance based on classifications, which is defined as the method by which a business or group of businesses is identified by size, type, or both. The fees vary from one classification to another and many fees are based on variables such as the number of employees or the amount of retail inventory, etc.

For fee information pertaining to your specific business, checkout the <u>Business Certificate fee</u> <u>schedule as listed in the City's ordinances</u>.

13. What do I need to obtain a Business Certificate if my business/profession/occupation is regulated by a Florida state agency?

If your business is regulated by any state agency, or you are an individual whose profession/occupation requires a State License, you must acquire the required state license or certificate of registration **before** a City Business Certificate can be issued. For more information, or assistance in acquiring the required state licenses/certificates, please contact:

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- Florida Department of Business and Professional Regulations at 1-850-487-1395 or by visiting the Florida Department of Business & Professional Regulation website.
- **Florida Department of Agriculture and Consumer Services** at 1-800-435-7352 or by visiting the <u>Florida Department of Agriculture and Consumer Services website</u>.

14. How do I know if my business is in the incorporated city limits of Winter Park?

Send us an email with your business address to licensing@cityofwinterpark.org.

15. Do I need any other Business Certificates?

Yes, once you obtain the City of Winter Park's Business Certificate, you MUST obtain one from Orange County as well. For more information, visit the <u>Orange County Tax Collector's website</u>.

16. Do I have to register for a "Fictitious Name"?

If you are using a business name other than your full legal name or a business name that is either not registered or registered with an "inactive" status for any reason with the Florida Division of Corporation (commonly known as sunbiz.org), you MUST register your business with the Florida Division of Corporations (Florida Division of Corporations Website) prior to applying for the Business Certificate.

17. How do I obtain a Sales Tax Number and or a FEIN?

For Sales Tax ID information, visit the Florida Department of Revenue online or call:

Phone: 407-903-7350 Toll-Free: 800-352-3671

For FEID number, call the Internal Revenue Service (IRS) at 800-829-1040 or visit the <u>IRS</u> website.

18. What type of businesses are exempt from the Business Certificate fees?

For the most up-to-date answer to this question, we recommend that you consult with your CPA, Attorney, or checkout the latest published Florida Statute (FS-205). The following are some examples of PERSONs exempt from paying for Business Certificate:

- A. DISABLED PERSON: a physically disabled person, incapable of manual labor, **AND** does not have more than one (1) employee **AND** uses his/her own capital only, which does not exceed one thousand dollars (\$1,000.00) (F.S. 205.162 Physician Certificate of Disability from performing manual labor required.)
- B. An individual of AGE 65 OR OLDER: Sixty-five (65) years of age or older **AND** does not have more than one (1) employee **AND** uses his/her own capital only, which does not exceed one thousand dollars (\$1,000.00) (F.S. 205.162 Florida Driver's License OR other proof of age required.)
- C. WIDOW / WIDOWER: A person who is a widow/widower with minor dependent(s) **AND** does not have more than one (1) employee **AND** uses his/her own capital only, which does

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- not exceed one thousand dollars (\$1,000.00) (F.S. 205.162 Proof of the right to the aforesaid required.)
- D. HONORABLY DISCHARGED VETERAN: A Veteran of the United States Armed Forces who was honorably discharged upon separation from service, or the spouse or un-remarried surviving spouse of such a veteran. (F.S. 205.055) **AND** owns a majority interest in a business with fewer than 100 employees.
- E. SPOUSE OF ACTIVE DUTY SERVICEMEMBER: The spouse of an active duty military servicemember who has relocated to the county or municipality pursuant to a permanent change of station order (F.S. 205.055) **AND** owns a majority interest in a business with fewer than 100 employees.
- F. PUBLIC ASSISTANCE: A person who is receiving public assistance as defined in F.S. 409.2554, (F.S. 205.055) **AND** owns a majority interest in a business with fewer than 100 employees.
- G. HOUSEHOLD INCOME BELOW FEDERAL POVERTY LEVEL: A person whose household income is below 130 percent of the federal poverty level based on the current year's federal poverty guidelines, (F.S. 205.055) **AND** owns a majority interest in a business with fewer than 100 employees.
- H. CHARITABLE, ETC., ORGANIZATIONS; OCCASIONAL SALES, FUNDRAISING; Any charitable, religious, fraternal, youth, civic, service, or other similar organization that makes occasional sales or engages in fundraising projects that are performed exclusively by the members, and the proceeds derived from the activities are used exclusively in the charitable, religious, fraternal, youth, civic, and service activities of the organization.

IMPORTANT NOTE:

"Business," "profession," and "occupation" do not include the customary religious, charitable, or educational activities of nonprofit religious, nonprofit charitable, and nonprofit educational institutions in this state, which institutions are more particularly defined and limited as follows:

- 1. "Religious institutions" means churches and ecclesiastical or denominational organizations or established physical places for worship in this state at which nonprofit religious services and activities are regularly conducted and carried on, and also means church cemeteries.
- 2. "Educational institutions" means state tax-supported or parochial, church and nonprofit private schools, colleges, or universities conducting regular classes and courses of study required for accreditation by or membership in the Southern Association of Colleges and Schools, the Department of Education, or the Florida Council of Independent Schools. Nonprofit libraries, art galleries, and museums open to the public are defined as educational institutions and eligible for exemption.
- 3. "Charitable institutions" means only nonprofit corporations operating physical facilities in this state at which are provided charitable services, a reasonable percentage of which are without cost to those unable to pay.

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