10 KEY STEPS TO STARTING A BUSINESS

For Businesses Within the City of San Diego Limits

So you want to start a business in the City of San Diego? Here are the key steps, which may vary depending on your type of business. Following 10 Key Steps will give you the general idea and help the process go smoothly. Many steps can be researched and processed online through the websites listed, saving you the time of calling or visiting department or agency offices. The City's Central Library and all branches provide Internet access during library hours.

1. Research the Basics
The City of San Diego’s Economic Development Department acts as an information clearinghouse for City business programs and services. It serves as your resource partner, connecting you with a variety of business assistance agencies. The department coordinates with City staff to provide the Business Tax Certificate (business license) and zoning, permit and regulatory information to businesses--big, small and startup.

- At the City’s Central Library, you can access many resources, including market research, information on trademark and service marks and how-to books on a variety of businesses and industries. The Central Library also offers workshops on patent, trademark and copyright issues.

- The U.S. Small Business Administration has a Business Resource Center that provides free access to a variety of educational and training resources for starting, operating and growing your business. Free onsite counseling is also provided by the Service Corps of Retired Executives (SCORE).

City of San Diego Economic Development Department
1200 Third Ave., 14th Floor, San Diego, CA 92101
619-236-6700 | sdbusiness@sandiego.gov | www.sandiego.gov/economic-development/business

Central Library

U.S. Small Business Administration - San Diego District Office
550 West C St., Suite 550, San Diego, CA 92101
619-727-4883 or 619-557-7250 | www.sba.gov/offices/district/ca/san-diego

SCORE San Diego
8825 Aero Drive, Suite 101, San Diego, CA 92123
858-283-1100 | score0140@scorevolunteer.org | https://sandiego.score.org
2. Create Your Business Plan

A **Business Plan** will be your roadmap. It’ll show you where you are in relation to where you want to be. Your Business Plan will help you outline and document the actions you need to take. Many businesses fail without a solid Business Plan. One more thing: **Banks require** you to have a Business Plan to be eligible to apply for a loan.

The San Diego **Small Business Development Centers (SBDC)** offer technical assistance to aspiring entrepreneurs and small businesses in San Diego County. One of the nation’s largest small business assistance programs, SBDC supports business growth and sustainability and helps create new business through advising, low-cost training and other specialized services, such as help preparing a Business Plan. **Watch videos** on getting a Business Tax Certificate, Fictitious Business Name or Seller’s Permit at [www.sdivsbdc.org/gig-business](http://www.sdivsbdc.org/gig-business).

### Small Business Development Centers (SBDC)

- **South San Diego SBDC**
  
  880 National City Blvd., #7100, National City, CA 91950
  
  619-482-6391 | [sdsbdc@swccd.edu](mailto:sdsbdc@swccd.edu) | [www.growmybiz.org](http://www.growmybiz.org) | Videos at [www.sdivsbdc.org/gig-business](http://www.sdivsbdc.org/gig-business)

- **North San Diego SBDC**
  
  2075 Las Palmas Drive, Carlsbad, CA 92011
  
  760-795-8790 | [centerinfo@miracosta.edu](mailto:centerinfo@miracosta.edu) | [www.sandiegosmallbiz.com](http://www.sandiegosmallbiz.com)

- **The Brink SBDC at University of San Diego** (assisting early-stage innovation and tech-based startups)
  
  University of San Diego, 5998 Alcala Park, San Diego, CA 92110
  
  619-260-4547 | [sdsbdc@swccd.edu](mailto:sdsbdc@swccd.edu) | [www.sdivsbdc.org/theBrink/](http://www.sdivsbdc.org/theBrink/)

3. Determine Your Business Name

The name you choose for your business is very important. If it's your own legal last name (surname) and a one-word description (such as “John Smith Roofing”), then you are not required to register a fictitious business name. If you have a business outside these parameters (such as JS Expert Roofing) and your business is not registered with the State, State law requires you to file a **fictitious business name statement (FBN)** with the County of San Diego. This statement, however, 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

Fictitious Business Name (FBN) info: [https://arcc.sdcounty.ca.gov/Pages/fbn-info.aspx](https://arcc.sdcounty.ca.gov/Pages/fbn-info.aspx)

FBN forms: [https://arcc.sdcounty.ca.gov/Pages/all-forms.aspx#fbn](https://arcc.sdcounty.ca.gov/Pages/all-forms.aspx#fbn)

FBN Publication Requirements: [https://arcc.sdcounty.ca.gov/Documents/H115.pdf](https://arcc.sdcounty.ca.gov/Documents/H115.pdf)

4. Determine the Legal Structure for Your Business

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

### California Business Portal/Governor’s Office of Business and Economic Development (GO-Biz)

916-657-5448 | [www.businessportal.ca.gov](http://www.businessportal.ca.gov)

### California Secretary of State

[www.sos.ca.gov/business-programs](http://www.sos.ca.gov/business-programs)

### IRS Business & Specialty Tax

5. Select Your Business Activity Type
In San Diego, there’s a business activity classification system that identifies a business activity and determines a business's start-up requirements and where it can be located. Here’s a list of common Business Activity types, which can also be found on the Business Tax Certificate (business license) application.

<table>
<thead>
<tr>
<th>Business Activity Type</th>
<th>Example Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>(11)</td>
</tr>
<tr>
<td>Mining</td>
<td>(21)</td>
</tr>
<tr>
<td>Utilities</td>
<td>(22)</td>
</tr>
<tr>
<td>Construction</td>
<td>(23)</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>(31-33)</td>
</tr>
<tr>
<td>Wholesale</td>
<td>(42)</td>
</tr>
<tr>
<td>Retail</td>
<td>(44-45)</td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>(48-49)</td>
</tr>
<tr>
<td>Information Services</td>
<td>(51)</td>
</tr>
<tr>
<td>Real Estate/Rental/Leasing</td>
<td>(53)</td>
</tr>
<tr>
<td>Professional/Scientific/Technical</td>
<td>(54)</td>
</tr>
<tr>
<td>Management Services</td>
<td>(55)</td>
</tr>
<tr>
<td>Administrative Support</td>
<td>(56)</td>
</tr>
<tr>
<td>Educational Services</td>
<td>(61)</td>
</tr>
<tr>
<td>Health Care/Social Assistance</td>
<td>(62)</td>
</tr>
<tr>
<td>Arts/Entertainment/Recreation</td>
<td>(71)</td>
</tr>
<tr>
<td>Accommodation/Foodservices</td>
<td>(72)</td>
</tr>
<tr>
<td>Other Services</td>
<td>(81)</td>
</tr>
<tr>
<td>Public Administration</td>
<td>(92)</td>
</tr>
</tbody>
</table>

6. Select Location and Determine Zoning and Site Permit Needs
Before you sign a lease or purchase a property, you should first check to see whether you’re allowed to use the space for your type of business, which permits are required and what they’ll cost. Not sure where to locate? Reach out to the Economic Development Department at sdbusiness@sandiego.gov to get started with location support, zoning, and site permit needs.

◆ Plan to operate a business out of your home? Learn about the City regulations regarding Home Occupation at www.sandiego.gov/sites/default/files/dsdib540.pdf. If you can't comply with these City requirements, you must obtain a Neighborhood Use Permit.

For new construction or questions about the development process, contact the Development Services Department. Scheduling an appointment is highly recommended.

7. Get Special Licenses and Permits
Your Business Activity type determines which licenses and permits are needed to operate a business legally. Here are some key contacts:

◆ The CalGOLD Business Permit System (database) assists you in finding appropriate permit information for your business. It also provides contact information for the various agencies that administer and issue these permits. CalGOLD issues neither permits nor licenses and does not provide information on any specific license number(s). If you have questions, contact the agencies that serve your Business Activity type.

CalGOLD at GO-Biz
877-345-4633 | www.calgold.ca.gov
The Department of Consumer Affairs administers more than 3.9 million licenses in more than 280 license types. DCA is a licensing entity and regulator. For a list of Occupations and Professional Services, contact:

California Department of Consumer Affairs
800-952-5210 | www.dca.ca.gov

Certain types of Business Activities are regulated by the San Diego Police Department (SDPD) and require a Police Permit. The City of San Diego's Police Regulated Permitting Application process is administered by the Office of the City Treasurer. Regulation and enforcement is performed by SDPD. For a list of the City's Police Regulated Businesses and information on permits and fees, visit www.sandiego.gov/treasurer/taxesfees/pdpermits/requirements

City of San Diego Office of the City Treasurer, Business Tax Division
1200 Third Ave., First Floor, San Diego, CA 92101
619-615-1500 | www.sandiego.gov/treasurer/taxesfees/pdpermits

Use of hazardous materials and some issues regarding high occupancy require special permits from the San Diego Fire-Rescue Department.

City of San Diego Fire-Rescue Department
619-533-4300 | sdfd@sandiego.gov
Permits: www.sandiego.gov/fire/services/permits
Hazardous Materials: www.sandiego.gov/fire/services/permits/hazmat

Businesses that sell tangible personal property in the State of California must apply for a Seller's Permit through the California Department of Tax and Fee Administration.

California Department of Tax and Fee Administration
15015 Avenue of Science, Suite 200, San Diego, CA 92128
858-385-4700 | www.cdtfa.ca.gov/taxes-and-fees/faqseller.htm

Businesses that sell goods by weight or volume must register the devices with the County of San Diego Agriculture, Weights and Measures office. Permits are usually required for businesses that import/export businesses, engage in agricultural-related production or use pesticides.

County of San Diego Agricultural, Weights and Measures
San Diego Office: 9325 Hazard Way, Suite 100, San Diego, CA 92123
858-694-2739 | sdcawm@sdcounty.ca.gov | www.sdcounty.ca.gov/awm
North County Office: 151 E. Carmel St., San Marcos, CA 92078 760-752-4700

Businesses that sell or handle food products, operate a pool or spa, handle hazardous materials or medical waste, have underground storage tanks or use x-ray equipment must contact the County of San Diego Environmental Health office. Services vary among the four County offices.

County of San Diego Environmental Health (Four offices)
Online Services: https://www.sandiegocounty.gov/content/sdc/deh/doing_business/on_line.html
General Information: 858-505-6700 or 800-253-9933 | www.sdcounty.ca.gov/deh
Technical Questions: 858-505-6900 | dehinbox@sdcounty.ca.gov
For Additional Permit information:

**California Department of Tax and Fee Administration** | 800-400-7115 | [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov)
“Your California Seller’s Permit” [www.cdtfa.ca.gov/formspubs/pub73.pdf](http://www.cdtfa.ca.gov/formspubs/pub73.pdf)

**Small Business Development Center, South San Diego**
Videos at [www.sddivsbdc.org/gig-business](http://www.sddivsbdc.org/gig-business)

OTHER PERMITS AND LICENSES MAY ALSO BE REQUIRED.

### 8. Get Tax Information

Several types of State and Federal taxes may be levied on businesses, including income tax, unsecured personal property tax, sales and use tax, and employment taxes.

For unsecured property tax information, contact:

**County of San Diego Treasurer-Tax Collector**
877-829-4732 | [www.sdteastax.com](http://www.sdteastax.com)

For State tax information, visit the California Department of Tax and Fee Administration website, which features the business launch guide, “Striking Gold in California”; webinars, tutorials and an online services portal. Also, the California Tax Information Center, sponsored by the state’s tax agencies (Board of Equalization, Employment Development Department and Franchise Tax Board), can provide guidance. (*NOTE:* The California Department of Tax and Fee Administration handles your state Business Tax and Fee needs. The State Board of Equalization administers Property Tax, Alcoholic Beverage Tax, and Tax on Insurers programs.)

**California Department of Tax and Fee Administration** | 800-400-7115 | [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov)
Sales and Use Tax Exemptions and Exclusions [www.cdtfa.ca.gov/formspubs/pub61.pdf](http://www.cdtfa.ca.gov/formspubs/pub61.pdf)

**California State Board of Equalization**
Property Tax, Alcoholic Beverage Tax and Tax on Insurers programs [www.boe.ca.gov](http://www.boe.ca.gov)

**California Tax Service Center** | 800-338-0505 | [https://taxes.ca.gov](https://taxes.ca.gov)
Small Business Liaison 916-845-4669

For Federal tax information specific to businesses, contact:

**Internal Revenue Service**
9. Know Your Employer Responsibilities
If you are going to hire employees, you should know it comes with many responsibilities at the City, State and Federal levels.

◆ For information about the City of San Diego employer requirements, including the Earned Sick Leave and Minimum Wage Ordinance, contact:

**City of San Diego Compliance Department**
1200 Third Ave., Suite 200, MS-56P, San Diego, CA 92101
619-236-6000 | [www.sandiego.gov/compliance](http://www.sandiego.gov/compliance)

Minimum Wage Program: 619-615-1565 | [SDMinWage@sandiego.gov](mailto:SDMinWage@sandiego.gov) | [www.sandiego.gov/MinimumWage](http://www.sandiego.gov/MinimumWage)

◆ For information about State employer requirements, taxes and services, contact:

**State of California Employment Development Department**
10636 Scripps Summit Court, Suite 202, San Diego, CA 92131
888-745-3886 and 858-880-2500 | [http://www.edd.ca.gov](http://www.edd.ca.gov)

◆ On the Federal level, employers must register as an employer with the Internal Revenue Service (IRS) to obtain a Federal Employer Identification Number (EIN). Employers must also pay additional taxes; withhold, match and submit employee withholdings; obtain worker's compensation insurance and adhere to employee eligibility regulations. The EIN is a nine-digit number that the IRS assigns to business entities and uses to identify taxpayers that are required to file various business tax returns. EINs are used by employers, sole proprietors, corporations, partnerships, nonprofits, trusts and estates, government agencies, certain individuals and other business entities. EINs can be obtained by completing form SS-4 online or by calling the IRS.

**Internal Revenue Service**

10. Apply for a Business Tax Certificate (Business 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 (Home Occupation), self-employed persons and independent contractors are also required to have a Business Tax Certificate. You can apply for a Business Tax Certificate online or in person.

**City of San Diego Office of the City Treasurer, Business Tax Division**
1200 Third Ave., First Floor, San Diego, CA 92101
619-615-1500 | [www.sandiego.gov/treasurer](http://www.sandiego.gov/treasurer)

Download application: [www.sandiego.gov/treasurer/taxesfees/btax/btaxhow.shtml](http://www.sandiego.gov/treasurer/taxesfees/btax/btaxhow.shtml)

More questions? Let us help.

**City of San Diego Economic Development Department**
1200 Third Ave., 14th Floor, San Diego, CA 92101
619-236-6700 | Email us: [sdbusiness@sandiego.gov](mailto:sdbusiness@sandiego.gov)
Our Website: [www.sandiego.gov/economic-development](http://www.sandiego.gov/economic-development)
Additional Resources

The City’s Economic Development Department offers many resources to help entrepreneurs start, expand and locate their business in the City of San Diego. The City’s new Business Resource Matcher can help you discover available financing, such as tax credits, grants and loans, as well as services, such as consulting and mentorship.

City of San Diego Business Resource Matcher
www.sandiego.gov/business-resources

You can also explore our website (www.sandiego.gov/economic-development). Below are some other resources.

Financing Resources

Small businesses have financial resources in San Diego, but few are available to startups. Most loan programs require that businesses have been in operation for at least one year.

Gap Financing
Business Financing Loan Program
City of San Diego Economic Development Department
1200 Third Ave, 14th Floor, San Diego, CA 92101
619-236-6700 | Fax: 619-533-3219
www.sandiego.gov/economic-development/business/financing

Loan Programs
CDC Small Business Finance Corporation
800-611-5170
https://cdcloans.com

California Southern Small Business Development Corp.
State of California Loan Guarantee Program
619-232-7771
www.casouth.com

Micro Loans
Accessity San Diego
404 Euclid Ave., Suite 271, San Diego, CA 92114
619-795-7250
www.accionsandiego.org

Matching Grant/Rebate Programs
Storefront Improvement Program
City of San Diego Economic Development Department
619-236-6700 | sdbusiness@sandiego.gov
www.sandiego.gov/storefront

Certification and Contracting Opportunities

Certification for City Contracts
City of San Diego Equal Opportunity Contracting
1200 Third Ave., Suite 200, San Diego, CA 92101-4195
619-236-6000 | ContractEOC@sandiego.gov
www.sandiego.gov/eoc

State Certification as a Small Business
Office of Small Business & DVBE Services
California Department of General Services
916-376-5000
www.dgs.ca.gov/services

Contracting with City of San Diego
Small Business Registration
Small Business Administration
550 West C St., Suite 550, San Diego, CA 92101
619-727-4883
https://www.sba.gov/offices/headquarters/obd/resources/4210

City of San Diego Purchasing Division
1200 Third Ave., Suite 200 San Diego, CA 92101-4195
619-236-6000 | Fax: 619-236-5904
www.sandiego.gov/purchasing/

San Diego Contracting Opportunities Center
(Procurement Technical Assistance Center)
880 National City Blvd., Suite 7100
National City, CA 91950
619-216-6671 | sdcoc@ptac-sandiego.org
www.ptac-sandiego.org

Small Business Administration
550 West C St., Suite 550, San Diego, CA 92101
619-727-4883
https://www.sba.gov/offices/headquarters/obd/resources/4210
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  
https://arcc.sdcounty.ca.gov

**County Treasurer/Tax Collector**
1600 Pacific Highway, Room 162  
San Diego, CA 92101  
877-829-4732  
www.sdtreatax.com

**County Air Pollution Control District**
Business Assistance Program  
10124 Old Grove Road, San Diego, CA 92131  
858-586-2656 | Duty Inspector: 858-586-2650  
http://www.sdapcd.org/content/sdc/apcd/en/compliance-programs/business_assistance.html.html

**County Zoning Information**
County Planning & Development Services  
5510 Overland Ave., San Diego, CA 92123  
858-694-2690 | Zoning Info: 858-565-5981  
www.sdcounty.ca.gov/pds

State of California Resources

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

**State Payroll Taxes**
State Employment Development Department  
10636 Scripps Summit Court, Suite 202  
San Diego, CA 92131  
888-745-3886  
www.edd.ca.gov

**State Alcohol Sales Licensing**
State Alcoholic Beverage Control  
1350 Front St., Suite 5056, San Diego, CA 92101  
619-525-4064 | Fax: 619-231-1171  
SanDiego@abc.ca.gov | www.abc.ca.gov

**State Worker’s Compensation**
State Compensation Insurance Fund  
888-782-8338  
www.statefundca.com

**State Incorporation Information**
California Secretary of State  
916-653-6814  
www.sos.ca.gov/business-programs

Federal Government Resources

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

**Income Tax Information**
Internal Revenue Service Local Office  
880 Front St., First Floor, San Diego, CA 92101  
Local: 619-321-5950 Business: 800-829-4933  
Info (individuals): 800-829-1040  
www.irs.gov

**Export Information**
Department of Commerce  
International Trade Administration  
www.ita.doc.gov

**Import & Customs**
U.S. Customs & Border Protection  
Airport and Seaport 619-685-4304  
Otay Mesa Border 619-671-8064  
Tecate Border 619-938-8300  
www.cbp.gov/trade/basic-import-export

**Wage & Hour Information**
U.S. Department of Labor  
550 West C St., Suite 990, San Diego, CA 92101  
619-557-5110 and 866-487-9243  
www.dol.gov and www.labor.ca.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
619-544-1300
www.sdchamber.org

Demographics
San Diego Association of Governments (SANDAG)
619-699-1900 | Fax: 619-699-1905
http://datasurfer.sandag.org | www.sandag.org

Business Improvement Districts
619-236-6700
sdbusiness@sandiego.gov
www.sandiego.gov/economic-development

Food & Beverage Association of S.D. County
3110 Camino Del Rio South, Suite 215
San Diego, CA 92108
619-228-2291 | www.foodnbeverage.org

Fermanian Business & Economic Institute
Point Loma Nazarene University
2600 Laning Road, San Diego, CA 92106
619-849-2692
www.pointloma.edu/experience/academics/centers-institutes/fermanian-business-economic-institute

Microbusiness and Nonprofit Support Program
San Diego Volunteer Lawyer Program
info@sdvlp.org | www.sdvlp.org/get-help-microbusinessandnonprofit-support

University of San Diego School of Law
USD Entrepreneurship Clinic
5998 Alcala Park, San Diego, CA 92110-2492

California Western School of Law
New Media Rights Clinic
225 Cedar St., San Diego, CA 92101
619-591-8870
www.newmediarights.org

Thomas Jefferson School of Law
Small Business Law Center
495 11th Ave., San Diego, CA 92101
619-961-4382 | Fax: 619-961-1382
sblc@tjsl.edu | www.tjsl.edu

Small Business Consulting
Small Business Development Center (SBDC)
South San Diego SBDC
880 National City Blvd., Suite 7100
National City, CA 91950
619-482-6391 | sdsbdc@swccd.edu
www.sandiegosbdc.org
North San Diego SBDC
2075 Las Palmas Drive, Carlsbad, CA 92011
760-795-8790 centerinfo@miracosta.edu
www.sandiegosbdc.org

SBDC Technology Center
5998 Alcala Park, San Diego, CA 92110
sdsbdc@swccd.edu
www.sdivsbdc.org/usd-sbdc/

San Diego Center for International Trade Development
880 National City Blvd., Suite 7100
National City, CA 91950
619-482-6393
www.support@sandiegocitd.org
www.sandiegocitd.org

Updated June 2022