2010 Payroll Expense Tax and 2011-2012 Registration Renewal Determinations

In the event that no Payroll Expense Tax return for 2010 is filed for a business believed to have taxable payroll expense greater than $150,000, the Tax Collector issues a Notice of Determination estimating the amount of tax due and assesses applicable penalties, interest, and administrative fees. If you have received a Notice of Determination, you must take action by October 31, 2011. After that date the Determination becomes final and additional penalties and interest will be applied on a monthly basis.

Choose an Action Below:

Click to File a Redetermination

Click to Inactivate Your Business (use only if you are not required to file a payroll expense tax return)
If you agree with the Determination amount assessed, please follow the payment instruction on the Determination notice.

Business Registration Renewal Fee Schedule

- Your renewal fee is based upon your most recently reported San Francisco payroll expense.
- Businesses that ceased operation in San Francisco on or before June 30, 2011 are not required to renew their registration for fiscal year 2011-2012.
- If you have ceased operations in San Francisco after June 30, 2011 you must complete a Registration Renewal Statement and indicate the effective date of closure. All businesses that were open for all or part of any seven days during a tax year must register with the City.

Your 2010 Taxable San Francisco Payroll Expense was:	Therefore your 2012 Registration Fee is:	Negligence Penalty	Administrative Fee	Total Amount Due After 5/31/2011
$0.00-$66.66	$25.00	$25.00	$25.00	$75.00
$66.67 – $666,666.99	$150.00	$150.00	$55.00	$355.00
$666,667.00 – $3,333,333.66	$250.00	$250.00	$55.00	$555.00
$3,333,333.67 or higher	$500.00	$500.00	$55.00	$1055.00

Payroll Expense Tax Filing Requirement and Penalty/Interest Assessment Schedule

- All businesses that had taxable San Francisco payroll expense of more than $150,000 during 2010 must file their 2010 San Francisco payroll expense tax return.
- Use the table below to determine your 2010 Payroll Expense Tax filing requirement and your penalties and interest amount.
- The Payroll Tax rate is 1.5% of taxable (non-exempt) payroll expense attributable to San Francisco.
- Businesses whose total taxable San Francisco Payroll Expense for the year is **$250,000.00 or less** qualify for the Small Business Exemption (SBE). These businesses are still required to file the annual payroll expense tax return by the last day of February, but are exempt from paying the 1.5% Payroll Expense Tax . If you failed to file by the deadline, your SBE status will be compromised and penalties and an administrative fee will apply.
- Penalty and interest are applied to the net tax amount due.

If your 2010 Taxable San Francisco Payroll Expense was….	Then your Payroll Expense Tax (1.5%) was….	Your Payroll Expense Tax Filing Requirement was….	Administrative Fee	Late Filing Penalty	Under Payment Penalty	Interest
$0.00 – $150,000.00	$0.00 – $2,250.00	Not Required to File	n/a	n/a	n/a	n/a
$150,000.01 - $250,000.00	$2,250.01 – $3,750.00	SBE- Required to File	$55	$250	10% per month up to 100%	n/a
$250,000.01 or higher	$3,750.01 or higher	Required to File	$55	$100	5% per month up to 20% add 20% if filing after May 31, 2011	1% per month

Penalty & Interest Schedule Breakdown by Month:

		SBE Penalty Schedule		Payroll Expense Tax Penalty Schedule		
Month	Admin Fee	Late Filing Penalty	Under Payment Penalty	Late Filing Penalty	Underpayment Penalty	Interest (cumulative)
3/1/2011	$55 onetime charge	$250 onetime charge	10%	$100 onetime charge	5%	1%
4/1/2011			20%		10%	2%
5/1/2011			30%		15%	3%
6/1/2011			40%		20% + 20%	4%
7/1/2011			50%		40% maximum	5%
8/1/2011			60%		40% maximum	6%
9/1/2011			70%		40% maximum	7%
10/1/2011			80%		40% maximum	8%
11/1/2011			90%		40% maximum	9%
12/1/2011			100%		40% maximum	10%

***Important reminder: All redeterminations must be postmarked or electronically filed no later than October 31, 2011.**