

Occupation Tax Certificate - Tax Calculation Worksheet

The purpose of this worksheet is to assist the applicant or tax return preparer with the calculation of information that is required for the online Occupation Tax Certificate Application/Tax Return and to assist in calculating the occupation tax for your business. It is recommended that you complete this form and have it available for reference when completing the online application for an Occupation Tax Certificate.

Line	Instructions	Results												
A	Full-time Employees: This is the number of Full-time employees who worked at least 40 hours per week last year. Enter the number in the field to the right →													
B	<p>Part-time Employees (expressed as Full-time Equivalents): Add the average weekly hours of all employees working less than 40 hours per week last year and divide the total hours by 40. Enter the resulting number in the field to the right. →</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td colspan="2" style="background-color: #e0f0ff;">Example calculation: In this example, the company has 3 part-time employees.</td> </tr> <tr> <td style="width: 60%;">Pat worked an average of 10 hours per week last year.</td> <td style="text-align: right;">10 hours/week</td> </tr> <tr> <td>Chris worked an average of 25 hours per week last year.</td> <td style="text-align: right;">+25 hours/week</td> </tr> <tr> <td>Kim worked an average of 15 hours per week last year.</td> <td style="text-align: right;">+15 hours/week</td> </tr> <tr> <td>Add all the hours together.</td> <td style="text-align: right;">=50 hours/week</td> </tr> <tr> <td>Divide the total by 40</td> <td style="text-align: right;">50 ÷ 40 = 1.2 FTEs</td> </tr> </table>	Example calculation: In this example, the company has 3 part-time employees.		Pat worked an average of 10 hours per week last year.	10 hours/week	Chris worked an average of 25 hours per week last year.	+25 hours/week	Kim worked an average of 15 hours per week last year.	+15 hours/week	Add all the hours together.	=50 hours/week	Divide the total by 40	50 ÷ 40 = 1.2 FTEs	
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C	Total Full-time Equivalents (FTE): Add the numbers you noted for lines A and B above: A + B = C. Enter the result in the field to the right. →													
D	<p>Taxable FTE Employees after Deduction: The City of Berkeley Lake allows up to 2 Full-time Equivalent Employees without an additional tax on your business. Subtract up to 2 FTE employees from the number you calculated for line C. Enter that number in the field to the right. →</p> <p><i>Hint: If you arrive at a number less than zero, enter zero.</i></p>													
E	Occupation Tax: There is an occupation tax for each taxable FTE employee or portion thereof. Multiply line D by \$25 to determine the tax. D x \$25 = E Enter that number in the field to the right. →	\$												
F	<p>Partial Year Deduction: <i>(does not apply to renewals)</i> You could reduce your tax only if your business moved into the City of Berkeley Lake after January 1. Multiply E by the number of elapsed or partially elapsed months that have occurred as of the date of relocation into the city, then divide the resulting number by 12. The result is the deduction. Enter that number in the field to the right. →</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td colspan="2" style="background-color: #e0f0ff;">Example calculation: A company with 8 FTEs relocated to Berkeley Lake on March 10. After deducting 2 employees, the tax owed would have been \$150.00 for a full year. On March 10, there were 9 whole months left in the year for which a tax must be paid.</td> </tr> <tr> <td style="width: 60%;">Multiply the Tax of \$150 by 3 elapsed or partially elapsed months.</td> <td style="text-align: right;">\$150 x 3 = \$450.00</td> </tr> <tr> <td>Divide the resulting \$450.00 by 12 = \$37.50. The result is the deduction.</td> <td style="text-align: right;">\$450 ÷ 12 = \$37.50</td> </tr> </table>	Example calculation: A company with 8 FTEs relocated to Berkeley Lake on March 10. After deducting 2 employees, the tax owed would have been \$150.00 for a full year. On March 10, there were 9 whole months left in the year for which a tax must be paid.		Multiply the Tax of \$150 by 3 elapsed or partially elapsed months.	\$150 x 3 = \$450.00	Divide the resulting \$450.00 by 12 = \$37.50. The result is the deduction.	\$450 ÷ 12 = \$37.50	\$						
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G	Administrative Fee: An administrative fee is due of all applicants and is not pro-rated.	<u>\$75.00</u>												
H	<p>Total Due: Subtract F from E and add G. Enter the result in the field to the right. →</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td colspan="2" style="background-color: #e0f0ff;">Example calculation: In this example, we're continuing with the example we used in F above.</td> </tr> <tr> <td style="width: 60%;">The calculated tax for a full year (E)</td> <td style="text-align: right;">\$150.00</td> </tr> <tr> <td>The deduction for arriving within the city on March 10th (F).</td> <td style="text-align: right;">-\$37.50</td> </tr> <tr> <td>The administrative fee (G).</td> <td style="text-align: right;">+\$75.00</td> </tr> <tr> <td>The calculation in this example is E – F + G = H</td> <td style="text-align: right;">=187.50</td> </tr> </table>	Example calculation: In this example, we're continuing with the example we used in F above.		The calculated tax for a full year (E)	\$150.00	The deduction for arriving within the city on March 10 th (F).	-\$37.50	The administrative fee (G).	+\$75.00	The calculation in this example is E – F + G = H	=187.50			
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