

2022 Renewal Frequently Asked Questions (FAQ)

DUE: APRIL 15, 2022

****Instructions on completing the 2022 renewal form****

1. Write in your ACTUAL 2021 Dunwoody & Georgia gross receipts/sales.
2. Subtract \$20,000 from your ACTUAL gross receipts and write in your ADJUSTED 2021 gross receipts & multiply by the tax rate on the form.
3. Write in the number of owners and employees at the Dunwoody location & multiply by the per employee fee on the form (minimum of 1).
4. Add together the Gross Receipts Fee, employee fee and the base fee to total your fees due for 2022 occupational taxes.
5. Sign and notarize on the back of the renewal form.
6. Complete the E-Verify section on the back of the renewal form.

What are gross receipts? Per the City of Dunwoody Ordinance Chapter 10 Business and Occupation Taxes, Licenses, and Regulations Article 1, Section 10-2 the definition of gross receipts is (please refer to the Ordinance for what is not considered gross receipts):

The term "gross receipts" means the total revenue of the business or practitioner for the period, including, without being limited to, the following:

- a. *Total income without deduction for the cost of goods sold or expenses incurred;*
- b. *Gain from trading in stocks, bonds, capital assets, or instruments of indebtedness;*
- c. *Proceeds from commissions on the sale of property, goods, or services;*
- d. *Proceeds from fees charged for services rendered; and*
- e. *Proceeds from rent, interest, royalty, or dividend income.*

The term "gross receipts" shall not include the following:

- a. *Sales, use, or excise taxes;*
- b. *Sales returns, allowances, and discounts;*
- c. *Interorganizational sales or transfers between or among the units of a parent subsidiary controlled group of corporations, as defined by 26 USC 1563(a)(2), or between or among wholly owned partnerships or other wholly owned entities;*
- d. *Payments made to a subcontractor or an independent agent for services which contributed to the gross receipts in issue;*
- e. *Governmental and foundation grants, charitable contributions or the interest income derived from such funds, received by a nonprofit organization which employs salaried practitioners otherwise covered by this chapter, if such funds constitute 80 percent or more of the organization's receipts; and*
- f. *Proceeds from sales of goods or services which are delivered to or received by customers who are outside the state at the time of delivery or receipt.*

Who is considered an employee? Per the City of Dunwoody Ordinance Chapter 10 Business and Occupation Taxes, Licenses, and Regulations Article 1, Section 10-2 the definition of employee is **(Please note that all owners of the business are considered employees, therefore there must be at least one (1) employee per business):**

Employee means an individual whose work is performed under the direction and supervision of the employer and whose employer withholds FICA, federal income tax, or state income tax from such individual's compensation or whose employer issues to such individual, for purposes of documenting compensation, a form W-2, but not a form IRS 1099.

How do I determine my number of employees? The City of Dunwoody accepts the use of FTE method.

FRONT/BACK

Who do I make the check payable to? What is the mailing address for City Hall? Please make checks payable to the City of Dunwoody. The mailing address for City Hall is 4800 Ashford Dunwoody RD, Dunwoody, GA 30338.

What are the accepted forms of payment? Does the City provide Notary Services? The City of Dunwoody accepts cash, business checks, personal checks, money orders, cashier's checks, Visa, and MasterCard. All payments must either be mailed in or done in person at City Hall. **Payments cannot be accepted over the phone.** Yes, notary services are offered free of charge.

What if my business is closed or has moved outside of the City of Dunwoody? Please complete Table 1 (2021 actual gross receipts and number of employees) and Table 3 if your business has closed or moved outside of the Dunwoody city limits. Do not send payment. If payment is due we will mail you an invoice.

Will there be an adjustment from last year's license fees? No. In 2010, Dunwoody City Council voted to eliminate the reconciliation process that adjusts your fee from the prior year (unless 2021 was your first year.) Therefore, you will now only pay for the 2022 tax with no adjustment for the prior year. We expect this change to make the renewal process easier for all businesses.

What if my gross receipts are \$0 or under \$20,000? If gross receipts are \$0 or under \$20,000 please write in your actual gross receipts for 2021 in the field marked (1). The fee for that line item will be \$0 and your business license renewal fee would consist of the base fee and the employee fee.

Are you asking for my net profits or net losses for the year? No, we are looking for the actual gross receipts/sales of the business for the 2021 year not how much the business profited or lost.

If our business is a non-profit organization do we still need to complete the renewal form? Yes, please complete the renewal form and indicate that you are a non-profit organization and include a copy of your 501c letter. Your new tax certificate will be mailed to you. No payment is necessary.

What if I am a Disabled Veteran? Please provide your Veteran's Certificate of Exemption from the Department of Veterans Service. This is the only documentation that will be accepted to waive your business tax fees. Your new tax certificate will be mailed to you. No payment is necessary.

What is the \$125.00 base fee? This fee includes a flat tax for the first \$20,000 in gross receipts. Prior to 2011, there was a \$50.00 flat tax and a \$75.00 administrative fee. The administrative fee was eliminated and the \$75.00 was rolled into the flat tax to simplify the process.

How do I know if I am a practitioner? Practitioners typically refer to businesses that are regulated by the State (e.g. physicians, attorneys, CPA's, engineers, and architects). Cosmetology licenses are not considered practitioners. Please refer to O.C.G.A. 48-13-9 for further information.

What if I am filing an extension for my taxes? Your Occupational Taxes are still due to be paid in full no later than April 15, 2022. Occupational Taxes are separate from State and Federal taxes. If you do not know your ACTUAL 2021 gross receipts we ask that you provide us with your best and closest estimate. We do not offer extensions.