

Help Us Get the Word Out

Business License Renewals

The Small Business Commission can help the City's Business License Division during its busiest renewal period by sharing accurate information with Daly City businesses.

- ✓ Courtesy renewal reminders are mailed and emailed in August.
- ✓ Additional reminders are sent in February for delinquent accounts.
- ✓ Business owners are responsible for renewing by the deadline even if they do not receive a reminder.
- ✓ Deadline established under Daly City Municipal Code § 5.16.010.

HOW COMMISSIONERS CAN HELP Remind businesses in your networks about the October 1 deadline and encourage them to renew early.

THE MOST IMPORTANT MESSAGE

Business license
taxes are due
annually by

OCT 1

*Applies to every Daly City business license,
without exception.*

Understanding the License Year vs. Tax Year

This is a common point of confusion for business owners.

BUSINESS LICENSE YEAR

October 1 – September 30

BUSINESS LICENSE TAX

Calculated using gross income from the previous calendar year

EXAMPLES

Business License Year	Income Used to Calculate Tax
2025–2026	2024 gross income
2026–2027	2025 gross income

EASY WAY TO EXPLAIN IT *Similar to paying federal income taxes based on the prior year's income, Daly City calculates the business license tax using the prior calendar year's gross income.*

Three Ways to Renew

The City provides several options to accommodate different business needs.

1

Online

Daly City Business License Online
Portal

2

By Mail

Submit renewal paperwork and
payment directly by mail.

3

In Person

Visit the Business License Division
for in-person renewal.

COMMISSIONER TAKEAWAY

If you hear that a business is having difficulty renewing one way, let them know there are other options available.

What Is the Tax Based On?

Gross sales or rental income — not net profit or loss.

Business owners must provide documentation verifying their reported gross receipts.

COMMON DOCUMENTATION

Schedule E	Rental income
Schedule C	Sole proprietorships and single-member LLCs
Form 1065 or 1120	Corporations and other applicable business entities

IMPORTANT Filing an extension with the IRS does not extend the City's October 1 business license tax deadline. Taxes remain due October 1. Supporting proof of gross receipts can be submitted once the federal tax return is completed.

Frequently Asked Questions

I didn't receive my renewal notice. Do I still have to renew?

Yes. Renewal notices are a courtesy. The license holder remains responsible for renewing by October 1.

My business had expenses or operated at a loss. Can I use my net income?

No. The business license tax is based on gross sales or rental income.

I filed an IRS extension. Can I wait to pay my City tax?

No. The October 1 deadline still applies.

What year of income should I report?

Use the previous calendar year's income. For the 2026–2027 license year, businesses report 2025 income.

Can I renew online?

Yes. Businesses can renew online, by mail, or in person.

Remember: the October 1 deadline applies regardless of reminders, income changes, or IRS extensions.

How the Small Business Commission Can Help

Commissioners can be ambassadors for the renewal process.

WHEN SPEAKING WITH DALY CITY BUSINESSES

- ✓ Remind them that October 1 is the annual deadline.
- ✓ Encourage businesses to renew early rather than waiting until the deadline.
- ✓ Share the City's online renewal option.
- ✓ Remind businesses that taxes are calculated using gross income, not net income.
- ✓ Direct technical or account-specific questions to Business License staff rather than trying to interpret individual tax situations.
- ✓ Share the City's updated Business License FAQ with businesses that need additional information.

RESOURCE [Daly City Business License Requirements & FAQ](#)

THE GOAL

Help businesses understand the process before they need assistance, reduce common renewal errors, and help Business License staff during the busiest time of the year.