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This document provides instructions for the 2014 Payroll Expense Tax and Gross Receipts Tax Paper Filing (the “Return”). These instructions provide a summary of the applicable rules to assist you with completing your filing. The San Francisco Business and Tax Regulations Code (referred to throughout these instructions as the “Code”) provides the law for the computation of the Payroll Expense Tax and the Gross Receipts Tax, as well as the rules for filing the Return.

## Who Must File

### Persons Exempt From the Gross Receipts Tax and/or Payroll Expense Tax

If you are completely exempt from both the Payroll Expense Tax and the Gross Receipts Tax under Code sections 906 and 954, respectively (summarized below), you do not need to file a Return. If you are exempt from only one of the Payroll Expense Tax or the Gross Receipts Tax, complete the Return and enter zeros for the tax from which you are exempt.

Code section 906 provides a detailed list of persons that are exempt from the Payroll Expense Tax. Such persons include:

- An organization having a formally recognized exemption from income tax pursuant to sections 501(c), 501(d), or 401(a) of the Internal Revenue Code (the “IRC”), as qualified by sections 502, 503, and 504 of the IRC. However, organizations (other than organizations described under section 501(c)(3) of the IRC) directly engaged within the City in an unrelated trade or business within the meaning of section 513(a) of the IRC that have, from their own operations, unrelated business taxable income within the meaning of section 512(a)(1) of the IRC, do not qualify for this complete exemption.

- Skilled nursing facilities licensed under the provisions of Title 22, California Administrative Code, Division 5, Chapter 3.
- Banks and financial corporations exempt from local taxation under Article XIII, Section 27 of the California Constitution and Revenue and Taxation Code section 23182.
- Insurance companies exempt from local taxation under Article XIII, Section 28 of the California Constitution.
- Persons engaging in business as a for-hire motor carrier of property under Revenue and Taxation Code section 7233.
- Persons engaging in intercity transportation as a household goods carrier under Public Utilities Code section 5327.
- Charter-party carriers operating limousines that are neither domiciled nor maintain a business office with the City under Public Utilities Code Section 5371.4.
- Any other person upon whom the City is prohibited under the Constitution or statute of the United States or under the Constitution or statute of the State of California from imposing the Payroll Expense Tax.

Code section 954 provides a detailed list of persons that are exempt from the Gross Receipts Tax. Such persons include:

- An organization exempt from income taxation by Chapter 4 (commencing with section 23701) of Part 11 of Division 2 of the Revenue and Taxation Code, or Subchapter F (commencing with section 501) of Chapter 1 of Subtitle A of the IRC, as qualified by sections 502, 503, 504, and 508 of the IRC. However, organizations directly engaged within

the City in an unrelated trade or business within the meaning of section 513(a) of the IRC that have, from their own operations, unrelated business taxable income within the meaning of section 512(a)(1) of the IRC, do not qualify for this complete exemption.

- Banks and financial corporations exempt from local taxation under Article XIII, Section 27 of the California Constitution and Revenue and Taxation Code section 23182.
- Insurance companies exempt from local taxation under Article XIII, Section 28 of the California Constitution.
- Persons engaging in business as a for-hire motor carrier of property under Revenue and Taxation Code section 7233.
- Persons engaging in intercity transportation as a household goods carrier under Public Utilities Code section 5327.
- Charter-party carriers operating limousines that are neither domiciled nor maintain a business office with the City under Public Utilities Code Section 5371.4.
- Any other person upon whom the City is prohibited under the Constitution or laws of the United States or under the Constitution or laws of the State of California from imposing the Gross Receipts Tax.

### Non-Exempt Persons Other Than Lessors of Residential Real Estate

Persons other than lessors of residential real estate must file a Return if they were engaged in business in San Francisco in 2014 (as defined in Code section 6.2-12, qualified by Code sections 952.3(f) and (g)) and are not otherwise exempt under Code sections 906 and 954, unless both of the following are true:

- Their combined taxable payroll expense in the City, computed without regard to the small business tax exemption in Code section 905-A, is less than \$150,000; and
- Their combined taxable gross receipts in the City, computed without regard to the small business exemption in Code section 954.1, is less than \$500,000.

Due to the extensive features offered in the online filing, taxpayers are encouraged to use the online form if they are eligible to do so.

### Non-Exempt Persons That May Not File Online and Must File By Mail or In Person

You may not file your Return online and must file this paper Return if:

- You plan on taking the Biotechnology Exclusion, the Clean Technology Business Exclusion, the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion, and/or the Stock-Based Compensation Exclusion with respect to your Payroll Expense Tax;
- You plan on taking the “Payroll Expense Tax Exclusion” Credit in Code section 960 as a result of your qualification for the Biotechnology Exclusion and/or the Clean Technology Business Exclusion;
- You plan on taking the Central Market Street Limit in Code section 961;
- You are a combined group (described below) with more than one entity engaged in business in San Francisco at any point during the tax year and plan on taking the Enterprise Zone Tax Credit and/or the “Payroll Expense Tax Exclusion” Credit as a result of your qualification for the Enterprise Zone Tax Credit;
- You are currently a member of a combined group (described below), but

are filing on behalf of a different combined group for an earlier portion of the year;

- You are a combined group (described below) that includes only a portion of an entity. For example, assume Corporation A and Corporation B are unitary with Partnership C, and Corporations A and B each own 30 percent of Partnership C. Under California Franchise Tax rules, Partnership C would be included in Corporation A and B's unitary group to the extent of their combined 60 percent ownership. In this scenario, the combined group with Corporation A, Corporation B, and 60 percent of Partnership C must file a paper return. As another example, assume Corporation D has two divisions that engage in distinct unitary businesses, each of which is unitary with a separate combined group of entities. The combined groups that include the single division of Corporation D must file a paper return.
- You are filing for a portion of the year as a separate filer, but are included in a combined group or groups for a separate portion of the year. For example, if Corporation E joins combined group F in July and is filing as a separate entity from January through June, Corporation E must file a paper return.
- You are a combined group (described below) that includes an entity for a portion of the year when that entity is also included in a different combined group for a portion of the year or is filing as a separate filer for a portion of the year. In the example above, combined group F must file a paper return because Corporation E was only a part of combined group F for a portion of the

year and filed as a separate entity for a portion of the year.

### Non-Exempt Lessors of Residential Real Estate

For purposes of this Return, a lessor of residential real estate is treated as a separate person with respect to each individual building in which it leases residential real estate units, and must file a separate Return for each individual building and for its other business activities combined. A lessor of residential real estate must therefore allocate its gross receipts and payroll expense to each individual building in which it leases residential real estate units and to its other business activities combined. "Residential real estate" means real property where the primary use of or right to use the property is for the purpose of dwelling, sleeping or lodging other than as part of the business activity of accommodations.

Lessors of residential real estate in San Francisco must file a Return if they are not otherwise exempt under Code sections 906 and 954, unless both of the following are true:

- Their taxable payroll expense in the City, computed without regard to the small business tax exemption in Code section 905-A, is less than \$150,000; and
- They lease fewer than 4 units in any individual building.

### Example 1: Lessor of Residential Real Estate Registration and Filing Requirements

Assume Corporation A leases 10 residential units and 5 commercial units in Building A, leases 3 residential units and 4 commercial units in Building B, and generates \$3,000,000 of gross receipts and \$300,000 of payroll expense from these activities.

Based on rules analogous to those in Code section 904 or another appropriate cost accounting methodology, Corporation A allocates \$200,000 of its payroll

expense to the lease of its 9 commercial units, \$75,000 to the lease of its 10 residential units in Building A, and \$25,000 to the lease of its 3 residential units in Building B.

Based on its books and records, Corporation A determines that \$2,000,000 of its gross receipts are from the lease of the 9 commercial units, \$750,000 are from the lease of the 10 residential units in Building A, and \$250,000 are from the lease of the 3 residential units in Building B.

Corporation A would have to file one Return reflecting the \$200,000 payroll expense and \$2,000,000 gross receipts of the 9 commercial units because its payroll expense and gross receipts were not less than \$150,000 and \$500,000, respectively.

Corporation A would also have to register as a separate person and file one Return reflecting the \$75,000 payroll expense and \$750,000 gross receipts for the 10 residential units in Building A because Corporation A leases more than 3 residential units in Building A. Corporation A would not need to file a Return for the 3 residential units in Building B because Corporation A leases fewer than 3 residential units in Building B and the \$25,000 payroll expense allocated to the residential units in Building B is less than \$150,000. Corporation A would have to register as a separate person for the 3 residential units in Building B because it has payroll expense allocated to that building.

## Combined Groups

Beginning with tax year 2014, all persons and their related entities (defined below) must file Gross Receipts Tax and Payroll Expense Tax returns on a combined basis, reflecting the gross receipts, payroll expense, and other tax attributes (e.g., credits and exclusions, payroll for apportionment, etc.) of all related entities. Prior to filing your Return, please ensure all information about any related entities engaged in business in San Francisco is up-to-date in Account Update online. For purposes of these instructions, the terms “you” and “your” will refer to the filer and any related entities if a combined group, unless otherwise noted.

For purposes of this Return, the term “combined group” refers to a taxpayer and all of its related entities. A person is a related entity to a taxpayer if: (1) that person and the taxpayer are permitted or required to have their income reflected on the same combined report for California Franchise or Income Tax purposes; or (2) that person and one or more other persons (including the taxpayer) derive gross receipts solely from sources within California and their business activities are such that, if conducted both within and outside California, a combined report would be required for California Franchise or Income Tax purposes.

If an entity was a member of your combined group for only a portion of 2014, include that entity in your combined group’s Return for the portion of 2014 that it was a member. For the portion of 2014 that the entity was not a part of your combined group, that entity will have to file separately or as part of another combined group. As noted above, any combined group including an entity for only a portion of that year when the entity is filing separately or as part of another combined group for a different portion of the year may not file online and must file a paper Return.

If you are currently a non-filing member of a combined group but were a separate entity for a portion of the year, you must file (on a paper Return, as described above) as a separate entity for that portion of 2014 that you were a separate entity engaged in business in San Francisco. As also noted above, if you are currently a member of a combined group, but are filing on behalf of a different combined group for an earlier portion of the year, you may not file your Return online and must file a paper Return.

If your combined group for California Franchise or Income Tax purposes includes an entity that is exempt from the Payroll Expense Tax and/or Gross Receipts Tax (e.g., banks or financial corporations exempt from local taxation under

Article XIII, Section 27 of the California Constitution and Revenue and Taxation Code section 23182), you may either:

- 1) Treat the exempt entity as if it is not a related entity for purposes of the Payroll Expense Tax and Gross Receipts Tax such that it is not included in your combined Return. The gross receipts, payroll expense, and other tax attributes of this exempt entity would therefore not be included in your combined Return. In this case, amounts received from or charged to the exempt entity would not be treated as amounts received from or charged to a person that is a related entity, and therefore would not be excluded from gross receipts as such under Code section 952.3(d).
- 2) Treat the exempt entity as a related entity for purposes of the Payroll Expense Tax and Gross Receipts Tax, including the exempt entity's gross receipts and payroll in your "combined gross receipts" and "payroll" for purposes of apportionment under Code section 956.2. However, because the exempt entity is itself not taxable, you would exclude from your taxable San Francisco gross receipts any receipts of the exempt entity that were allocated to San Francisco under Code section 956.1, and you would exclude any payroll expense attributable to this exempt entity in calculating your Payroll Expense Tax. To include an exempt entity as a related entity in your combined Return, the exempt entity need not be separately included as a related entity in Account Update online. Rather, you just need to include the exempt entity's gross receipts in the "Total" column when entering your gross receipts on Forms GR-A-2014, and you need to

include the exempt entity's payroll in the "Total" and "San Francisco" columns of line D1 of Forms GR-A-2014. You should also include this entity on your Form CG-2014. To complete column A5 of Form CG-2014, use the instructions to line B2 of Form PY-2014.

To file a Return on behalf of a combined group, you must have authorization to file on behalf of each taxpayer in the combined group. A form for this purpose, Form POA-2, is available on the website of the Treasurer and Tax Collector at <http://sftreasurer.org/business-form-central>. You do not need to submit this form with your Return.

NOTE: Pursuant to Tax Collector Regulation 2014-2, a single-member entity (including a single-member limited liability company) treated as a disregarded entity for federal income tax purposes will be disregarded for purposes of the gross receipts tax, payroll expense tax, and business registration requirements. Each such entity will be treated as a sole proprietorship, branch, or division of its owner. The owner of the disregarded entity will be the registrant and taxpayer for purposes of the gross receipts tax, payroll expense tax, and business registration requirements.

### When You Must File

Returns and payments are due on or before the last day of February of the immediately following subject tax year, unless the Tax Collector has granted you an extension prior to the due date. Since the last day of February 2015 falls on a Saturday, the next business day, March 2, 2015, is the due date. Paper filings must therefore be postmarked or received by our office before midnight on March 2, 2015. Payments must also be received or postmarked on or before March 2, 2015. Failure to meet these deadlines will result in penalties, interest, and fees.

Paper filings may be mailed via U.S. Postal Service to:

Office of the Treasurer & Tax Collector  
PO Box 7425  
San Francisco, CA 94120

Paper filings may also be sent via private delivery service, courier, or hand delivery to:

Office of the Treasurer & Tax Collector  
1 Dr. Carlton B. Goodlett Pl, City Hall Room 140  
San Francisco, CA 94102

### Extension Requests

The Tax Collector may extend for a period not to exceed 60 days the time for filing a Return. As a condition of such extension, the person seeking the extension shall make a payment of not less than 90 percent of such person's estimated liability for such period.

Taxpayers may access an extension request at [www.sftreasurer.org/extensionrequest](http://www.sftreasurer.org/extensionrequest) . The form and any required payment must be submitted by March 2, 2015. Taxpayers qualifying for the extension must file their Return and make any required payment by May 1, 2015.



## Preparing Your Return For Submission

Your Return will consist of a number of component pieces that must all be submitted in order for your filing to be considered complete. Incomplete Returns are not considered to have been submitted and will be subject to applicable penalties, interest, and fees.

Most businesses will need to submit the following packet:

- 1) Form BTAX-2014;
- 2) The applicable Forms GR-A-2014 for each business activity in which the person engaged during the tax year;
- 3) Form GR-2014, San Francisco Gross Receipts Summary;
- 4) Form PY-2014, 2014 Payroll Expense Tax Statement; and
- 5) Form GR/PY-2014, Gross Receipts Tax and Payroll Expense Tax Obligation Summary.

In addition to the documents above, businesses claiming most credits, exclusions, or the Central Market Street Limit must submit the applicable Form(s) CEL-2014 to substantiate their credit, exclusion, or limit. Businesses wishing to claim the Stock-Based Compensation exclusion do not have a Form CEL-2014.

Persons filing on behalf of a combined group of related entities must submit a Form CG-2014, the Combined Groups Summary.

Finally, businesses that qualified for the Administrative Office Tax in lieu of the Gross Receipts Tax and Payroll Expense Tax must submit only Form BTAX-2014 and Form AOT-2014, 2014 Administrative Office Tax Statement, and do not need to submit any of the other documents (other than Form CG-2014, if a combined group), as they are not applicable to the filing.

### Tax Return Packet Checklist (Everyone Other than Administrative Office Tax Payers)

- |                          |  |
|--------------------------|--|
| <input type="checkbox"/> | Form BTAX-2014   |
| <input type="checkbox"/> | Form GR-A-2014 for each business activity                            |
| <input type="checkbox"/> | Form GR-2014   |
| <input type="checkbox"/> | Form PY-2014 (for each entity in your combined group, if applicable) |
| <input type="checkbox"/> | Form GR/PY-2014  |
| <input type="checkbox"/> | Form(s) CEL-2014 (if applicable)                                     |
| <input type="checkbox"/> | Form CG-2014 (if applicable)   |

## Form BTAX-2014

This form provides our office with important tax information and confirms whether you are subject to the Administrative Office Tax. You must answer all questions on this form (unless you qualify for the Administrative Office Tax, in which case you may skip section C). If you do not answer any of these questions your filing will be considered incomplete and will be subject to applicable penalties, interest, and fees.

**Remember: Combined groups must respond to all questions on a combined basis, including all related entities.**

### Section A. Business Information

#### A1. Business Personal Property

Mark “yes” if you had any business personal property in the City during the tax year.

#### A2. Average Weekly Employees

Write your average number of weekly employees for your entire business (not just San Francisco). This is a survey question that does not affect your Gross Receipts Tax or Payroll Expense Tax liability.

### Section B. Administrative Office Tax Qualification

This section contains three questions that will determine whether you are subject to the Administrative Office Tax, or whether you are subject to the Payroll Expense Tax and Gross Receipts Tax. If you are the Filer of a combined group, answer these questions on a combined basis. However, for purposes of these three questions only, a person is a “related entity” if they could be included in the same combined report for California Franchise or Income Tax purposes but for the existence of a water’s edge election (i.e., you should ignore any water’s edge election for purposes of these three questions).

If you answer “Yes” to all three questions, you are subject to the Administrative Office Tax and should file only Form BTAX-2014, Form AOT-2014, and Form CG-2014 (if a combined group). If you answer “No” to any one of the questions, you do not qualify for the Administrative Office Tax and should file all necessary Payroll Expense Tax and Gross Receipts Tax forms. If you file Form AOT-2014 when you do not qualify, your filing will not be accepted and you will be subject to applicable penalties, interest, and fees.

#### B1. Employees

Mark “Yes” if the total combined number of full-time and part-time employees within the United States of your business and any related entities exceeded 1,000 as of December 31, 2014 (or the last day of the period for which you are filing this Return). Otherwise, mark “No.”

#### B2. Gross Receipts

Mark “Yes” if the total combined gross receipts of your business and any related entities reported on United States federal income tax return(s) for 2014 exceeded one billion dollars (\$1,000,000,000). Otherwise, mark “No.” If you and/or any of your related entities have not yet filed United States federal income tax return(s) for 2014, use the gross receipts that will be reported on such return(s) when filed.

#### B3. Payroll Expense Attributable to Administrative or Management Services

Mark “Yes” if over 50 percent of the total combined payroll expense in the City of your business and any related entities in 2014 was associated with providing administrative or management services exclusively to you and any of your related entities. Otherwise, mark “No.” For purposes of this question only, payroll expense in the City is determined in the same way as for the Payroll Expense Tax (in Code section 901 *et seq.*), except that grants of rights to acquire an ownership interest in an employer

(e.g., stock options) are not included as payroll expense. Also for purposes of this question, “administrative or management services” comprises internal support services provided on an enterprise-wide basis, such as executive office oversight, company business strategy, recordkeeping, risk management, personnel administration, legal, accounting, market research and analysis, and training services. “Administrative or management services” does not include, for example, sales personnel or personnel actively engaged in marketing, research and development, direct customer service, and product support services.

NOTE: If you answered “Yes” to all three of the questions in Section B, you may proceed to Form AOT-2014 without answering Section C. However, you must submit Form BTAX-2014 with your signed Form AOT-2014.

## Section C. Business Questions

### C1. Lessor of Residential Real Estate

Mark “Yes” if you are filing this Return as a lessor of residential real estate in 2014. “Residential real estate” means real property where the primary use of or right to use the property is for the purpose of dwelling, sleeping or lodging other than as part of the business activity of accommodations.

#### Example 2: Lessor of Residential Real Estate

**NOTE:** If you are both a lessor of residential real estate and are engaged in another business activity or activities in San Francisco in 2014, you are treated as a separate taxpayer (requiring a separate Business Account Number, or account numbers if a combined group) for all of your other business activities combined, as well as being treated as a separate taxpayer (requiring a separate Business Account Number) for each individual building in which you are a lessor of residential real estate. For example, if Corporation A is a lessor of 6 residential units in Building B in San Francisco, is a lessor of 5 residential units and 1 commercial unit in Building C in San Francisco, and sells widgets in San Francisco,

Corporation A will be treated as 3 separate taxpayers (each requiring a separate Business Account Number): one for the 6 residential units in Building B; one for the 5 residential units in Building C; and one for the commercial unit in Building C and the widget sales combined. Thus, if you are engaged in a business activity (or activities) other than as a lessor of residential real estate, you will need to complete a separate Return for those activities (in addition to separate Returns for each individual building in which you lease residential real estate).

### C2. Locations in San Francisco

Mark “Yes” if all of your business locations in 2014 were in San Francisco.

### C3. Gross Receipts

Mark “Yes” if all of your gross receipts in 2014 were derived from business activities in San Francisco.

### C4. Tax Rate Categories

Mark “Yes” if more than 80 percent of your San Francisco gross receipts in 2014 were derived from a single tax rate category (i.e., one of Code sections 953.1 through 953.7). For a list of tax rate categories, see Appendix C attached to these instructions.

To determine whether more than 80 percent of your San Francisco gross receipts in 2014 were derived from a single tax rate category, divide your San Francisco gross receipts for each tax rate category into your total San Francisco gross receipts for all tax rate categories combined. If you derive gross receipts from business activities both within and outside San Francisco, determine your San Francisco gross receipts for each tax rate category by allocating/apportioning your total gross receipts from each tax rate category to San Francisco under the allocation/apportionment rules for that tax rate category.

### C5. Credits

Mark “Yes” if you are claiming the Enterprise Zone Tax Credit or the “Payroll Expense Tax Exclusion” Credit.

**C6. Receipts from the Sale of Real Property or Financial Instruments**

Mark “Yes” if you received any amount in 2014 from the sale of real property or financial instruments. “Financial instruments” are defined in Code section 952.3(e) as: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

**C7. Payments to Construction Subcontractors**

Mark “Yes” if you made any payments to a construction subcontractor in 2014 while doing business in the construction industry.

**C8. Receipts from Investments, Royalties, or Licensing Fees**

Mark “Yes” if you received any amount from investments, royalties, or licensing fees in 2014.

**C9. Distributions from Pass-Through Entities**

Mark “Yes” if you received any distributions from one or more pass-through entities in 2014.

Once you have completed this Form BTAX-2014, you may continue on to complete the applicable Form(s) GR-A-2014 for each business activity you (or your related entities doing business in San Francisco) were engaged in during tax year 2014.

## Form GR-A-2014

Prepare a Form GR-A-2014 for each business activity in which you engaged in 2014, regardless of the amount of gross receipts that the business activity generated. Most activities are categorized by their 2012 North American Industry Classification System (“NAICS”) code. For more information on the 2012 NAICS codes, go to [www.census.gov/eos/www/naics](http://www.census.gov/eos/www/naics). The “Biotechnology” and “Clean Technology” businesses are described in Code sections 906.1 and 906.2, respectively. If you are engaged in any business activities that do not have a corresponding Form GR-A-2014, submit a Form GR-A-2014 Miscellaneous Business Activities for those business activities only.

Note: Interest earned on savings accounts and other passive investment receipts may be reported in your primary business activity. You do not need to submit a separate Form GR-A-2014 for these amounts.

If you are a combined group, provide this information on a water’s edge or worldwide basis, depending on the election you made that governs your California Franchise Tax Board filing for 2014. To determine the gross receipts to include in the “San Francisco” column (if applicable), use the rules in Code section 956.1, including the gross receipts of all related entities, regardless of the entities’ individual connections to San Francisco.

If the San Francisco gross receipts for a particular business activity are determined wholly by allocating receipts according to Code section 956.1, then only the “San Francisco” column will show on that form. Similarly, if the San Francisco gross receipts are determined wholly by apportioning based on payroll according to Code section 956.2, then only the “Total” column will show on that form. For business activities that use both allocation and payroll apportionment, both columns will display on that form.

## General Instructions for Entering Gross Receipts

In general, “gross receipts” includes all amounts received or accrued from whatever source derived, including, but not limited to, amounts derived from sales, services, dealings in property, interest, rent, royalties, dividends, licensing fees, other fees, commissions, and distributed amounts from other business entities. Gross receipts generally include, but are not limited to, all amounts that constitute gross income for federal income tax purposes.

## GR-A-2014 – Accommodations

Use this form for gross receipts in the business activity of Accommodations described in Code section 953.3, which falls in 2012 NAICS Code 721.

This form only displays a “San Francisco” column, as only gross receipts derived from San Francisco properties are included in San Francisco gross receipts.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Accommodations in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Accommodations, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Accommodations, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Accommodations, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any

business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Accommodations, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Accommodations, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Accommodations, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Accommodations, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Accommodations, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Accommodations, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

**B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Accommodations, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

**B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Accommodations, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

**B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Accommodations, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

**B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Accommodations, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

**B6. Excludable Taxes**

For the business activity of Accommodations, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

**B7. Other Amounts**

For the business activity of Accommodations, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

**B8. Subtotal Exclusions**

This line sums lines B1 through B7.

**C1. Total Allocated Gross Receipts**

Subtract B8 from A10.

**E1. San Francisco Gross Receipts**

Transfer **C1** to this line. These are your San Francisco gross receipts for the business activity

of Accommodations and will be transferred to  
your Form GR-2014 line **12**.



## GR-A-2014 – Administrative and Support Services

Use this form for gross receipts in the business activity of Administrative and Support Services described in Code section 953.4, which falls in 2012 NAICS Code 56.

This form only displays a “Total” column, as San Francisco gross receipts for Administrative and Support Services are determined by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Administrative and Support Services in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Administrative and Support Services, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Administrative and Support Services, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Administrative and Support Services, enter the sum of all interest, dividends, and other amounts received or

accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Administrative and Support Services, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Administrative and Support Services, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Administrative and Support Services, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Administrative and Support Services, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Administrative and Support Services, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited

to, amounts that constitute gross income for federal income tax purposes.

#### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

#### **B1. Related Entities**

For the business activity of Administrative and Support Services, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

#### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Administrative and Support Services, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

#### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Administrative and Support Services, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

#### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Administrative and Support Services, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

#### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Administrative and Support Services, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

#### **B6. Excludable Taxes**

For the business activity of Administrative and Support Services, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

#### **B7. Other Amounts**

For the business activity of Administrative and Support Services, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

## **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

## **C1. Total Gross Receipts Before Apportionment**

Subtract B8 from A10.

## **Section D – Apportioned Gross Receipts**

This section of the form applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Administrative and Support Services uses only apportionment, the calculation is: Line C1 of your “Total” column multiplied by your apportionment percentage.

## **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

## **D1 – San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

## **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

## **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

## **E1. San Francisco Gross Receipts**

Transfer **D3** to this line. These are your San Francisco gross receipts for the business activity of Administrative and Support Services and will be transferred to your Form GR-2014 line **17**.

## GR-A-2014 – Arts, Entertainment, and Recreation

Use this form for gross receipts in the business activity of Arts, Entertainment, and Recreation described in Code section 953.3, which falls in 2012 NAICS Code 71.

This form only displays a “Total” column, as San Francisco gross receipts for Arts, Entertainment, and Recreation are determined by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Arts, Entertainment, and Recreation in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Arts, Entertainment, and Recreation, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial

instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

## **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Arts, Entertainment, and Recreation, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

### **B6. Excludable Taxes**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

### **B7. Other Amounts**

For the business activity of Arts, Entertainment, and Recreation, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Apportionment**

Subtract B8 from A10.

### **Section D – Apportioned Gross Receipts**

This section of the form applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Arts, Entertainment, and Recreation uses only apportionment, the calculation is: Line C1 of your “Total” column multiplied by your apportionment percentage.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 – San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **E1. San Francisco Gross Receipts**

Transfer **D3** to this line. These are your San Francisco gross receipts for the business activity of Arts, Entertainment, and Recreation and will be transferred to your Form GR-2014 line **14**.

## GR-A-2014 – Biotechnology

Use this form for gross receipts in the business activity of Biotechnology described in Code section 953.2, which is further described in Code section 906.1.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Biotechnology are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Biotechnology in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Biotechnology, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Biotechnology, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Biotechnology, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks

or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Biotechnology, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Biotechnology, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Biotechnology, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Biotechnology, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Biotechnology, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Biotechnology, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Biotechnology, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Biotechnology, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Biotechnology, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Biotechnology, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

### **B6. Excludable Taxes**

For the business activity of Biotechnology, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

### **B7. Other Amounts**

For the business activity of Biotechnology, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Allocation/Appportionment**

Subtract B8 from A10.



## **Section D – Allocated/Appportioned Gross Receipts**

This section of the form applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Biotechnology uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for the business activity of Biotechnology. These are your San Francisco gross receipts for the business activity of Biotechnology.

### **E1. San Francisco Gross Receipts**

Transfer **D6** to this line. These are your San Francisco gross receipts for the business activity of Biotechnology and will be transferred to your Form GR-2014 line **9**.

## GR-A-2014 – Certain Services

Use this form for gross receipts in the business activity of Certain Services described in Code section 953.1, which falls in 2012 NAICS Codes 811, 812, and 813.

This form only displays a “Total” column, as San Francisco gross receipts for Certain Services are determined by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Certain Services in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Certain Services, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Certain Services, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Certain Services, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any

business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Certain Services, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Certain Services, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Certain Services, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Certain Services, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Certain Services, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Certain Services, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

**B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Certain Services, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

**B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Certain Services, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

**B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Certain Services, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

**B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Certain Services, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

**B6. Excludable Taxes**

For the business activity of Certain Services, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

**B7. Other Amounts**

For the business activity of Certain Services, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

**B8. Subtotal Exclusions**

This line sums lines B1 through B7.

**C1. Total Gross Receipts Before Apportionment**

Subtract B8 from A10.

## Section D – Apportioned Gross Receipts

This line applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Certain Services uses only apportionment, the calculation is: Line C1 of your “Total” column multiplied by your apportionment percentage.

### D1 - Total Payroll Column

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### D1 - San Francisco Payroll Column

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### D2. Apportionment Percentage

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### D3. Apportionment Calculation

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### E1. San Francisco Gross Receipts

Transfer **D3** to this line. These are your San Francisco gross receipts for the business activity of Certain Services and will be transferred to your Form GR-2014 line **3**.

## GR-A-2014 – Clean Technology

Use this form for gross receipts in the business activity of Clean Technology described in Code section 953.2, which is further described in Code section 906.2.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Clean Technology are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Clean Technology in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Clean Technology, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Clean Technology, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Clean Technology, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks

or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Clean Technology, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Clean Technology, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Clean Technology, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Clean Technology, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Clean Technology, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

**B1. Related Entities**

For the business activity of Clean Technology, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

**B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Clean Technology, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

**B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Clean Technology, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

**B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Clean Technology, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

**B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Clean Technology, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

**B6. Excludable Taxes**

For the business activity of Clean Technology, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

**B7. Other Amounts**

For the business activity of Clean Technology, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

**B8. Subtotal Exclusions**

This line sums lines B1 through B7.

**C1. Total Gross Receipts Before Allocation/Appportionment**

Subtract B8 from A10.

## **Section D – Allocated/Apportioned Gross Receipts**

This line applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Clean Technology uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for this business activity. These are your San Francisco gross receipts for this business activity.

### **E1. San Francisco Gross Receipts**

Transfer **D6** to this line. These are your San Francisco gross receipts for the business activity of Clean Technology and will be transferred to your Form GR-2014 line **10**.

## GR-A-2014 – Construction

Use this form for gross receipts in the business activity of Construction described in Code section 953.5, which falls in 2012 NAICS Code 23.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Construction are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Construction in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Construction, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Construction, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Construction, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing

a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Construction, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Construction, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Construction, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Construction, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Construction, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.



### **B1. Related Entities**

For the business activity of Construction, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Construction, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Construction, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Construction, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Construction, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

### **B6. Excludable Taxes**

For the business activity of Construction, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

### **B7. Other Amounts**

For the business activity of Construction, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6 or line D7. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Allocation/Appportionment**

Subtract B8 from A10.

## **Section D – Allocated/Apportioned Gross Receipts**

This line applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Construction uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for this business activity.

### **D7. Amounts Paid to Subcontractors**

Your San Francisco gross receipts for the business activity of Construction may be reduced by amounts paid in 2014 to a subcontractor possessing a valid business registration certificate with the City during the tax year to the extent that those amounts were included in line C1 of the “San Francisco” column. Do not subtract any other costs, including, without limitation, costs for materials, fees, equipment, or other services. In order to claim the reduction for payments to subcontractors, you must maintain an itemized schedule of payments to subcontractors and information sufficient to enable the Tax Collector to verify that the subcontractor possessed a valid business registration certificate with the City.

### **E1. San Francisco Gross Receipts**

Subtract **D7 from D6** and input in this line. These are your San Francisco gross receipts for the business activity of Construction and will be transferred to your Form GR-2014 line **20**.

## GR-A-2014 – Private Education and Health Services

Use this form for gross receipts in the business activity of Private Education and Health Services described in Code section 953.4, which falls in 2012 NAICS Codes 61 and 62.

This form only displays a “Total” column, as San Francisco gross receipts for Private Education and Health Services are determined by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Private Education and Health Services in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Private Education and Health Services, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Private Education and Health Services, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Private Education and Health Services, enter the sum of all interest, dividends, and other amounts received or

accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Private Education and Health Services, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Private Education and Health Services, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Private Education and Health Services, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Private Education and Health Services, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Private Education and Health Services, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited

to, amounts that constitute gross income for federal income tax purposes.

#### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

#### **B1. Related Entities**

For the business activity of Private Education and Health Services, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

#### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Private Education and Health Services, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

#### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Private Education and Health Services, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

#### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Private Education and Health Services, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

#### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Private Education and Health Services, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

#### **B6. Excludable Taxes**

For the business activity of Private Education and Health Services, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

#### **B7. Other Amounts**

For the business activity of Private Education and Health Services, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

## **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

## **C1. Total Gross Receipts Before Apportionment**

Subtract B8 from A10.

## **Section D – Apportioned Gross Receipts**

This section of the form applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Private Education and Health Services uses only apportionment, the calculation is: Line C1 of your “Total” column multiplied by your apportionment percentage.

## **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

## **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

## **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

## **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

## **E1. San Francisco Gross Receipts**

Transfer **D3** to this line. These are your San Francisco gross receipts for the business activity of Private Education and Health Services and will be transferred to your Form GR-2014 line **16**.

## GR-A-2014 – Financial Services

Use this form for gross receipts in the business activity of Financial Services described in Code section 953.6, which falls in 2012 NAICS Codes 521, 522, and 523.

This form only displays a “Total” column, as San Francisco gross receipts for Financial Services are determined by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Financial Services in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Financial Services, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Financial Services, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Financial Services, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any

business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Financial Services, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Financial Services, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Financial Services, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Financial Services, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Financial Services, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Financial Services, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

**B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Financial Services, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

**B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Financial Services, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

**B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Financial Services, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

**B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Financial Services, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

**B6. Excludable Taxes**

For the business activity of Financial Services, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

**B7. Other Amounts**

For the business activity of Financial Services, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

**B8. Subtotal Exclusions**

This line sums lines B1 through B7.

**C1. Total Gross Receipts Before Apportionment**

Subtract B8 from A10.

## Section D – Apportioned Gross Receipts

This section of the form applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Financial Services uses only apportionment, the calculation is: Line C1 of your “Total” column multiplied by your apportionment percentage.

### D1 - Total Payroll Column

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### D1 - San Francisco Payroll Column

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### D2. Apportionment Percentage

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### D3. Apportionment Calculation

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### E1. San Francisco Gross Receipts

Transfer **D3** to this line. These are your San Francisco gross receipts for the business activity of Financial Services and will be transferred to your Form GR-2014 line **22**.



## GR-A-2014 – Food Services

Use this form for gross receipts in the business activity of Food Services described in Code section 953.2, which falls in 2012 NAICS Code 722.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Food Services are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Food Services in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Food Services, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Food Services, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Food Services, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks

or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Food Services, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Food Services, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Food Services, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Food Services, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Food Services, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Food Services, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Food Services, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Food Services, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Food Services, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Food Services, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

### **B6. Excludable Taxes**

For the business activity of Food Services, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

### **B7. Other Amounts**

For the business activity of Food Services, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Allocation/Appportionment**

Subtract B8 from A10.

## **Section D – Allocated/Appportioned Gross Receipts**

This line applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Food Services uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for this business activity. These are your San Francisco gross receipts for this business activity.

### **E1. San Francisco Gross Receipts**

Transfer **D6** to this line. These are your San Francisco gross receipts for the business activity of Food Services and will be transferred to your Form GR-2014 line **8**.

## GR-A-2014 – Information

Use this form for gross receipts in the business activity of Information described in Code section 953.2, which falls in 2012 NAICS Code family 51.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Information are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Information in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Information, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Information, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Information, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing

a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Information, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Information, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Information, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Information, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Information, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Information, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Information, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Information, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Information, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Information, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

### **B6. Excludable Taxes**

For the business activity of Information, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

### **B7. Other Amounts**

For the business activity of Information, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Allocation/Appportionment**

Subtract B8 from A10.

## **Section D – Allocated/Appportioned Gross Receipts**

This line applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Information uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for this business activity. These are your San Francisco gross receipts for this business activity.

### **E1. San Francisco Gross Receipts**

Transfer **D6** to this line. These are your San Francisco gross receipts for the business activity of Information and will be transferred to your Form GR-2014 line **7**.

## GR-A-2014 – Insurance

Use this form for gross receipts in the business activity of Insurance described in Code section 953.6, which falls in 2012 NAICS Code 524.

This form only displays a “Total” column, as San Francisco gross receipts for Insurance are determined by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Insurance in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Insurance, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Insurance, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Insurance, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and

(3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Insurance, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Insurance, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Insurance, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Insurance, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Insurance, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Insurance, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

**B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Insurance, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

**B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Insurance, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

**B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Insurance, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

**B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Insurance, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real

Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

**B6. Excludable Taxes**

For the business activity of Insurance, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

**B7. Other Amounts**

For the business activity of Insurance, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

**B8. Subtotal Exclusions**

This line sums lines B1 through B7.

**C1. Total Gross Receipts Before Apportionment**

Subtract B8 from A10.

**Section D – Apportioned Gross Receipts**

This section of the form applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Insurance uses only apportionment, the calculation is: Line C1 of your “Total” column multiplied by your apportionment percentage.



### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water's edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, "[c]ompensation" means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 "San Francisco" Payroll by D1 "Total" Payroll. This will provide you with the apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the "Total" column, line C1, by the entry in D2.

### **E1. San Francisco Gross Receipts**

Transfer **D3** to this line. These are your San Francisco gross receipts for the business activity of Insurance and will be transferred to your Form GR-2014 line **23**.

## GR-A-2014 – Manufacturing

Use this form for gross receipts in the business activity of Manufacturing described in Code section 953.2, which falls in 2012 NAICS Codes 31, 32, and 33.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Manufacturing are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Manufacturing in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Manufacturing, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Manufacturing, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Manufacturing, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks

or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Manufacturing, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Manufacturing, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Manufacturing, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Manufacturing, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Manufacturing, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Manufacturing, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Manufacturing, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Manufacturing, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Manufacturing, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Manufacturing, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

### **B6. Excludable Taxes**

For the business activity of Manufacturing, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

### **B7. Other Amounts**

For the business activity of Manufacturing, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Allocation/Appportionment**

Subtract B8 from A10.

## **Section D – Allocated/Apportioned Gross Receipts**

This line applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Manufacturing uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for this business activity. These are your San Francisco gross receipts for this business activity.

### **E1. San Francisco Gross Receipts**

Transfer **D6** to this line. These are your San Francisco gross receipts for the business activity of Manufacturing and will be transferred to your Form GR-2014 line **5**.

## GR-A-2014 – Professional, Scientific, and Technical Services

Use this form for gross receipts in the business activity of Professional, Scientific, and Technical Services described in Code section 953.6, which falls in 2012 NAICS Code 54.

This form only displays a “Total” column, as San Francisco gross receipts for Professional, Scientific, and Technical Services are determined by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Professional, Scientific, and Technical Services in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Professional, Scientific, and Technical Services, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Professional, Scientific, and Technical Services, enter the sum

of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of any other amounts received or accrued in

2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

#### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

#### **B1. Related Entities**

For the business activity of Professional, Scientific, and Technical Services, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

#### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

#### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

#### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

#### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

#### **B6. Excludable Taxes**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

#### **B7. Other Amounts**

For the business activity of Professional, Scientific, and Technical Services, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a

result of any credits, as these will be taken into account after calculating your gross tax liability.

#### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

#### **C1. Total Gross Receipts Before Apportionment**

Subtract B8 from A10.

#### **Section D – Apportioned Gross Receipts**

This section applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Professional, Scientific and Technical Services uses only apportionment, the calculation is: Line C1 of your “Total” column multiplied by your apportionment percentage.

#### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

#### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll

Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

#### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the apportionment percentage. It should be a number less than or equal to one.

#### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

#### **E1. San Francisco Gross Receipts**

Transfer **D3** to this line. These are your San Francisco gross receipts for the business activity of Professional, Scientific and Technical Services and will be transferred to your Form GR-2014 line **24**.

## GR-A-2014 – Real Estate and Rental and Leasing Services

Use this form for gross receipts in the business activity of Real Estate and Rental and Leasing Services described in Code section 953.7, which falls in 2012 NAICS Code 53.

This form only displays a “San Francisco” column, as only gross receipts derived from San Francisco properties are included in San Francisco gross receipts.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Real Estate and Rental and Leasing Services in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Real Estate and Rental and Leasing Services, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all interest, dividends, and other amounts received

or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not



limited to, amounts that constitute gross income for federal income tax purposes.

#### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

#### **B1. Related Entities**

For the business activity of Real Estate and Rental and Leasing Services, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

#### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

#### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

#### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

#### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

#### **B6. Excludable Taxes**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

#### **B7. Other Amounts**

For the business activity of Real Estate and Rental and Leasing Services, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these

will be taken into account after calculating your gross tax liability.

### Rent Controlled Unit Deduction

Note: If you are a lessor of residential real estate, you may exclude from total gross receipts in any tax year 50 percent of the total amount received from the rental of real property to tenants in occupancy at any location in San Francisco that is subject to limits on rent increases pursuant to the Residential Rent Stabilization and Arbitration Ordinance, San Francisco Administrative Code, Chapter 37, Section 37.1 *et seq.*

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Allocated Gross Receipts**

Subtract B8 from A10.

### **E1. San Francisco Gross Receipts**

Transfer **C1** to this line. These are your San Francisco gross receipts for the business activity of Real Estate and Rental and Leasing Services and will be transferred to your Form GR-2014 line **26**.

## GR-A-2014 – Retail Trade

Use this form for gross receipts in the business activity of Retail Trade described in Code section 953.1, which falls in 2012 NAICS Codes 44 and 45.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Retail Trade are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Retail Trade in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Retail Trade, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Retail Trade, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Retail Trade, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks

or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Retail Trade, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Retail Trade, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Retail Trade, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Retail Trade, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Retail Trade, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Retail Trade, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Retail Trade, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Retail Trade, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Retail Trade, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Retail Trade, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

### **B6. Excludable Taxes**

For the business activity of Retail Trade, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

### **B7. Other Amounts**

For the business activity of Retail Trade, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Allocation/Appportionment**

Subtract B8 from A10.

## **Section D – Allocated/Apportioned Gross Receipts**

This line applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Retail Trade uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for this business activity. These are your San Francisco gross receipts for this business activity.

### **E1. San Francisco Gross Receipts**

Transfer **D6** to this line. These are your San Francisco gross receipts for the business activity of Retail Trade and will be transferred to your Form GR-2014 line **1**.

## GR-A-2014 – Transportation and Warehousing

Use this form for gross receipts in the business activity of Transportation and Warehousing described in Code section 953.2, which falls in 2012 NAICS Codes 48 and 49.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Transportation and Warehousing are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Transportation and Warehousing in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Transportation and Warehousing, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Transportation and Warehousing, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Transportation and Warehousing, enter the sum of all interest,

dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Transportation and Warehousing, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Transportation and Warehousing, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Transportation and Warehousing, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Transportation and Warehousing, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Transportation and Warehousing, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited

to, amounts that constitute gross income for federal income tax purposes.

#### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

#### **B1. Related Entities**

For the business activity of Transportation and Warehousing, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

#### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Transportation and Warehousing, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

#### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Transportation and Warehousing, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

#### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Transportation and Warehousing, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

#### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Transportation and Warehousing, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

#### **B6. Excludable Taxes**

For the business activity of Transportation and Warehousing, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

#### **B7. Other Amounts**

For the business activity of Transportation and Warehousing, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

## **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Allocation/Apportionment**

Subtract B8 from A10.

## **Section D – Allocated/Apportioned Gross Receipts**

This line applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Transportation and Warehousing uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll

Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for this business activity. These are your San Francisco gross receipts for this business activity.

### **E1. San Francisco Gross Receipts**

Transfer **D6** to this line. These are your San Francisco gross receipts for the business activity of Transportation and Warehousing and will be transferred to your Form GR-2014 line **6**.



## GR-A-2014 – Utilities

Use this form for gross receipts in the business activity of Utilities described in Code section 953.3, which falls in 2012 NAICS Code 22, and which excludes establishments primarily engaged in waste management services.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Utilities are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### A1. Sales

Enter your gross receipts or sales for the business activity of Utilities in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### A2. Rent

For the business activity of Utilities, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### A3. Royalties

For the business activity of Utilities, enter all royalties received or accrued in 2014.

### A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments

For the business activity of Utilities, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial

instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### A5. Distributed Amounts from Business Entities

For the business activity of Utilities, enter the sum of all distributions from business entities received or accrued in 2014.

### A6. Licensing Fees

For the business activity of Utilities, enter the sum of all licensing and related fees received or accrued in 2014.

### A7. Commissions

For the business activity of Utilities, enter the sum of all commissions received or accrued in 2014.

### A8. All Taxes and Other Governmentally Imposed Fees

For the business activity of Utilities, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### A9. Other Amounts

For the business activity of Utilities, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### A10. Subtotal Gross Receipts

Sum lines A1 through A9.

### **B1. Related Entities**

For the business activity of Utilities, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Utilities, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Utilities, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Utilities, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Utilities, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

### **B6. Excludable Taxes**

For the business activity of Utilities, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

### **B7. Other Amounts**

For the business activity of Utilities, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Allocation/Appportionment**

Subtract B8 from A10.

## **Section D – Allocated/Appportioned Gross Receipts**

This line applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Utilities uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for this business activity. These are your San Francisco gross receipts for this business activity.

### **E1. San Francisco Gross Receipts**

Transfer **D6** to this line. These are your San Francisco gross receipts for the business activity of Utilities and will be transferred to your Form GR-2014 line **13**.

## GR-A-2014 – Wholesale Trade

Use this form for gross receipts in the business activity of Wholesale Trade described in Code section 953.1, which falls in 2012 NAICS Code 42.

This form displays both a “Total” and a “San Francisco” column, as San Francisco gross receipts for Wholesale Trade are determined 50% by allocating gross receipts per Code section 956.1, and 50% by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for the business activity of Wholesale Trade in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For the business activity of Wholesale Trade, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For the business activity of Wholesale Trade, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For the business activity of Wholesale Trade, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar written instruments evidencing

a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For the business activity of Wholesale Trade, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For the business activity of Wholesale Trade, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For the business activity of Wholesale Trade, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For the business activity of Wholesale Trade, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For the business activity of Wholesale Trade, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

**B1. Related Entities**

For the business activity of Wholesale Trade, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

**B2. Investment receipts—Interest, Dividends, and Other Amounts**

For the business activity of Wholesale Trade, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

**B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For the business activity of Wholesale Trade, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

**B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For the business activity of Wholesale Trade, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

**B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For the business activity of Wholesale Trade, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

**B6. Excludable Taxes**

For the business activity of Wholesale Trade, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

**B7. Other Amounts**

For the business activity of Wholesale Trade, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

**B8. Subtotal Exclusions**

This line sums lines B1 through B7.

**C1. Total Gross Receipts Before Allocation/Appportionment**

Subtract B8 from A10.

## **Section D – Allocated/Apportioned Gross Receipts**

This section applies the appropriate allocation and apportionment methodology to your gross receipts.

Because the business activity of Wholesale Trade uses 50% apportionment and 50% allocation, the calculation is: (1) Line C1 of your “Total” column multiplied by your apportionment percentage multiplied by 50% *plus* (2) Line C1 of your “San Francisco” column multiplied by 50%.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water’s edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, “[c]ompensation” means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 “San Francisco” Payroll by D1 “Total” Payroll. This will provide you with the

apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the “Total” column, line C1, by the entry in D2.

### **D4. Apportionment Adjustment**

Multiply D3 by 50%.

### **D5. Allocation Adjustment**

Multiple the entry in the “San Francisco” column, line C1, by 50%.

### **D6. Allocation and Apportionment Calculation**

Sum D4 and D5. This is your allocated and apportioned gross receipts for this business activity. These are your San Francisco gross receipts for this business activity.

### **E1. San Francisco Gross Receipts**

Transfer **D6** to this line. These are your San Francisco gross receipts for the business activity of Wholesale Trade and will be transferred to your Form GR-2014 line **2**.

## GR-A-2014 – Miscellaneous Business Activities / Activity Not Listed

Use this form for gross receipts in a business activity not described in any other tax rate category. This situation is described in Code section 953.4.

This form only displays a “Total” column, as San Francisco gross receipts for these miscellaneous business activities are determined by apportioning based on payroll per Code section 956.2.

### **A1. Sales**

Enter your gross receipts or sales for this business activity in 2014, except for amounts listed on lines A2 through A9. Include gross receipts in the year that they are recognized as gross income for federal income tax reporting purposes. Do not include as gross receipts cash discounts allowed or taken on sales, or cash and credit refunds made to customers for returned merchandise.

### **A2. Rent**

For this business activity, enter the sum of all rental receipts (i.e., rent payments to you), whether received in cash or otherwise, for the lease or rental of real property in 2014, including any payments for services that are part of the lease or rental.

### **A3. Royalties**

For this business activity, enter all royalties received or accrued in 2014.

### **A4. Interest, Dividends, and Other Amounts From the Ownership or Sale of Financial Instruments**

For this business activity, enter the sum of all interest, dividends, and other amounts received or accrued from the ownership or sale of financial instruments in 2014. “Financial instruments” include: (1) stocks or other similar

written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities. To the extent that any loss on the sale or exchange of financial instruments in 2014 reduces your gross income for federal income tax purposes in 2014, you can reduce your gross receipts from the sale or exchange of other financial instruments in 2014 by the amount of that loss, but in no event shall those receipts be less than zero.

### **A5. Distributed Amounts from Business Entities**

For this business activity, enter the sum of all distributions from business entities received or accrued in 2014.

### **A6. Licensing Fees**

For this business activity, enter the sum of all licensing and related fees received or accrued in 2014.

### **A7. Commissions**

For this business activity, enter the sum of all commissions received or accrued in 2014.

### **A8. All Taxes and Other Governmentally Imposed Fees**

For this business activity, enter the sum of all taxes and governmentally imposed fees received or accrued in 2014.

### **A9. Other Amounts**

For this business activity, enter the sum of any other amounts received or accrued in 2014, but not included in lines A1-A8, including, but not limited to, amounts that constitute gross income for federal income tax purposes.

### **A10. Subtotal Gross Receipts**

Sum lines A1 through A9.

### **B1. Related Entities**

For this business activity, enter all amounts received from or charged to any related entity (as defined in Code section 952.5) in 2014.

### **B2. Investment receipts—Interest, Dividends, and Other Amounts**

For this business activity, enter the sum of all interest, dividends, and other amounts received from the ownership or sale of financial instruments and distributions from business entities in 2014, provided such items are directly derived exclusively from the investment of capital and not from the sale of property other than financial instruments or from the provision of services to any person. “Financial instruments” include: (1) stocks or other similar written instruments evidencing a right to participate in the assets of any business; (2) bonds or other evidence of indebtedness; and (3) any other marketable securities.

### **B3. Allocations of Income, Gain, and Distributions From an Investment In a Pass-through Entity**

For this business activity, enter the sum of all allocations of income or gains, or distributions (including returns on capital) in 2014 from an entity treated as a pass-through entity for federal income tax purposes, provided such allocations or distributions are derived exclusively from your investment in such entity, and not from any other property sold to, or services provided to, such entity.

### **B4. Distributed Share of Gross Receipts From a Pass-through Entity Subject to the Gross Receipts Tax**

For this business activity, enter the sum of all gross receipts received in 2014 from a pass-through entity that is subject to the Gross Receipts Tax.

### **B5. Receipts From the Sale of Real Property Subject to the Real Property Transfer Tax**

For this business activity, enter the sum of all receipts received from the sale of real property in 2014 with respect to which the Real Property Transfer Tax imposed by Article 12-C of the Code has been paid to the City.

### **B6. Excludable Taxes**

For this business activity, enter the sum of all excludable taxes in 2014. Taxes excluded from gross receipts include only:

- Taxes imposed on or with respect to retail sales;
- Taxes imposed upon a person for which that person is reimbursed by means of a separately stated charge to a purchaser, lessee, licensee or customer; and
- Third-party taxes that a taxpayer collects from or on behalf of the taxpayer’s customers and remits to the appropriate governmental entity imposing such tax.

### **B7. Other Amounts**

For this business activity, enter the sum of any other amounts excludable by law if included in lines A1-A9 and not otherwise included in lines B1-B6. Include only amounts excluded as gross receipts, and not any reductions from the Gross Receipts Tax as a result of any credits, as these will be taken into account after calculating your gross tax liability.

### **B8. Subtotal Exclusions**

This line sums lines B1 through B7.

### **C1. Total Gross Receipts Before Apportionment**

Subtract B8 from A10.

### **Section D – Apportioned Gross Receipts**

This section of the form applies the appropriate allocation and apportionment methodology to your gross receipts.



Because this business activity uses only apportionment to determine San Francisco gross receipts, the calculation is: Line C1 of your "Total" column multiplied by your apportionment percentage.

and will be transferred to your Form GR-2014 line **18**.

### **D1 - Total Payroll Column**

Total payroll is the total worldwide compensation paid by you and any related entities, unless you made a valid water's edge election for California Franchise Tax purposes, in which case your total payroll is determined in accordance with that election. If you have employees, "[c]ompensation" means wages, salaries, commissions and any other form of remuneration paid to those employees for services. If you have no employees, compensation includes all taxable income for federal income tax purposes of your owners or proprietors who are individuals. If you had no payroll during 2014, enter zero.

### **D1 - San Francisco Payroll Column**

San Francisco payroll is determined by apportioning total payroll under Code section 904 (the rules applicable for determining your taxable San Francisco payroll expense for Payroll Expense Tax purposes). If you had no San Francisco payroll during 2014, enter zero.

### **D2. Apportionment Percentage**

Divide D1 "San Francisco" Payroll by D1 "Total" Payroll. This will provide you with the apportionment percentage. It should be a number less than or equal to one.

### **D3. Apportionment Calculation**

Multiply the entry in the "Total" column, line C1, by the entry in D2.

### **E1. San Francisco Gross Receipts**

Transfer **D3** to this line. These are your San Francisco gross receipts for this business activity

## Form GR-2014

This form organizes your San Francisco gross receipts across business activities so you may enter them into the Gross Receipts Tax Computation Worksheet, attached as Appendix A to the Return, to calculate your Gross Receipts Tax for entry into Form GR/PY-2014. If you or your combined group are engaged in multiple business activities, this form will assist you in applying the rules specified in Code section 953.9. These rules include:

- If more than 80% of your San Francisco gross receipts are derived from business activities in one tax rate category, then that tax rate category applies to all of your gross receipts derived from all business activities.
- The small business exemption provided in Section 954.1 only applies if the sum of your San Francisco gross receipts from all business activities does not exceed \$1,000,000 in total.
- The progressive tax rates apply on an aggregate basis for businesses with multiple sets of activities.
- The applicable rate for each set of business activities is determined in numbered order of the Code sections describing each set of business activities; i.e., activities described in Code section 953.1 are determined first, Code section 953.2 second, and so on.
- The tax rate(s) applicable to any set of activities after the first shall be determined by adding together the San Francisco gross receipts for all previous sets of activities and applying the rate scale commencing with the next dollar. For instance, if you are engaged in a Retail Trade and Food Services and you have \$1 million of gross receipts from your Retail Trade, your Gross Receipts

Tax attributable to Food Services is calculated starting with the second tier tax rate for gross receipts from \$1,000,001 to \$2,500,000.

- Your Gross Receipts Tax liability is the sum of your liabilities for each set of business activities.

Enter the amount from line E1 on Form GR-A-2014 for each business activity in the appropriate line. Note: Business activities are listed in the order they appear in the Code.

Lines 4, 11, 15, 19, 21, 25 and 27 are the subtotals for each Code section. Line 28 is your total San Francisco gross receipts summed across all business activities.

If line 28 is \$1,000,000 or less for the entire tax year, and you are not a lessor of residential real estate, you are exempt from the Gross Receipts Tax in 2014, do not need to complete the tax calculation on the Gross Receipts Tax Computation Worksheet, and should enter \$0 on line GR1 of Form GR/PY-2014. However, you must still file your Return with our office if line 28 is \$500,000 or more for the entire tax year or if you had combined taxable payroll expense of \$150,000 or more. Penalties, interest, and fees will apply if you fail to file timely.

Similarly, if you are a lessor of residential real estate and you lease fewer than four units in an individual building, you are exempt from the Gross Receipts Tax in 2014, do not need to complete the tax calculation on the Gross Receipts Tax Computation Worksheet, and should enter \$0 on line GR1 of Form GR/PY-2014. However, you must still file your Return with our office if you had taxable payroll expense of \$150,000 or more. Penalties, interest, and fees will apply if you fail to file timely.

If line 28 is more than \$1,000,000 and you are not a lessor of residential real estate, or if you are a lessor of residential real estate and you

lease four or more units in an individual building, transfer amounts to the Gross Receipts Tax Computation Worksheet, Column A “Gross Receipts” as follows:

- If any of lines 4, 11, 15, 19, 21, 25, or 27 constitutes more than 80 percent of the total San Francisco gross receipts listed on line 28, transfer line 28 to the row in the Gross Receipts Tax Computation Worksheet, Column A “Gross Receipts,” that corresponds to the Code section that generated more than 80 percent of the gross receipts.
- If none of lines 4, 11, 15, 19, 21, 25, or 27 constitutes more than 80 percent of the total San Francisco gross receipts listed on line 28, transfer each of lines 4, 11, 15, 19, 21, 25, and 27 to the corresponding row in the Gross Receipts Tax Computation Worksheet, Column A “Gross Receipts.”

Once you have completed the Gross Receipts Tax Computation Worksheet, complete any applicable Form(s) CEL-2014, and proceed to Form PY-2014.

## Tax Credits, Exclusions, and Limit

San Francisco offers a number of tax credits, exclusions, and a limit on tax liability for qualifying businesses. To file for these credits, exclusions, and limit taxpayers must file the appropriate form with their annual filing.

### Business in a Combined Group Claiming a “Payroll Expense Tax Exclusion” Credit or the Central Market Street Limit

The “Payroll Expense Tax Exclusion” Credit and Central Market Street Limit may be claimed against the Gross Receipts Tax and Payroll Expense Tax liability only of the person who qualified for the underlying Payroll Expense Tax exclusion or credit and not against any liability of related entities or other members of that person's combined group. Therefore, a person in a combined group must establish its Gross Receipts Tax as a single entity.

A business in a combined group may determine its Gross Receipts Tax as a single entity for the purpose of the “Payroll Expense Tax Exclusion” Credit and/or the Central Market Street Limit by following these steps:

- 1) Divide its payroll in the City as a single entity by the combined payroll in the City of its combined group (as the term “payroll” is used in Code section 956.2) to arrive at a percentage. If either the payroll in the City as a single entity or the combined payroll in the City of its combined group is zero, then the percentage is zero.
- 2) Multiply the percentage from step one by the combined group’s calculated Gross Receipts Tax from line 9 of the Gross Receipts Tax Computation Worksheet.

For example, business A is in combined group B. Business A’s payroll in the City is \$1,000,000.

Combined group B’s combined payroll in the City is \$2,000,000. The calculated Gross Receipts Tax for the combined group is \$300,000. Following the steps above, the \$1,000,000 is divided by \$2,000,000 to arrive at 50 percent. The 50 percent is multiplied by \$300,000 to arrive at \$150,000 in Gross Receipts Tax for business A for the purpose of the “Payroll Expense Tax Exclusion” Credit and/or the Central Market Street Limit.

If it is impracticable, unreasonable or improper to determine Gross Receipts Tax as aforesaid because of the particular nature of the business activities of the related entities in the combined group, the Gross Receipts Tax shall be determined based on the relevant facts and circumstances of the particular case, in accordance with any rulings or regulations issued by the Tax Collector for the purpose.

## Form CEL-2014 BIOTECH - Biotechnology Exclusion and Related “Payroll Expense Tax Exclusion” Credit

The Biotechnology Exclusion permits an exclusion from payroll expense for persons meeting the requirements of Code section 906.1, in an amount determined under that Code section. The “Payroll Expense Tax Exclusion” Credit permits a credit against the Payroll Expense Tax and Gross Receipts Tax of the entity generating the Biotechnology Exclusion in an amount equal to the additional Payroll Expense Tax reduction to which the eligible person would have been entitled as a result of the Biotechnology Exclusion if the Payroll Expense Tax had remained in effect at 1.5 percent. You must timely file your Return to take the credit and exclusion.

To file for the Biotechnology Exclusion and related “Payroll Expense Tax Exclusion” Credit, complete and submit your Form CEL-2014 BIOTECH with your Return. Submit a separate Form CEL-2014 BIOTECH for each entity in your combined group that qualifies for the Biotechnology Exclusion, writing the seven (7) digit Business Account Number of the eligible person in the area at the top of the page.

### **Section A. Biotechnology Exclusion and Related “Payroll Expense Tax Exclusion” Credit Calculation**

**A1.** Input the amount of payroll expense to be excluded from the eligible person’s San Francisco payroll expense due to the Biotechnology Exclusion in Code section 906.1.

This is the Payroll Expense Tax exclusion for the eligible person, and will be input on Form PY-2014, line C3, for this person only.

**A2.** Multiply the amount in line A1 by 0.15% (0.0015). This product is the eligible person’s “Payroll Expense Tax Exclusion” Credit. If this

product in A2 is greater than line B3 below, input line B3 on this line instead.

### **Section B. Combined Business Tax Liability Before Credits Calculation**

**B1.** Input the eligible person’s Payroll Expense Tax before applying credits (line C5 of Form PY-2014 for the eligible person).

**B2.** Input the eligible person’s Gross Receipts Tax before applying credits (line 9 of the Gross Receipts Tax Computation Worksheet, or \$0 if you were exempt from the Gross Receipts Tax as a small business). If the eligible person is in a combined group with other related entities doing business in San Francisco, see the instructions above to determine the eligible person’s Gross Receipts Tax as single entity for the purposes of this calculation.

**B3.** Sum the eligible person’s Payroll Expense Tax and Gross Receipts Tax before applying credits (lines B1 and B2).

### **Section C. “Payroll Expense Tax Exclusion” Credit – Payroll Expense Tax**

**C1.** Divide line B1 by line B3 (i.e., B1/B3). This is the percentage to apply to determine your Payroll Expense Tax credit.

**C2.** Multiply line A2 by line C1. The product is your “Payroll Expense Tax Exclusion” Credit to be applied to the Payroll Expense Tax. It will be summed with other applicable tax credits and input on Form GR/PY-2014, line PY2. Note: This credit can only be used against the Payroll Expense Tax liability of the eligible person (line B1), and not against the liability of any other members of a combined group. However, any excess credit may be used against any remaining Gross Receipts Tax liability of the eligible person (line B2) after applying the credit in line D2.

**Section D. “Payroll Expense Tax Exclusion”  
Credit – Gross Receipts Tax**

**D1.** Divide line B2 by line B3 (i.e., B2/B3). This is the percentage to apply to determine your Gross Receipts Tax credit.

**D2.** Multiply line A2 by line D1. The product is your “Payroll Expense Tax Exclusion” Credit to be applied to the Gross Receipts Tax. It will be summed with other applicable tax credits and input on Form GR/PY-2014, line GR2. Note: This credit can only be used against the Gross Receipts Tax liability of the eligible person (line B2), and not against the liability of any other members of a combined group. However, any excess credit may be used against any remaining Payroll Expense Tax liability of the eligible person (Line B1) after applying the credit in line C2.

## Form CEL-2014 CLEAN TECH - Clean Technology Business Exclusion and Related "Payroll Expense Tax Exclusion" Credit

The Clean Technology Business Exclusion permits an exclusion from payroll expense for persons meeting the requirements of Code section 906.2, in an amount determined under that Code section. The "Payroll Expense Tax Exclusion" Credit permits a credit against the Payroll Expense Tax and Gross Receipts Tax of the entity generating the Clean Technology Business Exclusion in an amount equal to the additional Payroll Expense Tax reduction to which the eligible person would have been entitled as a result of the Clean Technology Business Exclusion if the Payroll Expense Tax had remained in effect at 1.5 percent. You must timely file your Return to take the credit and exclusion.

To file for the Clean Technology Business Exclusion and related "Payroll Expense Tax Exclusion" Credit, complete and submit your Form CEL-2014 CLEAN TECH with your Return. Submit a separate Form CEL-2014 CLEAN TECH for each entity in your combined group that qualified for the Clean Technology Business Exclusion, writing the seven (7) digit Business Account Number of the eligible person in the area at the top of the page.

### Section A. Clean Technology Business Exclusion and Related "Payroll Expense Tax Exclusion" Credit Calculation

**A1.** Input the amount of payroll expense to be excluded from the eligible person's San Francisco payroll expense due to the Clean Technology Business Exclusion in Code section 906.2.

This is the Payroll Expense Tax exclusion for the eligible person, and will be applied on Form PY-2014, line C3, for this person only.

**A2.** Multiply the amount in line A1 by 0.15% (0.0015). This product is the eligible person's "Payroll Expense Tax Exclusion" Credit. If this product in A2 is greater than line B3 below, input line B3 on this line instead.

### Section B. Combined Business Tax Liability Before Credits Calculation

**B1.** Input the eligible person's Payroll Expense Tax before applying credits (line C5 of Form PY-2014 for the eligible person).

**B2.** Input the eligible person's Gross Receipts Tax before applying credits (line 9 of the Gross Receipts Tax Computation Worksheet, or \$0 if you were exempt from the Gross Receipts Tax as a small business). If the eligible person is in a combined group with other related entities doing business in San Francisco, see the instruction above to determine the eligible person's Gross Receipts Tax as a single entity for the purposes of this calculation.

**B3.** Sum the eligible person's Payroll Expense Tax and Gross Receipts Tax before applying credits (lines B1 and B2).

### Section C. "Payroll Expense Tax Exclusion" Credit – Payroll Expense Tax

**C1.** Divide line B1 by line B3 (i.e., B1/B2). This is the percentage to apply to determine your Payroll Expense Tax credit.

**C2.** Multiply line A2 by line C1. The product is your "Payroll Expense Tax Exclusion" Credit to be applied to Payroll Expense Tax. It will be summed with other applicable tax credits and input on Form GR/PY-2014, line PY2. Note: This credit can only be used against the Payroll Expense Tax liability of the eligible person (line B1), and not against the liability of any other members of a combined group. However, any excess credit may be used against any remaining Gross Receipts Tax liability of the eligible person (line B2) after applying the credit in line D2.

**Section D. “Payroll Expense Tax Exclusion”  
Credit – Gross Receipts Tax**

**D1.** Divide line B2 by line B3 (i.e., B2/B3). This is the percentage to apply to determine your Gross Receipts Tax credit.

**D2.** Multiply line A2 by line D1. The product is your “Payroll Expense Tax Exclusion” Credit to be applied to Gross Receipts Tax. It will be summed with other applicable tax credits and input on Form GR/PY-2014, line GR2. Note: This credit can only be used against the Gross Receipts Tax liability of the eligible person (line B2), and not against the liability of any other members of a combined group. However, any excess credit may be used against any remaining Payroll Expense Tax liability of the eligible person (Line B1) after applying the credit in line C2.



## Form CEL-2014 EZTC - Enterprise Zone Tax Credit and Related “Payroll Expense Tax Exclusion” Credit

The Enterprise Zone Tax Credit permits a credit against the Payroll Expense Tax for persons meeting the requirements of Code section 906A, in an amount determined under that Code section. The “Payroll Expense Tax Exclusion” Credit permits a credit against the Payroll Expense Tax and Gross Receipts Tax of the entity generating the Enterprise Zone Tax Credit in an amount equal to the additional Payroll Expense Tax reduction to which the eligible person would have been entitled as a result of the Enterprise Zone Tax Credit if the Payroll Expense Tax had remained in effect at 1.5 percent. However, the Enterprise Zone Tax Credit and related “Payroll Expense Tax Exclusion” Credit are no longer available for employees hired on or after January 1, 2014, or for employees hired before January 1, 2014, who were not vouchered on or before December 31, 2014.

To file for the Enterprise Zone Tax Credit and related “Payroll Expense Tax Exclusion” Credit, submit Form CEL-2014 EZTC with your Return. Submit a separate Form CEL-2014 EZTC for each entity in your combined group that qualifies for the Enterprise Zone Tax Credit, writing the seven (7) digit Business Account Number of the eligible person in the area at the top of the page.

### Section A. Enterprise Zone Tax Credit and Related “Payroll Expense Tax Exclusion” Credit Calculation

**A1.** Input the eligible person’s total Enterprise Zone Tax Credit and “Payroll Expense Tax Exclusion” Credit (sum of Column J in the person’s Enterprise Zone Tax Credit Worksheet, attached as Appendix B to the return.) If this amount in line A1 is greater than line B3, input line B3 instead.

**A2.** Multiply the amount in line A1 by 90% (0.90). This product is the Enterprise Zone Tax Credit for

this eligible person, and will be summed with other applicable tax credits and input on Form GR/PY-2014, line PY2.

**A3.** Multiply the amount in line A1 by 10% (0.10). This product is the “Payroll Expense Tax Exclusion” Credit for this eligible person.

### Section B. Combined Business Tax Liability Before Credits Calculation

**B1.** Input the eligible person’s Payroll Expense Tax before applying credits (line C5 of Form PY-2014 for the eligible person).

**B2.** Input the eligible person’s Gross Receipts Tax before applying credits (line 9 of the Gross Receipt Tax Computation Worksheet, or \$0 if you were exempt from the Gross Receipts Tax as a small business). If the eligible person is in a combined group with other related entities doing business in San Francisco, see the instructions above to determine the eligible person’s Gross Receipts Tax as single entity for the purposes of this calculation.

**B3.** Sum the eligible person’s Payroll Expense Tax and Gross Receipts Tax before applying credits (lines B1 and B2).

### Section C. “Payroll Expense Tax Exclusion” Credit – Payroll Expense Tax

**C1.** Divide line B1 by line B3 (i.e., B1/B3). This is the percentage to apply to determine your Payroll Expense Tax credit.

**C2.** Multiply line A3 by line C1. The product is your “Payroll Expense Tax Exclusion” Credit to be applied to the Payroll Expense Tax. It will be summed with other applicable tax credits and input on Form GR/PY-2014, line PY2. Note: This credit can only be used against the Payroll Expense Tax liability of the eligible person (line B1), and not against the liability of any other members of a combined group. However, any excess credit may be used against any remaining

Gross Receipts Tax liability of the eligible person (line B2) after applying the credit in line D2.

**D. “Payroll Expense Tax Exclusion” Credit – Gross Receipts Tax**

**D1.** Divide line B2 by line B3 (i.e., B2/B3). This is the percentage to apply to determine your Gross Receipts Tax credit.

**D2.** Multiply line A3 by line D1. The product is your “Payroll Expense Tax Exclusion” Credit to be applied to the Gross Receipts Tax. It will be summed with other applicable tax credits and input on Form GR/PY-2014, line GR2. Note: This credit can only be used against the Gross Receipts Tax liability of the eligible person (line B2), and not against the liability of any other members of a combined group. However, any excess credit may be used against any remaining Payroll Expense Tax liability of the eligible person (Line B1) after applying the credit in line C2.

## Form CEL-2014 CMTE - Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion / Central Market Street Limit

The Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion permits an exclusion from payroll expense for persons meeting the requirements of Code section 906.3, in an amount determined under that Code section. The Central Market Street Limit limits the Payroll Expense Tax and Gross Receipts Tax of the entity generating the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion to what their Payroll Expense Tax liability would have been if the Payroll Expense Tax had remained in effect at 1.5 percent and the Gross Receipts Tax had not been passed. You must timely file your Return to take the exclusion and the limit.

To file for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion and Central Market Street Limit, submit Form CEL-2014 CMTE with your Return. Submit a separate Form CEL-2014 CMTE for each entity in your combined group that qualifies for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion, writing the seven (7) digit Business Account Number of the eligible person in the area at the top of the page.

### Section A. Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion and Central Market Street Limit Calculation

**A1.** Input the total San Francisco payroll expense for the eligible person.

**A2.** Input the amount of payroll expense to be excluded from the eligible person's San Francisco payroll expense due to the Central Market Street & Tenderloin Area Payroll Expense Tax Exclusion in Business and Tax Regulations Code section 906.3. This amount was previously submitted when the business qualified for the

Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion.

This amount is the Payroll Expense Tax exclusion for the eligible person, and will be applied on Form PY-2014, line C3, for this person only.

**A3.** Subtract line A2 from line A1.

**A4.** If line A3 is more than \$260,000, multiply line A3 by 1.5% (0.015) and enter the result. If line A3 is \$260,000 or less, enter \$0. This is the Central Market Street Limit for the eligible person.

### Section B. Combined Business Tax Liability Before Credits Calculation

**B1.** Input the eligible person's Payroll Expense Tax before applying credits (line C5 of Form PY-2014 for the eligible person).

**B2.** Input the eligible person's Gross Receipts Tax before applying credits (line 9 of the Gross Receipts Tax Computation Worksheet, or \$0 if you were exempt from the Gross Receipts Tax as a small business). If the eligible person is in a combined group with other related entities doing business in San Francisco, see the instructions above to determine the eligible person's Gross Receipts Tax as a single entity for the purposes of this calculation.

**B3.** Sum the eligible person's Payroll Expense Tax and Gross Receipts Tax before applying credits (lines B1 and B2).

### Section C. Central Market Street Limit – Payroll Expense Tax Component

**C1.** Divide line B1 by line B3 (i.e., B1/B3). This is your percentage to determine the portion of the Central Market Street Limit applicable to the Payroll Expense Tax.

**C2.** If line B3 is greater than line A4, multiply line A4 by line C1 and enter the result. Otherwise, enter the amount from line B1. This amount will replace the amount from the eligible person's

Form PY-2014, line C5, in calculating the amount on line PY1 of Form GR/PY-2014 to account for the Central Market Street Limit.

**Section D. Central Market Street Limit – Gross Receipts Tax Component**

D1. Divide line B2 by line B3 (i.e.,  $B2/B3$ ). This is your percentage to determine the portion of the Central Market Street Limit applicable to the Gross Receipts Tax.

D2. If Line B3 is greater than line A4, multiply line A4 by line D1, subtract the result from line B2 (i.e.,  $B2-[A4 \times D1]$ ), and enter the result. If line B3 is less than or equal to line A4, enter \$0. This amount should be subtracted from the amount otherwise on line GR1 of Form GR/PY-2014 to account for the Central Market Street Limit.

## Form CEL-2014 NNP - Net New Payroll Exclusion

The Net New Payroll Exclusion permits an exclusion from payroll expense for persons meeting the requirements of Code section 906.5, in an amount determined under that Code section. You must timely file your Return to take this exclusion.

To file for the Net New Payroll Exclusion, complete and submit your Form CEL-NNP with your Return. Submit a separate Form CEL-NNP for each entity in your combined group that qualifies for the Net New Payroll Exclusion, writing the seven (7) digit Business Account Number of the eligible person in the area at the top of the page.

**A1.** Input the date the person first incurred payroll expense in the City.

**A2.** Input the person's Base Year San Francisco payroll expense. If the person was exempt from filing a Payroll Expense Tax return pursuant to Code section 6.9-2 in its Base Year, enter \$150,000 in this line.

If the date in line A1 is prior to January 1, 2012, then tax year 2011 is the person's Base Year. If the date in line A1 is January 1, 2012 or later, then the tax year the person first incurred payroll expense in the City is the person's Base Year.

If the amount in this line is greater than \$500,000, STOP. This person is not eligible for this exclusion.

**A3.** Enter the person's 2014 San Francisco payroll expense (line C2 of this person's Form PY-2014) in this line.

**A4.** Subtract the Base Year San Francisco payroll expense (line A2) from the 2014 San Francisco payroll expense (line A3).

**A5.** Follow these instructions to determine the amount to enter in line A5:

1. If line A4 is less than or equal to zero, **STOP**. The exclusion is not applicable to this person.
2. If line A4 is greater than zero, but less than or equal to two hundred fifty thousand dollars (\$250,000), enter the amount from line A4 in line A5.
3. If line A4 is greater than two hundred fifty thousand dollars (\$250,000), enter two hundred-fifty thousand dollars (\$250,000) in line A5.

Transfer the entry in line A5 to line C3 of the eligible person's Form PY-2014.

## Form PY-2014

This form allows you to enter the information to calculate your Payroll Expense Tax liability.

### Filing Form PY-2014 for Multiple Related Entities

For combined groups, Filers must submit a separate Form PY-2014 for each related entity that was engaged in business in San Francisco during the year. By submitting a Form PY-2014 you are agreeing to file both Payroll Expense Taxes and Gross Receipts Taxes on behalf of that entity for the portion of tax year 2014 that they were a member of your combined group.

**Note:** Lessors of residential real estate are treated as separate persons for purposes of the Payroll Expense Tax for each individual building in which they lease residential real estate, and must file separate Returns for each individual building and for their other business activities combined.

### Section A. Business Information

#### A1. Seven (7) digit Business Account Number (BAN)

Enter the seven (7) digit Business Account Number provided by the Office of the Treasurer & Tax Collector for the person on behalf of which you are filing this form. This number can be found on the person's Business Registration Certificate or their filing notice mailed by our office.

#### A2. Business Name

Enter the "doing business as" or DBA name for the person on behalf of which you are filing this form.

### Section B. Related Entity Status

#### B1. Partial Member or Part-Year Member

Circle "Yes" if any of the following are true. If all are not true, circle "No" and go on to Section C.

- You are filing separately for only a portion of tax year 2014, and operated in San Francisco as a member of a combined group or groups for a portion of 2014; or
- You are filing separately for only a portion of your business activities and are part of a combined group or groups for a different portion of your business activities in San Francisco (for example, because you are an entity treated as a partnership for federal income tax purposes and are only partially owned by unitary members of a combined group or groups, or because you are engaged in more than one distinct unitary business); or
- You are including this entity as a member of your combined group for only a portion of tax year 2014 and the entity operated in San Francisco as a separate entity or member of a different combined group for a portion of tax year 2014; or
- You are including only a portion of this entity as a member of your combined group (for example, because it is an entity treated as a partnership for federal income tax purposes and is only partially owned by you or other members of your combined group, or because it is engaged in more than one distinct unitary business).

#### B2. Partial Member or Part-Year Member Percentage

If you circled "Yes" in line **B1**, enter the percentage of the entity or portion of this entity's year that is included in this filing.

For lines C2 and C3, enter only the payroll expense (and excluded payroll expense) attributable to the portion of the entity or portion of the entity's year that is includable in your combined group (see example below).

**Example: Partial Member**

Corporation A and Corporation B are unitary with Partnership C, and Corporations A and B each own 30 percent of Partnership C. Partnership C had \$300,000 of San Francisco payroll expense, and a Net New Payroll Exclusion of \$20,000. Under California Franchise Tax rules, Partnership C would be included in Corporation A and B's unitary group to the extent of their combined 60 percent ownership.

In this case, the combined group with Corporation A, Corporation B, and 60 percent of Partnership C should circle "Yes" in line B1, and enter 60 percent as the percentage of Partnership C that is included in the combined group in line B2. The combined group would enter \$180,000 ( $\$300,000 \times 60\%$ ) of Partnership C's San Francisco Payroll Expense and \$12,000 ( $\$20,000 \times 60\%$ ) of Partnership C's Net New Payroll Exclusion on lines C2 and C3, respectively. The combined group would have \$168,000 of taxable payroll expense after exclusions with respect to Partnership C (line C4), and would not be subject to the small business tax exemption with respect to Partnership C because Partnership C, as a whole, had over \$260,000 in taxable payroll expense (i.e., the \$180,000 is greater than  $\$260,000 \times 60\%$ ). The combined group would therefore owe \$2,268 of Payroll Expense Tax with respect to Partnership C ( $\$168,000 \times 1.35\%$ ) (line C5).

Partnership C should also circle "Yes" in response to line B1 when filing separately, and should enter 40 percent as the percentage of Partnership C that is included in the filing in line B2. Partnership C would enter \$120,000 ( $\$300,000 \times 40\%$ ) of its San Francisco payroll expense and \$8,000 ( $\$20,000 \times 40\%$ ) of its Net New Payroll Exclusion on lines C2 and C3, respectively. Partnership C would have \$112,000 of taxable payroll expense after exclusions (line C4), and would not be subject to the small business tax exemption because Partnership C, as a whole, had over \$260,000 in taxable payroll expense (i.e., the \$120,000 is greater than  $\$260,000 \times 40\%$ ). Partnership C would then owe \$1,512 of Payroll Expense Tax on its separate return ( $\$112,000 \times 1.35\%$ ) (line C5).

**Section C. Payroll Expense Tax Calculation**

**C1. Number of San Francisco Employees at Year End**

Enter the number of your San Francisco employees (full- and part-time) at the end of the period for which you are filing this Return.

**C2. San Francisco Payroll Expense**

Enter your San Francisco payroll expense for 2014. Article 12-A of the Code provides detailed rules for determining San Francisco payroll expense.

**C3. Excluded Payroll Expense**

If you qualify to exclude payroll expense from your tax base, enter the amount of your exclusion in line B3. There are currently five payroll expense exclusions available to taxpayers: Biotechnology; Clean Technology; Central Market Street and Tenderloin Area; Net New Payroll; and Stock-Based Compensation. The following paragraphs will guide you on how to include each exclusion in your Payroll Expense Tax filing. You may only take these exclusions if you are timely filing your Return. If you are filing on behalf of a combined group, each exclusion only applies to the person eligible for the exclusion, and no other related entities.

**Biotechnology Exclusion**

If applicable, enter the excluded payroll expense from Form CEL-2014 BIOTECH line A1 for this person on this line.

**Clean Technology Business Exclusion**

If applicable, enter the excluded payroll expense from Form CEL-2014 CLEAN TECH line A1 for this person on this line.

**Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion**

If applicable, enter the excluded payroll expense from Form CEL-2014 CMTE line A2 on this line.

### **Stock-Based Compensation Exclusion**

The Stock-Based Compensation Exclusion permits an exclusion of certain stock-based compensation from taxable payroll expense for persons meeting the requirements of Code section 906.4, in an amount to be determined under that Code section.

Complete and submit your Affidavit Claiming the Payroll Expense Tax Exclusion for Stock-Based Compensation for Tax Year 2014 by February 2, 2015 (because January 31, 2015 falls on a weekend). Input on this line the amount of payroll expense you may exclude on your 2014 Payroll Expense Tax statement, from box C2 or D (whichever is applicable). There is no Form CEL-2014 for the Stock-Based Compensation exclusion.

### **Net New Payroll Exclusion**

If applicable, enter the excluded payroll expense from Form CEL-2014 NNP line A5 on this line.

### **C4. Payroll Expense After Exclusion**

Subtract C3 from C2. This is your payroll expense after exclusion.

### **C5. Payroll Expense Tax @ 1.35%**

If line C4 is less than or equal to \$260,000 (or \$260,000 multiplied by the percentage in line B2 if you circled "Yes" in line B1), you are exempt from paying the Payroll Expense Tax as a small business, and should enter zero. Otherwise, multiply line C4 by 1.35% (0.0135). This is your Payroll Expense Tax for the entire 2014 tax year. You will input this amount (or the sum of the amount on line C5 from the Forms PY-2014 for all entities in your combined group) on line PY1 of Form GR/PY-2014.



## Form GR/PY-2014

This form summarizes your Gross Receipts Tax and Payroll Expense Tax amounts.

### Payroll Expense Tax Summary

#### PY1. Obligation Amount

Copy your Payroll Expense Tax obligation amount from line C5 of Form PY-2014. If you are a combined group, sum the amounts listed on line C5 for each Form PY-2014 completed. If you are filing for the Central Market Street Limit, see Form CEL-2014 CMTE for instructions.

#### PY2. Tax Credits

Input the sum of all your tax credits applicable to the Payroll Expense Tax from the applicable Form(s) CEL-2014 line C2 (lines A2 and C2 from Form CEL-2014 EZTC) in this line. As noted on the Forms CEL-2014, the "Payroll Expense Tax Exclusion" Credit can only be used against the Payroll Expense Tax liability of the person eligible for the underlying credit or exclusion, and not against the liability of any other members of a combined group. However, any excess "Payroll Expense Tax Exclusion" Credit may be used against any remaining Gross Receipts Tax liability of the eligible person (calculated as a single entity) after applying any other credits to that amount.

#### PY3. Total Tax Obligation

Subtract line PY2 from line PY1. This is your total Payroll Expense Tax obligation after credits.

#### PY4. Quarter 1 Installment

Input your San Francisco Payroll Expense Tax quarterly installment payments (including all Payroll Expense Tax quarterly installment payments made by you or any member of your combined group for periods during which they were a member of your combined group) made

for the first quarter (January 1 through March 31) of the tax year.

#### PY5. Quarter 2 Installment

Input your San Francisco Payroll Expense Tax quarterly installment payments (including all Payroll Expense Tax quarterly installment payments made by you or any member of your combined group for periods during which they were a member of your combined group) made for the second quarter (April 1 through June 30) of the tax year.

#### PY6. Quarter 3 Installment

Input your San Francisco Payroll Expense Tax quarterly installment payments (including all Payroll Expense Tax quarterly installment payments made by you or any member of your combined group for periods during which they were a member of your combined group) made for the third quarter (July 1 through September 30) of the tax year.

#### PY7. Net Due Prior to Penalties, Interest, or Fees

Subtract the sum of lines PY4, PY5, and PY6 from line PY3.

### Gross Receipts Tax Summary

#### GR1. Obligation Amount

Input the amount calculated from line 9 of your Gross Receipts Tax Computation Worksheet, attached as Appendix A to the Return. If you were not required to complete the Gross Receipts Tax Computation Worksheet because you were exempt as a small business, enter \$0. If you are filing for the Central Market Street Limit, see Form CEL-2014 CMTE for instructions.

#### GR2. Tax Credits

Input the sum of all your tax credits applicable to the Gross Receipts Tax from line D2 of the applicable Form(s) CEL-2014 in this line. As noted on the Forms CEL-2014, the "Payroll Expense Tax

Exclusion” Credit can only be used against the Gross Receipts Tax liability of the person eligible for the underlying credit or exclusion, and not against the liability of any other members of a combined group. However, any excess “Payroll Expense Tax Exclusion” Credit may be used against any remaining Payroll Expense Tax liability of the eligible person (calculated as a single entity) after applying any other credits to that amount.

**GR3. Total Tax Obligation**

Subtract line GR2 from line GR1. This is your total Gross Receipts Tax obligation after credits.

**GR4. Quarter 1 Installment**

Input your Gross Receipts Tax quarterly installment payments (including all Gross Receipts Tax quarterly installment payments made by you or any member of your combined group for periods during which they were a member of your combined group) made for the first quarter (January 1 through March 31) of the tax year.

**GR5. Quarter 2 Installment**

Input your Gross Receipts Tax quarterly installment payments (including all Gross Receipts Tax quarterly installment payments made by you or any member of your combined group for periods during which they were a member of your combined group) made for the second quarter (April 1 through June 30) of the tax year.

**GR6. Quarter 3 Installment**

Input your Gross Receipts Tax quarterly installment payments (including all Gross Receipts Tax quarterly installment payments made by you or any member of your combined group for periods during which they were a member of your combined group) made for the third quarter (July 1 through September 30) of the tax year.

**GR7. Net Due Prior to Penalties, Interest, or Fees**

Subtract the sum of lines GR4, GR5, and GR6 from line GR3.

**Section T. Obligation Summary**

**T1. Sum of Payroll Expense Tax and Gross Receipts Tax Net Due Prior to Penalties, Interest, or Fees**

Sum the amounts from PY7 and GR7.

**T2. Late Filing Penalty.**

If the Return will not be postmarked or received by March 2, 2015 (or the date of any extension granted by the Tax Collector), write \$200 (\$100 penalty per tax) on this line. Otherwise, enter zero (\$0).

**T3. Late Payment Penalty**

If the payment associated with this Return will not be postmarked or received by March 2, 2015 (or the date of any extension granted by the Tax Collector), enter a late payment penalty consisting of the Sum of the Payroll Expense Tax and Gross Receipts Tax Due (line T1) multiplied by 5 percent for each month that the amount is delinquent for the first three months, or 40 percent if the amount is delinquent for four or more months. This instruction is your notification that the tax is delinquent and is subject to the penalties under Code section 6.17-1. If the Tax Collector has not granted an extension, you can use the applicable rate from the table below:

Payment Received After	Payment Received By	Penalty Percentage
3/2/2015	3/31/2015	5% (0.05)
3/31/2015	4/30/2015	10% (0.10)
4/30/2015	5/31/2015	15% (0.15)
5/31/2015		40% (0.40)

Otherwise, enter \$0.

#### **T4. Interest**

If the payment associated with this Return will not be postmarked or received by March 2, 2015 (or the date of any extension granted by the Tax Collector), interest consisting of the amount from line T1 multiplied by one percent (1%) per month must be added on this line. Otherwise, enter zero (\$0).

#### **T5. Administrative Fee**

If this Return or the payment associated with this Return will not be postmarked or received by March 2, 2015 (or the date of any extension granted by the Tax Collector), an administrative fee of \$110 (\$55 fee per tax) must be added on this line. Otherwise, enter zero (\$0).

#### **T6. – Total Obligation Due / Overpayment**

Sum lines T1 through T5 to calculate the total obligation due, net of quarterly installment payments and with applicable penalties, interest, and fees (if applicable). A positive number reflects a net balance due. A negative amount reflects a net overpayment.

#### **Community Challenge Grant**

If you would like to designate 3 percent of your tax liability for deposit into the Neighborhood Beautification and Graffiti Clean-up Fund (also known as the "Community Challenge Grant Program"), please check the box. This will not increase your tax liability, but will designate a portion of the tax you pay to go to the Community Challenge Grant Program.

#### **Refund Request**

If line T6 reflects an overpayment, check the box to request a refund from the Tax Collector. If line T6 reflects an overpayment and you do not check the box to request a refund, you must file a request for refund form and/or claim for refund form within the time period mandated by law or you will forfeit the amount of your overpayment.

This amount will **not** be carried forward to future years. If you do not receive a check from the Tax Collector after requesting a refund, you must file a claim for refund form within the time period mandated by law to obtain your refund.

#### **Taxpayer Statement**

Enter the information requested in the Taxpayer Statement section and sign the form. If you are an agent of the taxpayer authorized to sign this Return on the taxpayer's behalf, you must have a validly executed Power of Attorney. A Power of Attorney form (Form POA-1), along with instructions as to how to use the form to grant an individual authority to file a Return on behalf of a taxpayer, is available on the website of the Treasurer and Tax Collector at <http://sftreasurer.org/business-form-central>.

By signing the form you are certifying under penalty of perjury that you are the taxpayer (including an officer, general partner, member manager, executor, trustee, fiduciary, or other individual with the authority to bind the taxpayer), or an agent of the taxpayer authorized to sign this Return on behalf of the taxpayer pursuant to a validly executed Power of Attorney, and that you have examined the Return and all accompanying schedules or worksheets and have determined that, to the best of your knowledge and belief, all of the information is true, correct, and compliant with all the requirements in Articles 6, 12, 12-A, and 12-A-1 of the Code. You are also acknowledging that you are providing information in response to a request for financial information pursuant to Code section 6.5-1, and that you are required by law to complete this Return in its entirety and that the Return is subject to audit.

## Form AOT-2014

As discussed above, Form AOT-2014 is only used by those businesses that qualify for the Administrative Office Tax in lieu of the Gross Receipts Tax and Payroll Expense Tax. Use this form only if you answered “Yes” to all three questions in Section B of Form BTAX-2014.

### Administrative Office Tax Calculation

#### A1. San Francisco Payroll Expense

Write your San Francisco payroll expense.

#### A2. Administrative Office Tax @ 1.4%

Multiply line A1 by 1.4% (0.014) and write the result on this line.

#### A3. Quarter 1 Installment

Input the sum of your San Francisco Payroll Expense Tax and Gross Receipts Tax quarterly installment payments (including all Payroll Expense Tax and Gross Receipts Tax quarterly installment payments made by you or any member of your combined group for periods during which they were a member of your combined group) made for the first quarter (January 1 through March 31) of the tax year.

#### A4. Quarter 2 Installment

Input the sum of your San Francisco Payroll Expense Tax and Gross Receipts Tax quarterly installment payments (including all Payroll Expense Tax and Gross Receipts Tax quarterly installment payments made by you or any member of your combined group for periods during which they were a member of your combined group) made for the second quarter (April 1 through June 30) of the tax year.

#### A5. Quarter 3 Installment

Input the sum of your San Francisco Payroll Expense Tax and Gross Receipts Tax quarterly installment payments (including all Payroll

Expense Tax and Gross Receipts Tax quarterly installment payments made by you or any member of your combined group for periods during which they were a member of your combined group) made for the third quarter (July 1 through September 30) of the tax year.

#### A6. Net Due Prior to Penalties, Interest or Fees

Subtract the sum of lines A3, A4, and A5 from line A2.

#### A7. Late Filing Penalty.

If the Return will not be postmarked or received by March 2, 2015 (or the date of any extension granted by the Tax Collector), write \$100 on this line. Otherwise, enter zero (\$0).

#### A8. Late Payment Penalty

If the payment associated with this Return will not be postmarked or received by March 2, 2015 (or the date of any extension granted by the Tax Collector), enter a late payment penalty consisting of the Net Due (line A6) multiplied by 5 percent for each month that the amount is delinquent for the first three months, or 40 percent if the amount is delinquent for four or more months. This instruction is your notification that the tax is delinquent and is subject to the penalties under Code section 6.17-1. If the Tax Collector has not granted an extension, you can use the applicable rate from the table below:

Payment Received After	Payment Received By	Penalty Percentage
3/2/2015	3/31/2015	5% (0.05)
3/31/2015	4/30/2015	10% (0.10)
4/30/2015	5/31/2015	15% (0.15)
5/31/2015		40% (0.40)

Otherwise, enter \$0.

#### A9. Interest

If the payment associated with this Return will not be postmarked or received by March 2, 2015 (or the date of any extension granted by the Tax

Collector), interest consisting of the Net Due (line A6) multiplied by one percent (1%) per month must be added on this line. Otherwise, enter zero (\$0).

#### **A10. Administrative Fee**

If this Return or the payment associated with this Return will not be postmarked or received by March 2, 2015 (or the date of any extension granted by the Tax Collector), an administrative fee of \$55 must be added on this line. Otherwise, enter zero (\$0).

#### **A11. Total Obligation Due / (Overpayment)**

Sum lines A6 through A10 to calculate the total obligation due, net of quarterly installment payments and with penalties, interest, and fees (if applicable). A positive number reflects a balance due. A negative amount reflects an overpayment.

#### **Community Challenge Grant**

If you would like to designate 3 percent of your tax liability for deposit into the Neighborhood Beautification and Graffiti Clean-up Fund (also known as the "Community Challenge Grant Program"), please check the box. This will not increase your tax liability, but will designate a portion of the tax you pay to go to the Community Challenge Grant Program.

#### **Refund Request**

If line A11 reflects an overpayment, check the box to request a refund from the Tax Collector. If line A11 reflects an overpayment and you do not check the box to request a refund, you must file a request for refund form and/or claim for refund form within the time period mandated by law or you will forfeit the amount of your overpayment. This amount will **not** be carried forward to future years. If you do not receive a check from the Tax Collector after requesting a refund, you must file a claim for refund form

within the time period mandated by law to obtain your refund.

#### **Taxpayer Statement**

Enter the information requested in the Taxpayer Statement section and sign the form. If you are an agent of the taxpayer authorized to sign this Return on the taxpayer's behalf, you must have a validly executed Power of Attorney. A Power of Attorney form (Form POA-1), along with instructions as to how to use the form to grant an individual authority to file a Return on behalf of a taxpayer, is available on the website of the Treasurer and Tax Collector at <http://sftreasurer.org/business-form-central>.

By signing the form you are certifying under penalty of perjury that you are the taxpayer (including an officer, general partner, member manager, executor, trustee, fiduciary, or other individual with the authority to bind the taxpayer), or an agent of the taxpayer authorized to sign this Return on behalf of the taxpayer pursuant to a validly executed Power of Attorney, and that you have examined the Return and all accompanying schedules or worksheets and have determined that, to the best of your knowledge and belief, all of the information is true, correct, and compliant with all the requirements in Articles 6, 12, 12-A, and 12-A-1 of the Code. You are also acknowledging that you are providing information in response to a request for financial information pursuant to Code section 6.5-1, and that you are required by law to complete this Return in its entirety and that the Return is subject to audit.

## Form CG-2014

This form allows you to list all your related entities engaged in business in San Francisco for all or a portion of the 2014 tax year (January 1, 2014 to December 31, 2014).

### **A1. Related Entity Business Name**

Enter the related entity's "doing business as" or DBA name.

### **A2. Seven (7) digit Business Account Number**

Enter the related entity's seven (7) digit Business Account Number provided by the Office of the Treasurer & Tax Collector. This number can be found on their Business Registration Certificate.

### **A3. Date Entered Group**

Enter the date the related entity joined the combined group.

### **A4. Date Exited Group**

Enter the date the related entity exited the combined group. Write "N/A" if the entity had not left your combined group as of December 31, 2014 or is still a member of your combined group.

### **A5. Percent in Combined Group**

Enter the percentage of the entity or portion of the entity's year that is included in your combined group from Form PY-2014, line B2.

Attach additional forms if necessary.

## Appendix A - Gross Receipts Tax Computation Worksheet

The Gross Receipts Tax Computation Worksheet is designed to help you compute your total Gross Receipts Tax liability before any credits or the Central Market Street Limit by following a sequential, step-by-step computational process for any taxable gross receipts determined in accordance with Code sections 953.1 through 953.7.

To complete the Gross Receipts Tax Computation Worksheet, please follow the following steps:

1. Enter the appropriate amounts in column A “Gross Receipts” from Form GR-2014;
2. Fill in columns B, C, I, II, III, and IV based on the instructions in the pages immediately following the Gross Receipts Tax Computation Worksheet;
3. Multiply each cell in columns I, II, III, and IV by its corresponding tax rate in columns Tier I Tax, Tier II Tax, Tier III Tax, and Tier IV Tax, and enter the result in those columns;
4. Sum columns Tier I Tax, Tier II Tax, Tier III Tax, and Tier IV Tax in the respective Subtotal row, line 8.
5. Sum all amounts from the Subtotal row, line 8, in Gross Receipts Tax, line 9. This is your total Gross Receipts Tax before any credits or the Central Market Street Limit.

As a check to confirm that you have correctly followed the instructions above, you can complete the chart on the Gross Receipts Computation Worksheet by following these conceptual instructions:

1. Enter the appropriate amounts in column A “Gross Receipts” from Form GR-2014.
2. Distribute the San Francisco gross receipts from column A line-by-line for each tax rate category with San Francisco gross receipts as follows. Perform the distributions in the same sequence as the Code sections applicable to the tax rate categories.
  - a. For the first tax rate category with San Francisco gross receipts, distribute the San Francisco gross receipts to the indicated tax brackets (columns I through IV);
  - b. For the next tax rate category with San Francisco gross receipts, if any, distribute the taxable gross receipts to the indicated tax brackets, but start with the tax bracket last used and at the point within that tax bracket reached during the last distribution step; and
  - c. Repeat step (b), above, as needed, until you have distributed all San Francisco gross receipts to the applicable tax brackets.
3. Multiply each cell in columns I, II, III, and IV by its corresponding tax rate in columns Tier I Tax, Tier II Tax, Tier III Tax, and Tier IV Tax, and enter the result in those columns;
4. Sum columns Tier I Tax, Tier II Tax, Tier III Tax, and Tier IV Tax in the respective Subtotal row, line 8.
5. Sum all amounts from the Subtotal row, line 8, in Gross Receipts Tax, line 9. This is your total Gross Receipts Tax before any credits and the Central Market Street Limit.

As an example of the distribution described above, a taxpayer with \$600,000 of San Francisco gross receipts under Code section 953.1, \$900,000 of San Francisco gross receipts under Code section 953.2, and \$2,000,000 of San Francisco gross receipts under Code section 953.3 would distribute its gross receipts as follows:

1. The full amount in cell A1 (Code section 953.1) would be distributed to the Tier I bracket of \$0 to \$1,000,000 (cell I-1). \$400,000 of the Tier I bracket would remain available.
2. The first \$400,000 of the amount in cell A2 (Code section 953.2) would be distributed to the Tier I bracket (cell I-2). Because this fills the Tier I bracket (\$600,000 from Code section 953.1 plus \$400,000 from Code section 953.2), the remaining \$500,000 would be distributed to the Tier II bracket of \$1,000,001 to \$2,500,000 (cell II-2). \$1,000,000 of the Tier II bracket would remain available.
3. The first \$1,000,000 of the amount in cell A3 (Code section 953.3) would be distributed to the Tier II bracket (cell II-3). Because this fills the Tier II bracket (\$500,000 from Code section 953.2 plus \$1,000,000 from Code section 953.3), the remaining \$1,000,000 would be distributed to the Tier III bracket of \$2,500,001 to \$25,000,000 (cell III-3).

Once you have completed the Gross Receipts Tax Computation Worksheet, transfer the amount from line 9 to line GR1 of Form GR/PY-2014.



## Appendix B – Enterprise Zone Tax Credit Worksheet

The Enterprise Zone Tax Credit permits a credit against the Payroll Expense Tax for persons meeting the requirements of Code section 906A, in an amount to be determined under that Code section. The “Payroll Expense Tax Exclusion” Credit permits a credit against the Payroll Expense Tax and the Gross Receipts Tax of the entity generating the Enterprise Zone Tax Credit in an amount equal to the additional Payroll Expense Tax reduction to which the eligible person would have been entitled as a result of the Enterprise Zone Tax Credit if the Payroll Expense Tax had remained in effect at 1.5 percent. However, the Enterprise Zone Tax Credit and related “Payroll Expense Tax Exclusion” Credit are no longer available for employees hired on or after January 1, 2014, or for employees hired before January 1, 2014, who did not receive a voucher on or before December 31, 2014.

If you are filing for the Enterprise Zone Tax Credit, you will need to submit an Enterprise Zone Tax Credit Worksheet with your Form CEL-2014 EZTC. You will need to input all required information for each employee with respect to which you are claiming the credit in order for your submission to be considered complete.

Enter each employee in a separate row. If an employee was both separated from employment from your business in 2014 and was subsequently rehired in 2014, enter each period of employment on a separate row. Submit multiple worksheets if necessary.

Once you have completed the worksheet for all employees, sum the amounts in Column J to arrive at your Enterprise Zone Tax Credit and “Payroll Expense Tax Exclusion” Credit for the eligible business.

### **Column - Name of Qualified Employee**

Enter the name of each employee who qualifies for the Enterprise Zone Tax Credit.

### **Column - Job Title**

Enter the title of the employee who qualifies for the Enterprise Zone Tax Credit.

### **Column - Date Hired**

Enter the date (MM/DD/YYYY format required) when the qualified employee first began work for you in the Enterprise Zone. If an employee worked for you on different work periods (not continuous), enter the most recent date hired.

**NOTE:** If this date is between January 1, 1992 and July 29, 2008, the job must have been newly created before the employee was hired. However, if this date is on or after July 30, 2008, the job is not required to have been newly created after this date.

### **Date No Longer Employed**

Enter the date (MM/DD/YYYY format required) when the qualified employee resigned, was laid off, retired, terminated, or otherwise was no longer on your payroll. Leave blank if the employee was still working for you on December 31, 2014.

### **Column A - Gross Payroll Expense**

Enter the amount of gross payroll expense paid for work performed by the qualified employee from January 1 to December 31 of the reporting tax year, regardless of where the work was performed.

**Column B - Ineligible Payroll Expense**

Enter the amount of gross payroll expense paid for work performed by the qualified employee from January 1 to December 31 of the reporting tax year where the work was performed by the qualified employee while **NOT** physically present in San Francisco.

**Column C - Net Taxable Payroll Expense**

Subtract Column B from Column A and enter the result. This is the net taxable San Francisco payroll expense for this employee.

**Column D - Taxable Payroll Expense x 1.5%**

Multiply the amount from Column C (Net Taxable Payroll Expense) by 1.5%.

**Column E: 1st 24 Months 100%**

Enter the amount from Column D multiplied by the ratio of months in 2014 that were within the employee's first 24 months of employment. Count partial months as whole months. See the example below for more information.

**Column F: 2nd 24 Months 50%**

Enter the amount from Column D multiplied by 50% multiplied by the ratio of months in 2014 that were within the employee's second 24 months of employment. Count partial months as whole months. See the example below for more information.

**Column G: 3rd 24 Months 25%**

Enter the amount from Column D multiplied by 25% multiplied by the ratio of months in 2014 that were within the employee's third 24 months of employment. Count partial months as whole months. See the example below for more information.

**Column H: 4th 24 Months 15%**

Enter the amount from Column D multiplied by 15% multiplied by the ratio of months in 2014 that were within the employee's fourth 24 months of employment. Count partial months as whole months. See the example below for more information.

**Column I: 5th 24 Months 10%**

Enter the amount from Column D multiplied by 10% multiplied by the ratio of months in 2014 that were within the employee's fifth 24 months of employment. Count partial months as whole months. See the example below for more information.

**Column J: Total EZ Tax Credit**

Sum the amounts from Columns E to I. This is your total Enterprise Zone Tax Credit and related "Payroll Expense Tax Exclusion" Credit for each employee.

**Enterprise Zone Tax Credit Example**

Widget Inc. maintains a fixed place of business in the San Francisco Enterprise Zone and employed the following qualified employees as clerks in 2014: Abel, Baker, and Charlie. Abel was hired on 12/01/2008, continued to be employed by Widget Inc. as of 12/31/2014, and was paid \$25,000 for work in San Francisco and \$25,000 for work outside San Francisco in 2014. Baker was hired initially on 03/01/2007, and resigned on 04/15/2008. He was rehired on 05/01/2009, and continued to be employed by Widget Inc. as of 12/31/2014. Baker was paid \$40,000 in 2014, all for work in San Francisco. Charlie was hired on 12/01/2013, resigned on 11/15/2014, and was paid \$20,000 in 2014, all for work performed in San Francisco.

Under these facts, Abel had 11/12 months in 2014 in his third 24 months of employment and 1/12 months in 2014 in his fourth 24 months of employment. Widget Inc. should therefore enter \$85.94 in column G ( $\$375 \times 25\% \times 11/12$ ) and \$4.69 in column H ( $\$375 \times 15\% \times 1/12$ ). Baker had all 12 months in 2014 in his third 24 months of employment such that Widget Inc. should enter \$150 in column G ( $\$600 \times 25\%$ ). Charlie was still in his first 24 months of employment for all of 2014, so Widget Inc. should enter \$300 in column E.

Name of Qualified Employee	Job Title	Date Hired	Date No Longer Employed	Column A Gross Payroll Expense	Column B Ineligible Payroll Expense	Column C Net Taxable Payroll Expense	Column D Net Taxable Payroll Expense x 1.5%	Column E 1 <sup>st</sup> 24 Months 100%	Column F 2 <sup>nd</sup> 24 Months 50%	Column G 3 <sup>rd</sup> 24 Months 25%	Column H 4 <sup>th</sup> 24 Months 15%	Column I 5 <sup>th</sup> 24 Months 10%	Column J Total Tax Credits
Abel	Clerk	12/01/2008		\$50,000	\$25,000	\$25,000	\$375			\$85.94	\$4.69		\$90.63
Baker	Clerk	05/01/2009		\$40,000	\$0	\$40,000	\$600			\$150			\$150
Charlie	Clerk	12/01/2013	11/15/2014	\$20,000	\$0	\$20,000	\$300	\$300					\$300

Total Credits: \$540.63

## Appendix C – Table of NAICS Codes

Taxpayers deriving gross receipts from business activities both within and outside San Francisco must allocate and/or apportion gross receipts to San Francisco using rules set forth in Business and Tax Regulations Code Sections 956.1 and 956.2. The table below indicates the applicable apportionment and/or allocation methodology for each business activity. The Code is based on the 2012 NAICS classifications.

<b>Code Section (Tax Rate Category)</b>	<b>Business Activity</b>	<b>Description</b>	<b>NAICS</b>	<b>Allocation and/or Apportionment*</b>
§953.1 (1)	Retail Trade	The activity of retailing any type of personal property, generally without significantly transforming its characteristics, and rendering services incidental to the retail sale of property.	44, 45	Allocation and apportionment
§953.1 (1)	Wholesale Trade	The activity of wholesaling property, generally without transformation, and rendering services incidental to the sale of property on a wholesale basis.	42	Allocation and apportionment
§953.1 (1)	Certain Services	Repair and maintenance services, personal and laundry services, and religious, grantmaking, civic, professional and similar organizations that are not otherwise exempt.	811, 812, 813	Apportionment
§953.2 (2)	Manufacturing	The activity of transforming materials, substances or components into new products by mechanical, physical or chemical means; it includes the activity of assembling component parts of manufactured products.	31, 32, 33	Allocation and apportionment
§953.2 (2)	Transportation and Warehousing	The activities of providing transportation of passengers and/or goods, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation.	48, 49	Allocation and apportionment
§953.2 (2)	Information	Producing and distributing information or cultural products; providing the means to transmit or distribute those products; and processing data.	51	Allocation and apportionment

§953.2 (2)	Food Services	The activity of preparing meals, snacks and/or beverages to customer order for immediate on-premises or off-premises consumption; it includes drinking places.	722	Allocation and apportionment
§953.2 (2)	Biotechnology	The activity of biotechnology business as defined in Section 906.1 of Article 12-A.		Allocation and apportionment
§953.2 (2)	Clean Technology	The activity of clean technology business as defined in Section 906.2 of Article 12-A.		Allocation and apportionment
§953.3 (3)	Accommodations	The activity of providing lodging or short-term accommodations for travelers, vacationers, or others.	721	Allocation
§953.3 (3)	Utilities	The activities of the generation, transmission and distribution of electric power, the distribution of natural gas, the provision and distribution of steam supply, the treatment and distribution of water supply, and the removal of sewage. Excludes establishments primarily engaged in waste management services.	22	Allocation and apportionment
§953.3 (3)	Arts, Entertainment and Recreation	The activity of operating facilities or providing services to meet cultural, entertainment or recreational interests of customers or patrons.	71	Apportionment
§953.4 (4)	Private Education and Health Services	The activity by persons other than governmental agencies of providing instruction and training in any subject, or of providing health care or social assistance for individuals.	61, 62	Apportionment
§953.4 (4)	Administrative and Support Services	The activity of performing routine support activities for the day-to-day business activities of others.	56	Apportionment
§953.4 (4)	Miscellaneous Business Activities (Activity Not Listed Above)	The activities not otherwise exempt and not elsewhere subjected to a Gross Receipts Tax rate or an Administrative Office Tax by Article 12-A-1 of the Code.		Apportionment
§953.5 (5)	Construction	The activity of preparing sites for, subdividing land for, or working on, buildings or engineering projects (including highways and utility systems).	23	Allocation and apportionment
§953.6 (6)	Financial Services	The activities of engaging in or facilitating financial transactions.	521, 522, 523	Apportionment

§953.6 (6)	Insurance	The activities of facilitating or supporting the pooling of risk by underwriting insurance and annuities.	524	Apportionment
§953.6 (6)	Professional, Scientific, and Technical Services	The activity of providing for others, specialized professional, scientific, or technical services that require a high degree of expertise and training.	54	Apportionment
§953.7 (7)	Real Estate and Rental and Leasing Services	The activities of renting, leasing, or otherwise allowing the use of tangible or intangible assets, and the activity of providing related services.	53	Allocation