

BAN: _____

BUSINESS NAME: _____

FORM CEL-2019 SSTC

Substantially Similar Tax Credit

Seven (7) Digit Business Account Number of Eligible Person: _____

Business and Tax Regulations Code Section 954(g)

“To the extent that any taxpayer has paid a substantially similar tax to any other taxing jurisdiction on any gross receipts attributed to the City and taxed under this Article, the tax paid to such taxing jurisdiction shall be credited against the tax due under this Article; in no event shall this credit reduce the taxpayer's liability to less than zero.”

Credit for Substantially Similar Tax Paid to: _____

Enter local (not state) jurisdiction to which you paid the substantially similar tax. Attach additional Form CEL-2019 SSTC if multiple jurisdictions.

1.	Input the total gross receipts from within and outside San Francisco for the person or combined group.	1.
2.	Input the apportioned San Francisco gross receipts from Form GR-2019 line 28.	2.
3.	Subtract line 2 from line 1.	3.
4.	Input the amount of gross receipts taxed by the taxing jurisdiction stated on this Form CEL-2019 SSTC.	4.
5.	Subtract line 3 from line 4. If the result is less than zero, enter zero.	5.
6.	Divide line 5 by line 4.	6.
7.	Enter the substantially similar tax paid to the taxing jurisdiction stated on this Form CEL-2019 SSTC.	7.
8.	Multiply line 6 by line 7. This is the amount of your substantially similar tax credit with respect to the taxing jurisdiction stated on this Form CEL-2019 SSTC. This credit may not reduce your gross receipts tax liability below \$0.	8.

To claim this tax credit, you **must** submit this Form CEL-2019 SSTC **and** attach the following documentation to validate your tax credit:

1. Completed tax return(s) from the taxing jurisdiction(s) with the substantially similar tax.
2. Receipts or other documents, such as a canceled check to verify the payment of taxes to the taxing jurisdiction(s).
3. The text and citation to the other jurisdiction’s law imposing the substantially similar tax for which you are claiming the tax credit.

Taxpayers attempting to claim this tax credit that do not provide the required documentation above will be denied the credit.



Examples of How to Report the Substantially Similar Tax Credit (Page 1 of 2)

EXAMPLE 1

A taxpayer has \$20,000,000 in total gross receipts from within and outside San Francisco. After apportionment, the taxpayer has \$15,000,000 in San Francisco gross receipts and has \$44,250 in gross receipts tax before the tax credit. The taxpayer has \$5,000,000 in gross receipts that are not attributed to San Francisco. The taxpayer has \$6,000,000 in gross receipts subject to a substantially similar tax in a local jurisdiction other than San Francisco and filed and paid tax of \$12,000 (a 0.2% effective tax rate). Therefore, the extent the taxpayer paid tax to the other local jurisdiction on gross receipts attributable to San Francisco is \$1,000,000, and the tax credit is determined by dividing that amount by the total gross receipts taxed by the other local jurisdiction, and multiplying the result by the total substantially similar tax paid to that jurisdiction ($(\$1,000,000/\$6,000,000)*\$12,000 = \$2,000$).

1.	Input the total gross receipts from within and outside San Francisco for the person or combined group.	1. \$20,000,000
2.	Input the apportioned San Francisco gross receipts from Form GR-2019 line 28.	2. \$15,000,000
3.	Subtract line 2 from line 1.	3. \$5,000,000
4.	Input the amount of gross receipts taxed by the taxing jurisdiction stated on this Form CEL-2019 SSTC.	4. \$6,000,000
5.	Subtract line 3 from line 4. If the result is less than zero, enter zero.	5. \$1,000,000
6.	Divide line 5 by line 4.	6. $\$1,000,000/\$6,000,000 = 0.1666666$
7.	Enter the substantially similar tax paid to the taxing jurisdiction stated on this Form CEL-2019 SSTC.	7. \$12,000
8.	Multiply line 6 by line 7. This is the amount of your substantially similar tax credit with respect to the taxing jurisdiction stated on this Form CEL-2019 SSTC. This credit may not reduce your gross receipts tax liability below \$0.	8. \$2,000

EXAMPLE 2

A taxpayer has \$20,000,000 in total gross receipts from within and outside San Francisco. After apportionment, the taxpayer has \$15,000,000 in San Francisco gross receipts and has \$44,250 in gross receipts tax before the tax credit. The taxpayer has \$5,000,000 in gross receipts that are not attributed to San Francisco. The taxpayer has \$4,000,000 in gross receipts subject to a substantially similar tax by a local jurisdiction other than San Francisco and filed and paid tax of \$8,000 (a 0.2% effective tax rate). Therefore, the taxpayer did not pay tax to the other local jurisdiction on gross receipts attributable to San Francisco and does not qualify for the tax credit.

1.	Input the total gross receipts from within and outside San Francisco for the person or combined group.	1. \$20,000,000
2.	Input the apportioned San Francisco gross receipts from Form GR-2019 line 28.	2. \$15,000,000
3.	Subtract line 2 from line 1.	3. \$5,000,000
4.	Input the amount of gross receipts taxed by the taxing jurisdiction stated on this Form CEL-2019 SSTC.	4. \$4,000,000
5.	Subtract line 3 from line 4. If the result is less than zero, enter zero.	5. \$0
6.	Divide line 5 by line 4.	6. $\$0/\$4,000,000 = 0$
7.	Enter the substantially similar tax paid to the taxing jurisdiction stated on this Form CEL-2019 SSTC.	7. \$8,000
8.	Multiply line 6 by line 7. This is the amount of your substantially similar tax credit with respect to the taxing jurisdiction stated on this Form CEL-2019 SSTC. This credit may not reduce your gross receipts tax liability below \$0.	8. \$0

Examples of How to Report the Substantially Similar Tax Credit (Page 2 of 2)

EXAMPLE 3

A taxpayer has \$20,000,000 in total gross receipts from within and outside San Francisco. After apportionment, the taxpayer has \$15,000,000 in San Francisco gross receipts and has \$30,000 in gross receipts tax before the tax credit. The taxpayer has \$5,000,000 in gross receipts that are not attributed to San Francisco. The taxpayer has \$12,000,000 in gross receipts subject to a substantially similar tax by a local jurisdiction other than San Francisco and filed and paid tax of \$60,000 (a 0.5% effective tax rate). Therefore, the extent the taxpayer paid tax to the other local jurisdiction on gross receipts attributable to San Francisco is \$7,000,000, and the tax credit is determined by dividing that amount by the total gross receipts taxed by the other local jurisdiction, and multiplying the result by the total substantially similar tax paid to that jurisdiction ($(\$7,000,000/\$12,000,000)*\$60,000 = \$35,000$). Since the tax credit cannot reduce the taxpayer's liability to less than zero, the tax credit is \$30,000.

1.	Input the total gross receipts from within and outside San Francisco for the person or combined group.	1. \$20,000,000
2.	Input the apportioned San Francisco gross receipts from Form GR-2019 line 28.	2. \$15,000,000
3.	Subtract line 2 from line 1.	3. \$5,000,000
4.	Input the amount of gross receipts taxed by the taxing jurisdiction stated on this Form CEL-2019 SSTC.	4. \$12,000,000
5.	Subtract line 3 from line 4. If the result is less than zero, enter zero.	5. \$7,000,000
6.	Divide line 5 by line 4.	6. $\$7,000,000/\$12,000,000 = 0.5833333$
7.	Enter the substantially similar tax paid to the taxing jurisdiction stated on this Form CEL-2019 SSTC.	7. \$60,000
8.	Multiply line 6 by line 7. This is the amount of your substantially similar tax credit with respect to the taxing jurisdiction stated on this Form CEL-2019 SSTC. This credit may not reduce your gross receipts tax liability below \$0.	8. \$30,000 (cannot exceed SF gross receipts tax liability)

EXAMPLE 4

A taxpayer has \$20,000,000 in total gross receipts from within and outside San Francisco. After apportionment, the taxpayer has \$15,000,000 in San Francisco gross receipts and has \$30,000 in gross receipts tax before the tax credit. The taxpayer has \$5,000,000 in gross receipts that are not attributed to San Francisco. The taxpayer pays a flat business registration tax of \$500 to a local jurisdiction other than San Francisco. The tax is not a substantially similar tax and does not qualify for the tax credit.