

A tutor is a supplementary educator. Tutors may work with individuals or with a small group of students. Services range from elementary to university level tutor. Below is a list of federal, state, and local laws that may apply to this business type.

#### AT THE STATE AND FEDERAL LEVEL:

- **Tutors Hired for Home Schooling** – Tutors hired to replace a child’s formal education by instructing the child 3 hours a day for 175 days each calendar year will be able to exempt the child from school if the tutor holds a valid state credential for the grade taught pursuant to the California Education Code, available here: [http://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?lawCode=EDC&sectionNum=48224.&article=3.&highlight=true&keyword=Tutor](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=EDC&sectionNum=48224.&article=3.&highlight=true&keyword=Tutor). State teaching credential information is available here: [https://www.ctc.ca.gov/docs/default-source/leaflets/414.pdf?sfvrsn=24453907\\_12](https://www.ctc.ca.gov/docs/default-source/leaflets/414.pdf?sfvrsn=24453907_12).
- **Tutors for After School Study** – there are no Education Code requirements for being a tutor. However, it is recommended that background check available to parents and to check with local school districts to learn if they have a recommended list.
- **California Secretary of State (SOS) Filing** – Not for sole proprietors, but if you form a corporation, limited liability company or partnership, you must file at SOS: <http://www.sos.ca.gov/business/be/forms.htm>
- **Income Taxes** – All businesses must file state income tax with the Franchise Tax Board (FTB); for federal taxes contact the Internal Revenue Service (IRS):
  - FTB: [https://www.ftb.ca.gov/businesses/index.shtml?WT.mc\\_id=Global\\_Businesses\\_Tab](https://www.ftb.ca.gov/businesses/index.shtml?WT.mc_id=Global_Businesses_Tab)
  - IRS: <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Business-Taxes>
- **Sales & Use Tax** – If you sell tangible property, consult the California Department of Tax and Fee Administration (CDTFA) for a Seller’s Permit <http://www.cdtfa.ca.gov/services/permits-licenses.htm>. You may need a Resale Certificate to buy wholesale materials for your products: <https://www.cdtfa.ca.gov/formspubs/cdtfa230.pdf>.
- **For Employers** – If your business will have employees, you’ll need to comply with:
  - **Wages, Hours, & Working Conditions** – Businesses with employees must comply with minimum standards for wages, hours and working conditions. Consult the California Department of Industrial Relations (CDIR) at <http://www.dir.ca.gov/dlse/dlse.html>.
  - **Worker’s Compensation** – Businesses with employees must maintain Worker’s Compensation Insurance coverage. Consult the CDIR at <http://www.dir.ca.gov/dwc/employer.htm>.
  - **Employment Development Department (EDD) Registration** – An employer is required to file within 15 days after paying more than \$100 in wages to one employee. [http://www.edd.ca.gov/Payroll\\_Taxes/Am\\_I\\_Required\\_to\\_Register\\_as\\_an\\_Employer.htm#business\\_subject](http://www.edd.ca.gov/Payroll_Taxes/Am_I_Required_to_Register_as_an_Employer.htm#business_subject).
  - **Federal Employer Identification Number (EIN)** – Employers with employees, business partnerships, and corporations, must obtain a Federal EIN from the Internal Revenue Service (IRS). For federal income tax forms, consult the IRS at [http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Apply-for-an-Employer-Identification-Number-\(EIN\)-Online](http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Apply-for-an-Employer-Identification-Number-(EIN)-Online)

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#### AT THE LOCAL LEVEL:

- **Business License** – Most local governments require a business license or tax registration. If your business is in an incorporated city, contact the city; if in an unincorporated area, contact the county.
- **Zoning** – Whether you will be a home-based business or will occupy commercial space, consult your local planning department to be sure your business activities are permitted. If your business is in an incorporated city, contact the city; if in an unincorporated area, contact the county.
- **Building Permits** – If operating from a commercial building, whether constructing a new building or making modifications to an existing one, most work will require a building permit. If your business is in an incorporated city, contact the city; if in an unincorporated area, contact the county.
- **Fictitious Business Name** – A Fictitious Business Name or Doing Business As (DBA) statement is required when your business name does not include your surname and each of the partners; or the business name suggests the existence of additional owners; or the nature of the business is not evident by the name of the business. Obtain this from the county in which it will be located.
- **Small Business Development Center** – The SBDCs offer free advice and consulting to small businesses. To find a SBDC closest to you, click this link and enter your zip code: <http://americassbdc.org/home/find-your-sbdc/>.

#### ONLINE PERMIT ASSISTANCE TOOL:



Our online permit assistance tool, **CalGOLD** ([www.calgold.ca.gov](http://www.calgold.ca.gov)) identifies local, state, and federal permit information for businesses. The online tool provides webpage links, application forms, and contact information for the agencies that administer and issue permits. For State permits and registrations, CalGOLD includes a Forms and Fee Finder with direct links to applications and fee information. At the website, input your city and type of business. If your business is not listed, select "General Business Information" for a list of general requirements.

#### CONSIDERATIONS:

This Guide is one source of information among many available to you. You may wish to consider more sources to make an informed decision. You are solely responsible for making a decision about how to form and create your business and for determining whether the information from the Guide is suitable for your purposes.

We work to ensure our information is accurate and useful. However, we recommend you consult a lawyer if you want legal advice or another service provider for specific guidance. We offer this Guide for informational purposes only.

#### PROP 65:

Proposition 65, officially known as the Safe Drinking Water and Toxic Enforcement Act of 1986, requires businesses to provide a clear and reasonable warning before knowingly and intentionally exposing anyone to chemicals that are known to state to cause cancer or birth defects or other reproductive harm. It is important to know that a product that receives certification from the United States Food and Drug Administration, or another federal agency or state agency, is not necessarily exempt from California requirements for chemical exposure warnings. Businesses should be aware of the levels of harmful chemicals in their products and of applicable Proposition 65 requirements. For more information on Proposition 65 and compliance with its requirements, visit: <https://oehha.ca.gov/proposition-65>