CONDUCTING A BUSINESS IN YOUR HOME
A GUIDE TO COMPLYING WITH CITY CODES

This bulletin outlines the requirements expressed in the San José Municipal Code for conducting home-based business, including cottage food operations.

Follow the Rules for a “Home Occupation”
A home occupation is a business or commercial activity that is conducted from a home. This includes single-family, duplex, apartment, mobile home or other types of residential properties where the residential use is the primary use and the home occupation is the incidental use of the dwelling. Home occupations do not require a permit, however, to ensure compatibility with neighborhoods, all home occupations must conform to criteria set forth in the Municipal Code (www.sanjoseca.gov/municipalcode).

Business Tax Registration Is Required
Within 90 days of commencing a home occupation in San José, you must complete and submit the City’s Business Tax Registration form and pay the tax. You can do this in person at the Business Tax Office, first floor of City Hall, or visit www.sanjoseca.gov/businesstax to obtain the form. You can pay online, in person, or by the phone. Learn more at www.sanjoseca.gov/businesstax.

Criteria for Home Occupations
The following criteria help ensure that neighborhoods are not adversely affected by home occupations. These criteria apply to every type of home occupation.

Client visitation and hours. Only two clients are permitted in the dwelling at one time. Clients are permitted at the residence only between the hours of 9:00 a.m. and 9:00 p.m.

Employees are limited to home occupants. Only occupants of the dwelling may be employees or unpaid volunteers of the home occupation.

No detectable impacts allowed. Obnoxious odors, vibrations, glare, fumes, dust, electrical interference or noise must not be detectable outside the dwelling or through the vertical or horizontal common walls of an attached dwelling.

Cottage food operations must be in compliance with state codes. Home-based food preparation businesses, known as “cottage food operations,” must be in compliance with the California Government Code and California Health and Safety Code: Learn more by searching “cottage food operations” at www.cdph.ca.gov.

One business vehicle is allowed. A maximum of one business vehicle with a manufacturer’s gross vehicle weight of less than 10,000 pounds is permitted to be kept, garaged, or parked on the lot or parcel associated with the home occupation.

Use of an attached garage. Home occupations are also permitted in an attached garage, provided that the required number of covered parking spaces are retained and accessible.

continued >
Use of a detached garage/accessory building. In a detached garage or accessory building, only 100 square feet floor area may be devoted to a home occupation, and the required number of covered parking spaces may not be displaced.

Carports, yards. Home occupations, including storage, are not permitted in carports or the yard areas.

Manufacturing is not allowed. No manufacture or assembly, other than hand-crafted products, is permitted.

Conduct of sales. The direct sale of products off display shelves or racks to the general public is limited to no more than 15 sq. ft. of space at the home. Larger, pre-ordered sales may be filled on the premises if placed by a customer using online, telephone, or mail order communications, or through an off-site sales party.


Questions?
Speak with a planner at 408-535-3555.
Visit www.sanjoseca.gov/planning for phone service hours.

PROHIBITED HOME BUSINESSES

Certain home businesses are not compatible within a residential neighborhood because of its potential to create a nuisance or hazardous condition. Per Municipal Code Section 20.80.720, the following activities are prohibited as home occupations:

- Alcoholic beverage sales, including selling alcohol for off-site consumption
- Animal breeding
- Appliance repair (small appliance repair is okay)
- Firearm sales and services
- Food catering
- Massage parlors and the business of arranging massages at an off-site location
- Motorized garden tool repair, such as lawnmowers, chainsaws, leaf blowers, etc.
- Pest control
- Vehicle-related uses such as cleaning, dismantling, embellishing, manufacturing, installing, maintaining or repairing vehicles; and services such as leasing, renting, selling, storing, towing, and dispatching of vehicles; and including driving schools
- Upholstery and furniture repair
- Welding
- Any use which requires a Hazardous Materials Permit from the Fire Department