
Development Construction Taxes

The San Jose Municipal Code contains specific information regarding the imposition and regulation of all construction taxes. Construction taxes are excise taxes that have been imposed by the City Council to fund specific City operations as set forth in Chapter 4 of the San Jose Municipal Code. For a copy of the Municipal Code sections relating to construction taxes, contact the City Clerk's office at (408) 535-1260. Construction taxes are collected by the Permit Center at the time of permit issuance. Currently there are five different construction taxes - Brief descriptions are as follows:

1. **Building & Structure Construction Tax (B&S)** -
This tax applies to residential, commercial and industrial projects.
The tax is based on the valuation of the project as assessed by Building Division Policy.
For residential projects the fees are 1.54% of the building valuation.
For commercial projects the fees are 1.5% of the building valuation.
For industrial projects the fees are 1% of the building valuation.
2. **Commercial-Residential-Mobilehome Park Building Tax (CRMP)** -
This tax applies to residential and commercial uses and mobile home parks.
The tax is based on the valuation of the project as assessed by Building Division Policy.
For residential projects the fees are 2.42% of the building valuation.
For commercial projects the fees are 3% of the building valuation.
3. **Construction Tax** -
This tax applies to residential, commercial and industrial projects.
The fees are based on the number of new dwelling units or new floor area.
For residential projects the fee ranges from \$75.00 to \$150.00 per unit, based on the type of project.
For commercial & industrial projects the fees are based on \$.08/sq. ft. for all new floor area.
4. **Residential Construction Tax** -
This tax applies to residential projects only.
The fees are based on the number of new units.
The fee ranges from \$90.00 to \$180.00 per unit, based on the type of project.
5. **Strong Motion Instrumentation Program Assessment (SMIPA)** -
This fee is imposed by the State of California to fund the study of earthquakes.
This tax applies to residential and commercial projects.
The fees are based on the valuation of the project.
For residential projects the fees are .0001% of the building valuation.
For commercial projects the fees are .00021% of the building valuation.
6. **Building Standards Administration Special Revolving Fund (BSARSF)** -
This fee is imposed by the State of California for the purpose of carrying out the provisions of the State Building Standards Law and provisions of State Housing Law that relate to building standards.
This tax applies to all residential and commercial projects.
The fees are based on the valuation of the project.
For all project types the fees are \$1 for every \$25,000 of valuation, in \$1 increments.