

# CITY OF DETROIT



**Detroit Business Certification Program**  
**Application for Certification as**

**Detroit Based Business**  
**Detroit Headquartered Business**  
**Detroit Small Business**  
**Minority-Owned Business Enterprise**  
**Woman-Owned Business Enterprise**

Administered by the  
City of Detroit / Human Rights Department  
Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1240  
Detroit, MI 48226  
(313) 224-4950

Website address: [www.DetroitMi.gov/How-Do-I/Find/Human-Rights-Forms](http://www.DetroitMi.gov/How-Do-I/Find/Human-Rights-Forms)

**Michael E. Duggan, Mayor**

**Detroit City Council**



## Table of Contents

Introduction for Certification .....	2
Commonly Asked Questions .....	3
Checklist of Required Documentation & Information.....	5
Application for Certification.....	6
Detroit Based Business .....	11
Detroit Headquartered Business .....	11
Detroit Small Business .....	12
Business Roster – Owners and Executives / Upper Management .....	13
Business Roster – All Employees .....	14
Requirements For Income Tax Clearance.....	15
Request For Income Tax Clearance .....	16
Information For Accounts Receivable Clearance Request .....	17
Accounts Receivable Clearance Application .....	18
MBE / WBE Declaration .....	19
Affidavit of Applicant .....	20
Appeal Process.....	21

## Introduction for Certification

Thank you for your interest in becoming certified with the Detroit Business Certification Program (DBCP) managed by the Human Rights Department. All applicants are required to pay an annual, non-refundable program fee to initiate the certification review process. The fee is based on size; Small or Non-Small, and is due in-full when submitting the application for certification, and annually thereafter.

**Payment of the Annual Program Fee does not guarantee certification. To receive a certificate, the applicant must meet all requirements of the program as related to the certification type being sought.**

Please review and answer ALL required questions. Please use the enclosed checklist to ensure you have submitted all required documentation. Commonly Asked Questions have been provided to answer your questions. Once you have completed the application and submitted it along with the annual program fee and all requested documentation, the following steps will be completed by the Human Rights Department:

1. Human Rights Personnel will give the applicant (if hand delivered) a receipt acknowledging payment of the Annual Program Fee.
2. Business Certification Specialist will review the file and contact the applicant with any questions.
3. Business Certification Specialist may perform a site-visit for Detroit Based Business (DBB), Detroit Headquartered Business (DHB), and Detroit Small Business (DSB) certifications as deemed necessary.
4. If the applicant meets the qualifications, the appropriate certificate will be issued for a period of one year.

**Note:** *To ensure timely processing of your application, please answer all questions in the application with all required documentation (including **APPROVED income tax clearance(s)**, **APPROVED account receivable (a/k/a vendor) clearance**, and **current on any City of Detroit inspections, licenses, and permits**.* Incomplete applications may be returned to you.

We cannot guarantee that an application determination will be completed in time for a bid submission. Your completed application can be mailed to the following address:

**Coleman A. Young Municipal Center  
City of Detroit Human Rights Department  
2 Woodward Avenue, Suite 1240  
Detroit, MI 48226**

For information regarding the services of the Human Rights Department please contact us at 313-224-4950 or visit our website: <http://www.detroitmi.gov/How-Do-I-Find/Human-Rights-Forms>.

## Commonly Asked Questions

### 1. Why should I participate in the Detroit Business Certification Program (DBCP)?

The Detroit Business Certification Program (DBCP) is an important component of the economic revitalization of Detroit. It is the policy of the administration to encourage and increase the utilization of local business doing business in the City and to offer benefits that:

- Leverage for opportunities that may require one or more of the five certifications offered via the Detroit Business Certification Program
- Offers eligibility of equalization credits and competitive advantage for bidding on some projects in the City of Detroit (Detroit Based);
- Promotes awareness within the Detroit business community regarding opportunities for utilization of local goods and services;
- Promotes your business through increased visibility of company's brand, business type(s) and contact information, which is made available via the City's Certified Business Register on the City of Detroit's website.

### 2. When can I submit my application?

Business applicants applying for certain certification type should submit their application upon completion of a minimum of 12 months of business operation within the City of Detroit:

- Detroit Based Business (DBB), Detroit Headquartered (DHB) and Detroit Small Business (DSB) applicants must have operated from a Detroit based location, and paid all income and personal property taxes due for not less than one (1) taxable year immediately prior to submitting an application.
- Minority-Owned Business Enterprise (MBE) and/or Woman-Owned Business Enterprise (WBE) **only** may reside anywhere in the United States and may have been in operation less than one (1) year.

### 3. My company has been in existence for less than 12 months? Why can't I get certified?

The City of Detroit Ordinance Chapter 18-5-1 mandates that the services the firm offers to the City has been provided at the City site for at least one (1) year prior to the date of application submission.

### 4. How long after application submittal is a determination made?

On average, the certification process may take up to **30 – 45 days**.

- Application processing time may vary depending upon the number of applications received and the number of type of certifications requested per applicant, the submission of required documentation and the legal/financial complexity of the business being reviewed.

### 5. Can I do anything to avoid unnecessary delays in processing my application?

- Verify the information you are submitting is accurate. If you have questions pertaining to the application, please contact the Human Rights Department (HRD) at (313) 224-4950.
- Use the Checklist (page 5) as tool to submit ALL required documents, all line items on the checklist are required (no N/As).
- Timeliness in responding to an HRD Business Certification Specialist's request for information is crucial to avoid unnecessary delays in processing your application.
- Obtaining APPROVED Income Tax clearance(s) for business and individual(s) (if applicable) prior to submitting your application.
- Obtaining APPROVED Accounts Receivable (a/k/a Vendor) Clearance for business prior to submitting your application.
- All businesses must be current on Annual Inspections and any licenses and permits

**Please Note:** Inaccurate, illegible, or missing information (i.e. signatures, dates, required documents, tax clearances, etc.) in the application and/or supporting documentation will delay processing time.

**6. What do I receive once my business is certified?**

Official letter and certificate are mailed and emailed to successful applicants each year.

- Any business certified is automatically listed on the City of Detroit's Certified Business register.
- Certified Business Register is available on the City of Detroit's website, <http://www.detroitmi.gov/How-Do-I/Find/Human-Rights-Forms>.

**7. What happens if my business is found not qualified for one certification type and I applied for several?**

You may be required to submit additional information to meet certification requirements.

- You may have applied for Detroit Headquartered Business (which includes Detroit Based Business) and Detroit Small Business certification. If you do not meet ALL the requirements for Detroit Headquartered Business (DHB), and meet the requirements for Detroit Based Business (DBB) and Detroit Small Business (DSB), a certification will be issued for the approved certification type.
- You may register as a Minority-Owned Business and/or Woman-Owned Business if your business meets the requirements stated on the MBE / WBE Declaration page and other required documents listed on the Checklist (page5). MBE and WBE declarations are independent of DBB, DHB, and DSB.
- We cannot guarantee that your business will qualify for any status. Your Program Fee is non-refundable whatever the outcome.

**8. Is there a cost associated with the Detroit Business Certification Program?**

Yes, there is an annual non-refundable program fee: (refer to page 12 - qualifications for small business)

- Small Businesses: \$600
- Non-Small Business: \$2,500
- WBE / MBE only and Small Business: \$600
- WBE / MBE only and Non-Small Business: \$2,500
- Annual Program Fee is non-refundable
- Payable to City of Detroit, Memo note – Human Rights Department DBCP

**9. Why is the Certification Application so extensive and complex?**

Businesses who participate in the Detroit Business Certification Program will have a competitive advantage when bidding on City contracts. Therefore, it is imperative that the certification process is thorough and comprehensive, and the authenticity and legitimacy of all businesses are confirmed.

- Ensures equity, integrity, and accountability to the process, validates all requirements and guidelines set forth in the HRD Administrative Guidelines.
- Through comprehensive research and investigation, the department is able to validate authenticity and legitimacy for all businesses.

**10. Where can I pick up a Business Certification Application?**

Business Certification Applications are available at the Human Rights Department in the Coleman A. Young Municipal Center, Suite 1240, 313-224-4950 or visit <http://www.DetroitMi.gov/How-Do-I/Find/Human-Rights-Forms>.

**11. What is a Covenant of Equal Opportunity / Human Rights Clearance Affidavit (HRCA)?**

The Human Rights Department has the responsibility for ensuring all business doing business with the City of Detroit comply with all Federal, State and Local regulations governing fair employment practices. The Covenant of Equal Opportunity, also referred to as the Human Rights Clearance Affidavit, ensures compliance with the City's equal employment principles and monitors the employment and hiring practices of contractors who do business with the City.

- All potential vendors, contractors, and subcontractors involved in the bid selection process must complete, sign and notarize the HRCA and submitted with their bid submission.
- Contractors do not need a certification to bid on City Contracts; however, all contractors must have a HRCA for each bid submission.
- There are no fees for the HRCA.

## Detroit Business Certification Program Certification Checklist

### ALL Required Documentation & Information

(Complete checklist. Keep a copy and submit a completed copy of this page with application)

**(When submitting application – one-sided only, NO staples, paper clips, or binding of pages)**

#### Detroit Based Business (DBB)

- Payment (check), \$ \_\_\_\_\_
- Check-off Which Category for Certification (page 6)
- Last Detroit Business Cert, if any – expired \_\_\_\_\_
- Answered Affiliates/Subsidiaries (Yes / No)
  - If Yes, Explanation Letter
- Business Overview (What does your business do?)
- 4 Accounts Receivable Work Orders / Invoices (ONLY account receivables - showing work provided by your company, 1 per qtr. to cover past year from submission date)
- Legal Business Structure (see detailed options inside app.)
- Verification of Ownership (see detailed options inside app.)
- Most Current Annual Financial Statements

---

- Last 3 Fiscal Year Federal Tax Returns (**1<sup>st</sup> page only & verification of ownership pages, show only last 4 SS#**)
  - Year \_\_\_\_\_
  - Year \_\_\_\_\_
  - Year \_\_\_\_\_
- Approved Business Income Tax Clearance – expire date \_\_\_\_\_
- Approved Accounts Receivable Clearance – expire date \_\_\_\_\_
- Deed / Lease (must show complete past year from submission date)
- Verification of Physical Resources (see details inside app)
- Business Roster (**complete all columns on each roster**)
  - # of Owners & Exec. / Upper Management \_\_\_\_\_
  - # of Employees \_\_\_\_; # of Det. Res. Employees \_\_\_\_
- Affidavit Of Applicant Page
  - Authorize Signature
  - Notary Signature
  - Notary Stamp

#### **Please Note:**

Human Rights Department reserves the right to request additional documentation in order to complete the certification process. Please have available upon request but not limited to: (1) Verification of Annual Inspection and any other City of Detroit Business License(s) or permit(s), (2) Employer's Quarterly Tax Report (Form 1028), (3) By-Laws or Operating Agreement or BOD annual meeting minutes.

- **ALL** businesses must keep current their Annual Inspection – contact BSEED Property Maintenance
- **ALL** businesses must keep current City of Detroit License(s) or permit(s) Required for Business (i.e. Electrical, Landscaping, Snow Removal, Motor Vehicle, etc. – contact BSEED Business License Center)

#### Detroit Headquartered Business (DHB)

- Completed All Items Under DBB
- Approved Individual Income Tax Clearance(s) – ALL Owners and Upper Management
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_

#### Detroit Small Business (DSB)

- Completed All Items Under DBB
- Meet Small Business Requirements (average over the last 3 fiscal years)
  - Manufacturing: < 500 Employees in 3 Years
  - General Construction: < \$28 million
  - Specialty Construction: < \$12 million
  - Wholesale: < 100 Employees in 3Years
  - Retail: < \$6 million
  - Service: < \$6 million
  - Professional Service: < \$6 million
- Gross Receipts: Year \_\_\_\_\_ \$ \_\_\_\_\_
  - Year \_\_\_\_\_ \$ \_\_\_\_\_
  - Year \_\_\_\_\_ \$ \_\_\_\_\_
  - Average: \$ \_\_\_\_\_

#### Minority / Woman Business Enterprise (MBE / WBE)

- Answered Questions 1 – 10 in application
- Completed Line Items under DBB (above the dotted line)
- Most Current Federal Tax Returns (**1<sup>st</sup> page only & verification of ownership pages, show only last 4 SS#**)
- Deed / Lease
- Business Roster (**complete all columns on each roster**)
  - # of Owners & Exec / Upper Management \_\_\_\_\_
  - # of Employees \_\_\_\_; # of Det. Res. Employees \_\_\_\_
- MBE / WBE Declaration Page
  - Completed Entire Table
  - Authorize Signature & Date
- Completed Affidavit of Applicant Page

## Detroit Business Certification Program (DBCP) Application for Certification

**\*\* DBB, DHB, & DSB businesses MUST operate from the Detroit location for at least one (1) year prior to the date of submitting this application.**

**(When submitting application – one-sided only, NO staples, paper clips, or binding of pages)**

**Refer to Introduction and Commonly Asked Questions For Assistance With Completing Application**

**Must have APPROVED Income Tax clearance(s) and APPROVED Accounts Receivable (a/k/a Vendor) clearance when submitting application with application fee**

All applicants are required to pay an annual, **non-refundable** program fee at the time of application certification. **Payment of the Annual Program Fee does not guarantee certification.**

**Certify as (Check all that apply):**

- Detroit Based Business (DBB)\*\***
- Detroit Headquartered Business (DHB) \*\***  
(DHB includes DBB & must also meet all DBB requirements)
- Detroit Small Business (DSB) \*\***  
(DSB must also meet DBB requirements)
- Minority-Owned Business Enterprise (MBE)**
- Woman-Owned Business Enterprise (WBE)**

Name of Business: \_\_\_\_\_

Business Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Business Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Business Telephone: (    ) \_\_\_\_\_ Fax: (    ) \_\_\_\_\_

Business Email Address: \_\_\_\_\_  
(Published on business register)

Business Website: \_\_\_\_\_

Date Business Established: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

FEIN: \_\_\_\_\_ OR SSN (last 4 digits only): \_\_\_\_\_

*Authorized Contact Person; i.e., the representative who is authorized to discuss confidential information and answer questions related to your application:*

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Authorized Contact Telephone: (    ) \_\_\_\_\_ Email: \_\_\_\_\_

Next Authorized Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Authorized Contact Telephone: (    ) \_\_\_\_\_ Email: \_\_\_\_\_

**1. Business Information**

Submit a copy of a lease, deed, land contract or mortgage agreement **for each Detroit location owned or operated by the applicant.** The applicant must complete the first space below for the Business Headquarters no matter where it is located. Other spaces below should only be completed for each location within the City of Detroit. If necessary, provide information for additional locations on a separate sheet.

**Business Headquarters: (Please answer all)**      \_\_\_\_\_ Leased    \_\_\_\_\_ Own

Name of Authorized Person at HQ: \_\_\_\_\_

Business Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Type of Operations: \_\_\_\_\_

Number of Employees at HQ: \_\_\_\_\_ Phone# \_\_\_\_\_

Total # of Employees (all locations): \_\_\_\_\_ Total # of Det. Residents Employees: \_\_\_\_\_

**Detroit Location (if different than headquarters): (Please answer all)**      \_\_\_\_\_ Leased    \_\_\_\_\_ Own

Name of Authorized Person at Detroit Location: \_\_\_\_\_

Business Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Type of Operations: \_\_\_\_\_

Number of Employees (@ this location): \_\_\_\_\_ Phone# \_\_\_\_\_

Number of Detroit Residents Employees (@ this location): \_\_\_\_\_

**Detroit Location (if different from above): (Please answer all)**      \_\_\_\_\_ Leased    \_\_\_\_\_ Own

Name of Authorized Person at Detroit Location: \_\_\_\_\_

Business Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Type of Operations: \_\_\_\_\_

Number of Employees (@ this location): \_\_\_\_\_ Phone# \_\_\_\_\_

Number of Detroit Residents Employees (@ this location): \_\_\_\_\_

**2. Other Locations:**

How many business locations outside the City of Detroit? \_\_\_\_\_

If there are locations outside the City of Detroit, please list address of each location:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**3. Business Type (Check All That Apply):**

**Information regarding Business Type:**

(Must complete if you want a description included on business register up to 255 characters, otherwise left blank)

---

---

---

○ **Manufacturing**

Manufacturing means a business operating or maintaining a facility that produces materials, supplies, articles, equipment, etc. from raw materials or that materially alters or adds value to previously manufactured products from their original state such that the altered product is no longer useable as originally intended.

○ **General Construction**

General Construction Business means a business that (1) is a general contractor for any of the following: Industrial Buildings, Residential Buildings, Single Family Houses or Warehouses or (2) performs heavy construction which includes, but is not limited to the following: bridges, communications lines, elevated highways, highways, pipelines, power lines, sewer lines, streets, tunnels, or water lines.

○ **Specialty Construction**

Specialty Construction Business means a business that engages in any of the following lines of business: carpentry, concrete work, electrical work, excavation work, floor laying, glass and glazing work, heating ventilation and air conditioning, installation or erection of building equipment, masonry, stone setting and other stone work, painting and paperhanging, plastering, drywall, acoustical and insulation work, plumbing, roofing, siding and sheet metal work, structural steel erection, terrazzo, tile marble and mosaic work, water well drilling, or wrecking and demolition work, as well as other categories of specialty construction as may be identified by the City.

○ **Wholesale**

Wholesale business means a firm engaged in the selling or distribution of commodities, goods, articles, products, etc. in large quantities and usually to retailers or others at a reduced cost per item.

○ **Retail**

Retail business means a firm engaged in the sale or distribution of commodities, goods, articles, products, etc. to the ultimate consumer in small quantities and in which an inventory of products is available at the business location.

○ **Service**

Service business means a firm providing services of a non-professional nature such as, but not limited to repairing, cleaning, maintenance, testing, construction services, personal services, etc.

○ **Professional Service**

Professional Service business means a firm providing services that are not generally available in the public-at-large that requires specialized knowledge, licensing and/or certification. These services include, but are not limited to accounting services, architectural/engineering services, consultant services, information technology services, construction management, financial management, facilities management, legal services, etc.

4. Indicate the three-digit NIGP commodity class code(s) that apply to the goods/services your firm provides. This information will be listed on HRD's business registry.  
(Please refer to the attached 3-digit NIGP Commodity Codes List on Human Rights Department webpage, <http://www.detroitmi.gov/How-Do-I-Find/Human-Rights-Forms>).
- \_\_\_\_\_

5. Does the **business** have any subsidiaries or affiliates or is it a subsidiary of another business concern? (i.e. Shared location, management, and/or employees, associated business, etc.)

No     Yes

**If yes**, provide a full and detailed explanation of business relationships and the relationships of owners and executives on a separate attachment.

6. Submit a business overview of the services provided by the business.
7. Submit at least four (4) paid account receivable work orders / invoices of **your services provided**; one PER QUARTER to cover the past year from date of submitting application.
8. Submit Legal Business Structure (Please check the applicable box):
- Assumed Name Certificate
  - Articles of Incorporation
  - Articles of Organization
  - Certificate of Co-Partnership

9. Submit Verification of Ownership:

- Submit most current Federal Tax Return 1120S / 1065 Schedule K-1, showing ownership adding up to 100%, Tax Return 1120 Form 1125-E or Tax Return 1040 Profit/Loss pages
- Copy of the stock transfer ledger AND most current annual meeting minutes
- List all stock owners: (Please print neatly); Total Number of Issued Stock: \_\_\_\_\_

1. Name: \_\_\_\_\_ 4. Name: \_\_\_\_\_

2. Name: \_\_\_\_\_ 5. Name: \_\_\_\_\_

3. Name: \_\_\_\_\_ 6. More stock owners list on additional sheet

10. Submit Most Current Annual Financial Statements

Submit the business last fiscal year (one year only) financial statements (Income Statement, Balance Sheet, Profit/Loss Statement, Statement of Operations, Statement of Cash Flows, etc).

11. Submit Federal Tax Returns (Please check the applicable box):

The business **last three (3) fiscal years** federal tax returns (**1<sup>st</sup> page only & for verification of ownership - return 1120S / 1065 Schedule K-1 adding up to 100%, return 1120 Form 1125-E, or return 1040 Profit/Loss pages, show only the last four (4) of the social security number (SS#).**)

For MBE/WBE only, one (1) year – the most current fiscal year (**1<sup>st</sup> page only & for verification of ownership - return 1120S / 1065 Schedule K-1 adding up to 100%, return 1120 Form 1125-E, or return 1040 Profit/Loss pages, show only the last four (4) of the social security number (SS#).**)

- Corporation or S Status - (IRS Form 1120 or 1120S)
- Limited Liability Company LLC or Partnership – (IRS Form 1065)
- Sole Proprietorship – (IRS Form 1040)

## 12. **Business Clearances:**

DBB and DHB businesses must submit with this application a copy of ALL APPROVED clearances from Accounts Receivable department and Income Tax Clearance department. The clearance forms are included in this application for your convenience. Please contact those departments with specific questions. **Print additional copies as needed.**

If applying for Detroit Headquartered Business (DHB), see DHB section for individual clearance(s) requirements.

*Please attach ONLY clearances that have been APPROVED by each department listed below.*

- **Accounts Receivable (a/k/a Vendor) Clearance Form** (See attachment)  
Revenue Collection  
Coleman A. Young Municipal Center  
2 Woodward Ave. Room 106  
Detroit, MI 48226  
Phone: 313-224-4087, Fax: 313-224-1901
- **Income Tax Clearance Form** (See attachment)  
Income Tax Division  
Coleman A. Young Municipal Center  
2 Woodward Ave. Room 106  
Detroit, MI. 48226  
Phone: 313-224-3328 or 224-3329, Fax: 313-224-1901

### **PLEASE NOTE: (items that could delay your approval)**

The Applicant is responsible for securing all clearances. Please attach ONLY approved clearances to this application.

**All businesses** (in Detroit) are required to keep current their Annual Inspection – contact Property Maintenance in the Buildings, Safety Engineering & Environmental Department (BSEED).

**All businesses** (in Detroit) are required to keep current any city of Detroit Business License(s) or permit(s) – contact Business License Center in BSEED (i.e. Electrical, Builder, Motor Vehicle, Snow Removal, Landscaping, etc.).

### 13. Detroit Based Business

(Business must have paid city income taxes, property taxes, and business personal property taxes one taxable year immediately prior to date of the application)

*Detroit based business* (DBB) means a business which pays City income taxes on the business's net profits and pays City property taxes on a plant or office and equipment which are ordinarily required for the furnishing of the goods or the performance of the services required by the contract and referred to in the application for certification as a Detroit based business, or other real or personal property in the City equivalent in value to such plant or office and equipment for not less than one (1) taxable year immediately prior to the date of the application for certification as a Detroit based business.

Additionally, the following requirements must be met:

- A. Provide verification of location – deed or lease that covers the complete year prior to submitting application;
- B. Provide verification that the firm has the physical resources including, but not limited to, inventory, equipment, vehicles, etc., as well as the ability to provide the services indicated in its application for certification at the City location – i.e. (1) inventory lists of office furniture and (2) office equipment and equipment used to perform jobs in a spreadsheet or on company letter;
- C. **Note:** Human Rights Department reserves the right to request additional documentation in order to complete the certification process. Please have available upon request but not limited to: (1) Verification of Annual Inspection and any other City of Detroit Business License(s) or permit(s), (2) Employer's Quarterly Tax Report (Form 1028), (3) By-Laws or Operating Agreement or BOD annual meeting minutes.

### 14. Detroit Headquartered Business

(The headquarters must meet the requirements of a Detroit based business in addition to the following.)

*Detroit Headquartered Business* (DHB) is an enterprise with an office within the City of Detroit that services as the administrative center where the chief executive officer and highest level management staff perform the majority, or fifty-one percent (51%) of their management functions. Affiliates, subsidiaries, limited liability corporations and other business structures shall not receive Detroit Headquartered Business certification if it is determined by the Human Rights Department that another related office outside the City of Detroit has a larger presence than the Detroit office. Additionally, the following requirements must be met:

- A. Meeting all requirements for Detroit Based Business (DBB). (DBB is included in the DHB category)
- B. Complete and submit an approved Individual City Income Tax Clearance Form (see attachment) for **each** owner and highest level of management (i.e. Chairman, Vice-Chair, President, Vice President, CEO, CFO, COO, Executive Director, etc). To obtain clearance submit clearance form to the City of Detroit Income Tax Division. Once clearance is approved, submit approved clearance form(s) with application to the Human Rights Department.

## 15. Detroit Small Business

(Small business must meet the requirements of a Detroit based business in addition to the following.)

*Detroit Small Business (DSB)* must have been in existence and operating for at least one (1) year prior to the date of application. Additionally, the applicant's average annual gross receipts must be less than the following figures in the three (3) fiscal years preceding the date of application:

- **Manufacturing business** which has provided full-time employment to fewer than five hundred (500) persons in the three (3) fiscal years preceding the date of application. Provide the following for the last three (3) fiscal years-ending: (*Attach copies of the year-end payroll reports for the corresponding fiscal years, quarterly MESC reports, or other official documents to support your year-end number of employees.*)

Month / Day / Year	Number of Employees

- **General construction business:** \$28 million
- **Specialty construction business:** \$12 million
- **Wholesale business** which has provided full-time employment to fewer than one hundred (100) persons in the three (3) fiscal years preceding the date of application (*Attach copies of the year-end payroll reports for the corresponding fiscal years, quarterly MESC reports, or other official documents to support your year-end number of employees.*)
- **Retail business:** \$6 million
- **Service business:** \$6 million
- **Professional Service Firm:** \$6 million

## Business Roster – Owners and Executives / Upper Management

Business Name: \_\_\_\_\_

1. List all stock owners. If owner does not work for business, enter “Not on payroll” under Work Location Address.
2. List all executives / upper management, for example but not limited to - CEO, COO, CFO/Controller, Chairman, Vice Chairman, President, Vice President, Executive Vice President, Senior Vice President, Partner, Executive Director, etc.

(Please print and complete ALL columns)

Name	Title	Date Appointed & Date Hired	Tot Hrs Worked (per week)	Hrs Worked In Detroit Only (per week)	Work Location Address	Percentage of Ownership
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						

TOTAL HRS \_\_\_\_\_hrs \_\_\_\_\_hrs

TOTAL% 100%

Completed by ALL Applicants

### Business Roster – All Employees (include management from previous page)

Business Name: \_\_\_\_\_

(Please print and complete ALL columns – include management from the previous page)

Name	Title	Date Appointed & Hire Date	Work Location Address	Employee Home City, State, & Zip
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

(Print additional pages as needed)

## Requirements For Income Tax Clearance

**Background.** The City of Detroit is authorized to levy an income tax under the Uniform City Income Tax Ordinance (No.900-F) set forth in Chapter 2 of Act 284 of the Public Acts of 1964, known as the “City Income Tax Act.” No bid shall be accepted from or contract awarded to any person who is in arrears to the City...” see Detroit codes: Sec.18-5-13, Sec. 18-10-25 and General Conditions #28.

**What Is An Income Tax Clearance?** An **approved** Income Tax Clearance states that an individual, business or subcontractor seeking employment or contracts with the City of Detroit has complied with all the provisions of the City Income Tax Ordinance. Contractors (individuals, businesses or Subcontractors) cannot be awarded a contract and are not authorized to perform services until they are in compliance with the City Income Tax Ordinance. **The “Request for Income Tax Clearance” form should be submitted 30 days prior to the submission for new bids or renewals of contract extensions. Please e-mail your completed request form (preferably in PDF format) to: [IncomeTaxClearance@DetroitMi.gov](mailto:IncomeTaxClearance@DetroitMi.gov)**

**Requirements For Individuals.** Individuals must file returns and pay income taxes, and not have any unpaid assessments. Detroit residents must file form D-1040(R). If a taxpayer claims a non-resident status, proof will be required (copy of lease, mortgage closing statements, driver’s license, voter’s registration, etc.). If an individual seeking a tax clearance reside within the City, but claimed dependent status on another person’s tax return, or received assistance, proof may be required.

**Requirements For Businesses.** Businesses must file Corporation D-1120 or Partnership D-1065 returns, regardless of net profit or loss. Non-profit organizations are required to file D-1120 tax return based on non-related income. All employers located in the City or “doing business within the City” must withhold City of Detroit income taxes from employees’ compensation. Employers subject to withholding tax must file monthly or quarterly forms D-941/501, as well as, form DW-3 Annual Reconciliation with W2’s. All assessments must be paid. New employers must request an Employer’s Package and register with the City by completing and submitting an Employer’s Withholding Registration form DSS-4. Contractors must supply a list of subcontractors with federal identification numbers or social security numbers. Contractors must also supply the federal identification numbers used for their leased employees.

**Income Tax Clearance Denials.** Income Tax Clearances are denied based on one or more of the following reasons: (1) Missing withholding payments, DW-3 Annual Reconciliation with W2’s, (2) Unpaid assessments and (3) Missing tax returns and related data regarding taxpayers are confidential: therefore, reasons for denial are given only to the taxpayer or authorized representative with power of attorney. Taxpayers with denied clearances my visit our office to obtain information about their account or to drop off requested information.

**Appointments are not necessary.** For additional information contact the Clearance Section at 313-224-3328 or 313-224-3329. Our office is located in the Coleman A. Young Municipal Center, 2 Woodward Avenue, Suite 106. Office hours are 8:30 a.m. to 4:30 p.m., Monday through Friday.



# Request For Income Tax Clearance

REQUESTING DEPARTMENT / DIVISION: Human Rights Department

E-MAIL ADDRESS: \_\_\_\_\_

CONTACT NAME: \_\_\_\_\_ PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

Type of Clearance:  New  Renewal (Please submit 30 days prior to submitting bid or expiration date)

<p><b>A.</b></p> <p><b>To:</b> City of Detroit Income Tax Division Coleman A. Young Municipal Center 2 Woodward Avenue, Suite 106 Detroit, MI 48226</p> <p><b>Phone:</b> (313) 224-3328 or 224-3329 <b>Fax:</b> (313) 224-1901</p> <p><b>Email:</b> IncomeTaxClearance@DetroitMi.gov</p>	<p><b>For:</b> Individual or Company Name _____</p> <p><b>Address</b> _____</p> <p>_____</p> <p><b>City</b> _____</p> <p><b>State</b> _____ <b>Zip Code</b> _____</p> <p><b>Telephone</b> _____ <b>Fax #</b> _____</p> <p><b>Email Address</b> _____</p>
--	--

<b>B. Name of Chief Financial Officer/Authorized Contact Person (include address if different from above)</b>	<b>Telephone #</b> _____
	<b>Fax #</b> _____
<b>Employer Identification or Social Security Number</b>	<b>Spouse Social Security Number</b>

<b>Nature of Contract</b> _____	<b>BID CONTRACT AMOUNT (if known):</b>
	<b>Labor:</b> \$ _____ <b>Material:</b> \$ _____
	<b>Contract # (if known)</b> _____

**C. ALL QUESTIONS MUST BE ANSWERED TO EXPEDITE APPROVAL PROCESS. ANY QUESTION NOT ANSWERED MAY RESULT IN A DENIAL OF INCOME TAX CLEARANCE**

**Check One:**  Individual  Corporation  Partnership  Estate & Trust

**INDIVIDUALS ANSWER QUESTIONS 1, 2, 3, 4.**

- Have you filed joint returns with spouse during the last seven (7) years? (If yes, include spouse SSN above)  Yes  No
- Are you a student and/or claimed as a dependent on someone else's tax return  Yes  No
- Were you employed during the last seven (7) years?  Yes  No
- Were you a resident of Detroit during the last seven (7) years?  Yes  No

**CORPORATIONS AND PARTNERSHIPS ANSWER QUESTIONS 5, 6, 7.**

- Is the company a new business in Detroit? If yes, attach Employer Registration (Form DSS-4)?  Yes  No
- Will the company have employees working in Detroit?  Yes  No
- Will the company use sub-contractors or independent contractors in Detroit?  Yes  No

**D. FOR INCOME TAX USE ONLY**

**Has the employer/employee complied with the provisions of the City Income Tax Ordinance?**

<input type="checkbox"/> Yes	<input type="checkbox"/> No	Signature _____	Date _____	Expires _____
<input type="checkbox"/> Yes	<input type="checkbox"/> No	Signature _____	Date _____	Expires _____
<input type="checkbox"/> Yes	<input type="checkbox"/> No	Signature _____	Date _____	Expires _____

VISIT OUR WEBSITE FOR INFORMATION AND TAX FORMS AT: [www.DetroitMi.gov](http://www.DetroitMi.gov)

**Note:** An approved Income Tax Certificate may be used in multiple city wide departments that require a bid. **Please email your completed request form (preferably in PDF format) to: IncomeTaxClearance@DetroitMi.gov**

Attachment 2 – Information Sheet

## **Information For Accounts Receivable Clearance**

All Purchasing Division vendors in compliance with Ordinance 52-H (No outstanding obligations to the City of Detroit) requirements will receive an approved Accounts Receivable Clearance. Copies of the approved clearance may be submitted with bid packages until the clearance expiration date. Accounts Receivable clearances may have various validity dates usually within the same fiscal year.

### **Accounts Receivable Clearance Requests**

The Accounts Receivable Clearance Request provides for submission of all pertinent data relating to the business or individual seeking the contract. It must be filled out in its entirety and submitted along with any additional documentation, such as: (1) Copies of lease and/or rental agreements, if the real property does not belong to the applicant (2) Federal I.D. number or SS#, if a sole proprietor (3) Personal Property tax I.D. number, if applicable. If you do not know your city personal property number or need to apply for one, you must go to room 804 in the Coleman A. Young Municipal Center for this information. Missing and/or inaccurate information may result in processing delays.

### **Internal Processing**

Document review takes three (3) to seven (7) business days. It is the vendor's responsibility to provide required documentation in time for a review and recommendation prior to the bid ending date. Clearance requests may be dropped off on all normal work days between 8:30 a.m. and 4:30 p.m. In room 106 of the Coleman A. Young Municipal Center, a tray labeled Accounts Receivable Clearances will be available on the front counter. Pickup of completed forms can be made after 8:30 a.m. Denied requests will include the reason for denial. Vendors in possession of an expired approved clearance should submit the expired clearance with their request.



**14. Minority-Owned and Woman-Owned:** (This page is for Minority and/or Woman majority controlled businesses.)

**MBE / WBE Declaration**

Recognized ethnic-minority persons are United States citizens or lawful permanent residents. Ethnic-minorities are defined as: African-American/Black, Hispanic, Asian (including Indian and Pacific), Native American and Eskimo.

**Check all that applies to the ownership:**

- African-American / Black** – A person having origins in any of the Black racial groups in Africa.
- Hispanic** - A person of Spanish or Portuguese culture with origins in Mexico, South of Central America, Cuba, Puerto Rico, or the Caribbean Islands.
- Asian / Pacific** – A person having origins from Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China, Hong Kong, Laos, Cambodia and Vietnam, Indian Subcontinent or the Pacific Islands.
- Native American / Eskimo** – A person having origins of American Indian, Eskimo, Aleut, or Native Hawaiian.
- Woman**

I, \_\_\_\_\_ certify that \_\_\_\_\_  
(print name of President / CEO / Owner) (name of business)

meets all of the eligibility requirements of a Minority-Owned Business Enterprise / Woman-Owned Business Enterprise (MBE / WBE).

The aforementioned business meets the following criteria: (1) at least 51% ownership by minority and/or woman (*comprise at least 51% of the board of directors in the case of non-profits*); (2) minority / woman control of all decisions concerning the business; (3) the majority of management and board / partnership / member positions are held by minority / woman and (4) has satisfied all other requirements administered by the Human Rights Department (HRD). I certify that I will notify Human Right Department (HRD) within 30 days in the event that my business no longer meets the criteria of this declaration.

**Signature of President / CEO / Owner:** \_\_\_\_\_ **Date** \_\_\_\_\_

Name and Title	Ethnicity	Gender	Ownership Percentage	Hours Worked/ Weekly

**Must Total: 100%**

*If necessary, use a separate attachment to complete this item.*

## Affidavit of Applicant

I, being a duly authorized representative of the applicant, do hereby attest that the statements, documents, and responses provided in and with this City of Detroit Certification Application are true and correct to the best of my knowledge. I understand that I am making this statement subject to the penalties of perjury. I further understand that the City of Detroit reserves the right to require additional information prior to, during, and at any time after certification has been granted.

I understand that any misrepresentations of information provided in support of this application can result in **rejection, delay in processing, denial of the application, de-certification or revocation** of a certification, if conferred prior to discovery of the misrepresentation.

Name of Applicant: \_\_\_\_\_

Name of Authorized Representative: \_\_\_\_\_

Signature of Authorized Representative: \_\_\_\_\_

Authorized Representative's Title: \_\_\_\_\_

### NOTARY ACKNOWLEDGMENT

**STATE OF:** \_\_\_\_\_

**COUNTY OF:** \_\_\_\_\_

The foregoing Affidavit of Applicant was acknowledged before me this

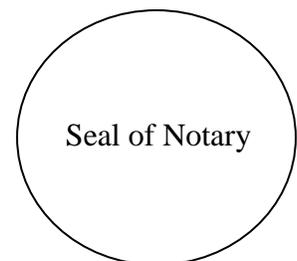
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by \_\_\_\_\_  
(# Day of the Month) (Month) (Year) (Authorized Representative's Name from above)

to me known to be the person described in and who executed the foregoing instrument and acknowledged that he/she executed the same as his/her free and voluntary act and deed.

Signature of Notary: \_\_\_\_\_

Printed Name and Stamp of Notary: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_



# **Detroit Business Certification Program**

## **Application of Certification**

### **Appeal Process**

(Keep this page for your reference)

Within fourteen (14) calendar days of the date of the applicant's receipt of a "Denial of DBB, DHB, DSB, MBE and/or WBE Certification", the applicant may file with the Human Rights Department (HRD) a written request for an informal discussion, the purpose of which is to permit the business to discuss its concerns about the denial.

After the informal discussion, the HRD shall issue a "Confirmation Notice" via certified mail: return receipt that outlines these subject matters:

- The issues discussed and the outcome of the informal discussion; and
- The business applicant's appellate rights

Only after it has exhausted the procedures set forth above may a business applicant appeal from a "Denial of DBCP Certification." A typewritten or printed "Claim of Appeal" shall be filed with the Human Rights Director within fourteen (14) calendar days of the date of receipt of a "Confirmation Notice." A "Claim of Appeal" shall satisfy all of the following requirements:

- Include a detailed narrative of all of the bases for reversal of the HRD's decision to deny DBCP certification. Any basis omitted from the "Claim of Appeal" is waived;
- Include documentation supporting the business applicant's claim that it satisfies the requirements for DBCP certification;
- Include a copy of the "Confirmation Notice" as described;
- Include a statement from the business applicant as to whether it desires an opportunity to discuss its appeal with the Human Rights Director; and
- Exclude any reliance on or reference to changes in the business applicant's ownership, operation and/or management occurring after the date of the "Denial of DBCP Certification."

A "Claim of Appeal" that does not substantially conform to the requirements of this process as outlined may be dismissed by the Human Rights Director without a decision on the merits of the appeal.