

State Water Resources Control Board  
Underground Storage Tank Cleanup Fund

PRIORITY CLASS B CRITERIA

The Legislature has revised California's criteria for small business certification, therefore, the requirements for assignment of a claim to Priority Class B have also changed. Assembly Bill 2505 (Olberg) (Stats. 1998, ch. 821) became effective January 1, 1999, and abolished the industry sector-specific approach to small business certification. AB 2505 replaced the prior system with a simplified structure that segregates between manufacturing and non-manufacturing businesses.

A business only receives preferential treatment as a small business if the business is independently owned and operated, is not dominant in its field of operation, and meets certain size requirements. The size test for most businesses is that the business employs 100 or fewer employees and has had average annual gross receipts of twelve million dollars (\$12,000,000) or less over the previous three years.<sup>1</sup> In contrast, a business that is a manufacturer only has to demonstrate that it employs 100 or fewer employees to qualify as a small business. The employees of a business and all its affiliates are included in determining the business's number of employees.

Until the Fund revises its claim application, if you wish to apply for assignment of your claim to Priority Class B, please complete the certification form on the back of this notice and submit it with all required supporting documents with your completed claim application.

If you have any questions, please contact your Claims Reviewer.

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<sup>1</sup> Prior to January 11, 2007, the average gross receipts requirement was \$10,000,000 or less over the previous three years.



**MAILING ADDRESS:**

**STATE WATER RESOURCES CONTROL  
DIVISION OF FINANCIAL ASSISTANCE  
UST CLEANUP FUND  
P.O. BOX 944212  
SACRAMENTO, CA 94244-2120**

**PHYSICAL ADDRESS:**

**STATE WATER RESOURCES CONTROL  
DIVISION OF FINANCIAL ASSISTANCE  
UST CLEANUP FUND  
1001 I STREET  
SACRAMENTO, CA 95814**

**Request for Assignment of Claim to Priority Class B (Small Business)  
Addendum to the UST Cleanup Fund Application**

Claim Number:

Name:

Site Address:

Description of Business: \_\_\_\_\_

To qualify as a small business, a business must be independently owned and operated, and not dominant in its field of operation. In addition, the business, together with all affiliates, must employ 100 or fewer employees and have average annual gross receipts of twelve million dollars (\$12,000,000) or less over the previous three years. However, if the business is a manufacturer, there is no revenue test, but the business, together with all affiliates, must employ 100 or fewer employees.

Please check the appropriate box below and provide the required information.

Check this box if you are submitting a small business certification from the Office of Small Business Certification to document the claimant's small business classification. Attach Certification.

Check this box if claimant is a manufacturing business that is independently owned and operated, is not dominant in its field of operation, and, together with all affiliates, employs 100 or fewer employees.

Total number of employees: \_\_\_\_\_

Submit documentation supporting the number of employees (i.e., Department of Employment Development (DE6) payroll reports for the last four quarters).

Check this box if claimant is not a manufacturer, is independently owned, is not dominant in its field of operation, together with all affiliates employs 100 or fewer employees, and, together with all affiliates, has had average annual gross receipts of twelve million dollars (\$12,000,000) or less over the previous three years.

Total number of employees: \_\_\_\_\_

Submit documentation supporting the number of employees (i.e., Department of Employment Development (DE6) payroll reports for the last four quarters).

List the previous three years and their respective annual gross receipts.

Year: \_\_\_\_\_ \$ \_\_\_\_\_  
Year: \_\_\_\_\_ \$ \_\_\_\_\_  
Year: \_\_\_\_\_ \$ \_\_\_\_\_

Average annual gross receipts over the previous three years: \$ \_\_\_\_\_

Submit signed and dated copies of your complete federal tax returns as shown on the attached chart.

I (we) hereby declare under penalty of perjury that all facts and statements set forth above are true and correct to the best of my (our) knowledge and belief. This form is part of my (our) application to the California Underground Storage Tank Cleanup Fund, and I (we) understand that any misrepresentation made on this form may result in disqualification of the claim. Federal tax returns documenting the annual gross receipts, including all affiliates, will be retained for the life of the claim and for at least three years after the last reimbursement issued pursuant to this claim.

Executed at \_\_\_\_\_, on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

Claimant Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Claimant Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

**REQUIRED FINANCIAL DOCUMENT SUBMISSION REQUIREMENTS  
PRIORITY CLASS “B”**

The following federal tax returns (FTRs) or other financial documents are required to determine gross annual receipts for Priority B classification. Claimants must submit complete FTRs **for the last three years**, including all supporting schedules and forms.

ENTITY TYPE	REQUIRED FINANCIAL DOCUMENTS	
INDIVIDUAL	Valid Office of Small Business (OSMB) small business certification.	<p>OR FTR 1040 for the last three years. <i>Provide the following for affiliates identified on Schedule E:</i></p> <p>Partnership: Limited partner, submit K1. General partner, submit K1 and FTR 1065.</p> <p>S Corporation: If non passive income or loss is identified on Schedule E, submit FTR 1120S.</p> <p>*Estates/Trusts: All claimants must submit their K1. If a claimant is both a trustee and a beneficiary, submit K1 and FTR 1041.</p>
*ESTATE/TRUST	Valid OSMB small business certification.	<p>OR FTR 1041 for the last three years. <i>Provide the following for affiliates identified on Schedule E:</i></p> <p>Partnership: Limited partner, submit K1. General partner, submit K1 and FTR 1065.</p> <p>S Corporation: If non passive income or loss is identified on Schedule E, submit FTR 1120S.</p> <p>*Estates/Trusts: All claimants must submit their K1. If a claimant is both a trustee and a beneficiary, submit K1 and FTR 1041.</p>
PARTNERSHIP	Valid OSMB small business certification.	OR Submit FTR 1065 for the last three years.
CORPORATION	Valid OSMB small business certification.	<p>OR Submit FTR 1120 (as applies) for the last three years.</p> <p>Submit audited financial statements for the last three years</p>
LIMITED LIABILITY COMPANY	Valid OSMB small business certification.	<p>OR Filing as sole proprietorship: submit FTR 1040 for the last three years and Schedule E affiliate information, as required for individuals.</p> <p>Filing as a partnership: submit FTR 1065 for the last three years.</p> <p>Filing as a corporation: submit FTR 1120 for the last three years of record.</p>
NONPROFIT	Annual fiscal report filed with the Registry of Charitable Trusts	OR Submit state or FTR 990 for the latest fiscal year.
LOCAL ENTITY	Report of Financial transactions submitted to the State Controller for the latest fiscal year ending prior to the date of application	Report of Financial transactions submitted to the State Controller for the latest fiscal year ending prior to the date of application
*NOTE: If a trust or estate has not filed a FTR, provide the appropriate FTRs for the appropriate individual or related entity.		