**Small Business Eligibility Requirements**

In order for a small business to be eligible for certification, the small business must meet the following requirements:

* Be independently owned and operated;
* Not dominant in field of operation;
* Principal office located in California;
* Owners (officers, if a corporation) domiciled in California; and,
* Including affiliates, be either,
	+ A business with 100 or fewer employees; an average annual gross receipts of $15 million or less, over the last three tax years;
	+ A manufacturer\* with 100 or fewer employees; or,
	+ A microbusiness. A small business will automatically be designated as a microbusiness, if gross annual receipts are less than $3,500,000; or the small business is a manufacturer with 25 or fewer employees.

\* For Small Business Certification purposes, a manufacturer is a business that is both of the following:

1. Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
2. Classified between Codes 31 to 339999, inclusive, of the North American Industrial Classification System (NAICS) Manual, published by the United States Census Bureau, 2007 edition.

<http://www.dgs.ca.gov/pd/programs/osds/sbeligibilitybenefits.aspx>

If you have any questions regarding the Small Business Certification eligibility requirements and benefits, please contact OSDS Help at (916) 375-4940 or by email.