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The Daily News of Los Angeles

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**SECTION:** BUSINESS; Pg. B4**LENGTH:** 387 words**HEADLINE:** L.A. TAXING PLACE TO DO BUSINESS;  
FLIGHT TO SUBURBS SURVEYED**BYLINE:** Kevin Smith, Staff Writer**BODY:**

Looking to launch a business in Los Angeles County?< Rosemead, La Mirada and Santa Fe Springs might be a good bet. But if you want to operate a business in Los Angeles, Pomona or Pico Rivera, it's going to cost you more, according to the newly released "Cost of Doing Business Survey."

The study - compiled by the **Rose Institute** of State and Local Government at Claremont McKenna College with consultation services by Kosmont Cos. - clearly demonstrates that not all locations are alike.

The study provides an overview of the taxes, fees and incentives that affect businesses in 314 cities and communities throughout the 50 states, as well as Washington, D.C.

Included is a weighted compilation of business taxes, electricity and telephone taxes, property taxes, sales taxes and state income taxes.

Los Angeles ranked highest in the county on the list of cities most expensive for doing business, followed by Santa Monica, Culver City, Palmdale, Inglewood, Compton, Bell, Pomona, Pico Rivera and Huntington Park.

The county's cities least costly for business include Santa Clarita, Westlake Village, Bell Gardens, Rosemead, La Mirada, Signal Hill, Santa Fe Springs, Cerritos, Commerce and Diamond Bar.

"There are a lot of factors that go into choosing where a business wants to locate, and the business taxes are part of that," said Christina Williams, project manager for the survey. "In some cases, a business will have an office in one city and a manufacturing facility in another because the taxes are cheaper there."

A quick look at the numbers offers ample evidence as to why some cities are more costly for businesses.

Pomona has a 9 percent utility tax, while Arcadia's and Alhambra's is only 5 percent, and Monrovia has no utility tax.

Los Angeles has a business license tax of 0.33 percent. In Santa Fe Springs, the business tax is just 0.0048 percent.

When a company moves, one community wins while another loses, said G. David Huntoon, a senior research associate for the **Rose Institute**.

"You can take retail as an example," he said. "Businesses might have a choice of being either in Los Angeles

or San Fernando or Burbank. And when they move to these (outlying areas) they are basically sucking the sales tax out of L.A."

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