

About the Regulated Business License - Home Occupation ([MCC 4-6-270](#))

A **Regulated Business License – Home Occupation** applies to individuals who are self-employed or operate their own business in their primary place of residence.

Home Occupation Defined

“Home occupation” means the accessory use of a business or commercial nature, of a dwelling unit by the person(s) living in such dwelling unit. The term “home occupation”:

- Does NOT apply to individuals who, as an owner or employee, perform administrative, clerical or research work in their home, on either a part-time or full-time basis, for a licensed entity is located elsewhere.
- Does NOT include any child care institution, day care center, part-day child care facility, group home, day care home or group day care home that is properly licensed by a state agency or by the City of Chicago.

Prohibited Business Activities

The following are examples of business activities **NOT** allowed as home occupations:

- Any repairing or painting of motorized vehicles, trailers, boats, and lawn equipment
- Any animal services
- Astrology, card & palm reading or Fortune-Telling
- Dancing, tutoring or children-related activities
- Massage Establishments
- Catering or any Food related business
- Funeral Chapels or Homes
- Producing or assembling of any product when the home is not the retail point of sale for such products
- Sale of any weapon or firearm, as defined in section [MCC 8-20-010](#), or Ammunition
- Firearm Training or Instruction
- Construction businesses or Landscaping businesses that provide the storage of goods and materials to be utilized in the operation of the business or use
- Any dispatch service
- Personal services such as hair, nail, tattoo or body piercing
- Welding or Machine Shops

Pre-Application Checklist

The following activities must be completed **BEFORE** applying for this business license:

- ✓ [Review Zoning Regulations \(MCC 17-9-0202 Home Occupations\)](#)
 - The zoning regulations of “Home-Based” businesses are intended to ensure that home occupations will not be a detriment to the character and livability of the surrounding neighborhood.
 - The regulations are intended to ensure that the home occupation remains subordinate to the residential use, and that the residential viability of the dwelling is maintained.
 - The regulations recognize that many types of work can be done in a home with little or no effect on the surrounding neighborhood.
- ✓ [Register your business with ALL of the appropriate government agencies.](#)
Examples include Cook County Assumed Names, Illinois Department of Revenue, IRS/FEIN.
- ✓ [Check state or federal laws and requirements.](#)

How do I apply?

You may apply for a license by going online at www.cityofchicago.org/sbc, and then click on [Apply for a Business License](#), or in person at the Department of Business Affairs and Consumer Protection (BACP), Small Business Center (SBC), in City Hall, 121 North LaSalle Street, Room 800. Appointments available by calling (312) 74-GOBIZ / (312) 744-6249, or by going online at www.cityofchicago.org/sbc, and then click on [Schedule an Appointment](#).

STEP 1: LICENSE APPLICATION

- Provide the following required information:
 - The address, and location within the dwelling unit, where the home occupation will be conducted;
 - The name of the person(s) who will be designated as the licensee;
 - *All business activities that will be conducted in the dwelling unit;*
 - Whether the dwelling unit in which the home occupation will be conducted is a single-family residence or a building containing multiple dwelling units;
 - The total square footage of the floor area of the dwelling unit;
 - The total square footage of the floor area of the dwelling unit that will be designated for the business;
 - The percentage of the floor area of the dwelling unit that will be designated for the business.
- License application fee: **\$250.00**. Fee is based on a two-year term.

Standard application requirements and documentation may be found in our [License Application Requirements Information](#) web page.

STEP 2: ZONING REVIEW

- During a review, the Zoning representative insures that the business activity is allowed.
- *Zoning may require additional documentation as it applies to storage and vehicle parking.*

Zoning Home Occupation Standards:

1. The home occupation *must be accessory and secondary to the use of the home* and must not change the residential character of the residential building or affect the character of the surrounding neighborhood.
2. *No separate entrance from the outside of the building* may be added to the residential building for the sole use of the home occupation.
3. The home occupation *may not display or create any external evidence of the operation* of the home occupation.
4. There may be *no internal or external structural alterations or construction*, either permanent or accessory, to the dwelling unit, *nor the installation of any equipment* which would change the residential character of the dwelling unit or residential building.
5. The total floor area of any home occupation *may not occupy more than 10% of the single family home or 15% of any other type of dwelling unit*; not to exceed 300 square feet.
6. Use of garage for storage materials, supplies and records related to the home business, as an accessory storage space, must be included in the 10-15% maximum allowed business space.
7. No more than two patrons or employees of the home occupation may be present in the home at any one time.
8. *No direct sale of any product on display shelves or racks is permitted.*
9. *Bulk deliveries are limited to one per day* between the hours of 8:00 a.m. and 5:00 p.m.
10. *No home occupation may produce or emit any noise, vibration, smoke, dust, or other particulate matter, odor, matter, heat, humidity, glare, or any other effect that unreasonably interferes with any person's enjoyment of their residence.*