

Seattle Rule 5-004

Transfer of business license tax certificate

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(1) Business license tax certificate is personal. The business license tax certificate is personal and nontransferable except as provided in 5.55.030(G) and this rule.

(2) New tax certificate required upon change in ownership. When a change in ownership of a business occurs, the new owner must apply for and obtain a new business license tax certificate, except as provided in subsection (3) of this rule (pertaining to when tax certificates may be transferred without any additional certificate fee). The original tax certificate must be destroyed, and any further use of the tax certificate is prohibited.

(a) When ownership change occurs. A change of ownership of a business occurs upon:

(i) The sale or transfer of a business by one person to another person;

(ii) The dissolution of a legal business entity;

(iii) The withdrawal, substitution, or addition of one or more partners in a partnership;

(iv) Incorporation of a business previously operated as a partnership (including limited liability companies) or sole proprietorship; or

(v) Changing the legal structure or controlling ownership interest(s) of a business.

(b) No change of ownership. A change of ownership of a business does not occur upon:

(i) The sale of a minority interest of the common stock of a corporation;

(ii) The transfer of assets to an assignee for the benefit of creditors or the appointment of a receiver or trustee in bankruptcy; or

(iii) A change in the trade name under which the business is conducted.

(3) When business license tax certificate may be transferred. A business license tax certificate may be transferred without an additional business license tax certificate fee:

- (a) To the surviving or new corporation, whenever the corporation with a tax certificate is merged or consolidated pursuant to RCW Chapter 23B.11, as now or hereafter amended;
- (b) To the surviving partner, or to a new partnership which consists exclusively of the surviving partners, whenever one (1) partner of a partnership with a tax certificate dies;
- (c) To the surviving spouse, whenever one (1) spouse of a marital community with a tax certificate dies;
- (d) To any one (1) or more former partners, whenever a partnership with a tax certificate is dissolved and one (1) or more of the former partners of the partnership with a tax certificate continue the operation of the business as an individual proprietorship or partnership without the addition of any new partner, and all of the other former partners consent in writing to the transfer of the tax certificate, which written consent shall be filed with the application for such transfer;
- (e) To one (1) spouse, whenever a marital community with a tax certificate is dissolved and the other spouse consents in writing to the transfer of the tax certificate, which written consent shall be filed with the application for such transfer;
- (f) In case of the death of any owner of a tax certificate before the expiration of his or her tax certificate, his or her administrator or executor, duly appointed as such by order of court, may continue to act under said tax certificate for the unexpired term thereof upon filing with the City proof of such appointment.

(4) Applying for a transfer. You must apply to the Director to request that a business license tax certificate be transferred and provide such information as the Director may require to verify the transferability of the tax certificate. The Director may require the completion of a new business license tax certificate application in order to reflect changes in the registered account. However, no additional business license tax certificate fee will be due. If the transfer takes place during the license renewal period the annual business license tax certificate fee will be due.

DIRECTOR'S CERTIFICATION

I, Glen M. Lee, Finance Director of the City of Seattle, do hereby certify under penalty of perjury of law, that the within and foregoing is a true and correct copy as adopted by the City of Seattle, Department of Finance and

Administrative Services.

DATED this ____ day of July 2016.

CITY OF SEATTLE,

a Washington municipality

By: _____

Glen M. Lee, Finance Director

Department of Finance and Administrative Services

Effective date: July 14, 2016

Jul 14, 2016