

Clerk File No. 309761

The City of Seattle – Legislative Department

Clerk File sponsored by: _____

Clerk File No. 309761

Department of Executive Administrations
Rule No. 5-004, implementing the Business
Tax Rule relating to the transfer of a business
license.

Committee Action:

Date	Recommendation	Vote

Related Legislation File: _____

Date Introduced and Referred:	To: (committee):
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action:	Disposition: Filed

This file is complete and ready for presentation to Full Council. _____

Full Council Action:

Date	Decision	Vote

4/23/09

Date Filed with City Clerk

Emilia M. Sanchez

By

THE CITY OF SEATTLE
DIRECTOR'S RULE
IMPLEMENTING SEATTLE BUSINESS TAX ORDINANCE
RULE 5-004

Seattle Rule 5-004 **Transfer of business license.**

- (1) **Business License is personal.** The business license is personal and nontransferable except as provided in 5.55.030 G and this rule.
- (2) **New license 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, except as provided in subsection (3) of this rule (pertaining to when licenses may be transferred without any additional license fee). The original license must be destroyed, and any further use of the business license 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 license may be transferred.** A license may be transferred without an additional license fee:
- (a) To the surviving or new corporation, whenever the licensed corporation 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 licensed partnership dies;
 - (c) To the surviving spouse, whenever one (1) spouse of a licensed marital community dies;
 - (d) To any one (1) or more former partners, whenever a licensed partnership is dissolved and one (1) or more of the former partners of the licensed partnership 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 license, which written consent shall be filed with the application for such transfer;

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RULE 5-004

- (e) To one (1) spouse, whenever a licensed marital community is dissolved and the other spouse consents in writing to the transfer of the license, which written consent shall be filed with the application for such transfer;
 - (f) In case of the death of any licensee before the expiration of his or her license, his or her administrator or executor, duly appointed as such by order of court, may continue to act under said license 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 be transferred and provide such information as the Director may require to verify the transferability of the license. The Director may require the completion of a new business license application in order to reflect changes in the registered account. However, no additional business license fee will be due. If the transfer takes place during the license renewal period the annual business license fee will be due.

Effective: January, 2009

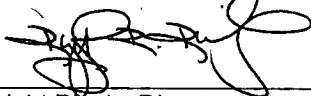
DIRECTOR'S CERTIFICATION

I, Dwight Dively, 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 Executive Administration.

DATED this 20TH day of January, 2009.

CITY OF SEATTLE,
a Washington municipality

By:



Dwight Dively, Director
Finance Department