



HAMILTON COUNTY

# Office of the County Clerk

ROOM 201, COURTHOUSE, CHATTANOOGA, TENNESSEE 37402

WILLIAM F (BILL) KNOWLES  
County Clerk

## Complete for new Hamilton County Business License

TO: Out-of-State Contractor

FROM: Terrie Payne, Coordinator Business Tax Returns

Subject: SURETY BOND OR CASH ESCROW ACCOUNTS

According to Tennessee Code Annotated 67-4-707 et seq, an out-of-state contractor is required to file a *Surety Bond* or establish a *Cash Escrow Account* with the County Clerk when applying for a business license.

You may submit a *Surety Bond* in an amount equal to the business tax due or establish a *Cash Escrow Account* of 1/10 of 1% of the job(s), plus a \$7.00 Collection and Recording Fee. If the total amount of the contract(s) is less than \$22,500, a minimum \$22.00 cash deposit is required.

### CHECK ONE:

Surety Bond (A form is attached for this purpose.)

OR

Cash Escrow Agreement (Minimum \$15.00 plus a \$7.00 Collection and Recording Fee.)

\_\_\_\_\_  
Owner's Signature

\_\_\_\_\_  
Date Signed

To ask questions, please contact me at (423) 209-6500. Thank you for your attention to this matter.



HAMILTON COUNTY

# Office of the County Clerk

ROOM 201, COURTHOUSE, CHATTANOOGA, TENNESSEE 37402

WILLIAM F (BILL) KNOWLES  
County Clerk

## Complete for renewal of Hamilton County Business License

TO: Out-of-State Contractor

FROM: Terrie Payne, Coordinator Business Tax Returns

Subject: SURETY BOND OR CASH ESCROW ACCOUNTS

With renewal of the Business License, an annual updating of your *Surety Bond* or *Cash Escrow Account* with Hamilton County is required.

You may submit a *Surety Bond* in an amount equal to the business tax due or update a *Cash Escrow Account* at a rate of 1/10 of 1% of the job(s). If the total amount of the contract(s) is less than \$22,500, a minimum \$22.00 cash deposit is required.

### CHECK ONE:

Surety Bond (A form is attached for this purpose.)

OR

Cash Escrow Agreement

Our records indicate escrow has been paid and recorded in this office to cover current and potential contracts. If the total amount of the contract(s) is less than \$22,500, a minimum \$22.00 cash deposit is required. This escrow must be updated if the amount of the contract(s) has increased.

\_\_\_\_\_  
Owner's Signature

\_\_\_\_\_  
Date Signed

To ask questions, please contact me at (423) 209-6500. Thank you for your attention to this matter.

**SURETY BOND/BUSINESS LICENSE  
ESCROW AGREEMENT (T.C.A. 67-4-707)**

Bond not needed with  
"Cash Escrow" option.

STATE OF TENNESSEE  
COUNTY OF HAMILTON.

KNOW ALL MEN BY THESE PRESENTS:

That as PRINCIPAL \_\_\_\_\_

\_\_\_\_\_  
Official's Name and Company

\_\_\_\_\_  
Street, City, State, Zip

And as SURETY \_\_\_\_\_

\_\_\_\_\_  
Financial Institution Name and Official Representative

\_\_\_\_\_  
Financial Institution Street, City, State, Zip

are firmly bound unto the State of Tennessee and the County of Hamilton in the full amount of \$ \_\_\_\_\_  
lawful money of the United States of America, for the full and prompt payment whereof we bind ourselves, our representatives,  
successors, and assigns, each jointly and severally, firmly and unequivocally by these presents.

WHEREAS, The said Principal has a [ ] contract [ ] subcontract with

\_\_\_\_\_  
NAME AND ADDRESS OF CORPORATION, COMPANY, OR INDIVIDUAL

in the amount of \$ \_\_\_\_\_, and

WHEREAS, The said Principal's Hamilton County agent contact is

\_\_\_\_\_, and  
NAME, ADDRESS, AND TELEPHONE NUMBER

**WHEREAS, The said Principal has applied for a Tennessee Business License under provisions of the Tennessee  
Business Tax Act, Title 67, Chapter 4, Part 7, Tennessee Code Annotated, for the Business Tax period from  
\_\_\_\_\_ to \_\_\_\_\_.**

WHEREAS, The said Principal is required to file a bond or to establish an escrow account with the County Clerk, Hamilton County,  
Tennessee, in which County the Principal is operating a business, and

WHEREAS, Said bond or escrow account must be in an amount sufficient to pay the Principal's anticipated Business Tax liability for  
the aforesaid Business Tax period as stipulated in the aforesaid Tennessee Code Annotated, Sec. 67-4-701 et. al., and

WHEREAS, If said Principal elects to use said escrow account, the Financial Institution where said money is deposited shall not  
release said money to the Principal except upon written permission and/or receipt of the County Clerk, William F. Knowles, of  
Hamilton County, Tennessee,

**NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH:**

That if the said \_\_\_\_\_, Principal, shall:

**Pay over to the County Clerk, Hamilton County, Tennessee, all gross receipts tax liability at the expiration of this aforesaid business  
tax period, then this obligation shall be null and void; otherwise, this SURETY BOND and/or ESCROW ACCOUNT will remain in full  
force and effect.**

\_\_\_\_\_  
SIGNATURE OF PRINCIPAL

\_\_\_\_\_  
SURETY/FINANCIAL INSTITUTION

**ACKNOWLEDGMENT OF SURETY**

STATE OF \_\_\_\_\_ COUNTY OF \_\_\_\_\_

Sworn to and subscribed before me on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
My commission expires:

\_\_\_\_\_  
NOTARY PUBLIC

BK424—BondOOSC.07.30.01