



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).

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

OR

_____ Cash Escrow Agreement (1/10th of 1%)

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