



Department of Business License

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Clark County Department of Business License Successor Liability Information Packet

Clark County Code provides that the Department of Business License (the Department) may hold purchasers of transient lodging establishments liable for unpaid transient lodging taxes, fees, penalties, and interest due from sellers for a period of up to three (3) years prior to the change of ownership of the transient lodging establishment.

The Department recommends that a Request for Statement of Seller's Transient Lodging Tax Liability be filed prior to the sale of transient lodging businesses. Once a request is filed, the Department shall have up to sixty (60) days to provide a written Statement of Seller's Transient Lodging Tax Liability (Statement) establishing the total amount due from the seller. If the Department does not provide a Statement within sixty (60) days, or issues a Statement that no amount is due, the purchaser shall be relieved of liability for any amounts due from the seller. If the Statement establishes an amount due from the seller, the Department recommends action be taken to ensure the amount due is remitted by the seller or withheld in escrow to be remitted to the Department out of funds from the sale of the business. If a Statement is not requested, the **purchaser of the business may be liable for unpaid transient lodging taxes, fees, penalties, and interest due to the Department for a period of up to three (3) years prior to the sale of the transient lodging establishment.**

This packet contains the form(s) needed for a request for a Statement of Seller's Transient Lodging Tax Liability. Once completed, the form(s) should be mailed to the Department at the address listed above. Parcels should be marked "**ATTENTION: AUDIT**".

For additional information about the Department's Successor Liability provisions or help in completing these forms, you may reach us at (702) 455-6121 or via email at BLAuditInfo@ClarkCountyNV.gov

This packet contains the following:

- **Request for Statement of Seller's Transient Lodging Tax Liability** - Form may be filed by either seller or purchaser of a transient lodging establishment. If completed by other than the seller, an Authorization for Release of Information upon Sale of Transient Lodging Establishment is required.
- **Authorization for Release of Information upon Sale of Transient Lodging Establishment** – If Statement is requested by other than seller, a notarized copy of this form, signed by the seller, must accompany the Request for Statement of Seller's Transient Lodging Tax Liability.
- **Clark County Code Section 4.08.115** – Code provisions establishing the procedures for tax collection upon sale of a transient lodging establishment.



CLARK COUNTY DEPARTMENT OF BUSINESS LICENSE REQUEST FOR STATEMENT OF SELLER'S TRANSIENT LODGING TAX LIABILITY

By completing this form, you are requesting a statement of taxes, fees, interest, and penalties due from the transient lodging establishment indicated below. This request may only be made upon the sale of the business or in anticipation of a future sale of the business. As such, the requesting party must provide proof that a sale of the business has occurred or is imminent (e.g., business purchase agreement, letter of intent, escrow statement, or other formal documentation substantiating the sale).

Seller's information

Name of Transient Lodging Establishment: _____

Combined Transient Lodging Tax Account Number: _____

Purchaser's information

Purchaser Name: _____

Purchaser Address: _____

Telephone Number: _____

Sale information

Sale (or anticipated sale) date: _____

Requested tax liability date (if different from sale date above): _____ *

Requesting Party (please print): _____ **
(Name) (Title)

Signature: _____ Date: _____

* Provide the date for which the Department's written statement of tax liability is requested, if different than date of sale of business.

** **Requests made by anyone other than the seller or seller's representative must be accompanied by a fully executed Authorization for Release of Information upon Sale of Transient Lodging Establishment.**

SELLERS, PLEASE NOTE:

Concurrent with this request, sellers must make available to the Department business and accounting records supporting their reported combined transient lodging tax liability for the past three years (or since the date the business was last purchased or the date of the last audit, if more recent). The Department will provide the requested statement of tax liability within 30 days after receipt of this request, or within 30 days after the required documentation is provided to the Department, whichever is later. In no event shall such a statement be issued more than 60 days after the date of this request.



**CLARK COUNTY BUSINESS LICENSE
AUTHORIZATION FOR RELEASE OF INFORMATION
UPON SALE OF TRANSIENT LODGING ESTABLISHMENT**

*(Required only in the event a Request for Statement of Seller's Transient Lodging Tax Liability
Is requested by any party other than the seller or seller's representative)*

This authorization is submitted in connection with a Request for Statement of Seller's
Transient Lodging Tax Liability for _____ submitted to the Clark
(name of business)
County Department of Business License on _____.
(date)

I hereby affirm that I, _____, am an owner, officer, or other duly
(name)
authorized representative of the business shown above.

I affirm that _____ is purchasing or has purchased
(name of purchaser)

the business shown above or is authorized to represent the purchaser in this transaction. In
accordance with Clark County Code Section 4.08.115, I hereby authorize the Clark County
Department of Business License to disclose information regarding this business' tax liability to this
purchaser or their representative.

Signature

Date

NOTARY FORM

SUBSCRIBED AND SWORN to me this _____ day

of _____, _____.

(Notary Public)

(Date commission expires)



Clark County Department of Business License

Clark County Code Section 4.08.115 - Tax collection on sale of business.

- (a) Upon the sale of any transient lodging establishment, all combined transient lodging tax, and related fees, interest, and penalties owed by the seller shall be paid to the department of business license.
- (b) In order to establish the combined transient lodging tax obligation, upon sale of a transient lodging establishment, the seller or purchaser of a transient lodging establishment may request that the department provide a written statement of a combined transient lodging tax, fees, interest, and penalties due from the seller. The department shall provide such statement within thirty days after receiving the request or within thirty days after the records of the transient lodging establishment are made available to the department, whichever is later. In any event, the department shall issue its written statement no later than sixty days after the date it received the request, using the best information available at that time.
- (c) The purchaser or the purchaser's assignee, at closing, shall withhold, in an escrow account, an amount from the purchase price sufficient to pay the combined transient lodging tax due, as well as all related fees, interest, and penalties unless or until the seller provides written documentation from the department stating that the combined transient lodging tax has been paid and that no amount is due.
- (d) In the event the seller fails to pay the amount due to the department within sixty days after sale of the transient lodging establishment, the combined transient lodging tax and any related fees, interest, and penalties owed by the seller shall be paid from the funds withheld by the purchaser in escrow.
- (e) The purchaser of a transient lodging establishment who does not withhold from the purchase price an amount sufficient to satisfy the seller's combined transient lodging tax obligation, as required in subsection (c), shall be liable for any unpaid portion of the seller's combined transient lodging tax and all related fees, interest and penalties.
- (f) If the department fails to provide a written statement within the period set forth in subsection (b), the purchaser shall be relieved of all liability for the combined transient lodging tax, and all related fees, interest, and penalties, due from the seller.
- (g) Failure to pay the outstanding combined transient lodging tax, as well as all related fees, interest, and penalties, pursuant to this section shall subject the amount due to the provisions of Section 4.08.060 of this code.
- (h) The period of limitation during which the department may assess taxes fees, interest, and penalties against the purchaser under this section is three years from the date the transient lodging establishment is sold or from the date the written statement is issued by the department, whichever event occurs later.