



TAX BOND
FOR
LICENSEE FOR SALE OF ALCOHOLIC BEVERAGES FOR CONSUMPTION ON THE PREMISES

(FEIN)

(Bond Number)

We,

(Entity Legal Name)

(DBA NAME)

(Location Address)

(City)

County of \_\_\_\_\_, state of Tennessee, as principal, and (Surety) \_\_\_\_\_, a corporation organized under the laws of the State of \_\_\_\_\_, and duly admitted and/or authorized by the Tennessee Commissioner of Insurance to transact surety insurance business in this state pursuant to Chapter 2 or Chapter 20 of Title 56 of the Tennessee Code Annotated, as surety, acknowledge our indebtedness to the state of Tennessee in the penal sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) for the payment of which sum we hereby obligate and bind ourselves and our respective legal representatives and successors, jointly and severally.

The conditions of the foregoing obligation are that:

1. Principal has applied to the Alcoholic Beverage Commission of the state of Tennessee for a license to sell alcoholic beverages for consumption on the premises under the provisions of T.C.A., Section 57-4-101, et. seq.

2. Pursuant to T.C.A. Section 57-4-302, and the rules promulgated pursuant thereto, a bond in the amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) must be executed by principal and a solvent corporate surety approved by the Commissioner of Revenue, such bond to be conditioned on the proper payment of all state taxes, penalty and interest connected with the sale of alcoholic beverages for consumption on the premises for which the principal may become liable.

If the principal shall properly pay all taxes, penalty and interest connected with the sale of alcoholic beverages for consumption on the premises for which they may become liable during the effective period of this obligation, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

This bond is executed pursuant to T.C.A. Section 57-4-101 et seq., and is intended to comply with all requirements of such statute, and further, in accordance with the provisions and requirements of that statute, it is expressly provided that:

1. Both the principal and surety under this bond shall be considered the taxpayers as to the State of Tennessee with all rights, privileges, obligations and limitations pertaining to taxpayers under the laws of the state of Tennessee.

2. The surety, upon the payment of any amount of the state of Tennessee pursuant to this bond, shall not be subrogated to any rights of the state of Tennessee to collect taxes unless and until the entire liability of the principal to the state of Tennessee has been paid including all taxes, penalty and interest assessed against the principal.

3. The surety shall be liable to the State of Tennessee for any taxes, penalty and interest connected with the sale of alcoholic beverages for consumption on the premises accruing against the principal(s) during the effective period of the bond which are not properly paid to the state of Tennessee, up to the maximum penal amount of the bond, provided, however, that if the maximum penal amount of the bond is properly revised based on the experience of the first three full months of the initial effective period of the bond, the revision shall relate back to the beginning of the initial effective period of the bond, and the surety shall be liable for any taxes, penalty and interest connected with the sale of alcoholic beverages for consumption on the premises accruing against the principal(s) since the beginning of the initial effective period of the bond, which are not properly paid to the State of Tennessee, up to the revised maximum penal amount of the bond. Subsequent revisions of the maximum penal amount shall be effective prospectively only from the effective date of the revision.

4. The effective date of this bond shall be \_\_\_\_\_, 20\_\_\_\_. This bond is a continuous bond and shall continue in full force from the effective date of the bond through the period that the principal is a licensee under T.C.A. Section 57-4-101 et seq., unless terminated or cancelled as hereinafter provided.

5. Surety may cancel this bond and be relieved of further liability hereon by giving sixty (60) days written notice to the Tennessee Department of Revenue, Taxpayer and Vehicle Services Division, Andrew Jackson State Office Building, Nashville, Tennessee 37242; but such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of the notice period.

The premium for which this bond is written is \_\_\_\_\_ Dollars (\$ \_\_\_\_\_). In witness whereof, the parties have executed this bond at \_\_\_\_\_, the \_\_\_\_\_ day of \_\_\_\_\_; 20 \_\_\_\_.

Surety

Corporate Principal(s)

By

Attorney in Fact

PLEASE COMPLETE REVERSE SIDE

**SIGNATURE OF PRINCIPAL(S) MUST BE NOTARIZED HERE**

State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, before me personally appeared the \_\_\_\_\_, to me known to be (principal) (principals) described in and who executed the foregoing instrument, and acknowledged that (he) (she) (they) executed the same as (his) (her) (their) free act and deed.

\_\_\_\_\_  
Notary Public

My Commission expires on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(SEAL)

**SIGNATURE OF ATTORNEY IN FACT\* FOR SURETY MUST BE NOTARIZED HEREE**

State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, before me, a notary public, personally appeared \_\_\_\_\_, to me known to be the person who executed the foregoing instrument in behalf of \_\_\_\_\_, surety, and acknowledged that (he) (she) executed the same as the free act and deed of said surety.

\_\_\_\_\_  
Notary Public

My Commission expires on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(SEAL)

Approved as to sufficiency and accepted:

\_\_\_\_\_  
Delegate of Commissioner of Revenue

\*If this bond is executed by an attorney in fact for any party thereto, a copy of the power of attorney designating such person as attorney in fact with the authority to execute such instruments must be attached hereto.