

**APPLICATION FOR TRANSFER OF RESERVE ACCOUNT**

**INSTRUCTIONS** - Please read and complete this form carefully. If you acquired a business from an employer who was registered with the Employment Development Department, you **may** apply for a transfer of all or a part of the reserve account. (A reserve account is used to determine the Unemployment Insurance [UI] tax rate.) Not all reserve account balances are desirable. If the transfer of your predecessor's reserve account is approved, **you will be subject to all or a percentage of the predecessor's benefit charges, which could increase your rate.** If you need additional information, please call the Taxpayer Assistance Center at 888-745-3886. Failure to completely answer all questions may result in a delay or denial of approval of this application. If more space is needed for explanation, attach separate sheets. **NOTE:** Some reserve account transfers are required per Section 1061 of the California Unemployment Insurance Code (CUIC). Please use this form to report the percent of business and employees that were transferred.

**ANY APPLICATION FOR TRANSFER FILED LATER THAN 90 DAYS AFTER ACQUIRING THE BUSINESS MAY BE RESTRICTED.**

I. Complete the following:

1. Your eight-digit employer payroll tax account number: \_\_\_\_\_  
 1a. Federal employer identification number (FEIN): \_\_\_\_\_
2. Owner's full name: \_\_\_\_\_
3. Your business name: \_\_\_\_\_
4. Business address: \_\_\_\_\_
5. Name of business acquired: \_\_\_\_\_
6. Former owner's eight-digit employer payroll tax account number: \_\_\_\_\_
7. Former owner's full name: \_\_\_\_\_
8. Former owner's business location: \_\_\_\_\_  
 8a. Former owner's phone number (\_\_\_\_) \_\_\_\_\_
9. Date of acquisition: \_\_\_\_\_
10. Type of acquisition (check one)
  - Purchase \$ \_\_\_\_\_ (agreed upon purchase price)
  - Stock purchase
  - Change in form only. If you checked this box, please call the Taxpayer Assistance Center at 888-745-3886 before submitting the application to determine if you were required to obtain a new employer payroll tax account number. **For example, a new number is not required if there was just a name change, change from sole proprietor to corporation or partnership, partner added or deleted, new federal number obtained, but same owner, LLC added, etc.**
  - Other (explain) \_\_\_\_\_
11. Major assets acquired: (Please check all applicable.)
 

|  |   |   |
|--|---|---|
| <input type="checkbox"/> Place of business   | <input type="checkbox"/> Customers          | <input type="checkbox"/> Trade name     |
| <input type="checkbox"/> Accounts receivable | <input type="checkbox"/> Goodwill           | <input type="checkbox"/> Stock in trade |
| <input type="checkbox"/> Tools and fixtures  | <input type="checkbox"/> Staff of employees |   |
12. Did you continue the operation of the business you acquired?  Yes  No  
 If no, please explain: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

13. Is there common ownership, management, or control of the business at the time of transfer?  Yes  No

14. Number of workers employed by seller just before sale: \_\_\_\_\_

15. Number of former owner's workers now employed by you: \_\_\_\_\_

16. Are you a labor contractor, employment agency, or other provider of employment services?  Yes  No

If yes, explain operation: \_\_\_\_\_  
\_\_\_\_\_

17. Did you purchase an employment agency?  Yes  No If you answer yes, please explain the operation:

\_\_\_\_\_  
\_\_\_\_\_

18. Portion of the business acquired from the former owner:

(a)  **ALL** of the business: (If you checked this section, you are requesting a complete reserve account transfer which cannot be processed unless the former owner's employer payroll tax account number is inactive. If possible, please provide a letter from the former owner to inactivate their account as of the date of acquisition. **Go directly to Section III.**)

(b)  **PART** of the business: (If you checked this section, complete Sections II and III.)

II.

1. That portion of the business acquired was started by its original owner on: \_\_\_\_\_ (date).

**Please complete either item number 2 or item number 3.**

2. The portion of the business we acquired is \_\_\_\_% of the former owner's business. **Go to Section III.**

3. The taxable wages, for the portion of the former owner's business, which we acquired, were as follows: (USE ONLY WAGES UP TO THE **\$7,000 ANNUAL LIMIT FOR EACH EMPLOYEE** FOR CALENDAR YEARS LISTED BELOW.) Please provide the taxable wages for the years shown below for the portion of the business you acquired through the quarter of acquisition.

For entire calendar years of: 2014 \$ \_\_\_\_\_ 2015 \$ \_\_\_\_\_ 2016 \$ \_\_\_\_\_

**- BY QUARTERS -**

|         | JAN. 1 TO MARCH 31 | APRIL 1 TO JUNE 30 | JULY 1 TO SEPT. 30 | OCT. 1 TO DEC. 31 |
|---------|--------------------|--------------------|--------------------|-------------------|
| 2017 \$ | _____              | \$ _____           | \$ _____           | \$ _____          |
| 2018 \$ | _____              | \$ _____           | \$ _____           | \$ _____          |

IF YOU CANNOT PROVIDE EXACT FIGURES, please give us your estimate. To obtain the most accurate estimate, please contact the former owner for the taxable wage information.

DID YOU ESTIMATE THESE FIGURES?  Yes  No

DID THE FORMER OWNER APPROVE THESE FIGURES?  Yes  No

III. Please list the name and phone number of the person we can contact for further information, if needed.

Print Name: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_

**SIGN AND DATE: I/we hereby make application for transfer of reserve account and declare that the above information is correct to the best of our knowledge and belief.**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(Owner, Corporate Officer, Partner, LLC/LLP Member/Manager, or authorized Agent)

Print Name: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_

Title: \_\_\_\_\_