FROM:
DIVISION OF REVENUE
STATE OF DELAWARE
P.O. BOX 8750
WILMINGTON, DE 19899-8750

State of Delaware

Form CRA

COMBINED REGISTRATION APPLICATION FOR STATE OF DELAWARE BUSINESS LICENSE AND/OR WITHHOLDING AGENT

OFFICE LOCATIONS
TOLL-FREE TELEPHONE NUMBER - DELAWARE ONLY - 1(800) 292-7826

DOVER

Division of Revenue
Thomas Collins Building, Route 13
Dover, DE 19901

(302) 744-1085

WILMINGTON

Division of Revenue
State Office Building
820 N. French Street
Wilmington, DE 19801

Taxpayers Assistance Section
(302) 577-8205

GEORGETOWN

Division of Revenue
20653 Dupont Bulvd., Suite 2
Georgetown, DE 19947

(302)856-5358

COMBINED REGISTRATION APPLICATION FORM

This Combined Registration Application (CRA) must be completed by all persons or companies conducting any business activity in Delaware, or having one or more employees who will work in Delaware or who are residents of Delaware, for whom you are withholding Delaware income tax.

The CRA additionally contains a Special Requirements for Contractors form, which must be completed by **Resident Contractors** and **Non-Resident Contractors** (along with all listed additional forms).

PLEASE BE ADVISED: If you are applying for a license categorized under 'Private Detective,' 'Security Guard Co,' 'Security Systems,' 'Bail Enforcement Agent,' or 'Pawnbroker/Secondhand Dealer/Scrap Metal Dealer,' you MUST FIRST obtain State Police approval in order to obtain a validated State business license.

Withholding and Gross Receipts returns can be filed electronically online at http://revenue.delaware.gov. If you wish to file a paper gross receipts return, you must log into the gross receipts website and print personalized gross receipts forms. If you wish to file paper withholding returns, you will find blank returns under the forms link on our website. Please direct any questions or concerns regarding this application to (302) 577-8778 or (302) 577-8779.

Upon completion of this form, you may mail the CRA, with the required license fee(s), if applicable, to:

DIVISION OF REVENUE
P.O. BOX 8750
WILMINGTON, DE 19899-8750

NOTE: This application may not be accepted if all the necessary information is not provided, or if the application is not signed and dated by an owner or officer.

SPECIFIC LINE INSTRUCTIONS - PLEASE READ CAREFULLY - PLEASE PRINT CLEARLY OR TYPE

Line 1 (FEIN or SSN). Enter your Federal Identification Number (FEIN) or Social Security Number (SSN), whichever you use for federal purposes. If you are an employer or business ownership that is not a Sole Proprietorship, you must have a FEIN. You can apply for a number using Federal Form SS-4, or by calling your nearest IRS office. If you have applied for a FEIN, please enter "Applied For" on Line 1, and the Division of Revenue will assign a temporary number until your FEIN has been received. Y**ou must notify the Business Master File Unit at (302) 577-8778 when your FEIN is obtained**. All of your tax returns should be filed under **ONE** ID number. **If you are a sole proprietor and you have obtained a FEIN, you must enter both numbers on Line 1 of Part A or C.**

Part A - To Be Completed By All Taxpayers That Need To Register Their Business Or Withholding For The First Time

All applicable questions in Part A **MUST** be answered.

Line 1	**Name**	Enter the name of the business (individual, partnership, corporate name, governmental agency, etc.).
Line 2	**Trade Name**	Enter the trade name of your business if different from the primary business name on Line 1.
Line 3	**Primary Location Address**	Enter the address of your primary business location; this is the physical address where the license will be displayed (a P.O. box is not an acceptable primary location address).
Line 4	**Mailing Address**	Enter the address to which correspondence should be mailed, if different from your primary business location.
Line 5	**Accounting Period**	Please check the appropriate box that indicates the period of your taxable year. If you are a fiscal year taxpayer, please enter the last month and day of the taxable year.
Line 6	**Incorporation State**	If you are incorporated, please enter the two letter postal abbreviation for state in which you are incorporated.
Line 7	**Incorporation Date**	If you are incorporated, please enter the date on which you became incorporated.
Line 8	**Start Date**	Enter the date your business operations began, or will begin in Delaware
Line 9	**Ownership Type**	Enter one of the following applicable two digit ownership codes:

01 Sole Proprietorship	**09** Cooperative	**23** Limited Liability Company	**31** LLC - Corporation
02 Partnership	**10** Other (Explain)	**24** Limited Liability Partnership	**32** LLC - Non-Elect
03 Non-Profit Corporation	**11** Holding/Investment Company	**25** Delaware State Government	**33** LLC - Non-Elect Individual
04 Corporation	**12** Professional Association	**26** Delaware County Government	**34** QSSS
06 Sub-Chapter S Corporation	**18** Employer - Domestic Employee(s)	**27** Delaware Municipal Government	**35** Withholding Agent Only
07 Federal Government	**20** Bank	**28** Other State Government Agency	
08 Fiduciary (Estate or Trust)	**21** Insurance Company	**30** LLC - Partnership	

Line 10	**Sub Chapter S Corporations**	If you indicated '06 - Sub Chapter S Corporation' on Line 9, indicate if you have shareholders that are NOT Delaware residents.
Line 11	**Parent Company Name**	If you have a parent company, enter the name.

Line 12	**Parent Employer ID**	Enter employer ID number or social security number of parent company, and check the applicable box.
Line 13	**Previous Business Name**	If you changed the name of your business, enter your previous business name.
Line 14	**Previous ID Number**	Enter the ID number of your business if it has changed, and check the applicable box.
Line 15	**Contact**	Enter the name, phone number, fax number, and e-mail address of the individual who should be contacted regarding tax matters.
Line 16	**Ownership**	Enter the name(s), title(s), and SSN(s) of the proprietor, partner, or principal officers of your business. If there are more than three, please attach a separate list. If you have a Registered Agent, provide that information as well.
Line 17	**Business Activity**	Fully describe the specific nature of your business.

Part B - To Be Completed by All Taxpayers

Line 1	**Employment and Withholding**	Answer whether you will have employees in DE or if you will withhold DE state tax from DE residents who work out of state.

Part C - To Be Completed By All Taxpayers Applying for a License

Delaware law requires every person, firm, or corporation conducting a business within this state to obtain a license and to pay an additional monthly or quarterly fee based on the aggregate gross receipts derived from the operation of such a business. Failure to obtain a business license **will result in a $200 penalty if such failure is not self-disclosed. A separate business license is required for each separate business activity, and may be required for multiple locations of certain business (Please consult the Division of Revenue License and Tax Rates chart for more info).** If you need to apply for more than one license, you will need to obtain, and complete, a supplemental License Application and submit one with the appropriate payment for each license you require. **The license fee must accompany any license application. Applications without the license fee will not be processed.**

Line 1	**Name**	Enter the name of the business (individual, partnership, corporate name, governmental agency, etc.).
Line 2	**Trade Name**	Enter the name trade name of your business if different from the primary business name on Line 1.
Line 3	**Physical License Location Address**	Enter the address of your primary business location (A P.O. box is NOT an acceptable physical location address).
Line 4	**Mailing Address**	Enter the address to which correspondence should be mailed, if different from your physical license location.
Line 5	**Start Date**	Enter the date your business operations began, or will begin in Delaware.
Line 6	**License Year**	Enter the year for which you are applying for a license. (If you are applying for an additional location of an activity where the primary license is on a 3 year cycle, enter the year that the 3 year cycle ends, and prorate the additional location fee accordingly. See **Additional Business License** form.)
Line 7	**License Activity Description**	Fully described the specific nature of your business and provide the business code (see previous page).
Line 8	**65 Years or Older**	Check box if applicable. Any person who is 65 years of age or older whose gross receipts are less than $10,000 per year shall pay 25% of the annual occupational license fee specified.
Line 9	**Total Fee**	Enter the total license fee. See below for more details on this computation.

Below is a sample schedule for computation of fee for any license for which you may apply. **To calculate your license fee, you will need to locate your business category on the 'Detailed List of Division of Revenue Licenses and Tax Rates' chart and find the annual fee due. If you are applying for a license for an additional location, you will need to locate the additional location fee for your business category and from that calculate the fee due.**

If you start doing business in Delaware after January 31, **you may prorate the fees** for your initial year according to this schedule, **unless you are registering under business categories: Cigarette, Motor Vehicle Dealer, Circus Exhibitors, or Outdoor Musical Festival Promoters.**

Decals for Cigarette Vending Machines, Merchandise Vending Machines, and Amusement Machines **are** proratable upon first application, or as additional machines are purchased and placed in services.

(Proration Example: If you start doing business in Delaware in the month of April, and you are a retailer: $75.00 x 0.75 = $56.25 Total Fee). If your license fee is based on a number of units (like the number of rooms for a motel), then multiply the annual fee by that number first.

Proration Basis for Initial Licenses	Jan - 100%	Apr - 75%	July - 50%	Oct - 25%
Multiply Annual Fee by Respective Month	Feb - 92%	May - 67%	Aug - 42%	Nov - 17%
	Mar - 83%	Jun - 58%	Sep - 33%	Dec - 8%

COMPUTATION OF FEE $ _____ x _____ % = $ _____

Annual Fee **Prorated Percentage** **Total Fee**

COMBINED REGISTRATION APPLICATION FOR STATE OF DELAWARE BUSINESS LICENSE AND/OR WITHHOLDING AGENT

DF50415019999

Reset

Print Form

DO NOT WRITE OR STAPLE IN THIS AREA

THIS FORM MUST BE COMPLETED BY ALL PERSONS OR COMPANIES CONDUCTING BUSINESS ACTIVITIES IN DELAWARE
FAILURE TO COMPLETE ALL QUESTIONS AND/OR REMIT APPLICABLE FEE MAY RESULT IN THE DENIAL OF A BUSINESS LICENSE

TEMPORARY FOR OFFICE USE ONLY 3-

1 Enter Employer Identification Number 1- OR Social Security Number 2-

PART A - TO BE COMPLETED BY ALL TAXPAYERS THAT NEED TO REGISTER THEIR BUSINESS OR WITHHOLDING FOR THE FIRST TIME

1 Name

2 Trade Name (If different from above)

3 Primary Location Address

City

State Zip Code Country

4 Mailing Address (If Different from Primary Location)

City

State Zip Code Country

5 Accounting Period (Check One) ☐ Fiscal Year - 12 Month Basis Ending ☐ Calender Year

Enter Month and Day of Fiscal Year Ending MM DD

6 If Incorporated Enter State Incorporated

7 Date Incorporated MM DD YY

8 When did or when will you begin operating in Delaware MM DD YY

9 Type of Ownership (See instructions)

10 Sub Chapter S Corporations only - Do you have Shareholders that DO NOT reside in Delaware? ☐ YES ☐ NO

11 Parent Company Name

12 Parent Employer Identification Number EIN SSN

13 Previous Business Name

14 Previous Identification Number

15 Individual who may be contacted regarding tax matters.

First Name	Last Name	Phone	FAX	Email Address

16 Identify Owners, Partners, Corporate Officers, Registered Agent or Trustees.

First Name	Last Name	Title	Social Security Number

17 Fully Describe ALL Business Activities (MUST BE COMPLETED)

PART B - TO BE COMPLETED BY ALL TAXPAYERS

1 Will you have employees that work in Delaware or withhold DE state tax from DE residents that do not work in DE? ☐ YES ☐ NO

PART C - TO BE COMPLETED BY TAXPAYERS APPLYING FOR A LICENSE

If you sell tires at retail and/or you sell prepaid wireless telecommunication services at retail in Delaware from this location, you must submit additional license applications.

1 Name

2 Trade Name If different

3 Physical License Location Address

City

State Zip Code Country

4 Mailing Address (If Different from Physical License Location)

City

State Zip Code Country

5 When did or when will you begin operating in Delaware? MM DD YY

6 For what calendar year are you applying? Calendar year ending 12-31- YY

7 Describe This License Activity (Must be completed) Bus Code

8 ☐ Check if 65 years or older and whose total sales are less than $10,000 (See Instructions)

PLEASE READ PART C INSTRUCTIONS TO COMPLETE BUSINESS CODE AND COMPUTATION OF THE FEE. 9 Total Fee

MAKE CHECK PAYABLE AND MAIL TO: DELAWARE DIVISION OF REVENUE, P.O. BOX 8750, Wilmington, DE 19899-8750

SIGNATURE TITLE DATE MM DD YY

I declare under penalties as provided by law that the information on this application is true, correct and complete.

Rev. 09/15

REGISTRATION APPLICATION FOR STATE OF DELAWARE ADDITIONAL BUSINESS LICENSE

DF50515019999

DO NOT WRITE OR STAPLE IN THIS AREA

THIS FORM MUST BE COMPLETED BY ALL PERSONS OR COMPANIES CONDUCTING BUSINESS ACTIVITIES IN DELAWARE
FAILURE TO COMPLETE ALL QUESTIONS AND/OR REMIT APPLICABLE FEE MAY RESULT IN THE DENIAL OF A BUSINESS LICENSE

TEMPORARY FOR OFFICE USE ONLY
3-

1 Enter Employer Identification Number 1- OR Social Security Number 2-

TO BE COMPLETED BY TAXPAYERS APPLYING FOR A LICENSE

If you sell tires at retail and/or you sell prepaid wireless telecommunication services at retail in Delaware from this location, you must submit additional license applications.

1 Name

2 Trade Name If different

3 Physical License Location Address

City

State Zip Code Country

4 Mailing Address (If Different from Physical License Location)

City

State Zip Code Country

5 When did or when will you begin operating in Delaware? MM DD YY

6 For what calendar year are you applying? Calendar year ending 12-31- YY

7 Describe This License Activity (Must be completed) Bus Code

8 Check if 65 years or older and whose total sales are less than $10,000 (See Instructions)

PLEASE READ INSTRUCTIONS TO COMPLETE BUSINESS CODE AND COMPUTATION OF THE FEE.

9 Total Fee

MAKE CHECK PAYABLE AND MAIL TO: DELAWARE DIVISION OF REVENUE, P.O. BOX 8750, Wilmington, DE 19899-8750

Important information regarding the term of a business license:

In general, licenses are issued on a calendar year basis. Licenses issued for a new business shall be for a term of 1 year; expiring on December 31. If the business starts during the calendar year, the initial license can be prorated according to the month that the business started. Upon renewal, you will be give the option to renew for 1 year, or 3 years. If you choose to renew a certain activity for 3 years, then all locations with that same activity must also be renewed for the 3 year period.

When purchasing a license for an additional location where the existing location is operating with a 3 year business license, use the same tax year end as the existing license to prorate the fee for the additional location, so that both licenses will expire on the same day - keeping the renewal periods aligned.

SIGNATURE TITLE DATE MM DD YY

I declare under penalties as provided by law that the information on this application is true, correct and complete.

Rev. 09/15

DETAILED LIST OF DIVISION OF REVENUE LICENSES AND TAX RATES

Category	Business Group Code	Annual Fee	Additional Locations	Current Tax Rate	Returns Due	Exclusion
Advertising Agency	101	$75	$25	0.003983	Monthly	$100,000
Amusement Machine Owner	105					
Business license fee		75	25	0.003983	Monthly	100,000
Each machine (decal)	131	75	-	-	-	-
Auctioneer Non-Resident - each county	519	225	225	0.003983	Monthly	100,000
Auctioneer Resident	520	75	25	0.003983	Monthly	100,000
Broker	120	75	25	0.003983	Monthly	100,000
*Cigarette						
*Wholesaler and/or Affixing Agent	213	200	200	-	-	-
Wholesale business license also needed	214	75	75	0.003983	Monthly	100,000
*Retail Permit (3 years)	201	15	-	-	-	-
Vending machine decals - each machine	212	3	-	-	-	-
*Circus exhibitor	126	750	-	-	-	-
Non-profit Organizations		300	-	-	-	-
Commercial Feed Dealers	360	75	75	0.000996	Monthly	100,000
Commercial Lessors	198	75	25	0.003983	Monthly	100,000
Contractors	331	75	-	0.006472	Monthly	100.000
Developers	332	75	-	0.006472	Monthly	100,000
Non-residents (bonding requirements)	335	75	-	0.006472	Monthly	100,000
Construction Transportation	333	75	-	0.006472	Monthly	100,000
Drayperson or Mover	026	75	25	0.003983	Monthly	100,000
Electric Use Tax	708	-	-	.0425/.0200	Tech Info Memo 97-8 and 97-9	
Farm Machinery Retailer	394	75	75	0.000996	Monthly	100,000
Finance or Small Loan Agency	144	450	450	-	-	-
Food Processors	374	75	75	0.001991	Monthly	100,000
Gas Use Tax	704	-	-	.0425/.0200	Tech Info Memo 97-8 and 97-9	
General Services	099	75	25	0.003983	Monthly	100,000
[1] [8] Grocery Supermarkets	404	90	40	0.003267	Monthly	100,000
[2] Hotel -- per suite / per room	152	30/25	-	0.08	Monthly	-
Lessee/Use of Tangible Personal Property	612					
Motor vehicles	613	-	-	0.019914	Quarterly	-
With retail license	611	-	-	0.019914	Quarterly	-
Lessor of Tangible Personal Property	602	75	25	0.002987	Quarterly	300,000
Motor vehicles	603	75	25	0.002987	Quarterly	300,000
Manufacturers	356	75	75	0.001260	Monthly	1,250,000
Manufacturers, Automobile	357	75	25	0.000945	Monthly	1,250,000
Manufacturers, Clean Energy Technology Device	358	75	25	0.000945	Monthly	1,250,000
Manufacturers Representative	045	75	25	0.003983	Monthly	100,000
[2] Motel - Per Room	161	25	-	0.08	Monthly	-
[7] *Motor Vehicle Dealer	450	100	-	2.00 ea. vehicle	Quarterly	-
Occupational / Professional	099	75	25	0.003983	Monthly	100,000
*Outdoor Music Festival Promoter	108	750	-	-	-	-
Parking Lot or Garage Operator	174	75	35	0.003983	Monthly	100,000
Petroleum Dealers						
[3] [8] Retailer	387	90	40	1.6468	Monthly	100,000
[4] Wholesaler	368	75	75	1.5472	Monthly	100,000
Personal Services	007	75	25	0.003983	Monthly	100,000
Photographer - Resident	178	75	25	0.003983	Monthly	100,000
*Transient - plus $25 per day	194	-	-	0.003983	Monthly	100,000

DETAILED LIST OF DIVISION OF REVENUE LICENSES AND TAX RATES

Category	Business Group Code	Annual Fee	Additional Locations	Current Tax Rate	Returns Due	Exclusion
Private Detective (State Police approval required)	183	75	25	0.003983	Monthly	100,000
Professional Services	007	75	25	0.003983	Monthly	100,000
Public Utilities	701	-	-	0.425/0.02	Monthly	-
Cable Television and Satellite	707	-	-	0.02125	Monthly	-
Telecommunications	709	-	-	0.05	Monthly	-
[5] Electric Utility	708	-	-	0.0425/0.02	Monthly	-
Gas Utility	704	-	-	0.0425/0.02	Monthly	-
[6] Telephone & Telegraph Wire Tax	702	$.60 per/mile; $.30/next longest wire; $.20 every other wire owned. Returns and reporting the number of miles of wire and transmitters are due June 1, and tax payments are due by June 15th				
Real Estate Broker	581	75	25	0.003983	Monthly	100,000
Restaurant Retailer	393	75	25	0.006472	Monthly	100,000
[8] Retailer - General	396	90	40	0.007468	Monthly	100,000
[8] Transient (registration and bonding required)	400	90	40	0.007468	Monthly	100.000
[8] Transient 10 days or less	403	40	-	0.007468	After 10th day	3,000
[10] Retail - Tire Sales	406	-	-	$2.00/tire sold	Monthly	-
Sales Representative	186	75	-	-	-	-
Security Guard Co. (State Police approval required)	183	75	25	0.003983	Monthly	100,000
Security Systems (State Police approval required)	100	115	25	0.003983	Monthly	100,000
Showperson	189	375	-	-	-	-
Steam, Gas and Electric	703	50	1st year	0.001	Annually	
Taxicab or Bus Operator -- 1st vehicle / each	173	45	30	-	-	-
[2] Tourist Home -- per room (minimum 5 rooms)	192	15	-	0.08	Monthly	-
Trailer Park -- each space	193	10	-	-	-	-
[8] Transient Nursery Retailer	405	90	90	0.007468	Monthly	100,000
Transportation Agent	056	75	25	-	-	-
Travel Agency	097	225	25	-	-	-
Machine Decals						
Amusement Machine	131	75	-	-	-	-
Vending Machine -- each machine	399	5	-	-	-	-
Cigarette -- each machine	212	3	-	-	-	-
(Business license also needed)						
Wholesalers	377	75	75	0.003983	Monthly	100,000

*** Those categories marked with an asterisk (*) are not proratable and the full amount must be paid.**

[1] Grocery Supermarkets - the tax rate is .003267 on all taxable gross receipts.

[2] Hotels, Motels and Tourist Homes - The eight percent (8%) tax is collected from the guest and remitted to the Division of Revenue

[3] Petroleum Retailers - The composite rate includes the General Fund tax of .007468 and a Hazardous Substance tax of .009.

[4] Petroleum Wholesalers - The composite rate includes the General Fund tax of .003983, a Hazardous Substance tax of .009 and surtax of .002489.

[5] Electric Utility - The tax rate is .0235 for electric consumed by manufacturers, food processors and agribusinesses.

[6] Interstate calls are exempt.

[7] Motor Vehicle Dealer - Motor vehicle Dealers who self-finance any sale of a motor vehicle to a retail buyer without charging interest are required to file an original surety bond in the principle sum of $25,000 with the Division of Revenue.

[8] Retail Crime Fee - This license fee includes an additional $15.00

[9] Retail Tire License and Scrap Tire Fee - Exemptions include tires sold for farm tractors and off-highway vehicles (dirt bikes, off-road ATVs), tires sold as part of a vehicle sale, and wholesale tire sales.

REPORTING OF NEW HIRES

Delaware Law requires that every employer who is required to withhold Delaware income tax from its employees is also required to report the hiring of new employees to the Division of Child Support Enforcement. The report must be made within 20 days of hiring the new employee(s) and must contain the name, address and social security of the employee and the name, address and federal employer identification number of the employer. The report may be made using federal form W-4 or an equivalent form of your choice. The report may be in paper and mailed to Delaware State Directory of New Hires, P.O. Box 90370, Atlanta, GA 30364, faxed to (855) 481-0047 or E-mail to: newhires@state.de.us. Reports may be made by electronic or magnetic media and a multi-state employer may elect to report to one state. For more information concerning multi-state or magnetic filing, call the Division of Child Support Enforcement at (302) 577-7171.

UNEMPLOYMENT INSURANCE

In addition to registering as an employer with the Division of Revenue, all employers must file Form UC-1 with the State of Delaware, Department of Labor. Employers are required to pay unemployment insurance taxes with respect to any calendar year if they (a) pay wages of $1,500 or more during any calendar quarter in that year or (b) employ at least one person for 20 days during such calendar year, each day being in a different week. If you have any questions concerning your filing requirements with the Department of Labor you may write to Department of Labor, Division of Unemployment Insurance, P.O. Box 9950, Wilmington, DE 19809 or by calling (302) 761-8484.

PLACES TO FIND ADDITIONAL INFORMATION

DIVISION OF REVENUE

The Office of Business Taxes of the Division of Revenue has a web page especially designed for business customers to answer questions and assist business taxpayers in obtaining a business license and meeting their filing requirements. The site also permits a business to file many business taxes using the Internet. The address is www.revenue.delaware.gov. At the Division of Revenue's home page, select "Business Tax" from the side bar menu.

SPECIFIC CONTACTS AT DIVISION OF REVENUE:

TOPIC	CONTACT	PHONE #	E-MAIL ADDRESS
License Registration / Business Tax Forms	Rhonda Stewart	(302) 577-8253	rhonda.stewart@state.de.us
New Business Compliance	Terri Dale	(302) 577-8634	Terri.Dale@state.de.us
Gross Receipts	Kyle Connor	(302) 577-8166	Kyle.Conner@state.de.us
Withholding Tax	Kyle Connor	(302) 577-8166	Kyle.Conner@state.de.us
Business Electronic Funds Transfer	Rose Livingston	(302) 577-8231	rose.livingston@state.de.us
Business Audit Bureau	Jeff Schott	(302) 577-8261	jeffry.schott@state.de.us
Affiliated Finance Companies	Steve Seidel	(302) 577-8455	steven.seidel@state.de.us
Business Tax Claims for Refunds	Rick Jezyk Ray Benton	(302) 577-825 (302) 577-8268	richard.jezyk@state.de.us raymond.benton@state.de.us
Cigarette Tax	Ray Benton	(302) 577-8268	raymond.benton@state.de.us
Commercial Lessors	Chuck Peck	(302) 577-8454	charles.peck@state.de.us
Contractors & Developers	Rick Jezyk	(302) 577-8265	richard.jezyk@state.de.us
Corporate Income Tax Amended Returns	Jeff Schott	(302) 577-8261	jeffry.schott@state.de.us
Petroleum Superfund Tax	Rick Jezyk	(302) 577-8265	richard.jezyk@state.de.us
Occupational Licenses	Ray Benton	(302) 577-8268	raymond.benton@state.de.us
Other Tobacco Products	Ray Benton	(302) 577-8268	raymond.benton@state.de.us
Public Accommodations Tax	Steve Seidel	(302) 577-8455	stephen.seidel@state.de.us
Public Utility Tax	Cheryl Taylor	(302) 577-8667	cheryl.taylor@state.de.us
Realty Transfer Tax	Steve Seidel	(302) 577-8455	stephen.seidel@state.de.us
Telecommunications	Cheryl Taylor	(302) 577-8667	cheryl.taylor@state.de.us
Transient Retailers	Ray Benton	(302) 577-8268	raymond.benton@state.de.us
Abandoned Property	April Martin	(302) 577-8747	april.martin@state.de.us
Manufacturer	Steve Seidel	(302) 577-8455	stephen.seidel@state.de.us
Retail, General	William Kirby	(302) 856-5358 x137	william.kirby@state.de.us
Wholesale, General	William Kirby	(302) 856-5358 x137	william.kirby@state.de.us

Company Name | Federal Employer Identification Number

SPECIAL REQUIREMENTS FOR CONTRACTORS

ALL RESIDENT AND NON-RESIDENT CONTRACTORS must complete the following check list and attach all required documentation and this form to their Combined Registration Application. Please see the instructions on the back of this form. You should also get a copy Technical Information Memorandum TIM 93-5 for contractors. If you did not receive the required forms or if you have questions, contact the Division of Revenue at (302) 577-8205.

RESIDENT BUILDING TRADES CONTRACTORS ☐

Check Off

1. DEPARTMENT OF LABOR FORM UC-1 (Must be completed and attached even if you do not have employees). ☐
2. INDUSTRIAL ACCIDENT BOARD FORM (Must be completed and attached even if you do not have employees). ☐
3. Will you subcontract? YES ☐ NO ☐ If yes, complete and attach Division of Revenue Form 5060, Statement of Contractors Awarded by General Contractors and Subcontractors. *The civil penalty for failure or refusal to comply with this section is a fine of up to $10,000 for each occurrence.*
4. Are you applying for a business license for bidding purposes only? YES ☐ NO ☐
5. Complete Part C of the Combined Registration Application and attach your check for the license fee. The license fee is not required if the application is being submitted for bidding purposes only. ☐

NON-RESIDENT BUILDING TRADES CONTRACTORS ☐

1. DEPARTMENT OF LABOR FORM UC-1 (Must be completed and attached even if you do not have employees). ☐
2. INDUSTRIAL ACCIDENT BOARD FORM (Must be completed and attached even if you do not have employees). ☐
3. Will you subcontract? YES ☐ NO ☐ If yes, complete and attach Division of Revenue Form 5060, Statement of Contractors Awarded by General Contractors and Subcontractors. *The civil penalty for failure or refusal to comply with this section is a fine of up to $10,000 for each occurrence.*
4. Are you applying for a business license for bidding purposes only? YES ☐ NO ☐
5. Non-resident contractors must supply a bond equal to 6% of the contract(s) totaling $20,000 or more with this application. If you don't have a bonding requirement at this time, check the box on this line and skip item number 6. A bond is required at the time when the total of all contracts exceeds $20,000. ☐
6.

Name & Address of person(s) with whom you have this contract(s)	Contract Period	Contract Amount $

Total Contracts $ 0.00 x .06 = $ 0.00 (Amount of Bond)

Type of Bond: ☐ Cash (Attach Form 1125-C) ☐ Surety (Attach Form 1125)

Name of Bonding Company _____ Bond Number _____ Value $ _____

Letter of Credit ☐ Bank Name _____ (Requires Director of Revenue's approval.)

7. Complete Part C of the Combined Registration Application and attach your check for the license fee. The license fee is not required if the application is being submitted for bidding purposes only. ☐

I declare under penalties as provided by law that this application has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement.

Signature | Title | Date

INSTRUCTIONS FOR SPECIAL REQUIREMENTS FOR BUILDING TRADES CONTRACTORS

Please start by completing the State of Delaware Combined Registration Application for State of Delaware Business License and/or Withholding Agent (Form CRA) in its entirety.

Refer to the Technical Information Memorandum 93-5 for specific requirements of Resident and Non-Resident Contractors and Real Estate Developers.

1. The statute requires that all contractors register with the Department of Labor. Form UC-1 must be completed or you must supply a Certificate of Notice issued by the Division of Unemployment Insurance to document such registration.
2. The statute also requires that you show evidence of insurance to pay Workmen's Compensation. You must supply either a copy of Page 1 of your insurance policy OR the name, address, and policy number of your carrier OR a copy of Form 22 issued by the Industrial Accident Board which certifies your ability to make direct payments of workmen's compensation. Even if you do not have employees, the Division of Industrial Affairs form is required.
3. Every architect, professional engineer, construction contractor, or construction manager must file with the Division of Revenue a statement of the total value of any contract or subcontract entered into with a non-resident of the State of Delaware within ten (10) days of entering into such contracts. This statement, Form 5060, must include the names and addresses of the contracting parties. The civil penalty for failure or refusal to comply with this section is a fine of up to $10,000 for each such occurrence.
4. Non-Resident Contractors are required to obtain a bond equal to six percent (6%) of the contract amount for all single contracts/subcontracts exceeding $20,000 or when the aggregate of two or more contracts/subcontracts in a calendar year total $20,000 or more. Form 1125, Non-Resident Building Trades Contractor Bond, may be used to fulfill this bonding requirement. The Division of Revenue will accept an alternative bond form supplied by your bonding company or cash bonds on any contract amount. The contractor's bond must be filed before construction commences on any contract for which a bond is required. Bonds will be released at the completion of the contract and after a verification that all State tax liabilities have been met. The following information must be supplied at the time of making the request for the release of the bond or a request for a refund of a cash bond.
    1. A copy of the contract award.
    2. Date construction commenced.
    3. Date construction ended.
    4. A schedule by month of payments received.
    5. A list of persons (resident and non-resident), with social security numbers, employed at the construction site.
    6. A Schedule by month of the wages paid to the persons referenced in item #5.
5. If this application is for bidding purposes only, please check the box on line four.
6. Be sure to include your license fee. Your fee is proratable for your initial year, based on what month of the year your business will begin. Only one license fee is required regardless of the number of locations a contractor may have. If you are engaged in any activity other than contracting as described in the Technical Memorandum, you may be required to obtain a separate business license for that activity. The license fee is not required if the application is being submitted for bidding purposes only.
7. Real Estate Development involves the acquisition of land (raw or improved), the building of structures thereon and the sale of the land with structures to a customer. Persons engaged in the business of a Real Estate Developer are subject to the licensing requirements as a contractor and must complete this form. Contractors are permitted to reduce their gross receipts by amounts paid to subcontractors and Real Estate Developers are permitted to further reduce such receipts by expenses incurred in the development of realty (see Technical Information Memorandum 93-5 for details).

BE SURE TO SIGN THE STATEMENT AT THE BOTTOM ON THE COMBINED REGISTRATION APPLICATION AND THE CONTRACTORS FORM.

STATE OF DELAWARE
Mail This Copy With Remittance Payable To
Delaware Division of Revenue
P.O. Box 8995
Wilmington, DE 19899-8995

INITIAL MONTHLY EMPLOYER'S REPORT OF DELAWARE TAX WITHHELD

DO NOT WRITE OR STAPLE IN THIS AREA **089 OR 090**

Employer Identification Number

1 ☐☐–☐☐☐☐☐☐☐

Social Security Number

2 ☐☐☐–☐☐–☐☐☐☐

FOR OFFICE USE ONLY
☐☐☐
☐☐☐
Suffix

BUSINESS NAME AND ADDRESS

MAILING ADDRESS IF DIFFERENT

PAYMENT DUE DATE 15 days after end of month

PAYMENT FOR PERIOD

FROM				TO		
Month	Day	Year		Month	Day	Year

1. AMOUNT WITHHELD AND DUE FOR PERIOD $

2. AMOUNT REMITTED $

X AUTHORIZED SIGNATURE (I DECLARE UNDER PENALTIES OF PERJURY THAT THIS IS A TRUE, CORRECT AND COMPLETE RETURN.) DATE / / TELEPHONE NUMBER

STATE OF DELAWARE
Mail This Copy With Remittance Payable To
Delaware Division of Revenue
P.O. Box 2340
Wilmington, DE 19899-2340

INITIAL QUARTERLY GROSS RECEIPTS TAX RETURN

DO NOT WRITE OR STAPLE IN THIS AREA **028**

Employer Identification Number

1 ☐☐–☐☐☐☐☐☐☐

Social Security Number

2 ☐☐☐–☐☐–☐☐☐☐

FOR OFFICE USE ONLY
S ☐☐☐ B ☐☐☐☐
S ☐☐☐ B ☐☐☐☐
FILING PERIOD

BUSINESS DESCRIPTION

PAYMENT FOR QUARTER ENDING

PAYMENT DUE DATE
Last day of first month following the end of quarter

BUSINESS NAME AND ADDRESS

MAILING ADDRESS IF DIFFERENT

GROSS RECEIPTS

1. TOTAL GROSS RECEIPTS $
2. LESS EXCLUSION $
3. TAXABLE AMOUNT $
4. GROSS RECEIPTS TAX, LINE 3 X TAX RATE = $
5. APPROVED TAX CREDITS $
6. **BALANCE DUE.** SUBTRACT LINE 5 FROM LINE 4 $

X AUTHORIZED SIGNATURE (I DECLARE UNDER PENALTIES OF PERJURY THAT THIS IS A TRUE, CORRECT AND COMPLETE RETURN.) DATE / / TELEPHONE NUMBER

INSTRUCTIONS FOR INITIAL EMPLOYER'S REPORT OF DELAWARE TAX WITHHELD

This form is only to be used for the FIRST time filing of your Delaware withholding tax. Withholding returns for new employers are due on the 15th day after the end of the month. If you do not receive your pre-printed forms in time to file your second return, call the Business Master File Unit at (302) 577-8778. If you need INFORMATION, contact the Withholding Tax Section at (302) 577-8779.

Enter your Federal Employer Identification Number. If you have applied for a Federal Employer Identification Number and have not yet received it, either use the temporary number assigned by the Division of Revenue or write "Applied For". Notify the Business Master File Unit at (302) 577-8778 when your number is obtained. Enter the Business Name, Trade Name if applicable, and the mailing address for your withholding forms. Enter the beginning and ending dates of your filing period.

All filers must enter the total amount withheld for the period on Line 1. The tax is due with the filing of the return. Enter on Line 2 the amount remitted with this return. If Line 2 does not equal Line 1, please provide an explanation for the difference.

Be sure to sign and date the return and include a telephone number.

- - - -

COUNTY AND LOCAL GOVERNMENT

ALTHOUGH A DELAWARE DIVISION OF REVENUE BUSINESS LICENSE IS AN IMPORTANT STEP IN TAX COMPLIANCE, EACH BUSINESS MUST ALSO CONFORM TO ZONING REQUIREMENTS WITH THE COUNTY AND/OR CITY OR TOWN IN WHICH IT IS LOCATED. A DELAWARE DIVISION OF REVENUE BUSINESS LICENSE DOES NOT EXEMPT YOU FROM COMPLIANCE WITH THE RESPECTIVE COUNTY ZONING ORDINANCES.

NEW CASTLE COUNTY

New Castle County permits business activities to principally occur in office, commercial and industrial zoning districts. Before commencing a new business activity, the proprietor should contact the Department of Land Use at (302) 395-5400, to ascertain whether the activity is permitted. A New Castle County contractor registration or license is required of proprietors of construction and construction-related businesses. The Department of Land Use will provide a zoning certification for a $50 fee. The Licensing Division issues contractor registrations, contractor licenses and occupancy or use certifications, depending on the proposed activity. The address is 87 Reads Way, Corporate Commons, New Castle, Delaware 19720. New Castle County jurisdiction is limited to the unincorporated areas of the County.

KENT AND SUSSEX COUNTIES

Visit or contact the Kent County Department of Inspections & Enforcement or the Sussex County Department of Planning to verify that your business is zoned properly. First, this will ensure that your business is in compliance with the regulation for the Zoning District in which your business is located. Secondly, it will allow you to determine whether you would be able to expand your business (in size or level of activity) in the future, or apply for a conditional use or rezoning. When you have verified that your business is zoned properly, you will need to obtain a Zoning Certificate of Use or Certificate of Zoning. Except for the town of Ellendale, Kent and Sussex Counties jurisdiction is limited to unincorporated areas of the respective County.

Kent County

Kent County Service Center
Department of Inspections & Enforcement
Room 303, Robert W. O'Brien Bldg.
414 Federal Street
Dover, DE 19901
Telephone (302) 744-2453
FAX (302) 736-2200

Sussex County

Department of Planning and Zoning
1st Floor - Sussex County Administrative Office Bldg.
P.O. Box 417
Georgetown, DE 19947
Telephone (302) 855-7878
FAX (302) 854-5079

REGULATORY AGENCIES, CITIES AND TOWNS

The Division of Revenue business license that will be issued by the completion of this application is not a regulatory license nor does it attest to the workmanship of the licensee to perform the listed activity or the quality of the goods sold. The Division of Professional Regulation issues regulatory licenses which require certification of the applicant. Additionally, other Delaware agencies require licensing and certification of selected business activities. A Small Business Start-Up Guide and Resource Book is available at the Delaware Economic Development Office and the Division of Revenue which explains these requirements.

Many cities and towns also require a business license to operate in the respective jurisdiction and the City of Wilmington imposes a net profits tax on businesses located within the City. It is suggested that you contact the local government office in which you intend to conduct business.

IMPORTANT INFORMATION FROM THE DELAWARE ECONOMIC DEVELOPMENT OFFICE AND YOUR LOCAL CHAMBERS OF COMMERCE

The Delaware Economic Development Office (DEDO) is the state agency responsible for Delaware's business and tourism development efforts. The DEDO staff works to encourage the retention and expansion of existing businesses and the recruitment of new businesses to Delaware. DEDO can provide existing and new businesses with a range of services including technical assistance, financing, exporter assistance, permitting assistance, employee training and statistical data. For more information, contact DEDO at 99 Kings Highway, P.O. Box 1401, Dover, Delaware 19903 302/739-4271.

Chambers of Commerce also provide a wide array of services for businesses. Use the following listing to contact the State, County or Local Chambers for information.

DELAWARE CHAMBERS OF COMMERCE

NEW CASTLE COUNTY	SUSSEX COUNTY	SUSSEX COUNTY (cont'd)
Delaware State Chamber of Commerce 1201 N. Orange Street, Ste. 200 P.O. Box 671 Wilmington DE 19899-0671 (302) 655-7221 (800) 292-9507	**Bethany-Fenwick Area Chamber of Commerce** 36913 Coastal Highway Fenwick Island, DE 19944 (302) 539-2100 or 1-800-962-SURF	**Laurel Chamber of Commerce** P.O. Box 696 Laurel DE 19956-0696 (302) 875-9319
Middletown Area Chamber of Commerce P.O. Box 1 Middletown DE 19709-0001 (302) 378-7545	**Delmar Chamber of Commerce** 12 N Pennsylvania Ave # D Delmar, DE 19940 (302) 846-3336	**Lewes Chamber of Commerce & Visitors Bureau** 120 Kings Hwy, Lewes, DE 19958 (302) 645-8073
New Castle County Chamber of Commerce 12 Penns Way New Castle, DE 19720 (302) 737-4343	**Greater Georgetown Chamber of Commerce** P.O. Box 1 Georgetown DE 19947-0001 (302) 856-1544	**Milton Chamber of Commerce** 707 Chestnut St. Milton, DE 19968 (302) 684-1101
KENT COUNTY **Central Delaware Chamber of Commerce** 435 N. DuPont Hwy Dover, DE 19901 (302) 734-7513	**Greater Millsboro Chamber of Commerce** 102 Washington Street Suite 6 Millsboro, DE 19966 (302) 934-6777	**Rehoboth-Dewey Chamber of Commerce** P.O. Box 216 Rehoboth Beach DE 19971-0216 (302) 227-2233 (302) 441-1329
Greater Milford Chamber of Commerce 411 N. Rehoboth Blvd. Milford, DE 19963 (302) 422-3344	**Greater Seaford Chamber of Commerce** 304 High St, Seaford, DE 19973 (302) 629-9690	**Selbyville Chamber of Commerce** P.O. Box 1150 Selbyville DE 19975-1150 (302) 436-5526

STATE OF DELAWARE
Department of Finance
Division of Revenue
820 N. French Street
P.O. Box 2340
Wilmington, Delaware 19899-2340

STATEMENT OF PAYMENTS
MADE BY GENERAL CONTRACTORS
TO SUBCONTRACTORS

FORM 1280

THIS FORM MUST BE ATTACHED TO CONTRACTOR'S MONTHLY GROSS RECEIPT TAX COUPON TO SUBSTANTIATE PAYMENTS TO SUBCONTRACTORS

1. Enter Federal Employee Identification Number OR Social Security Number

1 - ☐☐ - ☐☐☐☐☐☐☐ 2 - ☐☐☐ - ☐☐ - ☐☐☐☐

2. Name

3. Address

City State Zip

4. General Contractors Total Monthly Gross Receipts: Month _____ $ _____

5. Less Payments to Subcontractors:

Name & Address

1		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
2		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
3		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
4		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
5		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code

(See reverse side for additional space.)

6. Total Payments to Subcontractors $ _____

7. Total Taxable Gross Receipts for the Month: $ _____

* Business Codes 331, 332, 333, 335, 336 or 337. See Reverse side of this form for listing of activities not deductible as amounts paid to subcontractors.

SIGNATURE TITLE DATE

Payments to Subcontractors

Month/Year _____

	Name & Address	Employer ID No.	DE Business License No.
6		Amount of Payment	Business Code
7		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
8		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
9		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
10		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
11		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
12		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
13		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
14		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
15		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code

* Business Codes 331, 332, 333, 335, 336 or 337 only.

LINE-BY-LINE INSTRUCTIONS

FORM 1280

1. Enter the account number of the business for which you are filing. This is either a federal employer identification number or a social security number, and can be found in your annual gross receipts coupon book.
2. Enter the contractor's business name, as it appears on the Delaware business license.
3. Enter the contractor's mailing address.
4. Enter the month and year for which the gross receipts tax is being reported. Enter the total amount of gross receipts being reported. (The total on Line 4 should also be entered on Line 1 of your gross receipts reporting coupon.)
5. List payments made to subcontractors. If you are reporting payments to more than five subcontractors, use the back of Form 1280 for additional space:

    1) Enter the subcontractor's business name and mailing address in the field provided.
    2) Enter the subcontractor's employer identification number.
    3) Enter the total amount of payment(s) made to the subcontractor.
    4) Enter the subcontractor's Delaware business license number. **Payments to subcontractors without a current business license will be denied.** They must have had a current license when the work was performed. Obtaining a license after the work will not allow them to be taken as a deduction on prior periods.
    5) Enter the subcontractor's business code (this can only be business code 331, 332, 333, 335, 336 or 337) a sub contractor listed with any other business code will be disallowed.
6. Enter the total amount of payments made to subcontractors. (The total on Line 6 should also be entered on Line 2 of your gross receipts reporting coupon.)
7. Subtract Line 6 from Line 4. Enter this amount on Line 7. (The amount on Line 7 should also be entered on Line 3 of your gross receipts reporting coupon.)

The following is a listing of activities/expenses which are **NOT DEDUCTIBLE** as amounts paid to subcontractors:

Accounting Expenses
Advertising
Architects
Attorneys
Cleaning
Construction Management
Delivery or transportation charges
Employment Agencies or temporary employees
Engineers
Environmental Studies
Equipment Rental
Exterminators
Hauling
Horticulture
Inspections
Interior Designers/Decorators
Material supplied without labor
Operating Expenses
Realtors
Sanitation
Security
Surveyors
Taxes or other fees paid to any state, county, city or municipality
Trailer Rentals
Trash Removal
Utility Expenses

STATE OF DELAWARE
Department of Finance
Division of Revenue
820 N. French Street
P.O. Box 2340
Wilmington, Delaware 19899-2340

DEDUCTIONS FOR AMOUNTS PAID TO SUBCONTRACTORS BY CONTRACTORS AND DEDUCTIONS FOR DEVELOPMENT OF REALTY

FORM 1280-DEV

THIS FORM IS TO BE USED BY BUSINESS CODES 332 AND 336 ONLY AND MUST BE ATTACHED TO CONTRACTORS/DEVELOPERS GROSS RECEIPT TAX COUPON TO SUBSTANTIATE PAYMENTS TO SUBCONTRACTORS AND DEDUCTIONS FOR DEVELOPMENT OF REALTY

1. Enter Federal Employee Identification Number **1-** ☐☐-☐☐☐☐☐☐☐ OR Social Security Number **2-** ☐☐☐-☐☐-☐☐☐☐

2. Name

3. Address

City State Zip Code

4. General Contractors Total Monthly Gross Receipts: Month/Year _____ $ _____
(Enter on Line 1 of Gross Receipts Coupon, including proceeds from development activities)

5. PART A: Less Payments to Subcontractors:

Name &. Address

1		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
2		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
3		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
4		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code

(See Reverse Side for Additional Space)

TOTAL PART A. (Attach separate schedule if additional space is needed) _____

TOTAL PART B. Realty Development Expenses
(From Line 10 on Back of Form) _____

TOTAL PART C. Miscellaneous Expenses
(From Line 11 on Back of Form) _____

TOTAL PART D. Election to Deduct 30% of Gross Receipts from Sale of Property
(From Line 12 on Back of Form) _____

6. **Total Payments to Subcontractors & Development Expenses:** $ _____
Add Parts A & B & C OR A & D and enter on Line 2 of Gross Receipts Coupon

7. **Total Taxable Gross Receipts for the Month:** $ _____
Subtract Line 6 from Line 4 and enter on Line 3 of Gross Receipts Coupon

I declare under penalties as provided by law that the information on this form is true, correct and complete.

SIGNATURE _____ TITLE _____ DATE _____

Contracts have been awarded to the following nonresident contractors and nonresident subcontractors:

	Name & Address	Employer ID No.	DE Business License No.
5		Amount of Payment	Business Code
6		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
7		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
8		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
9		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
10		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
11		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
12		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
13		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
14		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code
15		Employer ID No.	DE Business License No.
		Amount of Payment	Business Code

Contractor Name _____ TPID _____ Tax Period _____

(The information requested below is required for each development from which a lot was sold during the reporting period.)

Name of Development _____

Development Address

(1.) Number of Properties/Lots sold this period. _____

(2.) Number of Properties/Lots within this development. _____

(3.) Percentage of Properties/Lots sold this period. _____
[Divide Line (1.) by Line (2.)]

(4.) Total Number of Properties/Lots sold to date _____

PART B: Total Cost of Realty Development Expenses

a. Cost of Raw land _____

b. Site Improvement _____
(Clearing. grading, streets, water. power &. other utilities)

c. Engineering Costs _____
(Rezoning &. subdivision costs only)

d. Legal Fees _____
(Rezoning &. subdivision costs only)

e. Interest cost associated with acquisition &. development of the site regardless of whether interest has been expended or capitalized for federal income tax purposes. (Allocated on a per lot basis.) _____

f. Decorating & space planning costs associated with model home(s). _____

8. Total (Part B) (Add lines a. - f. and enter here.) . . . . . _____

9. Enter the percentage from Line (3.) above. _____

10. Total. (Multiply Line 8. by Line 9. and enter here and on Line 5, Part B.) . . . . . _____

PART C: Miscellaneous Expenses Attributable to Lots Sold this Tax Period.

a. Developers share of Realty Transfer Tax _____

b. Real estate fees/commissions (Maximum 2% of gross proceeds) _____

c. Sales concessions to buyers deducted from sellers funds at settlement. _____
(Points, settlement help, etc.)

d. Other costs associated with **<u>the Lots sold this tax period</u>** _____
(other than general administrative &. overhead). Attach a statement identifying such costs.

11. Total (Part C) (Add lines a. - d. and enter here and on Line 5, Part C.). . . . . _____

PART D: Election to Deduct 30% of Gross Receipts from the Sale of Property. An election to use the standard 30% deduction is irrevocable for a period of one year from the date of such election.

a. Gross receipts from sale of property for this tax period. _____

b. Standard 30% deduction. _____ **x** **30%**

12. **Total (Part D)** (Multiply Line a. by Line b. (30%) and enter here and on Line 5, Part D.). . . . _____

NOTE: PAYMENTS DEDUCTED UNDER PART B MAY BE NOT DEDUCTED AGAIN UNDER PART C. IF PART "D" ELECTION IS CHOSEN, TAXPAYER MAY NOT CLAIM DEDUCTIONS UNDER PARTS B & C.

A partial list of non-deductible items for Contractors and Real Estate Developers is contained on Page 7. Section IV, D, of Division of Revenue Tax Information Memorandum 93-5 dated August 19, 1993.

This page must accompany Form 1280-DEV and be attached to the monthly or quarterly gross receipts coupon.

LINE-BY-LINE INSTRUCTIONS

FORM 1280-DEV

1. Enter the account number of the business for which you are filing. This is either a federal employer identification number or a social security number, and can be found in your annual gross receipts coupon book.
2. Enter the contractor's business name, as it appears on the Delaware business license.
3. Enter the contractor's mailing address.
4. Enter the month and year for which the gross receipts tax is being reported. Enter the total amount of gross receipts being reported. (The total on Line 4 should also be entered on Line 1 of your gross receipts reporting coupon.)
5. List payments made to subcontractors. If you are reporting payments to more than five subcontractors, use the back of Form 1280 for additional space:

    1) Enter the subcontractor's business name and mailing address in the field provided.
    2) Enter the subcontractor's employer identification number.
    3) Enter the total amount of payment(s) made to the subcontractor.
    4) Enter the subcontractor's Delaware business license number. **Payments to subcontractors without a current business license will be denied.**
    5) Enter the subcontractor's business code (this can only be business code 331, 332, 333, 335, 336 or 337).

6. Enter the total amount of payments made to subcontractors. (The total on Line 6 should also be entered on Line 2 of your gross receipts reporting coupon.)
7. Subtract Line 6 from Line 4. Enter this amount on Line 7. (The amount on Line 7 should also be entered on Line 3 of your gross receipts reporting coupon.)

The following is a listing of activities/expenses which are **NOT DEDUCTIBLE** as amounts paid to subcontractors:

Accounting Expenses
Advertising
Architects
Attorneys
Cleaning
Construction Management
Delivery or transportation charges
Employment Agencies or temporary employees
Engineers
Environmental Studies
Equipment Rental
Exterminators
Hauling
Horticulture
Inspections
Interior Designers/Decorators
Material supplied without labor
Operating Expenses
Realtors
Sanitation
Security
Surveyors
Taxes or other fees paid to any state, county, city or municipality
Trailer Rentals
Trash Removal
Utility Expenses

STATE OF DELAWARE
Department of Finance
Division of Revenue
P.O. Box 8750
Wilmington, Delaware 19899-8750

STATEMENT OF CONTRACTS AWARDED BY GENERAL CONTRACTORS AND SUBCONTRACTORS

FORM 5060

REV CODE 0028-16

THIS FORM MUST BE COMPLETED BY ALL CONTRACTORS WHO USE NON-RESIDENT SUBCONTRACTORS

1. Enter Federal Employee Identification Number OR Social Security Number

1 - ☐☐ - ☐☐☐☐☐☐☐ 2 - ☐☐☐ - ☐☐ - ☐☐☐☐

2. Name (Submitted by: ☐ General Contractor ☐ Architect ☐ Engineer {Circle One})

3. Business Name if Different from Above

4. Business Location Address

City State Zip Code

5. Location of Project

City State Zip Code

6. Contract have been awarded to the following nonresident contractors and nonresident subcontractors:

Name & Address

1 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

2 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

3 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

4 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

5 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

(See back of return for additional space.)

Signature Title Telephone No. Date

Contracts have been awarded to the following nonresident contractors and nonresident subcontractors:

Name & Address

6 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

7 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

8 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

9 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

10 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

11 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

12 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

13 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

14 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

15 Date of Award: _____

Employer ID No.	DE Business License No.
Amount of Contract	Business Code

LINE-BY-LINE INSTRUCTIONS

FORM 5060

1. Enter the account number of the business for which you are filing. This is either a federal employer identification number or a social security number, and can be found in your annual gross receipts coupon book.
2. Enter the contractor's business name, as it appears on the Delaware business license.
3. Enter the contractor's mailing address.
4. Enter the month and year for which the gross receipts tax is being reported. Enter the total amount of gross receipts being reported. (The total on Line 4 should also be entered on Line 1 of your gross receipts reporting coupon.)
5. List payments made to subcontractors. If you are reporting payments to more than five subcontractors, use the back of Form 1280 for additional space:

    1) Enter the subcontractor's business name and mailing address in the field provided.
    2) Enter the subcontractor's employer identification number.
    3) Enter the total amount of payment(s) made to the subcontractor.
    4) Enter the subcontractor's Delaware business license number. **Payments to subcontractors without a current business license will be denied.**
    5) Enter the subcontractor's business code (this can only be business code 331, 332, 333, 335, 336 or 337).

6. Enter the total amount of payments made to subcontractors. (The total on Line 6 should also be entered on Line 2 of your gross receipts reporting coupon.)
7. Subtract Line 6 from Line 4. Enter this amount on Line 7. (The amount on Line 7 should also be entered on Line 3 of your gross receipts reporting coupon.)

The following is a listing of activities/expenses which are **NOT DEDUCTIBLE** as amounts paid to subcontractors:

Accounting Expenses
Advertising
Architects
Attorneys
Cleaning
Construction Management
Delivery or transportation charges
Employment Agencies or temporary employees
Engineers
Environmental Studies
Equipment Rental
Exterminators
Hauling
Horticulture
Inspections
Interior Designers/Decorators
Material supplied without labor
Operating Expenses
Realtors
Sanitation
Security
Surveyors
Taxes or other fees paid to any state, county, city or municipality
Trailer Rentals
Trash Removal
Utility Expenses

DELAWARE DEPARTMENT OF LABOR
OFFICE OF WORKERS' COMPENSATION

On behalf of the company/individual named below, I (we) certify that the workers' compensation insurance coverage is in effect for all employees as required under the provisions of the workers' compensation laws of this state.

Name of Employer _____

Fed. E.I./S.S.# _____

Address _____

City, State, Zip _____

CHECK THE APPROPRIATE LINE:

☐ I/we have no employees

☐ I/we have employees (complete insurance information below):

Name of Insurance Carrier _____

Construction Industry Only:

☐ Sole proprietor/partner working as an independent contractor pursuant to 19DelC§2311:

☐ Provide name of insurance carrier (see above)

☐ Covered under general contractor's policy

☐ Limited liability corporation (LLC) maximum 4 members

Under penalties of perjury
I (we) declare that this document
is true and correct.

_____
Signature

_____
Title/Date

Division of Revenue is to forward a completed copy of this form to the Office of Workers' Compensation.

For assistance in completing this form please contact the Office of Workers' Compensation at:
Wilmington ***302-761-8200*** *Milford* ***302-422-1392***

NON-RESIDENT CONTRACTOR BOND

DIVISION OF REVENUE
820 N FRENCH STREET
WILMINGTON, DE 19801

BOND NO. _____

STATE OF DELAWARE

Know All Men by These Presents that we _____

_____

as Principal, and _____ , a corporation duly incorporated under the laws of the

State of _____ as Surety, are held and firmly bound unto the State of Delaware

in the sum of _____ Dollars ($ _____),

lawful money of the United States of America for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents:

SEALED WITH OUR SEALS and dated this _____day of _____ 20____

WHEREAS, the above named Principal the _____ day of _____ 20_____ duly began operations within Delaware with respect to a contract on which it will be subject to certain liabilities to the State of Delaware, Division of Revenue and Department of Labor and whereas, this bond is an amount of six percent (6%) of the contract, is undertaken to guarantee payment to the State of Delaware of said liabilities.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH that if the said Principal shall faithfully report and pay all State of Delaware liabilities together with any penalties and interest thereon, and shall honestly account for all money withheld as trustee for the State of Delaware during said period, then this obligation shall be void; otherwise, it shall remain in full force and effect until such obligations are paid in full.

Signed, sealed and delivered in the presence of

_____ _____
Principal

_____
Indemnity Company

_____
Attorney-in-Fact

TO BE FILLED IN BY PRINCIPAL

Delaware License No. _____ Employer's Federal ID No. _____

RECEIPT FOR
NON-RESIDENT CONTRACTOR
CASH BOND

DIVISION OF REVENUE
820 N FRENCH STREET
WILMINGTON, DE 19801

STATE OF DELAWARE

RECEIVED OF _____, a contractor, non-resident of the State of Delaware, this _____ day of_____,20_____,$_____ (Check no. _____ / U.S. Currency) in payment of a cash bond in satisfaction of the aforesaid contractor's obligations under Section 375, Title 30, Delaware Code to guarantee payment of certain liabilities as set forth in said Section 375.

The contractor understands that, should the value of contracts undertaken in Delaware exceed $ _____, prior to commencing work on such contracts, this bond is required to be increased according to law.

For the Division of Revenue:

_____ _____
Contractor

Contractor's Federal E.I. Number: _____

FORM 1125 - C

IRREVOCABLE LETTER OF CREDIT

STATE OF DELAWARE
DIRECTOR OF REVENUE
DIVISION OF REVENUE
CARVEL STATE OFFICE BUILDING
820 NORTH FRENCH STREET
WILMINGTON, DE 19801

RE: IRREVOCABLE LETTER OF CREDIT
NAME OF LICENSEE
BUSINESS ADDRESS
BUSINESS ADDRESS
BUSINESS ADDRESS

Dear Sir:

We hereby issue our irrevocable letter of credit number _____ dated _____ in the aggregate amount of $_____ U. S. Dollars in favor of the State of Delaware, Director of Revenue on behalf of _____.
(NAME OF LICENSEE)

The condition of the obligation is such that if the said principal shall faithfully report and pay all State of Delaware liabilities together with any penalties and interest thereon and shall honestly account for all money withheld as trustee for the State of Delaware during such period, then this obligation shall be void; otherwise, it shall remain in full force and effect until such obligations are paid in full.

This letter of credit will be duly honored if presented at the offices of

_____
(BANK NAME AND ADDRESS)

on or before _____ or any extension thereof.
(EXPIRATION DATE)

Sincerely,

Signed: _____

Title: _____

DEPARTMENT OF FINANCE
DIVISION OF REVENUE
CARVEL STATE BUILDING
820 N. FRENCH STREET
P.O. BOX 8750
WILMINGTON, DE 19899-8750

NAME: _____

ADDRESS: _____

FED ID OR SSN: _____

Attention License Department:

Taxpayer(s) does not have any contract(s) that accumulate over $20,000.00 at this time, nor does (s)he foresee any in the near future.

When the taxpayer(s) comes to the point in time where their contract(s) have accumulated to over $20,000.00, the taxpayer is aware and will fulfill the bonding requirements.

_____
Signature

_____
Print Name

_____
Date

STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF REVENUE
CARVEL STATE BUILDING
820 N. FRENCH STREET
P.O. BOX 8911
WILMINGTON, DELAWARE 19899-8911

DIVISION OF REVENUE
TECHNICAL INFORMATION MEMORANDUM 93-5 **AUGUST 19, 1993**

I. INTRODUCTION

This Technical Information Memorandum, constitutes the Division of Revenue's Regulations with regard to contractor licensing and bonding requirements under 30 Del. C. §375; 30 Del. C. §§2501, 2502 and 2503. These regulations are promulgated under 30 Del. C. §§21O3 and 563.

II. SUMMARY OF REQUIREMENTS

A. Section 375 Requirements (Non-Residents)

1. Surety bonds in the amount of 6% of the amount of the contract(s) or subcontract(s) requiring the provision of labor or labor and material are required for all non-resident contractors for contracts within the State of Delaware in which either:

   (a) The single contract or subcontract totals $20,000 or more; or

   (b) The contract or subcontract is a “cost-plus” contract whose estimated cost-and-profit totals $20,000 or more; or

   (c) The aggregate of two or more contracts or subcontracts in a calendar year totals $20,000 or more.

2. The Division of Revenue will accept cash bonds irrespective of the size of the contract or contracts covered by the bond. The Director of Revenue will, by application, accept bank letters of credit to fulfill the bonding requirements. Requests for authorization to accept bank letters of credit should be made by letter to the Director of Revenue. The bank issuing or confirming a letter of credit presumptively must be a bank authorized to do banking business within Delaware.

3. The contractor's bond shall be filed before construction commences on any contract upon which a bond is required pursuant to 30 Del. C. § 375, as outlined in Paragraphs 1 (a)-(c) above.

4. A non-resident contractor having a valid contract with the Delaware Department of Transportation. (DelDot) and having fulfilled the DelDot bonding requirements shall be deemed to have complied with the bonding requirements as outlined in Paragraphs 1 (a)-(c) above.

5. The civil penalty for failure or refusal to comply with this section is a fine of up to $10,000 for each such occurrence.

6. Willful or knowing noncompliance with this section constitutes a crime punishable by a fine of up to $3,000 and/or imprisonment of up to six (6) months.

B. Chapter 25 Requirements

1. Any person desiring to engage in business as either a contractor or subcontractor in the State of Delaware, whether such person is a resident or non-resident of Delaware, must obtain a license from the Division of Revenue. The licensing fee is $75.00 per year (proratable the first year). This license will not be issued to any person, however, until the following conditions have been met:

   (a) All Section 375 (30 Del. C. § 375) requirements have been met, including when appropriate, compliance with the bonding requirements discussed in Paragraph II. A. of this memorandum.

   (b) The contractor complies with the contractors' license application requirements including documenting compliance with unemployment and workers' compensation laws as enforced by the Department of Labor and Industrial Accident Board. As part of these requirements, the contractor must file a Form UC-l issued by the Department of Labor and furnish a clear photocopy of the first page of the contractors' worker compensation policy or proof of approved self-insurance. These forms are obtainable as part of the Contractors' Licensing Packet issued by the Division of Revenue. Contractors should submit completed forms to the Division of Revenue, which will forward these forms to the respective agencies.

   (c) If the contractor has already met all unemployment insurance requirements at the time of applying for a Revenue license, the contractor must nonetheless re-file a form UC-l with the Division of Revenue or submit a Certificate of Notice issued by the Division of Unemployment Insurance.

2. In the case of contracts in excess of $50,000 which are competitively bid, the contractor or subcontractor shall have initiated the license application procedure with the Division of Revenue prior to, or in conjunction with, the submission of a bid on a contract, or in the case of a subcontractor, prior to the submission of a bid by the general contractor.

3. Every architect, professional engineer, contractor, or construction manager must file with the Division of Revenue a statement of the total value of any contract or subcontract entered into with a non-resident of the State of Delaware within ten (10) days of entering into such contract. This statement (Form 5060) must include the names and addresses of the contracting parties, along with their Federal Employer Identification or Social Security number (whichever is on their Division of Revenue business license), the date the contract was awarded and amount of the contract.

4. The civil penalty for failure to comply with the provisions of this section shall be a fine in the amount of up to $10,000 for each such occurrence.

5. Willful or knowing failure to comply with the provisions of this section constitutes a crime punishable- by a fine of up to $3,000 and/or imprisonment of up to six (6) months.

III. RELEASE OF BONDS

The Division of Revenue procedure to release a contractor bond is as follows:

After completion of a bonded contract, the contractor or subcontractor must notify the Division of Revenue in writing of completion and request cancellation of the bond. The Division of Revenue, upon receipt of the Bond Cancellation Request will take the following steps:

1. Examine Division of Revenue records to determine compliance with all state taxes and licensing fees. Accounts receivable records will also be checked for any outstanding balance due and owing the State of Delaware.

2. Contact the Department of Labor to determine compliance with all unemployment insurance requirements.

3. Upon determination that both Division of Revenue and Department of Labor requirements have been fulfilled, the Division of Revenue, in the case of a surety bond, will send a final release to both the surety company and the contractor or subcontractor acknowledging such compliance, and the bond will thereafter be released pursuant to the surety company's procedures.

4. If it is determined that the contractor or subcontractor has not complied with any State of Delaware obligations, the Division of Revenue will notify both the surety company and the contractor or subcontractor as to the nature and amount of the obligations due and owing to the State of Delaware.

5. Upon fulfillment of all outstanding State of Delaware obligations, the surety company and contractor or subcontractor will be so notified, and the bond will thereafter be released pursuant to the surety company's procedures.

6. In the case of a cash bond, the Division of Revenue will notify the contractor or subcontractor of either compliance or noncompliance with Delaware law. If noncompliance is found, the Division of Revenue will inform the contractor or subcontractor as to the type and extent or the outstanding obligation. Upon determination of the contractors' or subcontractors' compliance with all applicable laws and, following receipt of the Department of Labor's notice thereof, the cash bond will be released. Cash bonds will be released by mailing a State of Delaware check in, an appropriate amount to the contractors' or subcontractors' place of business upon completion of the required investigations.

IV. DEFINITIONS:

A. Definitions Relating to Contractors

1. "Contractor" includes every person engaged in the business of furnishing labor or both labor and materials in connection with all or any part of the construction, alteration, repairing, dismantling or demolition of buildings, roads, bridges, viaducts, sewers, water and gas mains and every other type of structure as an improvement, alteration or development of real property; a person is a contractor whether he is a general contractor or a subcontractor, or whether he is a resident or a non-resident. A real estate developer is included within the definition of a contractor to the extent the developer's activities come within the above definition.

2. "Subcontractor" means any person, partnership, firm, corporation or other business association or entity which enters into a contract (oral or written) directly with a prime contractor or directly with another subcontractor, to perform labor or to perform labor and provide materials in connection with such labor, on a site of contract construction located in this State.

3. "Resident Contractor" or "Resident Subcontractor" includes any general contractor, prime contractor, construction manager, subcontractor or other type of construction contractor who regularly maintains a place of business in Delaware. Regularly maintaining a place of business in Delaware does not include site trailers or other facilities serving only one contract or related set of contracts.

If any such contractor entity is itself composed of more than one entity (as in a partnership or joint venture) the contractor entity shall itself be treated as a separate entity, which must comply with the provisions of 30 Del. C. §375, and §§2501-2503, to the extent they are otherwise applicable. If at least one of the constituent entities making up the contractor entity regularly maintains a place of business in this State, such contractor entity shall be construed to be a "resident" or "resident person" or "resident contractor" of this State. If none of such constituent entities regularly maintains a place of business in this State, such contractor entity shall be construed to be a "non-resident" and a "nonresident person".

If any contractor is not composed of more than one constituent entity in a partnership or joint venture or some other legal relationship, and if such contractor regularly maintains a place of business in this State, such contractor shall be construed to be a "resident contractor." This definition shall not be construed to mean that a post office box, site trailer, or similar temporary structure constitutes a "main office" for purposes of these sections. The statute is intended specifically to exclude such temporary structures or temporary offices or offices from the definition of "resident" or "resident contractor" or "resident subcontractor." Thus, use of a post office box or temporary structure such as a site trailer does not constitute residency for purposes of either 30 Del. C. §375, or 30 Del. C. §§2501-2503, inclusive, as amended by H.B. 558, 65 Del. Laws Ch. 476.

4. **"Non-Resident Contractor" or "Non-Resident Subcontractor"**: is defined as a general contractor, prime contractor, construction manager, subcontractor or other type of construction contractor who is not a resident contractor (as "Resident Contractor" is defined by the preceding paragraph of this memorandum) or, one who does not regularly maintain a place of business in this State.

   The specific intention of this definition is that anyone maintaining only a site trailer, other temporary structure or post office box within this State be classified for purposes of Title 30, Delaware Code, as a "non-resident contractor." Such a non-resident, as well as any architect, professional engineer, contractor, or construction manager, is under specific duties pursuant to Title 30, Delaware Code, as explained throughout this memorandum.

5. **"Real Estate Developer"** involves the acquisition of land (raw or improved), the building of structures thereon, and the sale of the land with structure to customers.

B. Specific Documents Required

1. Resident and non-resident contractors alike must obtain and comply with:

   (a) Contractor and subcontractor licensing requirements set forth in Title 30, Delaware Code, Chapter 25.

   (b) Department of Labor Form UC-l and applicable worker's compensation documents may be obtained in the licensing packet available from the Division of Revenue, which will forward these documents, to the respective agencies.

2. Non-residents must comply, in addition to the requirements set forth above, with-the non-resident contractor bonding provisions of Title 30, Delaware Code, Chapter 3, as summarized in Paragraph II. A. of this memorandum.

C. Liability of Non-Resident Contractor or Subcontractor Employing Solely Non-Resident Personnel

1. Non-resident contractors or subcontractors employing solely non-resident personnel must comply with Title 30, Delaware Code, Chapters 3 and 25; as well as Chapter 11 (pertaining to withholding taxes). Additionally, every non-resident contractor or subcontractor employing resident or non-resident individuals at any construction site within the State must withhold Delaware State income taxes from any remuneration paid to such individuals. Delaware state withholding taxes must be withheld from such individuals' salaries regardless of their state of residence or if such individual has another state's income tax withheld from that salary.

2. However, non-resident contractors employing solely non-resident personnel are not required to obtain Delaware unemployment compensation insurance for such non-Delaware residents.

3. Any Delaware residents employed by a non-resident contractor or subcontractor must be covered by Delaware unemployment compensation insurance in compliance with Department of Labor specifications.

D. Mandatory Compliance With Both Gross Receipts and Licensing Provisions

Delaware law requires payment of both gross receipts taxes and license fees. Gross receipts tax of 65/100 (.0065) of the aggregate gross receipts paid to contractors for contracts performed within the State of Delaware less a monthly $12,000 exclusion plus a 10% surtax minus a $30 per month nonrefundable credit shall be payable monthly to the Division of Revenue on or before the 20th day of each month with respect to the aggregate gross receipts for the immediately preceding month, unless the contractor's taxable gross receipts in any month do not exceed $7,500, in which case the tax is payable by calendar quarter. License fees of $75 per year are also due and payable to the Division of Revenue pursuant to 30 Del. C. §2501.

Gross receipts taxes are not payable in lieu of license fees; nor are license fees assessed in lieu of gross receipts taxes. Both gross receipt taxes and license fees are mandated by law as separate obligations due and payable in and of themselves.

Title 30, Del. C., §2501(5), as amended, defines "gross receipts" as follows:

> "'Gross receipts' includes all sums received by a contractor for any work done or material supplied in connection with any real property located in this State, but, does not include sums paid to subcontractors by the contractor; provided said subcontractor is subject to the provision of this Chapter with respect to these sums; and provided that a written agreement exists between the contractor and subcontractor stating the exact sums payable to said contractor. It (Emphasis added.)

In order to be able to deduct the amounts paid to subcontractors by the contractor from the gross receipts, Form 1280, Subcontractor Payments, must be completed and attached to the gross receipts tax form for verification.

Only amounts paid to persons subject to taxation as a **CONTRACTOR** may be deducted **REGARDLESS** of the contractual relationship under which the payments are required to be made. The person must be engaged- in business as a contractor as defined in Paragraph IV. A. 1. of this memorandum in order to be deducted as a subcontractor.

A partial listing of examples of amounts which a contractor may pay under a contract but CANNOT deduct as amounts paid to subcontractors, is noted below:

- Materials supplied **without** construction labor provided by the seller of the materials
- Delivery or transportation charges
- Equipment rentals including delivery and set-up costs

- Construction trailer rentals
- Building permits, zoning costs or any amount paid to any state, county, city or municipal government body
- Environmental impact studies
- Utility costs during construction Non-construction services such as:

  - Accounting
  - Architectural
  - Cleaning
  - Engineering
  - Exterminating
  - Horticultural
  - Inspections and/or testing related to workmanship or quality of materials/supplies.
  - Interior Design
  - Legal
  - Sanitation
  - Scaffolding
  - Security
  - Surveying
  - Trash Removal

V. REAL ESTATE DEVELOPERS

Persons engaging in real estate development as defined in Paragraph IV. 5. of this memorandum are contractors as to a portion of their business activities. In light of the difficulty of drawing a bright line between non-taxable development and taxable contractor activities, the Division of Revenue has determined that a tax based upon the gross proceeds from sales of real estate and any structures erected thereon less deductions according to the terms of Paragraphs V. 2. through 5. below accurately reflects the proper amount of gross receipts received by the developer for the portion of his business activities falling within the definition of "contractor." The Division reserves the right, however, to assert, in litigation with any developer seeking to assert a tax liability based upon a lesser amount than indicated by this calculation, that Delaware statutory law provides for a tax that is, in fact, greater than the one provided under Paragraph V. of this memorandum.

1. The developer shall treat as gross proceeds, subject to gross receipts tax, gross proceeds received from the 'sale of real property with structures (commercial and/or residential) built thereon. Gross receipts shall not include gross proceeds received from the sale of real estate which has been improved by the developer as owner of the property, but upon which no structures have been built (i.e., see Rak v. Division of Revenue. Delaware Tax Appeal Board Docket #977, September 10, 1990).

2. The developer shall be entitled to deduct, in addition to the statutory monthly exclusion, at the time of sale and not before, from gross proceeds the developer's cost of the land and improvements thereto other than structures. In determining the cost of the land and improvements thereto other than structures, only the following costs may be included, and they must be allocated on a per lot basis:

a. Cost of raw land;

b. Site improvement costs, including but not limited to site clearing, landscaping, erection/construction of open space/recreational facilities and installation of street, sanitary and storm sewers, water lines, power lines and other utilities;

c. Engineering costs associated with rezoning (if applicable) and subdivision of the site

d. Legal costs/fees incurred in connection with the rezoning (if applicable) and subdivision of the site;

e. Fees involved in obtaining final site plans and permit;

f. Interest and other carrying costs associated with the acquisition and development of the site, regardless of whether interest has been expended or capitalized for federal income tax purposes (to be allocated on a per-lot basis).

Payments to subcontractors deducted under Paragraph V. 2. may not be deducted again under Paragraph V. 3.

3. In determining the gross receipts tax, the developer may also deduct from gross proceeds, at the time of the sale and not before, miscellaneous expenses, so as to equate the gross receipts tax treatment of a real estate developer with that of a contractor, including:

a. The developer's share of realty transfer taxes;

b. Real estate commissions/fees' (maximum of 2 % of gross proceeds);

c. Sales concessions to buyers (i.e., points, settlement help, etc.);

d. Other costs associated with a specific subdivision (other than general administrative and overhead) and

e. Decorating and space planning costs associated with model homes.

Expenses deducted under this Section must be allocated on a per lot basis.

4. In lieu of deducting the actual cost of land and improvements (Paragraph V. 2.) and miscellaneous expenses (paragraph V. 3.), the developer may, at its sole option, elect to use an assumed cost of land improvements and miscellaneous expenses equal to thirty percent (30%) of the gross proceeds from the sale of the property.

An election under this section shall be irrevocable for a period of one year from the date of such election and shall apply to all development activities of such contractor during such one-year period. Subsequent elections may be made on an annual basis on January 1 of each year. Deductions under this section can only be made at the time of the sale and not before.

5. In addition, in determining the gross receipts tax, the developer will be entitled to deduct from gross proceeds all payments made to subcontractors as provided in 30 Del. C. Ch. 25 with respect to the real property being sold, to the extent such subcontractor payments are not of the type specified under subparagraph (2) or (3) of this paragraph.

VI. EFFECTIVE DATE

The provisions of this Technical Information Memorandum are applicable to all contracts executed after August 19, 1993, except for Section V, which is effective for all gross receipts received after June 30, 1993.

VII. TECHNICAL INFORMATION MEMORANDUM NUMBERS 86-10 (December 29, 1986) and 90-1 (March 1,1990)

Technical Information Memorandums 86-10 (December 29,1986) and 90-1 (March 1,1990) are hereby incorporated by reference, merged, and supplemented. To the extent of any inconsistency, this Memorandum controls.

VII. CONTACT PERSONS FOR ADDITIONAL INFORMATION

Division of Revenue:	David M. Smith Senior Tax Examiner (302) 577-2554
Department of Labor:	Mary Gryzik Status Unit Supervisor (302) 368-6745
Industrial Accident Board:	Doris Chapman Production Supervisor (302) 577-2884

William M. Remington
Acting Director of Revenue

UC-1 01/2014
Document 60 06 0114 01 01

DELAWARE DEPARTMENT OF LABOR

STATE OF DELAWARE
DEPARTMENT OF LABOR
DIVISION OF UNEMPLOYMENT INSURANCE
PO BOX 9953 WILMINGTON DE 19809-0953
302-761-8482

This report is to be filled in and returned to this office within 10 days of its receipt whether or not you are liable for assessments under Part III, Title 19, Delaware Code.

REPORT TO DETERMINE LIABILITY AND IF LIABLE APPLICATION FOR EMPLOYER ACCOUNT NUMBER

(DO NOT FILL IN THIS SPACE)
Employer Number_____
Ind. Code and Area _____
Effective Date of Liability_____
Assessment Rate _____
Status Date _____

FILL IN WITH TYPEWRITER OR PRINT IN INK - ALL QUESTIONS MUST BE ANSWERED

1. Name of Employer and Trade Name, if any:

1a. Federal Employer's Identification Number:

2. Street Address and **Telephone Number** of Main Office:

3. Address to which employer's report forms and mail are to be sent. Outside representative must file a **notarized** power of attorney.

3a. E-Mail Address:

4. Have you previously filed an application for a Delaware U.I. account number? **Yes** ☐ **No** ☐

5. Have you:
- ❑ 1. Started a new business
- ❑ 2. Purchased a going business (Attach Explanation)
- ❑ 3. Just begun having employment
- ❑ 4. Reorganized (Attach Explanation)
- ❑ 5. Other (Attach Explanation)

6. Ownership Information

Is business publicly held? **Yes** ☐ **No** ☐
If yes, provide name and Federal Employer Identification Number of controlling entity:

If no, complete ownership information below. If more than one owner, attach additional information. Percentage of ownership must total 100%

Name

Social Security Number

Address

% of Ownership

7. On what date did you first employ any workers in Delaware?

7a.Will gross payroll meet or exceed $1500.00 in either 3rd or 4th Quarter?
Yes ☐ **No** ☐

8. Are you liable as an employer under the Unemployment Compensation Laws in any other state?
Yes ☐ **No** ☐

9. Do you own or control any other employing unit in Delaware?
No ☐
Yes ☐ Account #_____

10. State total number of workers in covered employment in Delaware and total payroll by calendar quarter. If unknown, you may estimate these numbers.

Effective 1/1/96, wages of all corporate officers are reportable.

	MARCH		JUNE		SEPT.		DEC.	
	Employees	Payroll	Employees	Payroll	Employees	Payroll	Employees	Payroll
2010								
2011								
2012								
2013								
2014								

11. Check (✓) form of organization
- ❑ Individual
- ❑ Partnership
- ❑ Delaware Corporation
- ❑ Out-Of-State Corporation
- ❑ Non-Profit
- ❑ Estate or Trust
- ❑ **LLC (attach # Form 8832) or written explanation**

11a. Date of Incorporation
_____

COMPLETE REPORT ON REVERSE SIDE AND SIGN

12. NATURE AND LOCATION OF BUSINESS IN DELAWARE (Indicate in sections a,b,c,d, and e).

(a). Street Address (Number & Name)

(b). City/County (c). Zip Code

(d). Principal Types of Activity (Manufacturer Wood Furniture, Food Super Market, Truck Rental Etc.) EXPLAIN FULLY	Percent of Total	(e). Principal Products or Services (Leather Gloves, Electric Motors, TV Repairs, etc.) EXPLAIN FULLY	Percent of Total
Total	**100.00**	**Total**	**100.00**

13. Will any employee work primarily in Delaware? **Yes** ☐ **No** ☐
If yes, skip 13(a). Go to #14
If no, complete 13(a) before going to #14.

13(a). Will any employee perform **some** work in Delaware? **Yes** ☐ **No** ☐
If no, go to #14
If yes, attach explanation. For each employee who does not work primarily in Delaware, list all States where work is performed, the State where the base of operations is located, the State from which work is directed, and the employee's State of residence.

14. Name, title, address and telephone number of officer or representative to furnish payroll information.

15. Have you acquired the organization, trade or business, or substantially all the assets of another employing unit? **Yes** ☐ **No** ☐
If yes, provide the name and Federal Identification Number of the acquired entity.

16. If you have reorganized, has the ownership and management remained substantially the same? **Yes** ☐ **No** ☐

THIS REPORT MUST BE SIGNED HERE BY THE OWNER OR DULY AUTHORIZED REPRESENTATIVE

It is hereby certified that the information in this report and in any attached sheets is true and correct, to the best of my knowledge, and is submitted with the full knowledge that there are penalties prescribed by law for misstatements. **Application will not be processed without an authorized signature.**

(Signature Required)

Title Date

(Business Name)

NON-PROFIT EMPLOYERS ONLY

17. (a). Please submit the following documents:
(1) Copy of charter or articles on incorporation and by-laws
(2) Copy of Internal Revenue Status under IRS Code (Sec. 501-a)

(b). Do you have in your employ four (4) or more employees? **Yes** ☐ **No** ☐

(c). Do you elect the reimbursement method in lieu of paying assessments? **Yes** ☐ **No** ☐
If yes, the department will send you form COM-4069.

(d). Do you wish to make reimbursement payments with another employer and establish a group account? **Yes** ☐ **No** ☐
If answer is yes, list the names and addresses of all employers in the group and the name and address of the group representative who will act as the agent responsible for the disbursement of timely payments to the State of Delaware.