



AGREEMENT FOR ENTITLEMENT TO REFUND, DEDUCTION, OR CREDIT UNDER SECTION 6055, CALIFORNIA REVENUE AND TAXATION CODE

1. Definitions. The following terms are defined as follows:
 - a. "Retailer" means _____ and all of its subsidiaries, affiliates and assignees. The Retailer's California seller's permit number is _____.
 - b. "Lender" means _____ and all of its subsidiaries, affiliates and assignees. The Lender's seller's permit number, if applicable, is _____. The Lender's California account number is _____. If the Lender has not applied for a "Certificate of Registration-Lender," the Lender agrees that it will apply for a Certificate of Registration-Lender no later than the date the Lender first claims a deduction or refund for bad debts charged off on the Accounts.
 - c. "Accounts" means any and all accounts and contracts created between the Retailer and its retail customers with respect to the purchase of tangible personal property which is subject to California sales tax, which accounts are or have been assigned directly from the Retailer to the Lender, and which have not been returned or charged back to Retailer.
2. Blanket Assignment of Retailer's Rights and Interests in Accounts. The Retailer and the Lender agree that all of the rights and interests of the Retailer in any and all Accounts, whether currently in existence or created in the future, including the right to claim sales tax refunds, deductions or credits, are irrevocably assigned, transferred and relinquished to the Lender.
3. Entitlement to Tax Refund or Deduction on Accounts. The Retailer and the Lender agree that the Lender is the party entitled to claim any potential sales tax refunds or deductions as a result of bad debt losses charged off by the Lender on any and all Accounts currently existing or created in the future which have been assigned from the Retailer to the Lender. The Retailer agrees that it has not and will not claim a deduction or refund with respect to any Accounts currently existing or created in the future and hereby relinquishes to the Lender all rights to the Accounts and all rights to claim such deduction or refunds.
4. Election Pursuant to Section 6055(b)(4), California Revenue and Taxation Code. The Retailer and the Lender hereby make an irrevocable election pursuant to section 6055(b)(4), California Revenue and Taxation Code, that designates and entitles the Lender (and not the Retailer) to claim the deduction or refund provided under section 6055(b) with respect to any Accounts found worthless and charged off for income tax purposes. The effective date of this election is _____.
5. Payment of Sales Tax. The Retailer represents and warrants that it reported the tax on the sale of the property with respect to the Accounts, and that it will report the tax on the sale of the property with respect to future Accounts.
6. Confidentiality. The Retailer and the Lender acknowledge that the California State Board of Equalization may disclose relevant confidential information to all parties involved in order to evaluate, support and confirm the deductions or refunds claimed pursuant to section 6055, California Revenue and Taxation Code.
7. Documentation. The Retailer and the Lender agree to furnish any and all documentation required or requested by the California State Board of Equalization that is necessary to support the claim for refund filed by the Lender.
8. Term and Authorization. This election may not be amended or revoked unless a new election, signed by both the Retailer and the Lender is filed with the California State Board of Equalization. This election has been duly authorized by the Retailer and when this election is executed and delivered by the Retailer it shall constitute the valid and binding agreement of the Retailer.

9. Filing of Election. The Lender and the Retailer agree that the Lender shall file this agreement as an election with the California State Board of Equalization pursuant to Section 6055, California Revenue and Taxation Code.

Dated as of the ____ day of _____, _____.

RETAILER		LENDER	
SIGNATURE		SIGNATURE	
BY	ITS	BY	ITS Manager

SAMPLE