

**WISCONSIN DEPARTMENT OF REVENUE
DIVISION OF INCOME, SALES, AND EXCISE TAX**

NOTICE OF PROPOSED GUIDANCE DOCUMENTS

Pursuant to sec. 227.112, Wis. Stats., the Wisconsin Department of Revenue, Division of Income, Sales, and Excise Taxes hereby seeks comment on the proposed guidance document listed in the table below.

SUBMITTING PUBLIC COMMENTS

Public comments on proposed or adopted guidance documents may be submitted online at: <https://www.revenue.wi.gov/Pages/contactUs/proposed-Guidance.aspx>.

When submitting a comment, enter information in all data fields, including the "Guidance Document Number" referenced in the table below.

DEADLINE FOR SUBMISSION

The period for public comment for proposed guidance documents ends 21 days after publication in the Administrative Register, unless the Governor approves a shorter commenting period.

Document Number	Document Title
100232	Purchasers of a Business Beware - Don't Get Stuck With Successor Liability - News Article

State of Wisconsin
Department of Revenue

Purchasers of a Business Beware - Don't Get Stuck With "Successor Liability"

This is a proposed guidance document. The document has been submitted to the Legislative Reference Bureau for publication in the Administrative Register for public comment as provided by sec. 227.112(1), Wis. Stats.

A purchaser of a business should be aware of "successor liability," under which they become responsible for any unpaid sales and use taxes of the seller. To avoid successor liability, the purchaser may hold a sufficient amount of the purchase price in escrow until the department issues a "clearance certificate." A clearance certificate is requested by the purchaser of a business after the sale is completed and it ensures the seller has filed all sales and use tax returns and paid all sales and use taxes due.

Additional information is available on the department's common question page titled [Successor Liability and Clearance Certificates](#).

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations in effect as of September 30, 2019: Sections 77.52(18)(am) and (bm), Wis. Stats., and sec. Tax 11.91, Wis. Admin. Code.

Laws enacted and in effect after September 30, 2019, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to September 30, 2019, that is contrary to the information in this document is superseded by this document, pursuant to sec. 73.16(2)(a), Wis. Stats.

Guidance Document Certification: <https://www.revenue.wi.gov/Pages/Certification-Statement.aspx>

Guidance Document Number: 100232

September 30, 2019

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