

REG-1-073, Discontinuation of Business

073.01 If any person liable for any sales or use tax sells his or her business or stock of goods or quits the business, the purchaser as his or her successor or assignee, shall withhold a sufficient amount of the purchase price to cover the tax liability until a receipt from the Tax Commissioner showing that the liability has been paid or a certificate stating that no amount is due is produced.

073.02 If the purchaser of a business or stock of goods fails to withhold a portion of the purchase price as required, then he or she shall become personally liable for the payment of the amount required to be withheld by him or her to the extent of the purchase price.

073.03 Either the seller of a business or stock of goods or the purchaser as his or her successor or assignee, may request in writing that the Tax Commissioner issue either a certificate stating that no tax is due, or a notice stating the amount of tax due. This request shall state the purchaser's address and Nebraska identification number and the seller's address and Nebraska identification number and indicate when and where the seller's records are available for audit. The certificate or notice of tax due shall be mailed to the purchaser at his or her address as it appears in the letter requesting such certificate or notice.

073.04 Any person discontinuing business is required to:

073.04A Notify the Department of Revenue;

073.04B Return his or her Sales Tax Permit for cancellation; and

073.04C Preserve all business records pertaining to the sales tax until the Department of Revenue issues the certificate referred to above, or for the period required in Reg-1-008, Records, whichever is longer.

073.05 Any person desiring to engage in the operation of a business as successor to a former owner shall apply for a Sales Tax Permit. Each successor to another retailer, when applying for a Sales Tax Permit, shall inform the Department of Revenue of the name and permit number of the previous owner.

(Section 77-2707, R.R.S. 1943. January 24, 1993.)