



## Instructions

**Who May Apply.** Any person purchasing a business, or the assets of a business, may apply to the Nebraska Department of Revenue (Department) to obtain either: (1) the amount of taxes owed by the selling business; or (2) clearance indicating that no taxes are owed. If taxes are owed by the selling business, the buyer must withhold the amount of sales and use tax liability from the purchase price up to the amount of the entire purchase price, valued in money, including any debts assumed by the buyer. Failure to either withhold the amount of taxes due the State of Nebraska or obtain a tax clearance could result in the buyer becoming liable for the entire amount of the sales and use tax liability as a successor to the seller of the business. A purchaser is also liable under transferee liability for withholding and delinquent income taxes up to the value of the assets received from the transferor.

Also, a business owner may obtain a tax clearance without an identified buyer by completing the “Seller’s Information” section and leaving the “Buyer’s Information” section blank.

**When and Where to Apply.** The completed Tax Clearance Application, Form 36, must be received before the Department will provide any of the seller’s confidential tax information to a buyer for purposes of tax clearance. This form should be received by the Department at least 60 days before any sale of the business or its assets is completed. This form may be mailed, sent by fax, or scanned and sent by email to the Department.

The Tax Clearance Application may be obtained or submitted in a variety of different ways:

- Visit [revenue.nebraska.gov](http://revenue.nebraska.gov);
- Call 800-742-7474 (NE and IA) or 402-471-5729;
- Email to [rev.taxclear@nebraska.gov](mailto:rev.taxclear@nebraska.gov);
- Fax 402-471-5929; or
- Mail to Nebraska Department of Revenue, PO Box 94818, Lincoln, NE 68509-4818.

**Name and Address.** If the buyer is seeking a tax clearance, the name and address of **both** the buyer and seller of the business or its assets must be completed. Otherwise, the name and address of the business owner must be completed in the “Seller’s Information” section. If the buyer or seller is a corporation, partnership, S corporation, estate or trust, limited liability company (LLC), or other pass-through entity, enter the name and the business address if it is different from the mailing address.

**Nebraska or Federal ID Number.** If the buyer is seeking a tax clearance, the Nebraska or federal ID numbers of both the buyer and seller must also be provided. The Nebraska or federal ID number must always be provided for the business owner in the “Seller’s Information” section. If the buyer or the seller has a Nebraska ID number, that is all that is required. If the buyer or the seller has no Nebraska ID number, the federal ID number must be provided so that the Department can accurately identify the business. If the buyer or seller is an individual, the Social Security number must be entered. If the buyer or seller is a corporation, partnership, S corporation, estate or trust, LLC, or other pass-through entity, enter the Nebraska or federal ID number of the business entity.

**Alternate Recipient.** If the buyer wants someone other than the buyer to receive the tax clearance information from the Department (for example, the buyer’s attorney or banker), enter the name and address of that person in this section.

**Signature.** If the buyer is seeking a tax clearance, both the buyer and the seller must sign and date Form 36. If not, only the business owner must sign. If the buyer or seller is a partnership, all partners must sign, unless one is duly authorized to act in the name of the partnership. Nebraska has adopted the Uniform Partnership Act of 1998 ([Neb. Rev. Stat. §§ 67-401 to 67-467](#)). Authorized signatures for nonresident partnerships will be governed by the laws of the state where the partnership was formed.

If the buyer or seller is a corporation or association, an officer having authority to bind the entity must sign the Form 36. The officer signing must include his or her official title on the signature line.

If the buyer or seller is a Nebraska LLC, all the members must sign, unless a manager is duly authorized to act in the name of the LLC. Authorized signatures for nonresident LLCs will be governed by the laws of the state where the LLC was organized.

**What You Can Expect.** The buyer or authorized recipient can expect either a letter from the Department granting clearance for sales and use taxes through a given month as well as a paid through month on any other tax programs the seller is licensed for, a letter indicating what balances or deficiencies were discovered, or a letter indicating that a review of the seller’s books will be necessary. If a review is necessary, a letter providing the results of the review will be provided when the review is complete.