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# Wisconsin Legislative Council

## ACT MEMO

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**2019 Wisconsin Act 15**  
[2019 Senate Bill 54]

**Disclosure of  
a Retailer's Sales Tax Liability to  
a Successor**

### CURRENT LAW

Under current law, when a retailer goes out of business or sells out its stock of goods, any successor to the retailer must withhold from the purchase price an amount sufficient to cover the retailer's outstanding sales and use tax liability. If a successor fails to make this withholding, the successor becomes personally liable for the sales and use tax liability, up to the amount the successor paid for the retailer's business or stock of goods. Current law also precludes disclosure by the Department of Revenue (DOR) of a retailer's outstanding sales and use tax liabilities to potential successors.

### 2019 WISCONSIN ACT 15

2019 Wisconsin Act 15 specifies that DOR must disclose information about a retailer's outstanding sales and use tax liability to any person who provides satisfactory evidence to the department that the person intends to purchase the retailer's stock of goods or become the successor or assignee of the retailer. For purposes of providing satisfactory evidence to DOR, the person must provide written documentation, signed by the retailer, which acknowledges the person as a purchaser or potential purchaser, successor, or assignee.

**Effective date:** July 12, 2019

DWS:mcm;ksm