

**RCW 82.32.140 Taxpayer quitting business—Liability of successor.** (1) Whenever any taxpayer quits business, or sells out, exchanges, or otherwise disposes of more than fifty percent of the fair market value of either its tangible or intangible assets, any tax payable hereunder shall become immediately due and payable, and such taxpayer shall, within ten days thereafter, make a return and pay the tax due, unless an extension is granted under RCW 82.32.080.

(2) Any person who becomes a successor shall withhold from the purchase price a sum sufficient to pay any tax due from the taxpayer until such time as the taxpayer shall produce a receipt from the department of revenue showing payment in full of any tax due or a certificate that no tax is due. If any tax is not paid by the taxpayer within ten days from the date of such sale, exchange, or disposal, the successor shall become liable for the payment of the full amount of tax. If the fair market value of the assets acquired by a successor is less than fifty thousand dollars, the successor's liability for payment of the unpaid tax is limited to the fair market value of the assets acquired from the taxpayer. The burden of establishing the fair market value of the assets acquired is on the successor.

(3) The payment of any tax by a successor shall, to the extent thereof, be deemed a payment upon the purchase price; and if such payment is greater in amount than the purchase price the amount of the difference shall become a debt due the successor from the taxpayer.

(4) No successor shall be liable for any tax due from the person from whom the successor has acquired a business or stock of goods if the successor gives written notice to the department of revenue of such acquisition and no assessment is issued by the department of revenue within six months of receipt of such notice against the former operator of the business and a copy thereof mailed to the successor or provided electronically to the successor in accordance with RCW 82.32.135. [2008 c 181 s 503; 2007 c 111 s 109; 2003 1st sp.s. c 13 s 12; 1985 c 414 s 7; 1975 1st ex.s. c 278 s 82; 1961 c 15 s 82.32.140. Prior: 1957 c 88 s 1; 1935 c 180 s 197; RRS s 8370-197.]

**Part headings not law—2008 c 181:** See note following RCW 43.06.220.

**Part headings not law—2007 c 111:** See note following RCW 82.16.120.

**Effective dates—2003 1st sp.s. c 13:** See note following RCW 82.32.045.

**Construction—Severability—1975 1st ex.s. c 278:** See notes following RCW 11.08.160.