



Instructions for Form CBS-1, Notice of Sale, Purchase, or Transfer of Business Assets

General Information

Who must file Form CBS-1?

This form is commonly known as a "bulk sale" notice. A bulk sale occurs when, outside the normal course of business, a business entity (seller or transferor) sells or transfers the major part of any of the following:

- stock of goods that it is in the business of selling; or
- furniture or fixtures, machinery and equipment, or real property of the business that is subject to the provisions of the Retailers' Occupation Tax Act or the Illinois Income Tax Act. 35 ILCS 120/5j; 35 ILCS 5/902(d).

When a bulk sale occurs, the purchaser or transferee must file (and the seller or transferor may file) Form CBS-1, Notice of Sale, Purchase, or Transfer of Business Assets, to report the sale or transfer of assets to the Illinois Department of Revenue (IDOR).

When must I file Form CBS-1?

Form CBS-1 must be filed with IDOR at least ten (10) business days prior to the date of sale or transfer.

What if I fail to timely file Form CBS-1?

If Form CBS-1 is not filed in a timely manner, the purchaser or transferee shall be personally liable for the amount owed by the seller or transferor to IDOR up to the amount of the reasonable value of the property acquired by the purchaser or transferee.

What if the terms of the sale change after filing Form CBS-1?

If the terms of the sale change after filing Form CBS-1, an updated Form CBS-1 must immediately be submitted with the updated sales contract and financing agreement.

What do I do if the sale is not finalized?

If the sale is not finalized, submit a letter signed by the seller or purchaser explaining why the sale did not occur.

What needs to be submitted with Form CBS-1?

When submitting Form CBS-1, enclose a copy of the financing agreement and the sales contract, which shall include the following information:

- a description of the property being sold,
- the amount of the purchase price or a statement of other consideration for the sale or transfer, and
- the terms for payment of the purchase price.

The sales contract must be signed by both the seller or transferor and the purchaser or transferee.

When will IDOR issue a bulk sales release?

IDOR will issue a bulk sales release only after all taxes, penalties, and interest have been paid.

Who do I contact if I have questions?

You can email us at REV.bulksales@illinois.gov if you have any questions about bulk sales or completing Form CBS-1. You can also call us at 217 782-9904.

Where can I read more on bulk sales?

You can find more information about bulk sales in Section 5j of the Retailers' Occupation Tax Act (35 ILCS 120/5j) and Section 902(d) of the Illinois Income Tax Act (35 ILCS 5/902(d)).

Note: Please ensure to use the most recent revision of Form CBS-1 by going to our website at tax.illinois.gov, or by scanning the QR code. Using an old revision of Form CBS-1 may result in processing delays.



Specific Instructions

Step 1: Identify the business, business assets, or business property being sold or transferred

Complete all lines to identify the business or business assets being sold or transferred.

Note: If the seller or transferor is a disregarded entity, provide the Illinois Account ID number of the entity responsible for filing tax returns with IDOR.

If the entire business is not being sold or transferred, specify what is being sold or transferred.

If the entire business is being sold or transferred, the seller or transferor can update the business's registration information with IDOR via MyTax Illinois, available at mytax.illinois.gov. Using MyTax Illinois, the seller or transferor may close the tax accounts associated with the business being sold or transferred, close any registered locations, or register a new business or additional locations.

To close a location using MyTax Illinois:

- Log in to your ST-1 account, and select "View More Account Options."
- Under "Account Maintenance," select "Maintain Locations," and then click the hyperlinked Location Code next to the site you would like to close.
- Enter a cease date for a closing date and submit your request.

If you need help, contact IDOR's Central Registration Division at **217 785-3707** or REV.CRD@illinois.gov.

Step 2: Identify the seller or transferor

Complete the seller's or transferor's information and the information for the seller's or transferor's attorney, if applicable. If the seller or transferor is not represented by an attorney, enter "N/A" in the field for the name of the seller's or transferor's attorney.

Step 3: Identify the purchaser or transferee

Complete the purchaser's or transferee's information, including the purchaser's or transferee's Social Security Number (SSN) or Federal Employer Identification Number (FEIN), as applicable. Also, complete the information for the purchaser's or transferee's attorney, if applicable. If the purchaser or transferee is not represented by an attorney, enter "N/A" in the field for the name of the purchaser's or transferee's attorney.

Step 4: Describe the terms of sale or transfer

Provide the date of sale or transfer, which is commonly known as the "closing date." Also provide the purchase price of what is being sold or other consideration for the sale or transfer. In addition, state the reasonable value of the property acquired even if it is the same as the purchase price.

Step 5: Provide contact information for each additional person that should receive copies of correspondence related to this notice of sale, purchase, or transfer

Complete this section if you want IDOR to send copies of relevant correspondence to any parties not already listed in Steps 2 or 3. Check the appropriate box to indicate whether the party is associated with the seller or purchaser.

Step 6: Identify yourself (the person submitting the form)

An individual with the authority to submit Form CBS-1 must complete this section in full. Check the appropriate box to indicate whether you are associated with the seller or purchaser.

We urge you to submit Form CBS-1 electronically. Email your completed Form CBS-1, along with the financing agreement and sales contract, to REV.bulksales@illinois.gov. You can also fax these documents to **217 785-2635** or mail them to the following address:

**BULK SALES UNIT
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19035
SPRINGFIELD IL 62794-9035**