



# Report to Determine Succession Form

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All account maintenance can be completed at [MyTax.Illinois.gov](http://MyTax.Illinois.gov). Online submission provides a confirmation that your submission was received as well as eliminates the wait time associated with traditional mail or fax and in many cases can be automatically processed.

Logon to your [MyTax.Illinois.gov](http://MyTax.Illinois.gov) account to submit your information:

- Select your Unemployment Insurance Account
  - Under Account Maintenance select "<See All...>"
  - In the expanded list select "File Additional UI Schedules"
  - Click "File/Update Report to Determine Succession (Form UI-1 S&P)"
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- ❖ Succession information should be provided by the Successor account.
  - ❖ If this is a new registration you can submit the information on your [MyTax.Illinois.gov](http://MyTax.Illinois.gov) registration and select "Yes" to the questions: "Did you acquire your Illinois business or any portion of it by purchase, reorganization, or a change in entity; for example, a change from sole proprietor to corporation?"
    - To complete your registration, go to <http://mytax.illinois.gov>. Select the "Registration" tab on the top right corner of the page. Click the "Register a new business" hyperlink and complete the online registration.

For more information contact IDES Employer Hotline at 1-800-247-4984



# Report to Determine Succession

Please answer these questions carefully. Your answers may impact upon your liability for Unemployment Insurance contributions.

1. a. Date of acquisition (or change of business entity, e.g., from a sole proprietorship to a corporation) \_\_\_\_\_
- b. Is the previous owner still doing business? \_\_\_\_\_ Yes \_\_\_\_\_ No
- c. If No, indicate the date the previous operation ceased doing business. \_\_\_\_\_
- d. If there is a gap of seven days or more between 1.a. and 1.c., please explain; for example: seasonal business, closed for remodeling, or other. \_\_\_\_\_

2. a. Name of previous owner \_\_\_\_\_
- Doing business as \_\_\_\_\_
- What was the previous owner's trade or business? \_\_\_\_\_
- What was his principal product or service? \_\_\_\_\_ % Sales or Receipts \_\_\_\_\_
- Illinois U.I. account number (if known) \_\_\_\_\_ Fed. I.D. Number (if known) \_\_\_\_\_
- Address: \_\_\_\_\_
- E-mail Address: \_\_\_\_\_

Enter the required information for sole proprietor or each partner or officer:

Name	Title	Social Security No.	Home Address	Home Phone	E-mail address
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- b. Name of current owner \_\_\_\_\_
- Doing business as \_\_\_\_\_
- What is your trade or business? \_\_\_\_\_
- What is your principal product or service? \_\_\_\_\_ % Sales or Receipts \_\_\_\_\_
- Illinois U.I. account number \_\_\_\_\_ Fed. I.D. Number \_\_\_\_\_
- Address: \_\_\_\_\_
- E-mail Address: \_\_\_\_\_

Enter the required information for sole proprietor or each partner or officer:

Name	Title	Social Security No.	Home Address	Home Phone	E-mail address
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**Check all boxes that apply to you:**

3. What is the nature of this acquisition or change of business entity?

- A.  Purchase of Business  Entirely  In Part (Explain) \_\_\_\_\_
- B.  Lease of Business  Entirely  In Part (Explain) \_\_\_\_\_
- C.  Change in Type of Business Entity  
From:  Sole Proprietor  Partnership  Corporation  Other (Explain) \_\_\_\_\_  
To:  Sole Proprietor  Partnership  Corporation  Other (Explain) \_\_\_\_\_

D. Corporate Change:

Merger or consolidation  Reorganization  Issuance of new corporate charter

E.  Foreclosure  Receivership  Bankruptcy

If bankruptcy was checked, did you purchase the assets through federal bankruptcy court?  Yes  No

F. Death of  Owner  Partner

4. a. Did the former owner operate at more than one location in Illinois?  Yes  No If no, skip to #5.

b. Did you acquire all of the former owner's business locations in Illinois?  Yes  No

c. What number of locations did you acquire? \_\_\_\_\_

d. List the name and address of the additional Illinois business locations acquired by you (attach additional sheets if necessary):

	Name and address	City/Town	State	Zip	County
Location 1	_____	_____	_____	_____	_____
Location 2	_____	_____	_____	_____	_____
Location 3	_____	_____	_____	_____	_____
Location 4	_____	_____	_____	_____	_____
Location 5	_____	_____	_____	_____	_____
Location 6	_____	_____	_____	_____	_____

5. Is your Illinois business owned, managed or controlled in any way by the same interests that owned, managed or controlled the former business?  Yes  No

6. Did you acquire all of the Illinois operations?  Yes  No

If **No**, percent of Illinois operations that you acquired \_\_\_\_\_ %

Percent of operations retained by previous owner \_\_\_\_\_ %

7. Are you employing all of the same people that the previous owner did on the last day of business?  Yes  No

If **No**, how many people were employed by the former owner? \_\_\_\_\_

How many of them did you employ? \_\_\_\_\_

How many people are you employing? \_\_\_\_\_

8. What percent of the former owner's assets did you acquire? \_\_\_\_\_

Percent of assets retained by previous owner \_\_\_\_\_

9. Did you acquire any of the owner's trade or business?

Yes  No If yes, what percent? \_\_\_\_\_ %

If No, what did you acquire? \_\_\_\_\_

10. Are you conducting the Illinois business you acquired?  Yes  No

If **No**, is the former owner conducting the business?  Yes  No

If **neither** you nor the former owner, who is conducting the business? \_\_\_\_\_

11. Is this business a franchise?  Yes  No

If **Yes**, did you acquire this from the \_\_\_\_\_ franchisee or from the \_\_\_\_\_ franchisor?

**CERTIFICATION:** I hereby certify that the information contained in this report and any sheets attached hereto is true and correct. This report must be signed by you, a partner, officer or authorized agent within the employing enterprise. If signed by any other person, a power of attorney must be attached.

Name of Acquiring Employer \_\_\_\_\_

Signature \_\_\_\_\_ Title \_\_\_\_\_

Date \_\_\_\_\_

If you should need further assistance in filling out this form, you may contact the Employer Hot Line Section at telephone number **(800) 247-4984**. The TTY number is **(866) 212-8831**.

This state agency is requesting information that is necessary to accomplish the statutory purpose as outlined under 820 ILCS 405 / 100 - 3200. Disclosure of this information is **REQUIRED**. Failure to disclose this information may result in statutorily prescribed liability and sanction, including penalties and / or interest.

**For a full explanation of succession, visit our web site at [www.ides.state.il.us](http://www.ides.state.il.us). Click on Publications and find the Guide to the Illinois Unemployment Insurance Act.**

### **INSTRUCTIONS FOR REPORT TO DETERMINE SUCCESSION**

The Department's determination as to whether you have acquired the employing enterprise of the previous owner may affect the rate at which you pay contributions.

If you are determined to be a transferee of assets of the previous owner's business, you may be obligated under the Unemployment Insurance Act for the payment of debts owed by the business.

If you purchase or lease an existing business, in whole or in part or if you change the organization of your business entity (e.g. from a partnership to a corporation, from a corporation to a proprietorship, etc.), it is required that you fill out this form.

Succession will be determined based upon several criteria. For example:

1. The percentage of the existing business entity that was acquired by you.
2. The percentage of the workers employed by the previous owner that were subsequently employed by you.
3. The percentage of the business assets of the previous owner acquired by you. Assets are defined as inventory, real property, machinery, accounts receivable, goodwill, etc.
4. Determination of succession is also based upon the amount of time that has elapsed since the previous owner ceased employing workers in Illinois and the new owner began employing workers.

The purchaser of less than substantially all of another's business may acquire a portion of that predecessor's experience under certain conditions. This transfer is optional and may be beneficial or detrimental.