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Sep. 30, 2020



The Internal Revenue Service has launched a redesigned [webpage](#) on IRS.gov to help business owners navigate the federal tax steps when closing a business.

The IRS streamlined the “Closing a Business” page into simple steps, so business owners and self-employed individuals can quickly find the information they need.

“The IRS realizes small businesses and self-employed individuals are facing challenges in their personal and business lives during these uncertain times,” said Eric Hylton, Commissioner, Small Business/Self-Employed Division. “Closing a

business is a difficult decision and we want to help ease the burden for people

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section that applies to them to get the returns and forms they need.

- **Take Care of Employees.** Business owners with one or more employees must make final federal tax deposits and report employment taxes.
- **Pay the Taxes Owed.** Even if the business closes now, tax payments may be due next filing season.
- **Report Payments to Contract Workers.** Businesses that pay contractors at least \$600 for services (including parts and materials) during the calendar year in which they go out of business, must report those payments.
- **Cancel EIN and Close IRS Business Account.** The IRS cannot close out an account until the business has filed all necessary returns and paid all taxes owed.
- **Keep Business Records.** How long a business needs to keep records depends on what's recorded in each document.

The page also has information to help business owners who are declaring bankruptcy, selling their business and terminating retirement plans. For easy access, they can reach the page at [IRS.gov/closingabiz](https://www.irs.gov/closingabiz).

More information

- How to close a sole proprietorship: [fact sheet](#) and [e-poster](#), [\(Spanish version\)](#)
- How to close a partnership: [fact sheet](#) and [e-poster](#), [\(Spanish version\)](#)
- How to close a corporation: [fact sheet](#) and [e-poster](#), [\(Spanish version\)](#)

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