



## Determination of Successor Status

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New Company Name

Old EIN

New Company Address

New EIN

City, State, Zip

Please review this information and mark the appropriate. If needed, consult your CPA or legal aid. The Entity Department is not authorized to determine your company's successor status.

Definition of Successorship: When an employer acquires substantially all of the property used by the predecessor in its business and employs individual who immediately prior to the acquisition were employed by the predecessor. [IRS Reg. 31.312(a)]

### EFFECTIVE DATE OF EIN CHANGE (mm/dd/yy)

*The new Federal Identification Number does qualify as a Successor.*

**Common examples of successors:**

Change in tax status (incorporating, adding a partner, etc.) without significant change to everyday business  
Sale of a company without significant change to everyday business

**Payroll and tax implications:**

Your existing payroll company file will be updated to reflect your new EIN, legal name, and any other changes.  
Wages paid by the predecessor in the same calendar year will be used in calculating tax limits.  
You will receive one set of Forms W2 at year-end using the new EIN and referencing the predecessor EIN.  
We will finalize (close) the old EIN with the IRS.

*The new Federal Identification Number does NOT qualify as a Successor.*

**Common examples of successors:**

Sales, mergers or acquisitions with significant organizational change to the business.  
"Split" companies in which the former EIN remains active.

**Payroll and tax implications:**

You will receive a new payroll date file and/or company number.  
Your employees will have to re-meet wage limits for Social Security, unemployment tax, and State Disability Insurance where applicable.  
You will receive two sets of Forms W2 for mid-year entity changes, one set for each EIN that year.  
We will finalize (close) your old EIN with the IRS if you will be no longer processing payroll under that number.

Signature

Date

**(AUTHORIZED SIGNATURE ONLY)**

Title

**NOTE:** Any changes made to this agreement **after** the date signed will result in additional fees.