

This fact sheet covers the most common topics you need to consider when selling or closing a business.

What do I need to do?

- Cancel your GST registration within 21 days of ceasing business.
- Cancel your ABN within 28 days of ceasing business.
- Cancel or transfer any business names.
- Cancel any employer registrations including PAYG Withholding, Return to Work SA and Payroll Tax registrations.
- Issue final PAYG Payment Summaries to employees and prepare annual reconciliations of Return to Work SA and Payroll Tax.
- Make any required GST adjustments on your final activity statement.
- Lodge and pay any outstanding activity statements and instalment notices.
- Transfer or cancel leases, licenses and permits, if applicable.
- Notify suppliers and customers of the sale or closure and pay outstanding amounts.
- Look at any insurance requirements for your business, such as run-off cover (where you are insured for any legal claims that are made after you close your business).
- Close your business bank accounts.
- Cancel or transfer any web hosting or domain names .

What are the tax implications?

There may be income tax, GST and Capital Gains tax (CGT) implications on selling your business. However, there are many concessions in place in relation to the sale of business including the following:

- Sales of businesses considered to be going concerns may be GST free,
- You may be eligible for the various small business CGT concessions on the sale of your business and any related assets.

Upon winding up your business, there may also be additional tax issues that need to be considered such as debt forgiveness, Division 7A loans and the finalisation of employee and independent contractor obligations. When a company is involved, there are additional ASIC requirements including liquidation and/or voluntary deregistration.

How can Brentnalls SA help?

At Brentnalls SA, we have the knowledge and experience to help you plan and execute your business exit by :

- Assisting with planning for your business exit including succession & estate planning.
- Preparing appropriate documentation regarding the sale of your business including liaison with legal advisors and assisting with the selling process.
- Assisting with finalisation of employee obligations and entitlements.
- Advising and calculating income tax, GST and Capital Gains Tax implications of the sale or closure of your business.
- Assisting with ASIC requirements of closing or selling a company.
- Advising regarding wealth planning after the closure or sale of your business.

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Disclaimer

The information provided in this information sheet does not constitute advice. The information is of a general nature only and does not take into account your individual financial situation. It should not be used, relied upon, or treated as a substitute for specific professional advice. We recommend that you contact Brentnalls SA before making any decision to discuss your particular requirements or circumstances.

March 2019