



How to Close a Corporation Including S Corporations

File final forms and schedules whether in business a few months or many years.

Take Steps that Apply to Employees and Contract Workers

Did you have one or more employees?

Deposit and File Employment Taxes

- Make final federal tax deposits.
- File Form 941, Employer’s Quarterly Federal Tax Return (or Form 944, Employer’s Annual Federal Tax Return), for the calendar quarter in which you make final wage payments.
- File Form 940, Employer’s Annual Federal Unemployment (FUTA) Tax Return, for the calendar year in which you paid final wages.
- Provide Forms W-2, Wage and Tax Statement, to your employees for the calendar year in which you make final wage payments.
- File Form W-3, Transmittal of Income and Tax Statements, to transmit Copy A to the Social Security Administration.
- Did your employees receive tips? File Form 8027 to report final tip income and allocated tips.
- Did you provide employees with a pension or benefit plan? File Form 5500, Annual Return/Report of Employee Benefit Plan.

Did you pay contract workers?

Report Payments to Contract Workers

- Use Form 1099-NEC, Nonemployee Compensation. Use Form 1096, Annual Summary and Transmittal of U.S. Information Returns, to transmit paper copies of Forms 1099 to the IRS.
- Some filers must file Forms 1099 electronically.

File Income Tax Return

- C Corporations: File Form 1120, U.S. Corporation Income Tax Return.
- S corporations: File Form 1120-S, U.S. Income Tax Return for an S Corporation.
- Report capital gains and losses on Schedule D (Form 1120) or Schedule D (Form 1120-S).
- Check the “final return” box. For S corporations, do the same on Schedule K-1, Shareholder’s Share of Income, Deductions, Credits, etc.
- Did you sell or exchange property? File Form 4797, Sales of Business Property.
- Did you sell your business? File Form 8594, Asset Acquisition Statement.

Close Your Business Account

You must file all appropriate tax returns before the IRS can close your account.

Send the IRS a letter with complete legal name of your business, employer identification number (EIN), business address and reason you wish to close your account. Include copy of the IRS notice issued with the EIN assignment, if you have it.

Write to the IRS at: Internal Revenue Service, Cincinnati, Ohio 45999.

Pay Your Taxes

Visit [IRS.gov/payments](https://www.irs.gov/payments) for ways to pay your taxes.

