Downloaded from Blogs on 22.11.2026 01:00h

By PwC Deutschland | 13. April 2011

# Acquirer can appeal against seller’s taxes for which he is liable

**The Supreme Tax Court has held that an acquirer of a business may appeal against the otherwise final tax obligations of the seller for which he has become liable through the takeover.**

Downloaded from Blogs on 22.11.2026 01:00h

Under the Tax Management Act, the acquirer of a business, or separate division within a business, is secondarily liable for the tax obligations of the seller arising from the business operation from the beginning of the calendar year preceding the acquisition and assessed (or self-assessed) within a year of the tax registration of the business by the acquirer. The Supreme Tax Court has now held that an acquirer may appeal not only against the secondary liability as such, but also against the tax assessment on which it is based. This latter right of appeal does not lapse with the corresponding right of appeal of the seller as the primary taxpayer. Thus, in the present instance before the court, it was open to an acquirer to appeal against his obligation to meet the insolvent seller's VAT liability on the grounds that the liability was that of the seller's *Organschaft* parent. This appeal was no longer open to the seller, as the original VAT assessment on that entity was now final and binding. Indeed, the acquirer had raised the possible existence of a compelling *Organschaft* VAT group for the first time.

Supreme Tax Court judgment XI R 11/08 of January 12, 2011 published on April 13

**Schlagwörter**

acquirer, secondary liability, seller's taxes