NADIA CHICAGO

Illinois LLC Ownership Transfer Templates

README | Revision v81 | Sources checked October 22, 2026

These are sample forms for information, not legal advice. They have not been reviewed for your transaction. Have a qualified attorney review and customize them before use.

Start here

1. Check the fit. This set assumes one individual sells 100% of an existing Illinois LLC to another eligible individual. The same LLC and its existing valid S corporation tax election continue.

2. Complete the facts. Gather legal names, company records, dates, price and payment terms, disclosures, approvals, and management decisions. Fill in all three forms consistently; attach longer answers where needed.

3. Coordinate one closing. Prepare A, B and C together. Do not transfer the interest or remove the seller first and admit the buyer later. Section 4 explains the conditional sequence.

4. Finish the outside updates. Confirm required approvals and coverage before closing. Complete applicable company, bank, IRS, Illinois and FMCSA updates at the required time. The signed templates do not submit those updates for you.

Where to look: Sections 1-2 explain the forms. Sections 3-4 cover signing and closing. Sections 5-7 cover outside updates. Section 8 lists stop conditions. Section 9 contains official sources.

1 What this collection covers

This collection illustrates a purchase of 100% of the membership interest in an existing ordinary Illinois limited liability company from its sole individual owner by another eligible individual. The same LLC continues, and an existing valid S corporation tax election is intended to continue. S corporation taxation does not turn an Illinois LLC into a state-law corporation. The transaction transfers an ownership interest in the entity; the entity continues to own its assets and owe its liabilities, including pre-closing debts, taxes and contingent liabilities.

These samples are not designed for an asset sale, redemption by the LLC, merger, new entity, default disregarded-entity tax treatment, multiple buyers, a series LLC, professional LLC, an ineligible shareholder, a contested ownership interest, or the separate sale or rental of a USDOT or MC number. Installment financing, earnouts, complex tax elections and material unresolved claims require additional drafting. Do not use a completed form to conceal the identity of a new operator or bypass regulatory review.

The legal templates are in American English. Word files are fully editable; PDFs have labeled blank lines, checkboxes and signature spaces for printing and handwriting. Complete each field, select the applicable choices and attach completed schedules before signing. If an answer does not fit, use a clearly labeled attachment and have the required signers approve it. Enter “None” where appropriate; a blank disclosure is not a negative disclosure. Do not put Social Security numbers, personal tax identifiers, account passwords or personal Login.gov credentials in the templates. Required information on separate agency forms should be handled securely.

2 Files and their roles

A. Purchase and Assignment Agreement

Documents the agreed sale, price, conditions, concurrent assignment and admission framework, representations, liabilities, disclosures and signatures. A contract must be customized for the deal. A broad indemnity, liability cap, tax covenant or financing arrangement is not supplied by implication; add negotiated terms where needed.

B. Written Consent and New Member Admission

Documents the existing member's approval, buyer's admission and acceptance, seller's resulting dissociation, continued entity and management handoff. Management positions and bank authority need their own decisions. A sale does not automatically remove a separately appointed manager or registered agent.

C. Single Member Operating Agreement

Provides prospective governance for the new sole member. Choose member management or manager management, complete the authority schedule and obtain any manager's acceptance. It does not validate an otherwise defective transfer or tax election. A purchase price paid to the former owner is not automatically a capital contribution to the LLC.

The Word and PDF versions contain the same substantive terms. The PDFs are designed for handwriting, not interactive typing. Neither format is a universal print-and-sign contract: the deal terms, disclosures and required attachments still need completion and transaction-specific review. These three document titles are not a universally mandatory Illinois statutory package. Their function is to provide written evidence of valid actions. The actual legal requirements depend on the existing operating agreement, applicable law and third-party rights. [1–6]

3 Verify the company and the deal before signing

Ask counsel to inspect the formation documents and all existing operating-agreement arrangements, including oral or implied terms where relevant, amendments, membership records, transfer restrictions, options, pledges and other liens. Confirm that the seller owns the complete interest and is authorized to consent to admission. Verify the company's status and whether its governing documents create a dissolution event or impose special approval procedures. This sample cannot override a prohibited transfer or missing required consent. [1–6]

Review financial statements, tax returns, election acceptance evidence, loans, leases, unpaid payroll, related-party balances, guarantees, insurance, pending claims and regulatory history. Review lender, factoring, landlord, customer, broker, load-board and other change-of-control clauses. Obtain the actual consents and releases required by those documents. These diligence steps are recommendations for allocating transaction risk, not a claim that every listed consent is mandated in every transaction.

Seller and buyer must negotiate what happens to a deposit if closing fails; any price adjustment; responsibility for pre-closing taxes; record access; representations and their survival; indemnification, claim procedure and limits; escrow or holdbacks; and any financing. The samples do not decide those commercial issues for the parties. A private allocation does not release the LLC, a guarantor or another obligor from a creditor's or agency's claim. Dissociation does not itself discharge prior obligations. [6, 7]

4 Coordinate admission and transfer

An assignment of distributional rights alone does not admit the buyer as a member or grant membership and management rights. Illinois law separately provides for admission and for a member's dissociation upon transfer of all that member's distributional interest. Do not transfer everything, remove the seller, and postpone the buyer's admission until later. [1–3]

The samples use one coordinated closing: the seller approves admission while still authorized as the sole member; at the exact recorded closing time, the buyer's admission becomes effective concurrently with the assignment and before the seller's resulting dissociation; the seller's dissociation is then recorded; and successor authority and the new operating agreement take effect as specified. All conditions, documents, payment and approvals must be ready for the coordinated release. If closing does not occur, the conditional admission and assignment do not take effect. Counsel must tailor this mechanism to the actual governing documents. [1–3]

The intention is one complete existing ownership interest passing to the buyer, without an interim new economic class. Tax advisers should confirm the closing structure for the existing S election. The state's ability to admit a noneconomic member is not a reason to introduce a casual separate class or interim tax problem in this sample.

Record the exact date, time and time zone consistently in A, B and C. Update the membership ledger with names, addresses, admission dates, ownership and contribution records; preserve prior records. A company record update is different from a Secretary of State filing. [8]

5 Illinois governance and public records

Valid membership and authority depend on governing documents and the Act. Membership alone does not make a person an agent authorized to bind the LLC. State who will manage, who may sign, which manager or officer resigns, and which positions continue. Obtain bank and counterparty authorization changes. Illinois law ordinarily defaults to member management unless the operating agreement expressly provides for manager management. This restatement requires one explicit selection before it takes effect; a selected manager-managed arrangement also requires an accepted manager appointment. An incomplete form does not change existing management. [4, 5, 9]

Review the Illinois Secretary of State record and make appropriate updates. Annual reports identify managers and members having management authority, rather than every passive ownership interest. Eligible online annual reports can update certain names and addresses. Changes to management type, company name, registered agent or registered office may require other filings. Articles of Amendment or other applicable forms may be appropriate between annual reports; do not assume every ownership sale requires the same form or a universal sale-reporting deadline. [10–12]

Maintain an eligible Illinois registered agent and office. If the outgoing owner will stop serving as registered agent, arrange the successor and the actual filing. These private templates do not change the registered agent of record. [13]

6 IRS and tax checks

Have a CPA confirm that the S election was valid and remains in effect, that the individual buyer is eligible, and that the agreement preserves the required economic rights. S corporations must meet the applicable shareholder, domestic-entity and one-class requirements. A nonresident alien is not an eligible shareholder. “Individual buyer” alone does not establish eligibility. The templates do not make or guarantee an election. [14]

An S election ordinarily continues until revoked or terminated. An eligible-owner change in the same continuing entity does not by itself call for a new Form 2553. Confirm the actual records and classification before filing. [15]

EIN treatment is fact dependent. For this assumed continuing LLC already taxed as a corporation, continued use of its own EIN is ordinarily consistent with IRS corporate-equity acquisition guidance. This is an application of corporate tax-classification guidance, not a blanket rule for every single-member LLC sale. The CPA should confirm the facts; a disregarded LLC, asset purchase, dissolution or new entity can produce a different result. Do not obtain a replacement EIN automatically or reuse another entity's EIN. [16, 17]

If the responsible party changes, the IRS requires Form 8822-B within 60 days. Assign preparation, signature, filing and retention of proof. Also review business address changes. This separate IRS form may request sensitive identifiers; do not attach a completed copy to public or broadly shared template files. [18]

Review the transfer-year Form 1120-S and Schedule K-1 reporting, shareholder basis, sale tax treatment, payroll and distributions. The default S corporation allocation is generally daily by shares held, and the disposing owner is treated as owner for the disposition day. A qualifying election under section 1377(a)(2) to close the books on termination of an entire shareholder interest requires the corporation and affected shareholder consents. The purchase contract's economic cutoff does not itself make that election. Do not mark the entity's return final merely because its ownership changed. Coordinate any special tax election separately. [19]

7 Trucking registration and operations

FMCSA's March 19, 2026 guidance states that USDOT numbers belong to their assigned legal person and cannot be independently bought, leased or sold. When a company is sold but remains the same legal person, its USDOT number remains with that company, and ownership and demographic information should be updated immediately. A different legal person requires separate analysis. Many operating-authority ownership changes require record updates; others need agency review, a qualifying transfer process or new authority. FMCSA’s 2026 bulletin states that a recorded operating-authority transfer requires continued safety-management oversight and controls. These contracts do not determine that outcome. [20, 21]

Use current FMCSA registration and Motus instructions, or Ask FMCSA, to determine the required update route. Confirm the legal entity, officers, addresses, contacts, operations and authority records. Do not treat an MCS-150 update as a sale or automatic transfer of an MC number. Retain submission evidence and verify the agency records afterward. Current procedures and temporary notices can change; check the official resources when closing. [22, 23]

Review insurance and process-agent filings, including BOC-3 where applicable. Verify coverage and required policy endorsements directly with the insurer or agent before

operations continue. BOC-3 is a process-agent designation, not an insurance policy. A same-entity sale does not establish that an insurer, broker or customer has approved the new ownership. A separate recorded authority transfer has its own conditions and is not assumed here. [21, 24]

The LLC's safety history, compliance duties, claims and exposure to inspections or audits do not disappear through these templates. Review applicable state permits, IFTA, IRP, UCR, employment and other accounts with the appropriate agencies and advisers. Those additional programs are outside this collection's detailed filing instructions. Do not hand over an individual's personal authentication account; establish company-authorized access through the service's current procedures.

8 When to get individual review

No company-specific records were examined for this collection. The three sample forms are not a universally required Illinois statutory package. Keep the tailored documents, disclosures, closing confirmation, consent and lien-release evidence, updated records, insurance confirmations and agency submission receipts together.

Attorney customization: admission timing under the existing agreement; consent scope; management succession; liens and guarantees; deposit/default rules; representations; indemnities and remedy limits; tax covenants; succession; regulated-business restrictions. CPA customization: eligibility, EIN, tax allocations, basis, payroll and any elections. Carrier-registration specialist or agency confirmation: applicable FMCSA and state registration changes.

Stop and resolve before use: unclear title to the interest, a barred transfer or missing required consent, ineligible buyer, invalid tax election, dissolved company, material undisclosed or unassessed liabilities, required lien or creditor consents not resolved, or a transaction different from the assumptions. Research and automated review are not attorney review. Check current law and agency instructions when preparing the transaction; the source review date is shown above.

9 Primary sources

Illinois General Assembly

[1] 805 ILCS 180/10-1, admission of members
https://www.ilga.gov/documents/legislation/ilcs/documents/080501800K10-1.htm

[2] 805 ILCS 180/30-5, transfer of distributional interest
https://www.ilga.gov/documents/legislation/ilcs/documents/080501800K30-5.htm

[3] 805 ILCS 180/35-45, events of dissociation
https://ilga.gov/documents/legislation/ilcs/documents/080501800K35-45.htm

[4] 805 ILCS 180/15-1, management and decisions
https://ilga.gov/documents/legislation/ilcs/documents/080501800K15-1.htm

[5] 805 ILCS 180/15-5, operating agreements and limits
https://www.ilga.gov/documents/legislation/ilcs/documents/080501800K15-5.htm

[6] 805 ILCS 180/30-10, rights and liabilities following transfer
https://www.ilga.gov/Documents/legislation/ilcs/documents/080501800K30-10.htm

[7] 805 ILCS 180/35-55, effect of dissociation
https://www.ilga.gov/documents/legislation/ilcs/documents/080501800K35-55.htm

[8] 805 ILCS 180/1-40, company records
https://www.ilga.gov/Documents/legislation/ilcs/documents/080501800K1-40.htm

[9] 805 ILCS 180/13-5, agency
https://www.ilga.gov/documents/legislation/ilcs/documents/080501800K13-5.htm

[10] 805 ILCS 180/50-1, annual reports
https://www.ilga.gov/documents/legislation/ilcs/documents/080501800K50-1.htm

Illinois Secretary of State

[11] LLC annual report instructions
https://apps.ilsos.gov/llcarpt/instructions.jsp

[12] LLC-5.25 Articles of Amendment
https://www.ilsos.gov/content/dam/publications/pdf_publications/llc525.pdf

Illinois General Assembly

[13] 805 ILCS 180/1-35 and 1-36, registered agent and office
https://www.ilga.gov/documents/legislation/ilcs/documents/080501800K1-35.htm

https://www.ilga.gov/documents/legislation/ilcs/documents/080501800K1-36.htm

Internal Revenue Service

[14] S corporations
https://www.irs.gov/businesses/small-businesses-self-employed/s-corporations

[15] Instructions for Form 2553
https://www.irs.gov/instructions/i2553

[16] Instructions for Form SS-4
https://www.irs.gov/instructions/iss4

[17] When to get a new EIN
https://www.irs.gov/businesses/small-businesses-self-employed/when-to-get-a-new-ein

[18] About Form 8822-B

https://www.irs.gov/forms-pubs/about-form-8822-b

[19] Instructions for Form 1120-S

https://www.irs.gov/instructions/i1120s

Federal Motor Carrier Safety Administration

[20] Do not sell, purchase, or lease a USDOT or MC number

https://www.fmcsa.dot.gov/newsroom/do-not-sell-purchase-or-lease-usdot-or-mc-number

[21] Operating authority ownership change FAQ

https://www.fmcsa.dot.gov/faq/how-do-i-notify-fmcsa-my-operating-authority-oa-ownership-change

[22] Updating your registration

https://www.fmcsa.dot.gov/registration/updating-your-registration

[23] Move to Motus and current registration resources

https://www.fmcsa.dot.gov/registration/move-motus

https://www.fmcsa.dot.gov/registration/resources-hub

[24] Insurance filing requirements

https://www.fmcsa.dot.gov/registration/insurance-filing-requirements