

This letter addresses sales for resale. See 86 Ill. Adm. Code 130.1405. (This is a GIL.)

October 28, 2010

Dear Xxxxx:

This letter is in response to your letter dated October 21, 2010, in which you requested information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at www.tax.illinois.gov to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

My husband and I own a restaurant. We frequently shop for products at STORE. Recently we asked the clerk at STORE how we could purchase for our business tax exempt. We were given the enclosed form letter.

I called the phone number for your office and was advised to go to your sight [sic] on line and I would be able to find what I needed. I am unable to do this due to our very poor internet service. We are in the country and still have dial up, which is next to useless.

Could you please provide for me what is described in this form letter and mail it to us. If you have any questions please call us.

DEPARTMENT'S RESPONSE:

When an Illinois retailer sells tangible personal property and delivers it in Illinois, sales tax is due unless an exemption can be documented. The resale exemption is applicable when making sales to a purchaser who will in turn sell the tangible personal property. Retailers should document a sale for resale by obtaining certificates of resale from their customers. For general information regarding resale certificates, the Department's regulation for resale certificates, "Seller's Responsibility to Obtain Certificates of Resale and Requirements for Certificates of Resale," is found

at 86 Ill. Adm. Code 130.1405 (copy enclosed). The Department also provides a standard form for documenting sales for resale (Form CRT-61 Certificate of Resale, copy enclosed).

I hope this information is helpful. If you require additional information, please visit our website at www.tax.illinois.gov or contact the Department's Taxpayer Information Division at (217) 782-3336.

Very truly yours,

Terry D. Charlton
Senior Counsel, Sales & Excise Taxes

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