

Gases generally are not exempt under the manufacturing machinery and equipment exemption. See 86 Ill. Adm. Code 130.330(c). (This is a GIL.)

June 2, 2017

Dear Xxxxx:

This letter is in response to your letter dated April 24, 2017, 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](http://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:

COMPANY, a manufacturer, is in the center of the Illinois Industrial Corridor, on 5 acres of land. We have 40,000 square feet of production space, with doors that are 22 feet wide and 16 feet high.

A Steel Fabricator would not completely define us, because that would suggest we were limited to just steel. That would not be true.

We also work with;

- Stainless steel fabrication, and all of the different alloys that this material comes in.
- Aluminum fabrication, and all the different alloys that this material comes in.
- Carbon steel fabrication, and Carbon Steel Alloy fabrication.
- COMPANY is involved in all aspects of the Fabrication of Metals;
- Metal Cutting
- Metal Forming, and Rolling
- Metal Joining
- Metal Finishing
- Fabricated Metal and Machinery Assembly

COMPANY specializes in Industrial Metal Fabrication, but we are also involved in some Structural Metal Fabrication, Architectural Metal Fabrication, Metal Art Fabrication, and Repair Maintenance Welding.

The welding methods COMPANY uses are MIG and TIG welding, which combining welding wire fed from welding gun (or feed by hand with TIG) & mixed with specially mixed gases, with combinations of argon, helium, & O<sub>2</sub>. The wire and gas melt & combine to form the welds on our manufactured project. The gas acts on the wire along with heat to combine & form the weld which hold metal together.

We would appreciate an exemption on our specific gases. I refer to letter ruling on you Illinois.gov Website. ST11-0021-GIL 04/01/2011 Manufacturing Machinery & Equipment.

Please refer to consumable material, were it states, "Please note that the rules also specifically Exempt gases that are consumed in a manufacturing process".

We are requesting a letter of exemption for our welding gases.

**DEPARTMENT'S RESPONSE:**

On September 29, 2016, the Department issued a correction to ST 11-0021 (April 1, 2011) stating that the General Information Letter contained an incorrect statement and gases are not generally exempt under 86 Ill. Adm. Code 130.330(c). See ST 16-0042-GIL.

If you would like to obtain a binding letter regarding whether or not the gases identified in your letter qualify for the exemption, you may submit a private letter ruling request in accordance with 2 Ill. Adm. Code 1200.110.

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

Very truly yours,

Richard S. Wolters  
Associate Counsel