

The Department of Revenue has no authority to abate taxes that are required to have been collected and remitted. It can, however, provide relief from penalties (late pay or late file penalties, for instance), based upon reasonable cause grounds. 86 Ill. Adm. Code 700.300. (This is a GIL.)

December 5, 2018

Dear Xxx

This letter is in response to your letter dated November 2, 2018, 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:

In September 2018, we registered with the State of Illinois as we are required to collect and remit sales tax being that we are economic nexus in the state. However, our ERP system and website have required extensive development in order to allow us to collect the sales tax and we are still working through that development. It should be complete by early November and allow us to start collecting and remitting the sales tax. We are asking if there is an exception to the October 1st date given we have been actively working on our ERP system to allow us this functionality? We will be able to begin withholding and remitting the sales tax by the second week on November (2018). Please advise.

DEPARTMENT'S RESPONSE:

This letter is written to inform you that, based on the limited information you have provided, the Department is unable to approve your request for a deferred collection date. If you were to provide additional, specific information regarding your activities, including information such as your size, the number of transactions or amount of sales to Illinois purchasers, and the number and types of products sold, the Department would be amenable to reevaluate its denial.

It is important to note that the Department of Revenue has no authority to abate taxes that are required to have been collected and remitted. It can, however, provide relief from penalties (late pay or late file penalties, for instance), based upon reasonable cause grounds. We would be happy to discuss this further if you wish.

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,

Debra M. Boggess
Associate Counsel

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