Sales Tax Audit Letters Chapter Index

Purpose

The purpose of this chapter is to provide users with the general overview of sales tax specific letters.

Disclaimer

This audit manual is designed for internal staff-use only and is intended to provide general information on selected topics to assist Illinois Department of Revenue ("Department" or "IDOR") auditors in the completion of their audits. The contents of this audit manual must not be relied upon for decision making or as a substitute for the official text of statutes, administrative rules, and case law. This manual does not carry the weight or effect of law and is only informational in nature. Auditors must conduct audits in accordance with the pertinent statutes, administrative rules, and case law.

Citations to statutes, regulations, or case law are included to assist the auditors in locating the relevant legal authority as a basis for conducting audits. The manual may be amended at any time without notice by the Department. Nothing in this manual shall contradict the official text of statutes, administrative rules, or case law. In case of any unintended inconsistency, the official text of statutes, administrative rules, and case law controls and must be followed. The Department's Director, General Counsel, and Legal Services Bureau do not sanction any deviation by the Department staff from the official text of statutes, administrative rules, or case law in the performance of job functions.

This manual does not constitute written legal advice or guidance from the Department or its staff to taxpayers or the general public, nor does it give rise to any claim under the Taxpayers' Bill of Rights.

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9.1.1 EDA-135, Notice of Audit Initiation

The EDA-135 is the Notice of Audit Initiation letter used for all audits to notify the taxpayer they have been selected for audit and the periods the audit will cover.

The EDA-135 notifies the taxpayer of the return type and audit period that will be audited. It also provides guidance to taxpayer resource material that may be accessed from IDOR's website to prepare for the audit. This letter is systematically generated when the audit stage is advanced to Started. It is available for the taxpayer to view and print from their MyTax Illinois.

9.1.2 EDA-136, Notice of Audit Expansion

The EDA-136, Notice of Audit Expansion, provides formal notification to the taxpayer that their audit has been expanded to include additional filing periods. This letter is systematically generated when the Filing Periods field on the Audit Springboard is updated to include additional periods and is available for the taxpayer to view and print in their MyTax Illinois account.

9.1.3 EDA-140, Notice of Audit Cancellation

The EDA-140, Notice of Audit Cancellation, provides formal notification to the taxpayer that the examination has been cancelled and no further action is required. This letter is automatically generated when the audit is staged to *Cancellation Approved*. This letter is available for the taxpayer to view and print from their MyTax Illinois account.

9.1.4 EDA-159, Illinois Preaudit Questionnaire

The EDA-159, Illinois Preaudit Questionnaire, is a combination of the former Audit Questionnaire and the Great Lakes Questionnaire. It is sent to the taxpayer at the start of the audit for their completion. Once completed, the auditor can compare the responses on this letter to the taxpayer's registration to see if updates are needed. The taxpayer's response to this letter will also help the auditor better prepare their audit plan.

The verbiage on this letter will vary based on the audit type. This letter is mailed to the taxpayer with the EDA-135, Notice of Audit Initiation letter, and it is available on their MyTax account.

The taxpayer can respond to the EDA-159 by filling it out directly from their MyTax account. They can also provide a copy to the auditor by mail or electronically via email or VAR.

9.1.5 IDR-191, Statute of Limitations Waiver

The IDR-191, Statute of Limitations Waiver, is used to extend the statute of limitations deadline that would normally apply to audit liabilities and credits. A waiver may be used for the taxpayer or the Department's convenience. The IDR-191 must be signed by the taxpayer or their authorized representative. This letter incorporates the language from the EDA-104 which has been discontinued.

9.1.6 PIO-60, Audit Information Letter

The PIO-60, Illinois Audit Information Letter, provides the taxpayer with information about the audit process and their rights while under audit. This document is not printed for the taxpayer but can be retrieved from the Department's website.

9.1.7 PIO-60-VAR, An Introduction to the Virtual Audit Room

The PIO-60-VAR, An Introduction to the Virtual Audit Room Letter, provides the taxpayer with information about the Virtual Audit Room (VAR) and the benefits of its use in their audit. This document is not printed for the taxpayer but can be retrieved from the Department's website.

9.1.8 EDA-RR-83C, Notice of Audit Population Sample Plan

The EDA-RR-83C, Notice of Audit Population Sample Plan, is a letter given to taxpayers informing them of the intent to use a sample and provides information about the sampling methodology that will be used in examining their books and records. It is generated from the Random Sample Generator case. The EDA-RR-83C does not require a signature.

9.1.9 IDOR-8-CAA1 - Audit Computer Data Request

This letter is used to notify the taxpayer of the Computer Assisted Auditing Group (CAAG) involvement and to request data from the taxpayer for audit population(s) requiring their assistance. The verbiage on this letter will vary based on the audit type and information completed on the Computer Assisted Audit (CAA) Request Case's Population Request table. The letter may be used to request all or a portion of the records for each population.

Before issuing the letter, the Computer Audit Specialist (CAS) must contact the field auditor to ensure the information entered in the Population Request Table of the CAA Request sub tab is accurate and coordinate if it's necessary to issue an EDA-70C and IDOR-8-CAA1 simultaneously. This letter is manually generated by the CAS assigned to assist with the audit. The letter will appear in the taxpayer's MyTax account. This letter is also emailed to the audit contact by the CAS.

The taxpayer can respond to the IDOR-8-CAA1 by adding the requested files directly to their MyTax account. A notification is sent to the CAS when the data is received as a response to the letter. They can also provide the files to the Computer Audit Specialist electronically via email or the Virtual Audit Room (VAR) created by the auditor.

9.1.10   IDOR-8-CAA2 – Audit Proposed Sample Report

This letter is used to notify the taxpayer of the proposed sample plan and requests the taxpayer indicate their agreement with the proposed sample plan. The taxpayer may accept or decline the proposed sample plan shown on the IDOR-8-CAA2 by email or MyTax. A notification is sent to the CAS when the taxpayer responds to the letter in MyTax informing of the taxpayer's decision.

When the taxpayer approves the IDOR-8-CAA2, Audit Proposed Sample Report, the sample plan becomes final and the IDOR-8-CAA2, Sample Summary Report is issued. This letter is generated to supply the sample unit value by count and dollars for each stratum. (The Audit Proposed Sample Report and the Sample Summary Report are slightly different versions of the same form.)

These letters are automatically generated through advancing the stages on the CAA population case. The letters will be on the taxpayer's MyTax account. This letter may also be emailed to the audit contact by the CAS or auditor.

9.1.11 IDOR-8-CAA4 - Audit Sample Evaluation Memo

The IDOR-8-CAA4 reports the taxable base for periods covered by stratified statistical sample and generates a subsequent page to provide the taxable base for the periods not covered by the statistical sample as an average monthly value. The IDOR-8-CAA4 is also used to report the taxable base for populations completed by the rolling forward the error rate from the prior audit cycle.

This letter is automatically generated through advancing the stages on the CAA population case when the auditor indicates the exceptions entered in the Sales and/or Purchase Exception Working Paper are final. The letters will be on the taxpayer's MyTax account.

9.1.12 IDOR-8-CAA4S - Statistical Appraisal Sample Report

This letter indicates the statistical estimator applied to the exceptions to compute the taxable base by stratum.

9.1.13 IDOR-8-CAA4C - Computational Sample Report

This letter provides the stratum computations for the estimator selected.

9.1.14 EDA-70C, Audit Information Document Request

The EDA-70C, Audit Information Document Request, is used to request documentation from the taxpayer for review in the audit. The due date on the EDA-70C is 30 days from issuance. Examples of typical records requested on the initial EDA-70C include Federal and State Income Tax Returns, Depreciation Schedules, and Sales Tax Returns with work papers used to prepare the returns. The letter will be viewable on the taxpayer's MyTax account. The taxpayer can respond to the letter through their MyTax account.

9.1.15 EDA-11AC, Notice of Demand for Books and Records

The EDA-11-AC Notice of Demand for Books and Records is used to request specific documentation from the taxpayer for review in the audit after the taxpayer fails to respond to EDA-70Cs. The EDA-11AC provides a complete list of the books and records that will be reviewed, the dates covered by the audit period, and the supporting statutory language requiring the taxpayer's compliance. The EDA-11AC specifies a deadline date for the books and records to be made available. The deadline is 30 days from the date the request is issued to the taxpayer. The taxpayer can view and submit a response to the EDA-11AC through their MyTax account.

9.1.16   EDA-11BC, Notice of Demand for Documentary Evidence

The EDA-11BC, Notice of Demand for Documentary Evidence, is used to request invoices/documentation which support a nontaxable transaction. The taxpayer can respond to the letter through their MyTax account.

If the taxpayer fails to secure the necessary proof within the prescribed time frame (60 days), the law states that the matter shall be closed and the transaction in question will be conclusively presumed to be taxable. [35 ILCS 120/7]

9.1.17   EDA-11-BC-EXT, Notice of Demand for Documentary Evidence Extended

In the event the taxpayer needs additional time to provide the documentation requested on the EDA-11BC, the auditor may give the taxpayer an extension with the supervisor's approval. The EDA-11BC [EXT], Notice of Demand for Documentary Evidence [Extended], is used when a taxpayer is granted an extension to the deadline originally set forth in the EDA-11BC, Notice of Demand for Documentary Evidence. The extension letter must be completed prior to the expiration of the original EDA-11BC. The taxpayer will be able to respond to the letter via MyTax. If the taxpayer fails to produce the necessary support within the time granted, the law states that the matter shall be closed and the transaction(s) in question will be conclusively presumed to be taxable.

9.1.18   EDA-11-INS, Books and Records List

The EDA-11-INS, Books and Records List, is an attachment, or letter insert, that is automatically included with the EDA-70C, EDA-11AC, and EDA-11-BC. It provides a list of the documents that have been requested within the previously listed requests.

9.1.19   IDOR-5-SUBL, Subpoenas Duces Tecum

The IDOR-5-SUBL, Subpoena Duces Tecum, will only be issued when the taxpayer has not provided the information requested on the previously issued EDA-70Cs and EDA-11AC. 35 ILCS 120/10 gives any officer or employee, designated in writing by the Director, the authority to issue subpoenas requiring attendance by a witness or to issue Subpoena Duces Tecum requiring the production of books, papers, records, or other memoranda bearing on such matters that auditors have the authority to investigate. The Department has taken the position this authority extends to computer data and other magnetic media.

9.1.20   EDA-20-C, Verification of Merchandise Purchased

The EDA-20-C, Request for Documentation – Verification of Merchandise Purchased, is a letter provided to the taxpayer's customers to confirm a purchase was made by the customer. It is part of the EDA-20 series of letters provided to the taxpayer's customers or vendors/suppliers to support audit findings when the records provided are inadequate or there is evidence in the audit that the records cannot be relied upon. The EDA-20-C is not associated with a specific case or working paper. Since the letter is sent to the taxpayer's customers or vendors/suppliers and not the taxpayer, it is not published to the taxpayer's MyTax account.

9.1.21   EDA-20-G, Request for Documentation – Verification of Motor Fuel Sold for Resale

The EDA-20-G is a letter provided to the taxpayer's vendors/suppliers to confirm the annual amount of gallons of fuel purchased (i.e., gasoline, gasohol, diesel, etc.) by the taxpayer. This information is then typically used to support audit findings. The EDA-20-G comes from the EDA-20 case.

9.1.22   EDA-20-M, Request for Documentation – Verification of Merchandise Sold Tax-Free

The EDA-20-M is a letter provided to the taxpayer's vendors/suppliers to confirm the annual amount of purchases made tax-free by the taxpayer. The vendor will identify on the letter how the purchase was made tax-free (e.g., for resale, to an exempt organization, etc.). This information is then typically used to support audit findings. The EDA-20-M comes from the EDA-20 case.

9.1.23   EDA-20-S, Verification of Supplemental Nutrition Assistance Program (SNAP) Redemptions

The EDA-20-S is used to verify the amount of SNAP sales claimed by the taxpayer.

The EDA-20-S, Request for Documentation – Verification of Supplemental Nutrition Assistance Program (SNAP) Redemptions, is part of the EDA-20 series of letters requesting documentation from outside sources. This letter is not associated with a specific case or working paper. The EDA-20-S does require the taxpayer's signature for consent for release of information.

Since the letter is sent to the Department's SNAP contact at the US Department of Agriculture, and not the taxpayer, it is not published to the taxpayer's MyTax account.

9.1.24   IDOR-8-FF, Audit Correspondence (Free Form)

The IDOR-8-FF is a free form letter the auditor may use to request specific information from the taxpayer. This form is typically used in conjunction with form ST-44 and RUT-25 reviews.

The IDOR-8-FF is published to their MyTax account.

9.1.25   EDA-8-SCRR, Service Cost Ratio Results

The EDA-8-SCRR, Service Cost Ratio Results, pulls information from the ST-1 Cost Ratio Working Paper and is used to identify the tax obligation of servicemen based on the analysis of their records. This letter is published to the taxpayer's MyTax account.

9.1.26   EDA-8-FTRNOP, Audit Fast Track Resolution Program Notice of Eligible Tax Liability, Claim Denial, and Tax Liability and Claim Denial

If a taxpayer is eligible to participate in the Fast Track Resolution Program, the EDA-8-FTRNOP, Audit Fast Track Resolution Program Notice of Eligible Tax Liability, Claim Denial, or Tax Liability and Claim Denial, is presented to the taxpayer at the conclusion of audit work to document the proposed findings and to inform the taxpayer of their option to apply for the FTR program. The date on this letter begins the taxpayer's 20-day review period to request a conference in FTR.

The EDA-8-FTRNOP, is systematically generated once the audit stage is advanced to *FTR Notice Issued*. If the letter is not printed manually, it is automatically printed during the nightly run. The letter also appears on the taxpayer's MyTax account. The taxpayer may respond via MyTax to request a conference.

9.1.27   IDOR-8-FTR1, FTR Application

The IDOR-8-FTR1, Audit Fast Track Resolution Program Application, is used by the taxpayer to apply for a Fast Track Resolution review. The taxpayer must submit their completed FTR application by email or via their MyTax Illinois account within 20 days of the date on the EDA-8-FTRNOP, Audit FTR – Notice of Eligible Tax Liability, Claim Denial, or Tax Liability and Claim Denial.

Department policy determines the taxpayer's who are allowed to apply to the Fast Track Resolution (FTR) Program for review. The application contains a waiver that extends the statute until 120-days from the date on the IDOR-8-FTR6, Closing Memorandum, unless the original statute date is later. If no resolution is reached at the FTR Conference, the taxpayer withdraws, or the FTR application is denied or dismissed, the taxpayer retains their ICB rights.

The taxpayer can obtain the application on the Department's website or through their MyTax account.

9.1.28   IDOR-8-FTR2, Notice of Application Approval

The IDOR-8-FTR2, Notice of Application Approval, is a letter providing official notification to taxpayers that their FTR application has been approved. The IDOR-8-FTR2 is generated from the FTR case by the FTR facilitator. Taxpayers may view the IDOR-8-FTR2 in their MyTax account and this letter may be manually printed and emailed to the taxpayer or their authorized representative.

9.1.29   IDOR-8-FTR3, Notice of FTR Conference

The IDOR-8-FTR3, Notice of FTR Conference, provides official notification of the date, time, and location of the scheduled FTR conference. The FTR conference may be held in person at the Chicago or Springfield office or may be held virtually via Webex. The IDOR-8-FTR3 is generated from the FTR case by the FTR facilitator. Taxpayers may view the IDOR-8-FTR3 in their MyTax account and this letter may be manually printed and emailed to the taxpayer or their authorized representative.

9.1.30   IDOR-8-FTR5, Audit Fast Track Resolution Fact Sheet

The IDOR-8-FTR5, Audit Fast Track Resolution Fact Sheet, provides the taxpayer with information regarding the Fast Track Resolution (FTR) Program such as the program overview, application process, advantages of pursuing FTR, etc. The IDOR-8-FTR5 is not sent to the taxpayer but is made available on the Department's website.

9.1.31   IDOR-8-FTR6, Closing Memorandum

The IDOR-8-FTR6, Closing Memorandum, provides the taxpayer with official notification of the results of the FTR conference. The IDOR-8-FTR6 is generated from the FTR case by the FTR facilitator. Taxpayers may view the IDOR-8-FTR6 in their MyTax account and this letter may be manually printed and emailed to the taxpayer or their authorized representative.

9.1.32   EDA-8-NOPS, Notice of Proposed Audit Results (ICB)

The EDA-8-NOPS, Notice of Proposed Audit Results, is presented to the taxpayer to document the proposed audit findings and to inform the taxpayer of their right to petition for an Informal Conference Board (ICB) review. If the taxpayer was eligible for FTR, it is presented when the taxpayer's Fast Track Resolution conference closes with no resolution or the taxpayer indicates that they are not going to participate in FTR. If the taxpayer was not eligible for FTR, it is presented at the conclusion of audit work. This letter begins the taxpayer's 60-day review period during which they may petition ICB.

The EDA-8-NOPS Notice of Proposed Audit Results is systematically generated once the audit stage is advanced to ICB Notice Issued. If the letter is not printed manually, it is automatically printed during the nightly run. The letter also appears on the taxpayer's MyTax account.

9.1.33   EDA-ICBW, Informal Conference Board Waiver

The EDA-ICBW, Informal Conference Board Waiver, is provided to the taxpayer when they are notified of their ICB rights with an EDA-8-NOPS, Notice of Proposed Audit Results (ICB Notice). The two letters are systematically generated together when the audit stage advances to ICB Notice Issued. The EDA-ICBW cannot be independently generated. The taxpayer can view and submit a response through their MyTax account if they choose to expedite the audit process and waive their right to seek review by the Informal Conference Board.

9.1.34   EDA-8-SR, Sales/Receipts Reconciliation Summary

The EDA-8-SR, Sales/Receipts Reconciliation Summary is a summary of the reconciliation of the Returns as Filed, Books and Records, Income Tax Return, and Other sources. This report provides a break down by source as well as by filing period. The EDA-8-SR will appear on the taxpayer's MyTax account.

9.1.35   EDA-120, Notice of Audit Noncompliance

The EDA-120, Notice of Audit Noncompliance, is used to inform a taxpayer under audit of the tax laws or regulations for which they were not in compliance.

When possible, auditors should include all significant noncompliance issues on one EDA-120 generated towards the end of the audit. There may be situations, however, where an auditor may need to issue more than one EDA-120. For example, an auditor may believe they need to issue an early EDA-120 to try to encourage a taxpayer to come into immediate compliance. Auditors may also need to issue an additional EDA-120 if they identify more than five areas of noncompliance since the current version of the form is limited to five entries.

Auditors no longer need to seek a signature from the taxpayer or sign the EDA-120 themselves. If the EDA-120 is signed, the signed EDA-120 should be included in the audit's Electronic Documents subtab.

9.1.36   EDA-164, Manufacturing Purchase Credit Auditor's Report

The EDA-164, Manufacturing Purchase Credit Auditor's Report, has replaced the MPC-1 form and is used to verify the amount of MPC the taxpayer wishes to apply to their Use Tax and Service Use Tax liability in lieu of other payment. This form is only used for ST-1 audits when the auditor is making changes to Line 16a of the ST-1 return. The EDA-164 is manually generated by the auditor and may be electronically signed in MyTax Illinois.

Note: Manufacturing Purchase Credit can no longer be earned due to its August 30, 2014, sunset date. Any available Manufacturing Purchase Credits remaining on a taxpayer's account which had been previously earned may only be used in audits holding the statutes open.

The taxpayer can sign the EDA-164, Manufacturing Purchase Credit Auditor's Report through their MyTax account. Submitting the response to the EDA-164 is considered an agreement; there is no way to submit the response to the EDA-164 to indicate that the taxpayer does not agree.

9.1.37   EDA-8-ARO, Auditor's Report

The EDA-8-ARO, Auditor's Report, constitutes an amended return for purposes of the Uniform Penalty and Interest Act, Section 3-3. A statement is included on the Auditor's Report explaining that "by signing the Auditor's Report they are waiving their right to seek review by ICB".

The EDA-8-ARO, Auditor's Report, is systematically generated once the audit stage is advanced to Issued Audit Results. If the letter is not printed manually and provided to the taxpayer, it is automatically printed during the nightly run. The taxpayer can also view and respond to the EDA-8-ARO through their MyTax account.

Note: If negligence or fraud penalties are assessed in the audit, the taxpayer will also be able to agree to those penalties separately on the EDA-8-ARO.

The taxpayer can sign the EDA-8-ARO, Auditor's Report, on paper or through their MyTax account.

9.1.38   EDA-8-NAR, Notice of Audit Results

The EDA-8-NAR, Notice of Audit Results, provides the taxpayer with a summary of the audit results including the tax, penalty, and interest, as well as the total for each period within the scope of the audit. If any tax, penalty, or interest has been paid or offset by any payments or credits, the amounts shown may be reduced to reflect the remaining balances due net of payments. The EDA-8-NAR also provides the taxpayer with the required action they must take, for both agreement and disagreement with the audit. The EDA-8-NAR is systematically generated along with the EDA-8-ARO, Auditor's Report, when the audit stage advances to Issued Audit Results. The EDA-8-NAR is available for review on MyTax.

9.1.39   EDA-143-NC, Notice of Audit Results

The EDA-143-NC, Notice of Audit Results, is used to notify the taxpayer the review of their original or amended tax return(s) has been completed and no audit adjustments have been made. This letter is for non-integrated audits only.

9.1.40   EDA-152, Claim Withdrawal

Form EDA-152, Claim Withdrawal, is a standardized letter for auditors to use when they have a taxpayer who wants to withdraw their claim. The purpose is to avoid requiring the taxpayer to write a memo or letter where there could be various formats of the same "Letter of Withdrawal". This letter states that the taxpayer agrees to the audit adjustments, including any reduced claim amounts, that the claim adjustments will be processed with the audit results on the appropriate auditor's report, and that they intend to withdraw their original claim amounts in full.

This letter automatically generates along with the EDA-8-ARO, Auditor's Report, when the audit is staged to *Issued Audit Results* if the audit includes a Claims working paper with an amount in the Claim Amount Denied column.

Note: this letter is not generated or required for fully approved claims. This letter cannot be manually added to the audit.

The taxpayer can provide the auditor with a signed hardcopy of the EDA-152, or it may be electronically signed through the taxpayer's MyTax account. If they submit a response to the EDA-152 through their MyTax account, it is considered as an agreement for the audit. There is no way to submit the response to the EDA-152 to indicate that the taxpayer does not agree to the audit.

9.1.41 EDA-170, Global Exceptions Accumulations Allowed (general)

The EDA-170, Global Exceptions Accumulations Allowed, is part of the EDA-170 series of letters provided to the taxpayer showing the audit results. The EDA-170, Global Exceptions Accumulations Allowed, is the letter that documents exceptions noted during some stage of the audit that were later removed from the list of exceptions and thus not included as part of the final assessment. The EDA-170 consolidates the allowed exceptions related to all the Exceptions Working Papers, both Sales and Purchases. The letter will not be available if there are no allowed exceptions. This letter is manually generated as needed by the auditor but should not be used for Leveling the Playing Field/CAA audits. There is a CAA version of the letter (EDA-170-CAA) the auditor can manually create if necessary.

9.1.42 EDA-170-CAA, Global Exception Accumulations Allowed

The EDA-170-CAA, Global Exceptions Accumulations Allowed, is part of the EDA-170 series of letters provided to the taxpayer to report exception entries that were wholly or partially allowed during some stage of the audit that were later removed from the list of exceptions and thus not included as part of the final assessment. The EDA-170-CAA consolidates the allowed exceptions related to all the Exceptions Working Papers, both Sales and Purchases, that were created by CAA populations. The allowed exceptions are listed by working paper population. The letter will not be available if there are no allowed exceptions and entries allowed using the Item not Questioned functionality will not appear. This letter is manually generated as needed by the auditor but should not be used for Leveling the Playing Field/CAA audits.

9.1.43 EDA-171, Global Taxable Exceptions Detailed Report (general)

The EDA-171, Global Taxable Exceptions Detailed Report, is part of the EDA-170 series of letters provided to the taxpayer showing the audit results. The EDA-171, Global Taxable Exceptions Detailed Report, documents the exceptions that contribute to the audit assessment from the Sales Exception and Purchases Exception Working Papers. The letter will not be available if there are no exceptions. This letter is manually generated as needed and should not be used for Leveling the Playing Field/CAA audits. There is a CAA version of the letter (EDA-171-CAA) the auditor can manually create if necessary.

9.1.44 EDA-171-CAA, Global Taxable Exceptions Detailed Report

The EDA-171-CAA functions in a manner like that of the EDA-171, Global Taxable Exceptions Detailed Report that is used for audits completed without the assistance of the CAAG. The EDA-171-CAA, Global Taxable Exceptions Detailed Report, documents the exceptions accumulated in the Sales

Exception and Purchases Exception Working Papers generated by way of CAA population cases. The exceptions are listed by working paper population. The letter will not be available if there are no exceptions. This letter is manually generated as needed and is not used for Leveling the Playing Field audits completed by CAA.

9.1.45   EDA-171-A, Accrual Reconciliation Exceptions Summary

The EDA-171-A, Accrual Reconciliation Exceptions Summary, is part of the EDA-170 series of letters provided to the taxpayer showing the audit results. The EDA-171-A, Accrual Reconciliation Exceptions Summary, documents for the taxpayer the exceptions only from the Schedule 5 Working Paper that contribute to the audit assessment. The letter will be published to the taxpayer's MyTax account. This letter should be manually generated when there is a Schedule 5 Working Paper present on the audit.

9.1.46   EDA-171-T, Taxable Exceptions Summary

The EDA-171-T, Taxable Exceptions Summary, is part of the EDA-170 series of letters provided to the taxpayer showing audit results. The EDA-171-T organizes the taxable exceptions from both the Sales Exception and Purchases Exception Working Papers by the location they are attributable. This letter is manually generated as needed and should not be used for Leveling the Playing Field/CAA audits. There is a CAA version of the letter (EDA-171-T-CAA) the auditor can manually create if necessary.

9.1.47   EDA-171-T-CAA Taxable Exceptions Summary

The EDA-171-T-CAA, Taxable Exceptions Summary, is another letter in the EDA-170 series of letters provided to the taxpayer showing audit results for CAA populations. The EDA-171-T-CAA organizes the taxable exceptions by the adjustment address location assigned when entering exceptions into the Sales Exception Working Paper and/or Purchases Exception Working Papers. The exceptions are listed by working paper population. This letter is manually generated as needed and should not be used for Leveling the Playing Field audits completed by CAA

9.1.48   EDA-172, Exceptions Projection Summary

The EDA-172, Exceptions Projection Summary, is part of the EDA-170 series of letters provided to the taxpayer showing audit results. The EDA-172, Exception Projection Summary, documents for the taxpayer the projections from both the Sales Exception and Purchases Exception Working Papers. This letter is manually generated as needed and should not be used for Leveling the Playing Field /CAA audits. There is a CAA version of the letter (EDA-172-CAA) the auditor can manually create if necessary.

9.1.49   EDA-172-CAA, Exception Projection Summary

The EDA-172, Exceptions Projection Summary, is part of the EDA-170 series of letters provided to the taxpayer showing audit results. The EDA-172, Exception Projection Summary, documents for the taxpayer the taxable base for projections completed for both the Sales Exception and Purchases Exception Working Papers. The projections are listed by working paper population. The values shown on this letter are representative of the taxable base computed by the estimators applied to the

exceptions indicated for CAA stratified statistical samples. This letter is manually generated as needed and should not be used for Leveling the Playing Field audits completed by CAA.

9.1.50   EDA-172-G, Fuel Exception Summary

The EDA-172-G, Fuel Exception Projection Summary, is part of the EDA-170 series of letters that show audit results. The EDA-172-G, Fuel Exception Projection Summary, is used to provide the taxpayer the calculations and audit results from the Fuel working paper. The Fuel Exception Projection Summary is the printed version of the ST-1 Fuel working paper. The first page of the EDA-172-G shows the total audit results for each fuel type for the entire audit period.

The EDA-172-G is manually generated and will be available on the taxpayer's MyTax account for them to view. If the taxpayer does not have a MyTax account, the auditor will need to print the letter to present to the taxpayer.

9.1.51   EDA-172-K, 1099-K Exception Projection Summary

The EDA-172-K, 1099-K Exceptions Summary, letter is used to provide the taxpayer the calculations and audit results from the 1099K working paper. The EDA-172-K, 1099-K Exceptions Summary, is the printed version of the ST-1 1099K working paper. It is part of the EDA-170 series of letters that show audit results to provide to the taxpayer. The first page of the EDA-172-K shows the total taxable sales including tax per 1099-K for the entire audit period.

The EDA-172-K will be available on the taxpayer's MyTax account for them to view. If the taxpayer does not have a MyTax account, the auditor will need to print the letter. This letter is manually generated as needed and should not be used for Leveling the Playing Field/CAA audits.

9.1.52   EDA-172-L, Location Adjustment Detail Summary Report

The EDA-172-L, Location Adjustment Detail Summary Report, is part of the EDA-170 series of letters that show audit results to provide to the taxpayer. The EDA-170-L is a detailed overview of taxes collected, taxes remitted, and taxes due for each registered location. This letter pulls information from the Location Verification Working Paper which is used to ensure tax was reported to the correct sales locations. The EDA-172-L is manually generated as needed and should not be used for Leveling the Playing Field/CAA audits.

9.1.53   EDA-172-M, Markup Exception Summary

The EDA-172-M, Markup Exceptions Summary, letter is used to provide the taxpayer the calculations and audit results from the ST-1 Markup working paper. The EDA-172-M, Markup Exceptions Summary, is the printed version of the ST-1 Markup working paper. It is part of the EDA-170 series of letters that show audit results to provide to the taxpayer. The first page of the EDA-172-M shows the total projections for the entire audit period.

The EDA-172-M is manually generated and will be available on the taxpayer's MyTax account for them to view. If the taxpayer does not have a MyTax account, the auditor will need to print the letter to present to the taxpayer.

9.1.54 EDA-173, Audit Summary Analysis Report (line-item changes) – General

The EDA-173, Audit Summary Analysis Report, documents for the taxpayer the results of the ST-1 Summary Working Paper. This letter organizes the audit adjustments by the ST-1 return line, in addition to presenting both the original return as filed amount and the amount as corrected by the audit. The report consists of both an audit period summary total and the results by filing period.

The EDA-173 is system generated with audit staging and will be available on the taxpayer's MyTax account for them to view. It can also be manual generated at any time. If the taxpayer does not have a MyTax account, the auditor will need to print the letter to present to the taxpayer.

9.1.55 EDA-174, Interest Computation Summary Report

The EDA-174, Interest Computation Summary Report, documents for the taxpayer the preliminary interest calculations. The EDA-174 provides a detailed breakdown by filing period and amount subject to interest for all interest that will be applied to the audit. This report will not include periods that will result in a credit until the credit has been converted to a credit memorandum.

The EDA-174 Interest Computation Summary Report is system generated with audit staging and will be published to the taxpayer's MyTax account. It can also be manually generated at any time. If the taxpayer does not have a MyTax account, the auditor will need to print the letter to present to the taxpayer and will publish to the taxpayer's MyTax account.

9.1.56 EDA-175, Penalty Computation Summary Report

The EDA-175, Penalty Computation Summary Report, documents for the taxpayer the preliminary penalties. The EDA-175 provides the taxpayer with a detailed breakdown by penalty type, filing period, tax amount, and penalty amount for all penalties that will be assessed in the audit (with the exceptions of the records penalty).

The EDA-175, Penalty Computation Summary Report, is system generated with audit staging and will publish to the taxpayer's MyTax account. It can also be manually generated at any time. If the taxpayer does not have a MyTax account, the auditor will need to print the letter to present to the taxpayer.

9.1.57 EDA-176, Multi-Site Summary Report

The EDA-176, Multi-Site Summary Report, documents for the taxpayer the results of the ST-2 tab of the Summary Working Paper. This letter organizes the audit adjustments by the ST-2 return line, in

addition to presenting both the original return as filed amount and the amount as corrected by the audit. The report consists of summary totals per location and the results as allocated to each active location, for each filing period.

The EDA-176 will be available on the taxpayer's MyTax account. If the taxpayer does not have a MyTax account, the auditor will need to print the letter. This letter is manually generated as needed and should not be used for Leveling the Playing Field/CAA audits.

9.1.58   IDOR-8-ATQ, (Post Audit) Taxpayer Questionnaire – Field

The IDOR-8-ATQ, Taxpayer Questionnaire, is a letter sent to all taxpayers after a field audit has been concluded requesting feedback regarding their experience with the audit process. This letter is systematically generated during the nightly run when the audit stage is advanced to Transmit. The taxpayer can view and submit a response through their MyTax account. They may also respond via email or by returning the completed questionnaire to the address listed on the letter. The letter is issued with the Division Manager's name and signature.

9.1.59   IDOR-8-ATQ-InHs, (Post Audit) Taxpayer Questionnaire – In-House

The IDOR-8-ATQ-InHs, Taxpayer Questionnaire, is a letter sent to all taxpayers after a desk audit has concluded requesting feedback regarding their experience with the audit process. This letter is systematically generated during the nightly run when the audit stage is advanced to Transmit. The taxpayer can view and submit a response through their MyTax account. They may also respond via email or by returning the completed questionnaire to the address listed on the letter. The letter is issued with the Division Manager's name and signature.

9.1.60   RA-5107, Notice of Tax Liability

The RA-5107, Notice of Tax Liability, is issued to taxpayers who do not agree with a sales or miscellaneous tax audit liability. After the audit is staged to *Post*, the letter is generated during the overnight billing cycle for each period in the audit that has an unagreed liability. It informs the taxpayer of their ability to protest the audit findings. The taxpayer has 60 days to file a protest. If they do not protest within the 60 days, they receive an IDOR-2P-BILL, Final Notice of Tax Due. One RA-5107 will be generated for every period with an outstanding liability in the unagreed audit. This letter can only be viewed at the customer level, not the audit level, in the Department's internal software.

9.1.61   IDOR-8-5107C, Audit Liability Summary

The IDOR-8-5107C, Audit Liability Summary, is a cover letter that will precede all of the NTL's issued for an audit. It provides a brief summary of the audit liability including the amount due for tax, penalties, interest, and the total balance. This letter also provides a summary of the protestable notices and information regarding the protest process. This SOA, Statement of Account, will always accompany the IDOR-8-5107C.

9.1.62   RA-5207, Notice of Assessment

The RA-5207, Notice of Assessment, is issued to taxpayers who agree with a sales or miscellaneous tax audit liability but do not pay the full amount of tax, penalties, and interest due. After the audit is staged to *Post*, the letter is generated during the overnight billing cycle for each period in the audit that has an agreed liability.

9.1.63   EDA-8-TADC, Notice of Tentative Audit Denial of Claim

The EDA-8-TADC, Notice of Tentative Audit Denial of Claim, is the official notification to the taxpayer that their claim requested is denied in part or in full. This notice also provides the next steps to take if the taxpayer does or does not agree with this decision. It is substantially similar to the EDA-147 that it has replaced. This letter will only be issued if the taxpayer's claims were denied but the audit does not result in a net tax liability.

If the Notice of Tentative Audit Denial of Claim letter is not printed manually to be emailed to the taxpayer, then it will be Batch Printed in the nightly. The letter is only issued by Technical Support and will appear on the taxpayer's MyTax account.

9.1.64   EDA-162, Records Penalty

The EDA-162, Penalty for Failure to Produce Records Notice of Assessment, is issued automatically after the stage of the audit is changed to Post if the Audit Books and Records Penalty Working Paper was created and approved.

Any taxpayer receiving an EDA-162, Penalty for Failure to Produce Records Notice of Assessment, may, within 20 days of the notice of penalty, protest the proposed imposition of this penalty. The Records Penalty is only protestable at Administrative Hearings; therefore, the taxpayer should not be directed to Fast Track Resolution (FTR), the Informal Conference Board (ICB), or Tax Tribunal.

After the 20-day protest period has expired, the IDOR-2PEN-BILL, Final Notice of Penalty Due, will be issued which makes the records penalty final.

9.1.65   EDA-129, Notice of Audit Closure

The EDA-129 provides formal notification to the taxpayer that the audit has been closed and no further action regarding the audit is needed. This letter is systematically generated when the audit stage is To Stores. It is issued with the Audit Program Administrator's name and signature.

9.1.66   SOA, Statement of Account

The SOA, Statement of Account, provides the taxpayer with a brief overview of a specific period within an account. The SOA provides the tax, penalty, interest, payments/credits, and current balance for the requested period. It also provides a payment voucher if the taxpayer wants to make a payment via mail.

This letter is not routinely issued during an audit. This letter will issue systematically with the NTL or may be manually issued if a taxpayer requests it.

9.1.67   IDOR-8-DP, Direct Payment Permit Information

The IDOR-8-DP, Direct Payment Permit Information letter is essentially a cover letter for the ST-45, Direct Pay Program Application. Taxpayers are instructed to apply by completing and submitting the attached Form ST-45, Direct Payment Permit Program Application. This letter is manually generated from the Sales tax account after hearing of interest to apply to the program. The letter will be on the taxpayer's MyTax account.

The taxpayer can respond to the IDOR-8-DP via their MyTax account. A notification is sent to the Direct Pay Program Administrator when the response to the letter is submitted. They can also provide the response electronically via email to REV.IllinoisDirectPaymentProgram@Illinois.gov.

9.1.68   IDOR-8-DPI, Direct Pay Permit Issued

The IDOR-8-DPI letter is essentially a cover letter used for issuing or reissuing the Direct Pay Permit (ST-46). This letter is manually generated from the Sales tax account after the taxpayer has been approved for the Direct Pay Program. It will be published to the taxpayer's MyTax account. The effective date of the ST-46, Enrollment Approved date and participant type is then recorded on the account level attributes subtab.

9.1.69   IDOR-8-DPD, Direct Payment Permit Application Denied

The IDOR-8-DPD letter is used to inform the taxpayer that the application for participation in the Direct Pay Program is denied. The letter may be issued upon receipt of a ST-45 that does not meet the criteria of the program or after examination of the taxpayer's activity and/or record keeping proves them to be ineligible.