

This letter describes when local sales taxes are imposed in Illinois. See 86 Ill. Adm. Code 270.115. (This is a GIL.)

November 20, 2009

Dear Xxxxx:

This letter is in response to your letter received by the Legal Services Office on October 2, 2009, in which you request 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:

This letter is to ask for a general letter ruling on the following question.

If an order for Gasoline and/or Diesel fuel is taken outside of the state of Illinois and picked up at an Illinois terminal for delivery in the state of Illinois. What sales tax rate is applicable?

Thank you for your prompt attention to this matter. If you have any questions, please contact me.

DEPARTMENT’S RESPONSE:

Based on the very limited information in your letter, we are assuming you are inquiring about Retailers’ Occupation Tax and local occupation taxes. The regulations governing the Retailers’ Occupation Tax are found at 86 Ill. Adm. Code Part 130.

We direct your attention to the Department’s regulation at 86 Ill. Adm. Code 270.115 concerning Home Rule Municipal Retailers’ Occupation Tax, which can be found on the Department’s website. This regulation provides, in part:

“If a purchase order is accepted outside this State but the tangible personal property which is sold is in an inventory of the retailer located within a home rule municipality at the time of its sale (or is subsequently produced in the home rule municipality), then delivered in Illinois to the purchaser, the place where the property is located at the time of the sale (or subsequent production in the home rule municipality) will determine where the seller is engaged in business for Home Rule Municipal Retailers' Occupation Tax purposes with respect to such sale.” 86 Ill. Adm. Code 270.115(b)(3).

For your information, tax rates for local taxes that the Department administers are available on the Department's web site under the tab "Tax Rate Finder". For information regarding local taxes not administered by the Department, you may contact local jurisdictions.

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

DMB:msk