

This letter rescinds Private Letter Ruling ST 06-0003-PLR. A Private Letter Ruling will not be issued concerning the exemption provided for building materials that will be incorporated into real estate located in an enterprise zone under 86 Ill. Adm. Code 130.1951 unless the taxpayer supplies the Department with a copy of the Certificate of Eligibility for Sales Tax Exemption issued by the administrator of the enterprise zone or zones in which the project is located. See 86 Ill. Adm. Code 130.1951. (This is a PLR.)

October 30, 2008

Dear Xxxxx:

This Private Letter Ruling, issued pursuant to 2 Ill. Adm. Code 1200.110, is sent to rescind Private Letter Ruling ST 06-0003-PLR (copy enclosed) that was sent to you dated March 27, 2006.

The decision to rescind Private Letter Ruling ST 06-0003-PLR is due to the hypothetical nature of the request. As stated in the administrative rules “[a] private letter ruling will not be issued on hypothetical situations.” See subpart (a)(3) of 2 Ill. Adm. Code 1200.110. Upon review of this private letter ruling request, the Private Letter Ruling Committee noted that the letter ruling request indicated that the taxpayer had been in discussions with officials from the State of Illinois and the various units of local government to expand their enterprise zones to include the project. No evidence was provided that this matter had been resolved at the time of the ruling request.

The Private Letter Ruling Committee has determined that the issuance of a Private Letter Ruling on such a hypothetical situation was in error. Hereafter, one of the prerequisites for the issuance of a Private Letter Ruling on this issue is that the taxpayer must supply a copy of the Certificate of Eligibility for Sales Tax Exemption issued by the administrator of the enterprise zone or zones in which the project is located.

In addition to providing a copy of the Certificate of Eligibility for Sales Tax Exemption, other documentation must be provided in order for the Committee to evaluate a Private Letter Ruling request concerning the sales tax exemption provided for building materials that will be incorporated into real estate located in an enterprise zone under 86 Ill. Adm. Code 130.1951. The Committee will require supporting materials be provided, including specific descriptions of each of the items listed in the request, explanations of how those items will be incorporated into the real estate, pictures, diagrams, blueprints, and any other supporting material necessary to clearly show that the items requested meet the requirements for the exemption.

Section 4(c) of the Taxpayers’ Bill of Rights directs the Department to abate taxes and penalties assessed based upon erroneous written information or advice given by the Department. Consequently, your client will not incur tax liability as a result of its reliance upon the specific provisions of the Private Letter Ruling sent to you on March 27, 2006. However, upon issuance of this Private Letter Ruling, the provisions of this Private Letter Ruling rescinding Private Letter Ruling ST 06-0003-PLR shall become effective.

If you have questions concerning this Private Letter Ruling, you may contact me at (217) 782-2844. If you have further questions related to the Illinois sales tax laws, 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.]

Sincerely,

Terry Charlton  
Chairman, Private Letter Ruling Committee

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