

The certification requirements of a seller in relation to a sale involving rolling stock may be found at 86 Ill. Adm. Code 130.340. (This is a GIL.)

October 13, 2005

Dear Sir or Madam:

This letter is in response to your letter dated April 8, 2005, 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:

Today I spoke with an agent (Jim) at the Illinois department of Revenue Business Hotline (217-524-4772). Our question was regarding the use of this form, and who would qualify. We have received the bulletin stating the requirements that these customers must use the vehicles for at least 50% out of state use.

Agent Jim, stated that if the customer signs the RUT-7, he is certifying that he qualifies for this exemption of any sales tax, but it may be up to the customer to verify this exemption in the event he is audited.

Again, for our records, ABC would like something in writing from the Illinois Department of Revenue stating that in any event where a customer requested using an RUT-7, and certifies that he qualifies, but actually does not. That we are not subject to paying any sales tax or penalties because of a customer misrepresentation to us or the State of Illinois.

Should you have any questions, please contact PERSON.

DEPARTMENT'S RESPONSE:

The certification requirements of a seller in relation to a sale involving rolling stock may be found at 86 Ill. Adm. Code 130.340(f). Retailers who exercise good faith in accepting such a fully

completed certification are not required to verify that the purchaser uses the vehicle in a qualifying manner.

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. If you are not under audit and you wish to obtain a binding PLR regarding your factual situation, please submit a request conforming to the requirements of 2 Ill. Adm. Code 1200.110 (b).

Very truly yours,

Edwin E. Boggess
Associate Counsel

EEB:msk