

This letter directs readers to a previous General Information Letter issued by the Department concerning local taxes and nexus. See 86 Ill. Adm. Code 270.115. (This is a GIL.)

November 28, 2005

Dear Xxxxx:

This letter is in response to your letter dated November 9, 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](http://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:

We are an out-of-state small business which pays Illinois sales tax. We have been collecting and paying sales tax at the 6.25 % rate. Recently we had a customer ask us regarding a higher tax rate for his area. Are we supposed to collect these local higher rates, or are we merely supposed to collect the 6.25% rate? If we are supposed to collect the different rate, we need information regarding how to do this. If we are doing it correctly, please let us know by return letter.

Thank you very much for your time and assistance.

**DEPARTMENT'S RESPONSE:**

You have inquired concerning the tax rate for sales from companies located outside of Illinois. For information concerning NEXUS and LOCAL TAXES please see the following General Information Letter: ST 03-0143-GIL (enclosed) and the regulations cited in that letter.

I hope this information is helpful. If you require additional information, 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. 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).

Sincerely,

Samuel J. Moore  
Associate Counsel

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