

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.2080	Sales to Governmental Bodies, Foreign Diplomats and Consular Personnel
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**TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE**

Section 130.2080 Sales to Governmental Bodies, Foreign Diplomats and Consular Personnel

- a) Exemption Identification Number. On and after January 1, 2015, except as provided in subsections (b) and (c), sales of tangible personal property made to a governmental body (federal, State, local or foreign) are exempt from the Retailers' Occupation Tax only if the governmental body has an active exemption identification number ("E-number") issued by the Department and it provides this active E-number to the retailer, who records that number instead of collecting the tax. In addition, only sales of tangible personal property invoiced directly to and paid by governmental bodies that possess active E-numbers are exempt. If an individual government employee provides a credit card to the retailer containing the name of the employee along with the name of the governmental body, tax will be due even if the employee provides an active E-number. However, until December 31, 2014, retailers may accept U.S. Government Bank Cards in sales to the U.S. Government and its agencies without requiring an Illinois active exemption identification number.
 - 1) For the foregoing purposes, the date of sale is considered to be the date of delivery to the purchaser.
 - 2) The purchase of meals, fuel and other tangible personal property by corporations in Illinois are taxable sales at retail, unless otherwise exempt, notwithstanding the fact that the stock of such corporations may be owned exclusively or in part by foreign governments.

- b) Diplomatic Tax Exemption Cards. The U.S. State Department, Office of Foreign Missions ("OFM"), issues Diplomatic Tax Exemption Cards to accredited foreign diplomatic and consular officials. Under the authority of the federal Foreign Missions Act (22 USC 4301 through 4316), various tax exemptions are granted to foreign diplomatic and consular officials on their purchases. When making a purchase, the holder must present the card to the retailer, who records the card number instead of collecting the tax. The validity of the Diplomatic Tax Exemption Card can be confirmed electronically using the Department of State's Diplomatic Tax Exemption Card Verification system, which is available at <https://ofmapps.state.gov/tecv/>.
 - 1) Illustration A. Illustration A depicts examples of the four types of Diplomatic Tax Exemption Cards currently being issued. The exemptions identified on the card to which the cardholder is entitled are unique to the cardholder. The determination of eligibility for an exemption is made on a case-by-case basis. It is important to look at the card carefully to determine whether a specific purchase qualifies for an exemption.

- 2) Some cardholders are issued a card labeled "Mission Tax Exemption – Official Purchases Only" that permits the cardholder to make official purchases only. All mission purchases made with this type of Diplomatic Tax Exemption Card must be paid only by check or credit card bearing the name of the associated diplomatic or consular mission.
 - 3) Some cardholders are issued a card labeled "Personal Tax Exemption". This card does not restrict the form of payment associated with its use (e.g., the cardholder could pay by cash, personal check or credit card).
 - 4) Diplomatic Tax Exemption Cards, alone, do not provide an exemption from Illinois occupation or use taxes on vehicles. OFM administers the exemption when a foreign mission or official buys a vehicle from a retailer. The purchaser must first present a Diplomatic Tax Exemption Card to the retailer. The retailer must retain a copy of this card and contact OFM at (202) 895-3500. OFM will determine the tax-exempt status of the purchaser. If the purchaser qualifies for an exemption, OFM will provide a letter to the retailer that states that the purchaser is eligible for a tax exemption on the sale of the vehicle. Only authorization letters provided directly from OFM to the retailer, along with a copy of the Tax Exemption Card, will be accepted by the Department as documentation for the exemption.
- c) Taipei Economic and Cultural Representative Office Cards. The American Institute in Taiwan/Washington (AIT/W), pursuant to the provisions of 22 USC 3301 et seq., the Taiwan Relations Act (P.L. 96-8), and Executive Order 13014, with the authority of the Secretary of State, U.S. Department of State, issues Mission Tax Exemption Cards and Personal Tax Exemption Cards to officials of the Taipei Economic and Cultural Representative Office (TECRO). Under the authority of the Taiwan Relations Act, various tax exemptions are granted to officials on their purchases. When making a purchase, the cardholder must present it to the retailer, who records the card number instead of collecting the tax.
- 1) Illustration A. Illustration A depicts examples of the types of tax exemption cards currently being issued. The exemptions identified on the card to which the cardholder is entitled are unique to the cardholder. The determination of eligibility for an exemption is made on a case-by-case basis. It is important to look at the card carefully to determine whether a specific purchase qualifies for an exemption.
 - 2) Tax Exemption Cards, alone, do not provide an exemption from Illinois occupation or use taxes on vehicles. AIT/W administers the exemption when an official buys a vehicle from a retailer. The purchaser must first present a Tax Exemption Card to the retailer. The retailer must retain a copy of this card and contact AIT/W at (703) 525-8474. AIT/W will determine the tax-exempt status of the purchaser. If the purchaser qualifies for an exemption, AIT/W will provide a letter to the retailer that states that the purchaser is eligible for a tax exemption on the purchase of the vehicle. Only authorization letters provided directly from AIT/W to the retailer, along with a copy of the Tax Exemption Card, will be accepted by the Department as documentation for the exemption. AIT/W requires that dealers do all title work for the sale of a vehicle.

(Source: Amended at 39 Ill. Reg. 1793, effective January 12, 2015)