

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.1949 Sales of Building Materials Incorporated into the South Suburban Airport
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**TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 130
RETAILERS' OCCUPATION TAX**

Section 130.1949 Sales of Building Materials Incorporated into the South Suburban Airport

- a) Section 1s of the Retailers' Occupation Tax Act creates an exemption for the sale of building materials to be incorporated into the South Suburban Airport as defined in the Public Private Agreements for South Suburban Airport Act [620 ILCS 75]. *Each retailer that makes a qualified sale of building materials to be incorporated into the South Suburban Airport, by remodeling, rehabilitating, or new construction, may deduct receipts from those sales when calculating the tax imposed by the Retailers' Occupation Tax Act. As used in this Section, "qualified sale" means a sale of building materials that will be incorporated into the South Suburban Airport for which a Certificate of Eligibility for Sales Tax Exemption has been issued by the Illinois Department of Transportation (IDOT), which has authority over the project. [35 ILCS 120/1s] A purchaser shall not make tax-free purchases unless it has an active Certificate of Eligibility for Sales Tax Exemption issued by IDOT at the time of purchase.*

- b) *To document the exemption allowed under this Section, the retailer must obtain from the purchaser:*
 - 1) *a copy of the Certificate of Eligibility for Sales Tax Exemption issued by IDOT; and*
 - 2) *a written certification that contains all of the following:*
 - A) *a statement that the building materials are being purchased for incorporation into the South Suburban Airport in accordance with the Public-Private Agreements for the South Suburban Airport Act;*
 - B) *the location or address of the project into which the building materials will be incorporated;*
 - C) *the name of the project;*
 - D) *a description of the building materials being purchased;*
 - E) *the purchaser's signature; and*
 - F) *the date of purchase. [35 ILCS 120/1s(c) and (d)]*

- c) In order to qualify for the exemption, the materials being purchased must be building materials. That is, they must be purchased for physical incorporation into the South

Suburban Airport location. For example, gross receipts from sales of the following can qualify for the exemption if they are physically incorporated into the South Suburban Airport location:

- 1) building materials, such as cement and asphalt used to construct roadways, runways and taxiways;
 - 2) common building materials, such as lumber, bricks, cement, windows, doors, insulation, roofing materials and sheet metal;
 - 3) plumbing systems and their components, such as bathtubs, lavatories, sinks, faucets, garbage disposals, water pumps, water heaters, water softeners and water pipes;
 - 4) heating systems and their components, such as furnaces, ductwork, vents, stokers, boilers, heating pipes and radiators;
 - 5) electrical systems and their components, such as wiring, outlets and light fixtures;
 - 6) central air conditioning systems and ventilation systems and their components;
 - 7) built-in cabinets and other woodwork;
 - 8) built-in appliances, such as refrigerators, stoves, ovens and trash compactors;
 - 9) floor coverings, such as tile, linoleum and carpeting that are glued or otherwise permanently affixed by use of tacks, staples or wood stripping filled with nails that protrude upward (sometimes referred to as "tacking strips" or "tack-down strips"); and
 - 10) landscape products, such as trees, shrubs, topsoil and sod.
- d) Items that are not physically incorporated into the South Suburban Airport location cannot qualify for the exemption. For example, gross receipts from sales of the following do not qualify for the exemption:
- 1) tools, machinery, equipment, fuel, forms and other items that may be used by a construction contractor at the South Suburban Airport location, but that are not physically incorporated into the South Suburban Airport location;
 - 2) free-standing appliances, such as stoves, ovens, refrigerators, washing machines, portable ventilation units, window air conditioning units, lamps, clothes washers, clothes dryers, trash compactors and dishwashers that may be connected to and operate from a building's electrical or plumbing system but that do not become a component of those systems;
 - 3) floor coverings that are area rugs or that are attached to the structure using only two-sided tape.

(Source: Added at 39 Ill. Reg. 14616, effective October 22, 2015)