

**Illinois Department of Revenue
Regulations**

Title 86 Part 660 Section 660.24 Books and Records – Retailers

TITLE 86: REVENUE

**PART 660
TOBACCO PRODUCTS TAX ACT OF 1995**

Section 660.24 Books and Records – Retailers

- a) Through December 31, 2015, every retailer shall keep complete and accurate records of tobacco products held and purchased, and tobacco products sold or otherwise disposed of, and shall preserve and keep all invoices, bills of lading, sales records, and copies of bills of sale. Books, records, papers, and documents that are required by the Act to be kept shall, at all times during the usual business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees. The books, records, papers, and documents for any period with respect to which the Department is authorized to issue a notice of tax liability shall be preserved until the expiration of that period. [35 ILCS 143/10-36]
- b) Beginning January 1, 2016, every retailer, as defined in Section 10-5 of the Act, shall keep complete and accurate records of tobacco products held, purchased, sold, or otherwise disposed of, and shall preserve and keep all invoices, bills of lading, sales records, and copies of bills of sale, returns and other pertinent papers and documents relating to the purchase, sale, or disposition of tobacco products. Those records need not be maintained on the licensed premises, but must be maintained in the State of Illinois; however, if access is available electronically, the records may be maintained out of state. However, all original invoices or copies thereof covering purchases of tobacco products must be retained on the licensed premises for a period of 90 days after the purchase, unless the Department has granted a waiver in response to a written request in cases in which records are kept at a central business location within the State of Illinois or in cases in which records that are available electronically are maintained out of state. [35 ILCS 143/10-35(b)] The Department will grant a written waiver when the following requirements are met by the retailer:
- 1) The retailer submits a letter to the Department containing:
 - A) the retailer's license number and FEIN;
 - B) the address or addresses of the licensed premises where records are currently maintained;
 - C) the address of the out-of-state location where the retailer intends to maintain the records;
 - D) an explanation of the process and system that will enable the Department or its duly authorized employees to electronically access the records from the licensed premises on demand; and

- E) an acknowledgement by the retailer that the Department, upon 30 days written notice, may revoke the waiver of the retailer for one or more licensed premises if the retailer:
 - i) fails to provide electronic access in accordance with the requirements of the written waiver;
 - ii) transfers or sells the licensed premises to another person; or
 - iii) changes the process or system for providing access to the records electronically.
- 2) The Department is given access electronically to accurate records of tobacco products held, purchased, sold or otherwise disposed of; invoices; bills of lading; sales records; and copies of bills of sale, returns and other pertinent papers and documents relating to the purchase, sale or disposition of tobacco products kept at the licensed premises in the normal course of business at the time of the request.
- 3) The Department has tested the process and system from the licensed premises and verified that the Department and its duly authorized employees have access electronically to the required records from the licensed premises on demand.
- c) *Books, records, papers, and documents that are required by the Act to be kept shall, at all times during the usual business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees. The books, records, papers, and documents for any period with respect to which the Department is authorized to issue a notice of tax liability shall be preserved until the expiration of that period. [5 ILCS 143/10-35(c)]*

(Source: Added at 40 Ill. Reg. 10954, effective July 29, 2016)