

Form RC-44 Instructions

General Information

What is a use tax?

A use tax is a tax upon the privilege of using tangible personal property in Illinois. It is designed to distribute the tax burden fairly among Illinois consumers and to assure fair competition between Illinois businesses and out-of-state businesses. Illinois law requires you to pay tax at the Illinois rate when you buy an item from another state or country to use in Illinois.

Is Illinois increasing its efforts to collect use taxes?

Yes, Illinois is increasing its efforts to collect use taxes. Illinois shares sales information with other states and bills Illinois residents for unpaid tax, penalty, and interest. Illinois also gathers information on overseas purchases from the U.S. Customs Service. (Use tax is due whether or not an item has to be declared or is subject to duty tax.) Illinois also encourages out-of-state businesses to register and collect the tax voluntarily as a convenience to their customers. If they do not, we can bill their Illinois customers directly.

What is the definition of "cigarette" effective July 1, 2012?

Some tobacco products previously regulated and taxed under the Tobacco Products Tax Act, meet the new definition of "cigarette" and will be regulated and taxable under the Cigarette Tax Act and the Cigarette Use Tax Act effective July 1, 2012.

Effective July 1, 2012, "cigarette" means any roll for smoking made wholly or in part of tobacco: 1) irrespective of size or shape, whether or not such tobacco is flavored, adulterated or mixed with any other ingredient, and the wrapper is made of paper or 2) labeled as anything other than a cigarette or not bearing a label, if it **meets two or more of the following criteria**:

1. the product is sold in packs similar to cigarettes
2. the product is available for sale in cartons of ten packs
3. the product is sold in soft packs, hard packs, flip-top boxes, clam shells, or other cigarette-type boxes
4. the product is of a length and diameter similar to commercially-manufactured cigarettes
5. the product has a cellulose acetate or other integrated filter
6. the product is marketed or advertised to consumers as a cigarette or cigarette substitute
7. other evidence that the product fits within the definition of cigarette

When do I owe Illinois Cigarette Use Tax?

You owe Cigarette Use Tax and must complete Form RC-44 if you bought or acquired cigarettes from another state or country for use in Illinois. For your convenience, the calculation for Illinois (sales) Use Tax, which is also due on these purchases of cigarettes, is included in Step 4 of Form RC-44.

When is Cigarette Use Tax due?

You must pay the Cigarette Use Tax no later than 30 days after you purchase or acquire cigarettes for use in Illinois.

Note: Keep a copy of your completed return for your records.

How do I know if I also owe Illinois (sales) Use Tax on cigarettes?

You also owe Illinois Use Tax if the person or business from which you bought cigarettes did not collect Illinois Sales Tax (e.g., purchases from catalogs, out-of-state retailers, TV advertisements, magazines, the Internet); **and**

- you will use or consume the cigarettes in Illinois; **and**
- you have not yet paid Illinois Sales Tax or an equivalent amount to another state.

You must pay the Illinois (sales) Use Tax no later than 30 days after you purchase or acquire cigarettes for use in Illinois.

Note: Some out-of-state businesses collect Illinois Sales Tax, and their customers pay the tax just as they would pay state sales tax to an Illinois retailer. You can check your receipt or invoice to determine if Illinois Sales Tax was collected.

What if I fail to file this return and pay the tax I owe?

You owe a **late-filing penalty** if you do not file a processable return by the due date, a **late-payment penalty** if you do not pay the amount you owe by the original due date of the return, a **bad check penalty** if your remittance is not honored by your financial institution, and a **cost of collection fee** if you do not pay the amount you owe within 30 days of the date printed on an assessment. Interest is calculated on tax from the day after the original due date of your return through the date you pay the tax. We will bill you for penalties and interest. For more information about penalties and interest, see Publication 103, Penalties and Interest for Illinois Taxes. To receive a copy of this publication, visit our website at tax.illinois.gov or call us at **1 800 356-6302**.

How do I get help?

If you have questions, you may

- visit our website at tax.illinois.gov
- call us at **217 782-6045**
- write us at
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19477
SPRINGFIELD IL 62794-9477

