

**Illinois Department of Revenue  
Regulations**

**Title 86 Part 130 Section 130.2156 Vendors of Steam**

**TITLE 86: REVENUE  
PART 130  
RETAILERS' OCCUPATION TAX**

**Section 130.2156 Vendors of Steam**

a) When Liable for Retailers' Occupation Tax

Persons who engage in the business of selling steam to purchasers for use or consumption and not for resale, incur Retailers' Occupation Tax liability on their receipts from such sales. For example, when steam heat energy is transferred to the purchaser and the condensate, which results when the steam loses its heat, is not returned to the seller of the steam heat energy, then Retailers' Occupation Tax liability is incurred.

b) When Not Liable for Retailers' Occupation Tax

Persons who are engaged in the business of transferring heat energy to purchasers using steam as the vehicle for that transfer, do not incur Retailers' Occupation Tax liability so long as no tangible personal property is transferred to the purchaser. This would be the case, for example, where the condensate, which results when the steam loses its heat, is returned to the seller.

(Source: Amended at 24 Ill. Reg. 15104, effective October 2, 2000)