

## Report of *Ex Parte* Communication

Name of employee making report: Mark Dyckman

Job Title of employee making report: Deputy General Counsel

Date of communication: May 5, 2014

Title and Number of Regulation:

86 Ill. Admin. Code 220

86 Ill. Admin. Code 693

86 Ill. Admin. Code 690

86 Ill. Admin. Code 670

86 Ill. Admin. Code 630

86 Ill. Admin. Code 395

86. Ill Admin. Code 370

86. Ill. Admin. Code 320

86. Ill. Admin. Code 270

86 Ill. Admin. Code 695

Mode of communication (e.g. in person, telephone, fax, email, mail): In person

Person(s) with whom communication occurred: Paul Berks, Deputy General Counsel; Roger Koss, Division Manager, Sales and Excise Taxes, Audit Bureau; Brenda Towers, Division Manager, Local Tax Allocation Division; Stanley Kaminski (private attorney Duane Morris, representing City of Kankakee), Christopher Bohlen (attorney representing City of Kankakee), James Murphy (private attorney, Mahoney, Silverman & Cross, representing Channahon), Joe Cook, Village President, Village of Channahon, Robert Guess, Finance Director, Village of Channahon, Jeff Wold, Police Chief, Village of Channahon.

Summary of Nature and Substance of communication:

The participants met at the Channahon Village Hall, board meeting room and discussed the draft regulations under consideration by the Department. The following issues were the primary source of discussion: the need for more clarity in the primary and secondary factors including the propriety of clearly identifying a hypothetical three of five or four of five set of primary factors; the treatment of retailers with the only Illinois presence being a remote sales office where purchase orders are accepted and how much additional activity (if any) should be needed to source a sale to those locations; whether those types of sales should be Retailers' Occupation Tax or Use Tax transactions and the policy ramifications of that decision; how to address the "nexus" between the sourcing of sales and the provision of government services; the propriety of the "look through" provision and ways those concerns could be addressed.

What action, if any, the person(s) requested:

The local municipal representatives supported a “bright line” (if possible) or more clear set of primary factors (three of five could be acceptable), a purchase order acceptance “plus” that would allow out of state retailers’ to source sales to Illinois under the ROTA, and cautioned about too much discretion in a “look through” provision.

Responses made to communication: A general discussion of all the issues addressed using the draft regulations as a guideline. There was no specific new language offered or any promises made with respect to any provisions.

Other Pertinent Information: \_\_\_\_\_  
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Please attach written communications to this form. Include emails, faxes, or other documents that contain *ex parte* communications. No written submissions were received.