

- the auction site;
- distributing sale bills or brochures which name the principals and their cities;
- recording principals' names and cities on legal documents such as automobile titles; or

disclosed.

If the principal was disclosed and the principal was a retailer,

- sales tax is due from the principal on items in the principal's retail inventory; but

disclosed,

- sales tax is due from the principal on consignments of retail inventory; but
- sales tax is not due on consignments of nonretail inventory.

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UNDER WHAT CONDITIONS IS SALES TAX DUE ON MOTOR VEHICLES?

On the auctioning of motor vehicles be an auctioneer who is licensed to sell motor vehicles...

Sales tax is due when

- vehicles consigned from dealers and bank repossessions are auctioned to the public (the dealers and banks must file Form ST-556 returns).

No sales tax is due when

- vehicles consigned from dealers are auctioned only to other dealers (the purchasing dealer must provide resale certificates, and the selling dealer must file Form ST-556 returns); or
- vehicles consigned from individuals and businesses (not dealers) and whose titles are in the individual sellers' names are auctioned (the owner is disclosed to the purchaser on the title at the time of sale; the PURCHASER

IS SALES TAX DUE IF I DONATE MY SERVICES FOR A COMMUNITY OR CHARITY AUCTION?

The auctioneer is liable for sales tax on any item auctioned whose principal is not disclosed, even if the proceeds are donated to charitable or community organizations.

If the organizations sponsoring the auction holds legal title to any items sold, the auctioneer may avoid sales liability by documenting disclosure of the titleholder of those items (in this case, the sponsor).

If an individual or organization other than the organization sponsoring the auction holds title to any items sold, the auctioneer must document disclosure of the titleholder of each item in order to avoid sales tax liability for that item.

IS SALES TAX DUE ON THE PROPERTY OR INVENTORY OF AUCTIONEERS?

Auctioneers who sell their own property or inventory at auction

If tax-exempt items, such as farm machinery, are sold, you must obtain a certificate of exemption.

If a purchaser claims that a purchase is made for resale, you must obtain a resale certificate with the purchaser's registration number.

HOW DOES AN AUCTIONEER SEND SALES TAX TO THE DEPARTMENT?

Any auctioneer who incurs an Illinois sales tax liability must register with us by completing and sending us Form NUC-1, Illinois Business Registration, and filing Form ST-1, Sales and Use Tax Return. For a registration kit and further information, please call us.

QUESTIONS?

If you wish to refer to the rules governing auctions, see the 86 Illinois Administrative Code, Chapter 1, Section 130.1915.

The requirements for resale certificates are outlined in the 86 Illinois Administrative

may be required to pay VEHICLE USE TAX at the time the vehicle is registered.

are considered by us to be retailers, and such sales are subject to tax.

Code, Chapter 1, Section 130.1410.

If you have questions or need more information, please call or write us. Our telephone numbers are listed at the bottom of this bulletin.

IS SALES TAX DUE ON REAL ESTATE?

No sales tax is due on the auctioning of real estate. However, if tangible personal property is sold along with real estate, personal property may be subject to sales tax.

WHAT DO I DO WHEN AS PURCHASER DOES NOT OWE TAX BECAUSE OF SPECIAL CIRCUMSTANCES?

If items are sold to a buyer who is exempt from paying tax, you must make sure that the buyer provides a proper certificate of exemption.

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FOR INFORMATION

CALL: 1 800 732-8866 or
1 217 782-3336
WRITE: Illinois Department of Revenue
101 W. Jefferson St., P.O. Box 19044
Springfield, IL 62794-9044
