

**Illinois Department of Revenue  
Regulations**

<b>Title 86 Part 180 Section 180.135 Rentals for Re-rental</b>
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**TITLE 86: REVENUE**

**PART 180  
AUTOMOBILE RENTING OCCUPATION TAX**

**Section 180.135 Rentals for Re-rental**

- a) Rental receipts from rental transactions under lease terms of one year or less in which the rentee will act as a sub-rentor by re-renting the automobile to a sub-tenant under lease terms of one year or less are exempt from the Automobile Renting Occupation Tax.
  
- b) In order to document that an auto rental transaction is an exempt rental for re-rental, the rentor must have among his records a Certificate of Automobile Re-rental from the rentee (sub-rentor) which contains the following information:
  - 1) a short statement by the rentee that the automobile is being rented for the purpose of re-renting it to others (sub-tenants) under lease terms of one year or less;
  - 2) the rentor's name and address;
  - 3) the rentee's name and address;
  - 4) the rentee's signature and date of signing;
  - 5) the Vehicle Identification Number(s) of the automobile(s) rented for re-rental;
  - 6) the rentee's Automobile Renting Occupation Tax or Retailers' Occupation Tax registration number issued by the Illinois Department of Revenue.
    - A) However, in the case of an out-of-State rentee (sub-rentor) who is not required to be so registered in Illinois, a certification that he will always re-rent and deliver the automobile(s) to his sub-tenant(s) outside Illinois pursuant to a rental agreement entered into outside Illinois may be provided in lieu of an Illinois Automobile Renting Occupation Tax registration number.
    - B) Except in the case of an out-of-State rentee (sub-rentor) not required to be registered who will re-rent and deliver outside Illinois, no rental shall be made tax-free on the ground of being a rental for re-rental unless the rentee (sub-rentor) has an active registration number from the Department and furnishes that number to the rentor as part of the Certificate of Automobile Re-rental.

- c) If all of the automobiles rented under lease terms of one year or less to a particular rentee will be re-rented by that rentee (sub-rentor) to others (sub-rentees) under lease terms of one year or less, the rentor may take a blanket Certificate of Automobile Re-rental from that rentee (sub-rentor). Where a blanket Certificate of Automobile Re-rental is accepted, the rentor must maintain a record of all automobiles by Vehicle Identification Number rented tax-free on the basis of that blanket Certificate of Automobile Re-rental.

Source: Amended at 25 Ill. Reg. 8323, effective June 22, 2001)