

**Illinois Department of Revenue  
Regulations**

**Title 86 Part 423 Section 145 Books and Records**

**TITLE 86: REVENUE  
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 423  
CANNABIS PURCHASER EXCISE TAX**

**Section 423.145 Books and Records**

- a) *Every retailer of cannabis, whether or not the retailer has obtained a certificate of registration under Section 423.135, shall keep complete and accurate records of cannabis held, purchased, sold, or otherwise disposed of, and shall preserve and keep all invoices, bills of lading, sales records, and copies of bills of sale, returns, and other pertinent papers and documents relating to the purchase, sale, or disposition of cannabis. These records need not be maintained on the licensed premises but must be maintained in the State of Illinois. However, all original invoices or copies of invoices covering purchases of cannabis must be retained on the licensed premises for a period of 90 days after the purchase, unless the Department has granted a waiver in response to a written request in cases in which records are kept at a central business location within the State of Illinois. [410 ILCS 705/65-36(a)] If a waiver is granted, the taxpayer must, within a reasonable time after notification by the Department, make all pertinent books, records, papers and documents available at a location within Illinois for the purpose of inspection or audit as the Department may deem necessary.*
- b) The Department will grant a written waiver under subsection (a) when the cannabis retailer submits a letter to the Department containing:
- 1) the cannabis retailer's license number and FEIN;
  - 2) the address or addresses of the licensed premises where records are currently maintained;
  - 3) the address of the central location where the cannabis retailer intends to maintain the records; and
  - 4) an acknowledgement by the cannabis retailer that the Department, upon 30 days written notice, may revoke the waiver of the cannabis retailer for one or more licensed premises if the retailer:
    - A) fails to make records available in accordance with the requirements of this Section and the written waiver; or
    - B) transfers or sells the licensed premises to another person.
- c) *Books, records, papers, and documents that are required by the Law to be kept shall be kept in English language and shall, at all times during the usual business hours of the day, be subject to inspection by the Department or its duly authorized agents and*

*employees. The books, records, papers, and documents for any period with respect to which the Department is authorized to issue a notice of Tax liability shall be preserved until the expiration of that period. [410 ILCS 705/65-36(b)]*

- d) All books and records kept by a cannabis retailer pursuant to rules adopted by the Department of Financial and Professional Regulation to implement the Act shall, at all times during business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees. The Department shall also have access to the cannabis retailer's automated data processing and/or point of sale system.

(SOURCE: Adopted at 44 Ill. Reg.10751, effective June 02, 2020.)