

**Illinois Department of Revenue
Regulations**

Title 86 Part 470 Section 470.172 Exclusion from Tax for Transactions Involving Customers Who Incur Gas Use Tax

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

**PART 470
GAS REVENUE TAX ACT**

Section 470.172 Exclusion from Tax for Transactions Involving Customers Who Incur Gas Use Tax

- a) Transactions subject to Gas Use Tax. Beginning with charges billed on and after October 1, 2003, no tax is imposed under this Part on transactions with customers who incur a tax liability under the Gas Use Tax Law [35 ILCS 173] on those transactions.

EXAMPLE: A transaction with a customer for the transportation of out-of-State gas is not subject to tax under this Act, including but not limited to any transportation charges and any related service charges.

- b) Transactions exempt from Gas Use Tax. Transactions with customers that are exempt from tax under the Gas Use Tax Law or otherwise incur no tax liability under that Law remain subject to tax under this Part.

EXAMPLE: A customer is exempt from Gas Use Tax under one of the exemptions provided under Section 5-50 of the Gas Use Tax Law and makes an out-of-State purchase of gas. The customer provides its delivering supplier in Illinois a copy of an exemption certificate as required under 86 Ill. Adm. Code 471.125. The sale of the gas is not subject to Gas Revenue Tax liability; however, the transaction for the transportation of the gas and any related service charges remain subject to tax under this Part at the rate of 2.4 cents per therm or 5% of the gross receipts (whichever is less) for the customer's billing period.

(Source: Added at 28 Ill. Reg. _____, effective _____)