

**Illinois Department of Revenue
Regulations**

Title 86 Part 660 Section 660.15 Distributor Licenses
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TITLE 86: REVENUE

**PART 660
TOBACCO PRODUCTS TAX ACT OF 1995**

Section 660.15 Distributor Licenses

- a) *It shall be unlawful for any person to engage in business as a distributor of tobacco products within the meaning of the Act without first having obtained a license to do so from the Department.* (Section 10-20 of the Act) Application for a distributor's license shall be made to the Department in a form furnished and prescribed by the Department and shall be accompanied by a joint and several bond in an amount fixed by the Department. Each licensed place of business shall be covered by a separate license. Subject to the limitations regarding little cigars imposed on retailers contained in this subsection (a) and Section 660.28, a retailer who receives or purchases tobacco products on which the tax has not been paid or will not be paid by another distributor is required to register with the Department and obtain a license, file returns and pay the Tobacco Products Tax. Whenever any sales invoice issued by a supplier to a retailer for tobacco products sold to the retailer does not comply with the requirements of Section 660.25(d), (e) and (g), a prima facie presumption shall arise that the tax imposed by Section 10-10 of the Act and Section 660.5 has not been paid on the tobacco products listed on the sales invoice.
 - 1) Subject to the limitations regarding little cigars imposed on retailers contained in this subsection (a) and Section 660.28, a retailer who receives or purchases tobacco products from an out-of-state distributor that is not registered with the Department must obtain a license.
 - 2) Subject to the limitations regarding little cigars imposed on retailers contained in this subsection (a) and Section 660.28, a retailer who receives or purchases tobacco products from a supplier, whether within or without the State, that is not registered with the Department must obtain a license.
- b) The Department may, in its discretion, upon application, issue licenses authorizing the payment of the tax imposed by the Act on tobacco products, excluding little cigars, by any distributor or manufacturer not otherwise subject to the tax imposed under the Act who, to the satisfaction of the Department, furnishes adequate security to ensure payment of the tax.
- c) Wholesalers that are not registered and licensed as distributors with the Department but claim to only sell tobacco products, excluding little cigars, in such a way that their sales are not taxable under this Act (e.g., resale or to exempt purchasers) are advised to apply to the Department for a resale number so that those wholesalers are able to provide distributors with Certificates of Resale when purchasing the tobacco products,

excluding little cigars, that will be resold. Those wholesalers need not file returns with the Department. (See Section 660.30, Exempt Sales.)

- d) *The bonding requirement in Section 10-20 of the Act does not apply to an applicant for a distributor's license who is already bonded under the Cigarette Tax Act or the Cigarette Use Tax Act. Licenses issued by the Department under the Act shall be valid for a period not to exceed one year after issuance unless sooner revoked, canceled, or suspended as provided in the Act. [35 ILCS 143/10-20]*

- e) *No license shall be issued to any person who is in default to the State of Illinois for moneys due under the Act or any other tax Act administered by the Department. [35 ILCS 143/10-20]*

(Source: Amended at 40 Ill. Reg. 10954, effective July 29, 2016)