

Illinois Department of Revenue
1500 South Ninth Street
Springfield, Illinois 62708

INFORMATIONAL BULLETIN FY85-3

TO: All Retailers Located Within the Corporate Limits of
Rockford, Illinois

SUBJECT: Illinois Enterprise Zone Act
Public Act 82-1019 (SB 1299)

If your business does not sell building materials, please disregard this bulletin.

The Illinois Department of Commerce and Community Affairs has certified an area in the city of Rockford as an enterprise zone in accordance with the provisions of Public Act 82-1019. As a retailer in Rockford, you may be entitled to sales tax relief on certain sales of building material which will be incorporated into real estate in that enterprise zone.

To be eligible, you (as a Rockford retailer) must:

1. Be located within the corporate limits of the city of Rockford;
2. Make a sale between January 1, 1984 and December 31, 1989 of building material which will be incorporated into real estate in the Rockford enterprise zone by remodeling, rehabilitation or new construction; (the building improvement must be of the nature and scope for which a building permit is required by the building code and the permit must have been issued);
3. Report gross receipts from all such sales in Item 1 on your sales tax return (Form RR-1-A);
4. Pay all taxes due;
5. Unconditionally refund tax to the purchaser or otherwise demonstrate that you (the retailer) bore the burden of the tax; and
6. File Claims for Credit (on Form RCR-21 for state tax; RCR-22 for municipal tax) with the Department of Revenue.

To substantiate the claim, you must provide the Department with the following documentation:

- A. A copy of the invoice, showing type of material, price, and sales tax charged;
- B. A statement signed by the purchaser indicating that the material will be physically incorporated into real estate located in the Rockford enterprise zone (see reverse side for sample of Purchaser's Statement);
- C. A copy of the purchaser's building permit stamped "enterprise zone";
- D. A copy of the cancelled check, credit memorandum, or "instant

refund" showing tax refunded to the purchaser (see reverse side for the sample of "instant refund").

The statute authorizes the filing of claims for credit. It does not authorize an exemption or deduction. You may not reduce your gross receipts (in Item 1) or take a deduction on your sales tax return.

We will process enterprise zone claims for credit on a first-in, first-out basis. When we approve the claims for credit, we will issue you a separate credit memorandum for each type of tax you are recovering (i.e., state tax and municipal tax). DO NOT attempt to offset any taxes due by the amount of your claim until you receive the credit memoranda. Such an attempt could result in our imposing penalty and interest charges on your account.

If you have any questions regarding claims for credit, please contact us at (217) 782-7517.

J. Thomas Johnson
Director of Revenue

Issued: July, 1984

•