

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

INFORMATIONAL BULLETIN FY85-8

TO: All Retailers Located Within the Corporate Limits of Chicago,
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 three additional enterprise zones in the city of Chicago in accordance with the provisions of Public Act 82-1019. As a retailer in Chicago, you may be entitled to sales tax relief on certain sales of building material which will be incorporated into COMMERCIAL OR INDUSTRIAL REAL ESTATE in that enterprise zone.

To be eligible, you for sales tax relief you must:

1. Be located within the corporate limits of the city of Chicago;
2. Make a sale on or after July 1, 1983 (for Chicago enterprise zones II or III) or July 1, 1984 (for Chicago enterprise zones I, IV or V) of building material which will be incorporated into real estate in the Chicago enterprise zone by remodeling, rehabilitation or new construction;
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 the address in the enterprise zone at which the building material will be incorporated and attesting that the building material purchased will be used exclusively in the Chicago enterprise zone (see reverse side for sample of Purchaser's Statement);
- C. 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").

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

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