

Illinois Department of Revenue  
101 West Jefferson Street  
Springfield, Illinois 62708

INFORMATIONAL BULLETIN FY86-15

TO: All Retailers Located Within the Corporate Limits of Mt. Carmel

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 Mt. Carmel as an enterprise zone in accordance with the provisions of Public Act 82-1019. As a retailer in the city of Mt. Carmel 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 for sales tax relief you must:

1. Be located within the corporate limits of the city of Mt. Carmel;
2. Make a sale on or after July 1, 1985 of building material which will be incorporated into real estate in the city of Mt. Carmel 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.

The ONLY building materials which qualify for sales tax relief are those that will be incorporated into a project that is of the nature and scope for which a building permit is required.

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

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tax charged;

- B. A statement signed by the purchaser indicating that the material will be physically incorporated into real estate located in the city of Mt. Carmel 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: August 1985