

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

INFORMATIONAL BULLETIN FY86-27

TO: All Retailers Located Within the Corporate Limits of the  
Cities of:

Alsip	Chicago Heights	Granite City	Robbins
Belleville	Cicero	Joliet	Rockdale
Blue Island	Crestwood	Lockport	Venice
Chicago	East St. Louis	Madison	Worth

and Unincorporated Areas of Madison and Will Counties

SUBJECT: Change in Method of Reporting Tax Relief for "Enterprise Zone  
Sales"  
Public Act 84-221 (HB 833)

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

As a retailer located in a municipality or an unincorporated area of a  
county which has an established enterprise zone, you were previously  
notified that you had to file a claim for credit in order to get a  
refund of state and local sales tax you collected on sales of building  
materials for incorporation into real estate located in your enterprise  
zone.

Effective for sales made on and after September 1, 1985, you no longer  
have to use the claim-for-credit procedure (see Public Act 84-221).  
Enterprise zone sales are now EXEMPT from state and local sales taxes.  
That is, you no longer have to charge state and local sales tax on  
these sales. However, you must continue to charge and collect the mass  
transit sales tax.

Here is how to report these tax-exempt sales from now on:

1. Report gross receipts from these sales in Item 1 of your sales tax  
return (Form RR-1-A);
2. Deduct the receipts in Item 14 and identify the deduction as  
"Enterprise Zone Sales";
3. Include the enterprise zone receipts in line 46 of your RR-1-A  
(receipts subject to mass transit tax).
4. Include the Mass Transit sales tax from these sales in line 49.
5. Keep the Purchaser's Statement for you records. (A sample  
statement in our previous bulletin to you.) Do not send the

statement to us unless we specifically request it.

If you have questions or need more information, please contact us. Our address and telephone number are at the top of this bulletin.

J. Thomas Johnson  
Director of Revenue

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