

Illinois Department of Revenue
J. Thomas Johnson, Director
101 West Jefferson Street
Springfield, Illinois 62794

INFORMATIONAL BULLETIN FY87-9

TO: All Retailers Located Within the Corporate Limits of the Villages of Hodgkins and McCook

SUBJECT: Enterprise Zone Act
Public Act 82-1019 (SB 1299)
Public Act 84-221 (HB 833)

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

The Illinois Department of Commerce and Community Affairs has certified an areas in the villages of Hodgkins and McCook as an enterprise zone in accordance with the provisions of Public Act 82-1019.

Each of these local taxing jurisdiction has adopted an ordinance providing a sales tax exemption of state, local, and mass transit taxes on certain sales of building materials which will be incorporated into real estate in the zone.

To be eligible for the sales tax exemption you must:

1. Be located within the corporate limits of Hodgkins or McCook.
2. Make a sale on or after July 1, 1986 of building materials which will be incorporated into real estate in the zone by means of remodeling, rehabilitation, or new construction.

NOTE: THE BUILDING IMPROVEMENT MUST BE OF THE NATURE AND SCOPE FOR WHICH A BUILDING PERMIT IS REQUIRED BY THE BUILDING CODE. TO VERIFY THE EXEMPTION, THE PURCHASER MUST PROVIDE YOU WITH A COPY OF THE BUILDING PERMIT AND A SIGNED STATEMENT INDICATING THE ADDRESS IN THE ENTERPRISE ZONE AT WHICH THE BUILDING MATERIALS WILL BE INCORPORATED. SEE REVERSE FOR AN EXAMPLE OF A PURCHASER'S STATEMENT.

3. Report gross receipts from these sales in item 1 of your sales tax return (Form RR-1-A).
4. Deduct the receipts in item 13 or 14 and identify the deduction as "Enterprise Zone Sales."

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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