



Illinois Department of Revenue

Informational Bulletin

Brian Hamer
Director of Revenue

For information or forms...

- Call us at:
1 800 732-8866 or
217 782-3336
- Call our TDD (telecommunications device for the deaf) at:
1 800 544-5304
- Write us at:
 Illinois Department of Revenue
 P.O. Box 19044
 Springfield, IL 62794-9044
- Visit our web site at:
www.tax.illinois.gov
- Call our 24-hour Forms Order Line at:
1 800 356-6302

This bulletin does not replace statutes, rules and regulations, or court decisions.

Digital Subscriber Line (DSL) Services Purchased, Used, or Sold for Internet Access

The purpose of this bulletin is to address inquiries regarding taxation of DSL services for providers of Internet access under the Internet Tax Nondiscrimination Act (ITNA) and the Illinois telecommunication tax acts.

Are DSL services for internet access taxable in Illinois?

Yes. DSL services purchased, used, or sold by a provider of Internet access, to provide Internet access, remain subject to Illinois telecommunications taxes. Illinois falls under the November 1, 2007, grandfather clause provided in the ITNA.

The moratorium imposed by the ITNA is set to expire on November 1, 2007. At that time, DSL services will remain subject to Illinois telecommunications taxes.

Note: DSL services that are purchased, used, or sold by a non-provider of Internet access, are not affected by the ITNA and remain subject to Illinois telecommunications taxes.

If I sell DSL services to a provider of Internet access, do I remit the tax?

Yes - unless you obtain a telecommunications certificate of resale. In this case, the provider must be registered for telecommunications taxes and pay all applicable taxes.

How is DSL service reported?

If you provide telecommunication service in Illinois, you must include all taxable sales of DSL service in gross charges on

- Form RT-2, Telecommunication Tax Return, Line 9; or
- Form RT-10, Telecommunications Infrastructure Maintenance Fee Return, Line 8.

How do I correct a previously filed return?

If you provide DSL service and failed to report and pay the tax, you must file an amended return for all applicable reporting periods and pay any additional tax owed. We will bill you for penalties and interest, or if you prefer, you can calculate and pay the entire amount you owe. Depending on your tax responsibility, you must file either

- Form RT-2 - X, Amended Telecommunication Tax Return; or
- Form RT-10-X, Amended Telecommunications Infrastructure Maintenance Fee Return.

How do I obtain Form RT-2-X or Form RT-10-X?

You can obtain both Form RT-2 - X and Form RT-10-X by visiting our web site at **tax.illinois.gov** or by using our 24-hour Forms Order Line at **1 800 356-6302**.

