



Illinois Department of Revenue

Informational Bulletin

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Director of Revenue

To all retailers and consumers of the television converter box

For information . . .

Visit our web site —
tax.illinois.gov

Call us —
1 800 732-8866 or
1 217 782-3336
1 800 544-5304 (TDD only)

Write us —
Illinois Department of Revenue
P.O. Box 19044
Springfield, IL 62794-9044

For forms . . .

Visit our web site —
tax.illinois.gov

Call our Forms Order Line —
1 800 356-6302

This bulletin is written to
inform you of recent changes;
it does not replace statutes,
rules and regulations, or court
decisions.

This is to inform you that the \$40 coupon issued by the federal government through the TV Converter Box Program to be used to help pay for the cost of a certified converter box is exempt from sales tax.

How does this affect me as a consumer?

You will redeem the coupon when you make a purchase of a converter box from a retailer. Only one coupon can be used per eligible converter. The portion paid with the coupon will be nontaxable. If the converter box is more than the coupon value, you will owe sales tax on the additional amount.

How does this effect me as a retailer?

You will report the transaction as any other sale on Form ST-1, Sales and Use Tax Return. You will include the total sale in Line 1 and include the coupon amount as a deduction on Line 2. On Form ST-1 Worksheet for Line 2, the coupon value will be reported on Line 10, Exempt Organizations. Since the federal government is issuing the coupon, the sale is considered a sale to an exempt organization. You will be reimbursed by the federal government for the value of the coupon. Any remaining balance due on the converter box will be reported on Line 4a and tax due on Line 4b.

