

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.2100 Sellers of Feeds and Breeding Livestock

**TITLE 86: REVENUE
PART 130
RETAILERS' OCCUPATION TAX**

Section 130.2100 Sellers of Feeds and Breeding Livestock

a) Illustrations

The term "feed" includes salt, grains, tankage, oyster shells, mineral supplements, vitamins, limestone and other generally recognized animal feeds.

b) Sellers of Feeds -- When Liable For Tax

The sale of feeds to a purchaser for use in feeding horses, livestock or poultry that are used, employed or consumed, and the products (if any) of which are used, employed or consumed, for purposes other than sale at market, constitutes a "sale at retail" within the meaning of the Retailers' Occupation Tax Act. In such case, gross receipts of the seller from this source must be included in computing tax liability.

c) Sellers of Feeds -- When Not Liable For Tax

Persons selling feeds to purchasers for feeding livestock or poultry for marketing, or for producing dairy products or eggs for marketing, are not making sales for use or consumption. Such sales of feeds are deemed to be sales, for purposes of resale, of the property which, "as an ingredient or constituent goes into and forms a part of tangible personal property subsequently the subject of a 'sale at retail'".

d) Sellers of Breeding Livestock -- When Not Liable For Tax

Farmers or producers of breeding livestock are not liable for Retailers' Occupation Tax with respect to gross receipts realized from the sale of bulls, stallions or other servicing animals for breeding purposes. In addition, sellers of semen used for artificial insemination of livestock for direct agricultural production are not liable for Retailers' Occupation Tax with respect to gross receipts realized from such sales.

(Source: Amended at 24 Ill. Reg. 15104, effective October 2, 2000)