

Illinois Department of Revenue
1500 South Ninth Street
Springfield, Illinois 62708

INFORMATIONAL BULLETIN FY84-20 (REVISED)

TO: All Retailers Located Within the Corporate Limits of Canton,
Illinois
All Retailers Located Within the Unincorporated Area of
Fulton County

SUBJECT: Illinois Enterprise Zone Act
Public Act 82-1019 (SB-1299)

If your business does not sell building materials, please disregard this bulletin. The Illinois Department of Commerce and Community Affairs has certified two areas in the City of Canton as an enterprise zone in accordance with the provisions of Public Act 82-1019. As a retailer you may be entitled to sales tax relief on certain sales of building material which will be incorporated into real estate in that enterprise zone.

The local governments of Canton and Fulton County have established certain criteria that must be met in order for a retailer to be granted the tax relief.

For sales between July 1, 1983 and September 13, 1983, the criteria are as follows.

You as a retailer, must:

1. Be located within the Enterprise Zone within the City of Canton;
2. Make a sale of building material which will be incorporated into real estate in the enterprise zone by remodeling, rehabilitation or new construction;
3. Report gross receipts from all such sales in Item 1 on your sales tax return (Form RR-1-A);
4. Pay all taxes due;
5. Unconditionally refund tax to the purchaser or otherwise demonstrate that you (the retailer) bore the burden of the tax; and
6. File Claims for Credit (on Form RCR-21 for state tax; RCR-22 for municipal tax; RCR-23 for county tax) with the Department of Revenue.

For sales made on or after September 14, 1983, the criteria are as follows:

1. The retailer may be located anywhere within the corporate limits of Canton or in any unincorporated area of Fulton County. That is, the retailer does not have to be located in the Enterprise zone.
2. The building improvement must be of the nature and scope for which

a building permit is required by the building code and the permit must have been issued.

There is no change to numbers 3,4,5, and 6 listed above.

To substantiate the claim, you must provide the Department with the following documentation:

- A. A copy of the invoice, showing type of material, price, and sales tax charged;
- B. A statement signed by the purchaser indicating that the material will be physically incorporated into real estate located in the Canton/Fulton County enterprise zone (see reverse side for sample of Purchaser's Statement);
- C. A copy of the cancelled check, credit memorandum, or "instant refund" showing tax refunded to the purchaser (see reverse side for the sample of "instant refund").

The statute authorizes the filing of claims for credit. It does not authorize an exemption or deduction. You may not reduce your gross receipts (in Item 1) or take a deduction (in Item 2k, 2l, or 2m) on your sales tax return.

We will process enterprise zone claims for credit on a first-in, first-out basis. When we approve the claims for credit, we will issue you a separate credit memorandum for each type of tax you are recovering (i.e., state tax and municipal tax). DO NOT attempt to offset any taxes due by the amount of your claim until you receive the credit memoranda. Such an attempt could result in our imposing penalty and interest charges on your account.

If you have any questions regarding claims for credit, please contact us at (217) 782-7517.

J. Thomas Johnson
Director of Revenue

Issued: December 1983
Revised: March 1984

•