

TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE

PART 150
USE TAX

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150.TABLE A Tax Collection Brackets

AUTHORITY: Implementing the Use Tax Act [35 ILCS 105] and authorized by Sections 2505-90 and 2505-795 of the Department of Revenue Law [20 ILCS 2505].

SOURCE: Adopted August 1, 1955; amended at 4 Ill. Reg. 24, p. 553, effective June 1, 1980; amended at 5 Ill. Reg. 5351, effective April 30, 1981; amended at 5 Ill. Reg. 11072, effective October 6, 1981; codified at 6 Ill. Reg. 9326; amended at 8 Ill. Reg. 3704, effective March 12, 1984; amended at 8 Ill. Reg. 7278, effective May 11, 1984; amended at 8 Ill. Reg. 8623, effective June 5, 1984; amended at 11 Ill. Reg. 6275, effective March 20, 1987; amended at 14 Ill. Reg. 6835, effective April 19, 1990; amended at 15 Ill. Reg. 5861, effective April 5, 1991; emergency amendment at 16 Ill. Reg. 14889, effective September 9, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 1947, effective February 2, 1993; amended at 18 Ill. Reg. 1584, effective January 13, 1994; amended at 20 Ill. Reg. 7019, effective May 7, 1996; amended at 20 Ill. Reg. 16224, effective December 16, 1996; amended at 22 Ill. Reg. 21670, effective November 25, 1998; amended at 24 Ill. Reg. 10728, effective July 7, 2000; amended at 25 Ill. Reg. 953, effective January 8, 2001; emergency amendment at 25 Ill. Reg. 1821, effective

173 January 16, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 5059, effective March 23,
 174 2001; amended at 25 Ill. Reg. 6540, effective May 3, 2001; amended at 25 Ill. Reg. 10937,
 175 effective August 13, 2001; amended at 26 Ill. Reg. 971, effective January 15, 2002; amended at
 176 26 Ill. Reg. 9902, effective June 24, 2002; amended at 27 Ill. Reg. 1607, effective January 15,
 177 2003; emergency amendment at 27 Ill. Reg. 11209, effective July 1, 2003, for a maximum of 150
 178 days; emergency expired November 27, 2003; emergency amendment at 28 Ill. Reg. 15266,
 179 effective November 3, 2004, for a maximum of 150 days; emergency expired April 1, 2005;
 180 amended at 29 Ill. Reg. 7079, effective April 26, 2005; emergency amendment at 32 Ill. Reg.
 181 8806, effective May 29, 2008, for a maximum of 150 days; emergency expired October 25,
 182 2008; amended at 32 Ill. Reg. 17554, effective October 24, 2008; amended at 32 Ill. Reg. 19149,
 183 effective December 1, 2008; amended at 38 Ill. Reg. 20022, effective October 1, 2014; amended
 184 at 39 Ill. Reg. 11085, effective July 21, 2015; amended at 40 Ill. Reg. 13471, effective
 185 September 12, 2016; amended at 42 Ill. Reg. 15446, effective July 27, 2018; emergency
 186 amendment at 42 Ill. Reg. 17247, effective September 11, 2018, for a maximum of 150 days;
 187 emergency expired February 7, 2019; amended at 42 Ill. Reg. 23143, effective November 29,
 188 2018; amended at 43 Ill. Reg. 13333, effective November 1, 2019; emergency amendment at 44
 189 Ill. Reg. 383, effective December 23, 2019, for a maximum of 150 days; emergency expired May
 190 20, 2020; emergency amendment at 44 Ill. Reg. 577, effective December 27, 2019, for a
 191 maximum of 150 days; emergency expired May 24, 2020; amended at 44 Ill. Reg. 14002,
 192 effective August 11, 2020; amended at 44 Ill. Reg. 14744, effective August 26, 2020; amended at
 193 46 Ill. Reg. 18162, effective October 25, 2022; amended at 46 Ill. Reg. 18851, effective
 194 November 1, 2022; amended at 47 Ill. Reg. 2142, effective January 24, 2023; amended at 47 Ill.
 195 Reg. 5781, effective April 4, 2023; amended at 47 Ill. Reg. 6133, effective April 12, 2023;
 196 amended at 47 Ill. Reg. 6330, effective April 18, 2023; amended at 48 Ill. Reg. 1950, effective
 197 January 18, 2024; amended at 48 Ill. Reg. 6836, effective April 24, 2024; amended at 48 Ill. Reg.
 198 14836, effective September 25, 2024; amended at 49 Ill. Reg. 8640, effective June 13, 2025;
 199 amended at 49 Ill. Reg. 10815, effective August 8, 2025; amended at 50 Ill. Reg. _____,
 200 effective _____.

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 202 **SUBPART C: KINDS OF USES AND USERS NOT TAXED**

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 204 **Section 150.310 Exemptions to Avoid Multi-State Taxation**

- 205
 206 a) *To prevent actual or likely multistate taxation, the tax imposed by the Act does*
 207 *not apply to the use of tangible personal property in this State under the following*
 208 *circumstances:*
 209
 210 1) *the use, in this State, of tangible personal property acquired outside this*
 211 *State by a nonresident individual and brought into this State by the*
 212 *individual for that individual's own use while temporarily within this State*
 213 *or while passing through this State; this includes stopping for fuel, energy,*
 214 *food, or overnight lodging in this State [35 ILCS 105/3-55(a)];*
 215

- 216 2) *the use, in this State, by owners ~~or~~, lessors, lessees, or shippers of tangible*
 217 *personal property that is utilized by interstate carriers for hire for use as*
 218 *rolling stock moving in interstate commerce as long as so used by the*
 219 *interstate carriers for hire, and equipment operated by a*
 220 *telecommunications provider, licensed as a common carrier by the*
 221 *Federal Communications Commission, which is permanently installed in*
 222 *or affixed to aircraft moving in interstate commerce [35 ILCS 105/3-*
 223 *55(c)] (See also 86 Ill. Adm. Code 130.340 for more information*
 224 *concerning this exemption as the same principles apply for use tax*
 225 *purposes);*
 226
 227 3) *the use, in this State, of tangible personal property that is acquired outside*
 228 *this State and caused to be brought into this State by a person who has*
 229 *already paid a tax in another state in respect to the sale, purchase, or use*
 230 *of that property, to the extent of the amount of the tax properly due and*
 231 *paid in the other state; for this purpose, state includes the District of*
 232 *Columbia [35 ILCS 105/3-55(d)];*
 233
 234 4) *the temporary storage, in this State, of tangible personal property that is*
 235 *acquired outside this State and that, after being brought into this State and*
 236 *stored here temporarily, is used solely outside this State or is physically*
 237 *attached to or incorporated into other tangible personal property that is*
 238 *used solely outside this State, or is altered by converting, fabricating,*
 239 *manufacturing, printing, processing, or shaping, and, as altered, is used*
 240 *solely outside this State [35 ILCS 105/3-55(e)];*
 241
 242 5) *the temporary storage in this State of building materials and fixtures that*
 243 *are acquired either in this State or outside this State by an Illinois*
 244 *registered combination retailer and construction contractor, and that the*
 245 *purchaser thereafter uses outside this State by incorporating that property*
 246 *into real estate located outside this State [35 ILCS 105/3-55(f)];*
 247
 248 6) *the use, in this State, of a vehicle for which a drive-away decal has been*
 249 *issued under the provisions of 86 Ill. Adm. Code 130.605(b)(1). Effective*
 250 *June 16, 2025, there is a rebuttable presumption that the exemption under*
 251 *35 ILCS 105/3-55(h) does not apply if the purchaser is a limited liability*
 252 *company and a member of the limited liability company is a resident of*
 253 *Illinois. This presumption may be rebutted by other evidence, such as*
 254 *evidence the motor vehicle is insured for primary use at an address*
 255 *outside of Illinois or other evidence that the motor vehicle will be*
 256 *permanently stored or garaged outside Illinois. [35 ILCS 105/3-55(h-1.5)]*
 257 *If* ~~However, beginning July 1, 2008, if~~ *the purchaser of a motor vehicle*
 258 *claims the exemption provided in Section 130.605(b)(1) and the motor*

259 vehicle is then used in this State for more than 30 days in a calendar year,
 260 the purchaser is liable for use tax on the purchase price of that motor
 261 vehicle, subject to credit for tax properly due and paid to any other state as
 262 provided in subsection (a)(3). [35 ILCS 105/3-55(h) and (h-1)] The
 263 assessment of tax under this subsection (a)(6) by the Department is limited
 264 to the period for which it may issue a notice of tax liability under the Use
 265 Tax Act.
 266

267 7) *Beginning July 1, 2007, the following exemptions described in subsections*
 268 *(a)(7)(A), (B), or (C) apply with respect to certain aircraft, as defined in*
 269 *Section 3 of the Illinois Aeronautics Act [620 ILCS 5]. [35 ILCS 105/3-*
 270 *55(h-2)(1-3)]*

271
 272 A) If the aircraft is purchased in this State, *no tax is imposed if all of*
 273 *the following conditions are met:*

274
 275 i) *the aircraft leaves this State within 15 days after the later*
 276 *of either the issuance of the final billing for the purchase of*
 277 *the aircraft or the authorized approval for return to*
 278 *service, completion of the maintenance record entry, and*
 279 *completion of the test flight and ground test for inspection*
 280 *as required by 14 CFR 91.407;*

281
 282 ii) *the aircraft is not based or registered in this State after the*
 283 *purchase of the aircraft; and*

284
 285 iii) *the purchaser provides the Department with a signed and*
 286 *dated certification, on a form prescribed by the*
 287 *Department, certifying that the requirements of this*
 288 *subsection (a)(7)(A) are met. The certificate must also*
 289 *include the name and address of the purchaser, the address*
 290 *of the location where the aircraft is to be titled or*
 291 *registered, the address of the primary physical location of*
 292 *the aircraft, and other information that the Department*
 293 *may reasonably require. [35 ILCS 105/3-55(h-2)(1)(A-C)]*

294
 295 B) If the aircraft is temporarily located in this State for the purpose of
 296 a prepurchase evaluation, *no tax is imposed if all of the following*
 297 *conditions are met:*

298
 299 i) *the aircraft is not based or registered in this State after the*
 300 *prepurchase evaluation; and*
 301

302 ii) *the purchaser provides the Department with a signed and*
303 *dated certification, on a form prescribed by the*
304 *Department, certifying that the requirements of this*
305 *subsection (a)(7)(B) are met. The certificate must also*
306 *include the name and address of the purchaser, the address*
307 *of the location where the aircraft is to be titled or*
308 *registered, the address of the primary physical location of*
309 *the aircraft, and other information that the Department*
310 *may reasonably require. [35 ILCS 105/3-55(h-2)(2)(A-B)]*
311

312 C) *If the aircraft is temporarily located in this State for the purpose of*
313 *a post-sale customization, no tax is imposed if all of the following*
314 *conditions are met:*
315

316 i) *the aircraft leaves this State within 15 days after the*
317 *authorized approval for return to service, completion of the*
318 *maintenance record entry, and completion of the test flight*
319 *and ground test for inspection, as required by 14 CFR*
320 *91.407;*
321

322 ii) *the aircraft is not based or registered in this State either*
323 *before or after the post-sale customization; and*
324

325 iii) *the purchaser provides the Department with a signed and*
326 *dated certification, on a form prescribed by the*
327 *Department, certifying that the requirements of this*
328 *subsection (a)(7)(C) are met. The certificate must also*
329 *include the name and address of the purchaser, the address*
330 *of the location where the aircraft is to be titled or*
331 *registered, the address of the primary physical location of*
332 *the aircraft, and other information that the Department*
333 *may reasonably require. [35 ILCS 105/3-55(h-2)(3)(A-C)]*
334

335 D) *The exemption provided under subsections (a)(7)(B) and (C) does*
336 *not apply to tax incurred on any service transactions performed on*
337 *the aircraft.*
338

339 E) *For purposes of this subsection (a)(7):*
340

341 *"Based in this State" means hangared, stored, or otherwise used,*
342 *excluding post-sale customizations as defined in this subsection*
343 *(a)(7)(E), for 10 or more days in each 12-month period*
344 *immediately following the date of the sale of the aircraft.*

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"Post-sale customization" means any improvement, maintenance, or repair that is performed on an aircraft following a transfer of ownership of the aircraft.

"Prepurchase evaluation" means an examination of an aircraft to provide a potential purchaser with information relevant to the potential purchase.

"Registered in this State" means an aircraft registered with the Department of Transportation, Aeronautics Division, or titled or registered with the Federal Aviation Administration to an address located in this State.

F) *If tax becomes due under this subsection (a)(7) because of the purchaser's use of the aircraft in this State, the purchaser shall file a return with the Department and pay the tax on the fair market value of the aircraft. This return and payment of the tax must be made no later than 30 days after the aircraft is used in a taxable manner in this State. The tax is based on the fair market value of the aircraft on the date that it is first used in a taxable manner in this State. [35 ILCS 105/3-55(h-2)]*

8) *The use or purchase of tangible personal property by a common carrier by rail or motor that receives the physical possession of the property in Illinois, and that transports the property, or shares with another common carrier in the transportation of the property, out of Illinois on a standard uniform bill of lading showing the seller of the property as the shipper or consignor of the property to a destination outside Illinois, for use outside Illinois. [35 ILCS 105/3-55(g)]*

b) Since exemptions described in subsections (a)(1), (3) and (4) do not exist as far as the Retailers' Occupation Tax Act is concerned, and since it would therefore serve no purpose to say that the exemptions exist for use tax purposes insofar as the seller is merely collecting use tax to reimburse the seller for retailers' occupation tax on the same transaction, the Department believes that the legislative intention in these references to the acquisition of tangible personal property outside this State was to make the references apply to cases in which the only tax liability that could be involved is use tax liability.

c) Therefore, exemptions described in subsections (a)(1), (3) and (4) would not apply except when the tangible personal property is acquired outside Illinois by the purchaser in such a way that there is no retailers' occupation tax liability on

388 the part of the seller in the same transaction.

389

390 d) For information as to when sellers do or do not incur retailers' occupation tax
391 liability when shipping the tangible personal property from outside Illinois, see 86
392 Ill. Adm. Code Part 131.

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394 (Source: Amended at 50 Ill. Reg. _____, effective _____)