

TITLE 86: REVENUE  
CHAPTER I: DEPARTMENT OF REVENUE

PART 471  
GAS USE TAX LAW

Section

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AUTHORITY: Implementing the Gas Use Tax Law [35 ILCS 173].

SOURCE: Adopted at 28 Ill. Reg. 16341, effective November 30, 2004; amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

**Section 471.125 Exemptions**

- a) The tax imposed under this Part does not apply to the following:
  - 1) *Gas used by business enterprises located in an enterprise zone certified by the Department of Commerce and Economic Opportunity pursuant to the Illinois Enterprise Zone Act (~~20 ILCS 655~~, [\[35 ILCS 173/5-50\(1\)\]](#)). The use of gas by business enterprises under this exemption does not include gas that is used for any residential purpose;*
  - 2) *Gas used by governmental bodies, or a corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes. Such use shall not be exempt unless the government body, or corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes has first been issued a tax exemption identification number by the Department of Revenue pursuant to Section 1g of the Retailers' Occupation Tax Act. A limited liability company may qualify for this exemption only if the limited liability company is organized and operated exclusively for educational purposes. The term "educational purposes" shall have the same meaning as that set forth in Section 2h of the Retailers' Occupation Tax Act (~~35 ILCS 120~~), [\[35 ILCS 173/5-50\(2\)\]](#);*

- 44 3) *Gas used in the production of electric energy. This exemption does not*  
45 *include gas used in the general maintenance or heating of an electric*  
46 *energy production facility or other structure.* [\[35 ILCS 173/5-50\(3\)\]](#);  
47  
48 4) *Gas used in a petroleum refinery operation.* [\[35 ILCS 173/5-50\(4\)\]](#);  
49  
50 5) *Gas purchased by persons for use in liquefaction and fractionation*  
51 *processes that produce value added natural gas byproducts for resale.* [\[35](#)  
52 [ILCS 173/5-50\(5\)\]](#); ~~and~~  
53  
54 6) *Gas used in the production of anhydrous ammonia and downstream*  
55 *nitrogen fertilizer products for resale.* [\[35 ILCS 173/5-50\(6\)\]](#); and  
56  
57 7) *Gas used by business enterprises certified under Section 9-222.1 of the*  
58 *Public Utilities Act or Section 605-1115 of the Department of Commerce*  
59 *and Economic Opportunity Law of the Civil Administrative Code of*  
60 *Illinois, as amended, to the extent of such exemption and during the period*  
61 *of time specified by the Department of Commerce and Economic*  
62 *Opportunity.* [\[35 ILCS 173/5-10\]](#)  
63

64 b) Purchasers of gas that is to be used for an exempt purpose or purposes as provided  
65 in subsection (a) must provide their delivering supplier or suppliers with a signed  
66 certificate of exemption to claim an exemption from the tax imposed under this  
67 Part. Only one type of exemption described in subsection (a) may be claimed on  
68 each exemption certificate. The certificate of exemption must contain the  
69 following:

- 70  
71 1) Name and address of the purchaser;  
72  
73 2) Account number or numbers for which the exemption is being claimed;  
74  
75 3) Type of exemption claimed (organizations described in subsection (a)(2)  
76 must provide their tax exemption identification number and persons or  
77 organizations claiming the exemption described in subsection (a)(1) must  
78 provide the name of the enterprise zone in which they are located);  
79  
80 4) A statement that all of the gas being purchased by the purchaser under the  
81 account number or numbers listed on the certificate is exempt from tax;  
82  
83 5) The date the certificate was given to the delivering supplier; and  
84  
85 6) The signature of the purchaser.  
86

- 87 c) Purchasers providing invalid exemption certificates. Purchasers of out-of-State  
88 gas who provide exemption certificates when they do not qualify for such  
89 exemptions will be deemed to be self-assessing purchasers and incur the tax  
90 imposed by this Part at the self-assessing purchaser rate. Such purchasers must  
91 file returns and pay the tax directly to the Department.  
92
- 93 d) Separate accounts for exempt uses. Purchasers who have both exempt uses and  
94 non-exempt uses of gas must have separate accounts with their delivering supplier  
95 or suppliers for their exempt gas usage. An exemption certificate provided under  
96 this Section may only be provided for an account where all the gas being  
97 delivered to that customer under that account is exempt from tax under this Part.  
98

99 (Source: Amended at 50 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)