

Integra Asset Solutions, LLC
Illinois Sales and Use Tax Summary

Time Savers Aerials, Inc.

Location: 725 Kimberly Drive, Carol Stream, IL 60188

Tax Rate: 8%

Exempt Entity: Manufacturer

Sales to manufacturers are generally taxable. However, Illinois provides exemptions for certain machinery, equipment, materials, and supplies.

1. Illinois exempts materials which become an ingredient or component part of manufactured tangible personal property that will be resold.
2. Illinois exempts machinery and equipment used primarily (over 50%) in the process of manufacturing or assembling tangible personal property for wholesale or retail.
3. Illinois exempts production related tangible personal property. "Production related tangible personal property" means all tangible personal property that is used or consumed by the purchaser in a manufacturing facility.

Qualifying production related tangible personal property includes:

- (1) tangible personal property that becomes a part of real property within a manufacturing facility,
- (2) supplies and consumables (e.g., fuels, coolants, oils, lubricants, adhesives),
- (3) hand tools,
- (4) protective apparel, and
- (5) fire and safety equipment.

The exemption applies broadly to tangible personal property that is used or consumed in the manufacturing process, research and development, preproduction material handling, receiving, quality control, inventory control, storage, staging, and packaging for shipping and transportation purposes. The exemption for production related tangible personal property does not apply to property used for administrative activities within a manufacturing facility or to property that requires registration with state or local government (e.g., motor vehicles).

Accepted Forms: ST-587 (machinery and equipment); <https://www2.illinois.gov/rev/forms/sales/Documents/sales/st-587.pdf>

Exempt Entity: Reseller

Purchases made for resale are exempt from tax in Illinois. Illinois excludes sales for resale from its definition of a "sale at retail." Therefore, sales for resale are exempt from tax. Note that a resale certificate must include;

- (1) an active Illinois registration number,
- (2) an Illinois resale number, or
- (3) for purchasers that are authorized to do business outside of Illinois and will resell and deliver property only to purchasers located outside the state of Illinois, proof of out-of-state registration.

*Please note: IL does not accept out-of-state resale certificates. You must be registered in the state of IL.

Verify Resale Certificate Number here: <https://mytax.illinois.gov/>

Accepted Forms:

Ill. Form No. CRT-61: Certificate of Resale;

<https://www2.illinois.gov/rev/forms/sales/Documents/sales/crt-61.pdf>

Multistate Tax Commission: Uniform Sales and Use Tax Exemption/Resale Certificate – Multijurisdiction;

<https://www.mtc.gov/getattachment/Resources/Uniform-Sales-Use-Tax-Exemption-Certificate/Unif-Resale-Cert-final-12-9-2020r1.pdf.aspx>