

TAX YEAR: 2018

Please print your name here: _____

Illinois Use Tax

Illinois has always imposed a Use Tax on out-of-state purchases (including internet and mail-order purchases) by Illinois residents whenever the seller does not charge Illinois sales tax.

To increase compliance (which in past years has been very poor) and bring more revenue into the State, the Illinois General Assembly passed a law requiring Illinois Department of Revenue (IDOR) to add a line to the Illinois Form IL-1040 requiring you to declare and remit your 2018 Illinois Use Tax. This line must be completed, even if the amount of use tax is zero.

To assist us in determining the Illinois Use Tax that you owe, please review your records to see if you were charged any sales tax on internet, mail order, or other out-of-state purchases. The Use Tax owed will generally be 6.25% (1% on food, non-prescription drugs and medical appliances), less the sales tax paid to another state (if any).

ACTION REQUIRED ON YOUR PART:

Each taxpayer must make a determination and choose at least one of the Use Tax declarations outlined below. Please indicate which option you choose by checking the box next to your choice.

OPTION 1 - I/We would like Ripple Tax to compute your Illinois Use Tax Liability based on the actual amounts of purchases where no Illinois Sales Tax was paid. Please provide the information in items 1 - 4 below (If you have incomplete records, you may provide estimates for only Lines 1 and 2):

1. Total cost of general merchandise purchased for use in Illinois- no Illinois sales tax paid _____
2. Total cost of qualifying food, non-prescription drugs and medical appliances purchased for use in Illinois- no Illinois sales tax paid _____
3. Total cost of major purchases for use in Illinois- no Illinois sales tax paid _____
4. Total amount of sales tax you paid to another state on above purchases _____

OPTION 2 - I/We have incomplete records (and no major purchases on Line 3) and would like Ripple Tax to compute the tax from the Illinois Department of Revenue tables (IDOR has provided a Use Tax table which allows you to estimate your Use Tax based upon your Adjusted Gross Income, approximately equal to 0.06% or 0.0006 of your Adjusted Gross Income).

OPTION 3 - I/We had no purchases during the year for which Illinois Sales Tax was not paid and therefore have no Illinois Use Tax obligation.