DEPARTMENT OF REVENUE

JULY 2008 REGULATORY AGENDA

a) Part: Lottery (General), 11 Ill. Adm. Code 1770

1) Rulemaking:

A) Description:

1) Amendment to Section 1770.80 to redefine what constitutes a change of ownership for purposes of an Illinois Lottery license.

2) Amendment to Section 1770.90 to allow slightly more time for retailers to deliver late payments to regional offices before lottery terminal functions are suppressed.

3) Amendment to Section 1770.130 to replace a reference to "The Big Game" with a reference to the "Mega Millions" game.

4) New Section 1770.240 to codify the Lottery's voluntary self-exclusion program, which offers problem gamblers the opportunity to remove an incentive to play lottery by preventing them from receiving Lottery prizes through the Illinois Lottery's regional prize payment facilities or lottery central.

B) Statutory Authority: 20 ILCS 1605/7.1 and 7.2.

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: With respect to the voluntary self-exclusion program rules, January 2008. The modifications to existing Sections of the Lottery's general rules will follow at a later date.

E) Affect on small business, small municipalities or not for profit corporations: The amendments to Sections 1770.80 and 1770.90 will have a positive effect on small businesses, small municipalities and not-for-profit organizations by allowing slightly more time for payment of delinquent accounts before lottery ticket sales at the

location are halted, and by eliminating the need for the assignment of new retailer numbers and payment of additional fees in certain situations that are currently classified as changes of ownership (such as a transfer of a family-owned business from parent to adult child).

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G) Related rulemakings and other pertinent information: There are no related rulemakings.

b) Part: Income Tax, 86 Ill. Adm. Code 100

1) Rulemaking:

A) Description: New rules will be added to Part 100 concerning the tax credit for Tech Prep Youth Vocational Programs (IITA Section 209); the reallocation of items under IITA Section 404; pass-through of investment credits from partnerships and Subchapter S corporations to their partners and shareholders; filing of refund claims and other collection matters, statutes of limitations, and interest computations.

Part 100 will be amended by adding rules and amending existing rules governing the computation of base income under Article 2 of the IITA and the allocation and apportionment of base income under Article 3 of the IITA.

Part 100 will be amended to update the provisions defining unitary business groups and computing the combined tax liability of unitary business groups.

Part 100 will be amended by adding rules providing guidance on the addition and subtraction modifications allowed in IITA Section 203, on the credit for residential property taxes paid in IITA Section 208, on the acceptance of substitute W-2s, rounding amounts on returns to the nearest dollar and on the issue of when a taxpayer is subject to tax in another state under IITA Section 303(f).

Part 100 will be amended by updating the provisions for innocent spouse relief and exempt income.

Part 100 will be amended to provide guidance for payment of estimated taxes during short taxable years, during years in which marital status changes, and for computation of penalties for late payment of estimated taxes.

Part 100 will be amended to clarify definitions of terms in IITA Section 1501(a).

Part 100 will be amended to implement legislation enacted in 2004, 2005, 2006, and 2007, including the tax shelter registration and disclosure provisions and penalties for noncompliance, investment partnership provisions, amendments to the earned income credit provisions, amendments to the employee child care credit provisions, amendments to the research and development credit provisions, River Edge Redevelopment zone provisions, credits for hiring veterans and ex-felons, bonus depreciation adjustments, disallowance of deductions for certain related-party expenses, withholding by employers, partnerships, Subchapter S corporations and trusts, changes to apportionment formulas, discharge of indebtedness adjustments to net losses, and taxation of real estate investment trusts and their investors.

Finally, the Department will continue the updating and correction of Part 100.

B) Statutory Authority: 35 ILCS 5/101 and 35 ILCS 5/1401

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: As noted above, there will be a number of rulemakings proposed with respect to Part 100 over the next six months. We anticipate filing rulemakings amending Part 100 on a regular basis during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: These rulemakings will affect any business that incurs an income tax filing obligation.

F) Agency contact person for information:

Paul Caselton
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G) Related rulemakings and other pertinent information: None.

c) Part: Property Tax Code, 86 Ill. Adm. Code 110

1) Rulemaking:

A) Description: Part 110 will be amended concerning 110.140 for Board of Review Procedures and Records. The language in the section, which deals with counties of less than 3,000,000, needs to be updated in order to correspond to the latest Illinois Department of Revenue forms and statutory changes.

Part 110 will be amended to implement the new Disabled Persons' Homestead Exemption under 35 ILCS 200/15-168.

Part 110 will be amended to adopt new rules to implement changes made to the Senior Citizens Assessment Freeze Homestead Exemption under 35 ILCS 200/15-172.

B) Statutory Authority: Implementing the Property Tax Code [35 ILCS 200] and authorized by Section 2505-625 of the Civil Administrative Code of Illinois [20 ILCS 2505/2505-625]; 35 ILCS 200/15-168; and 35 ILCS 200/15-172

C) Scheduled meeting/hearing dates: No schedule has been established.

D) Date agency anticipates First Notice: We anticipate filing rulemakings amending Part 110 during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: May impact some not for profit corporations that are seeking preferential property tax assessments.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: None.

d) Part: Rental Housing Support Program, 86 Ill. Adm. Code 121

1) Rulemaking:

A) Description: New rules will be created under Part 121 to implement the new Rental Housing Support Program.

B) Statutory Authority: 55 ILCS 5/3-5018

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings creating Part 121 during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: De minimus. Small business and not for profit organizations are subject to the $10 recording fee for real estate related documents. Units of local government are exempt under the statute.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: None.

e) Part: Retailers' Occupation Tax, 86 Ill. Adm. Code 130

1) Rulemaking:

A) Description: Amendments will be made to update the Retailers' Occupation Tax regulations to reflect new statutory developments, decisional law and Department policies. Rulemakings are also promulgated as part of the Department's continuing effort to codify policies contained in various letter rulings. Some of the highlights of these changes include:

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1. Amendment of Section 130.340, governing the rolling stock exemption, in response to changes to that exemption made by Public Acts 93-1033 and 95-0528.

2. Amendment of Section 130.415 (transportation and delivery charges) to add examples and to clarify the requirement of a separate agreement between seller and purchaser, particularly in the case of Internet, mail order, telephone and television orders, and what tax rate applies to taxable handling charges for an order that contains both high tax rate and low tax rate items.

3. Amendment of Section 130.2145 to explain the tax liability of hotels for room rental charges made in connection with events during which food is provided by the hotels, such as conferences and weddings.

4. Amendment of Section 130.310 governing taxation of food, drugs and medical appliances to clarify the manner in which the tax rate on food is determined and to clarify the manner in which the exemption for drugs and medical appliances is administered.

5. Amendment of Section 130.2005 regarding nonprofit service enterprises to clarify how tax-exempt organizations handle fundraising events, including occasional dinners and bake sales and similar events.

6. Amendment of Section 130.2013 regarding the lessor's credit to describe the requirements necessary for claiming the credit on sales to customers who are purchasing items that they had previously leased from those lessors.

7. Amendment of Section 130.455 regarding motor vehicle trade-ins to clarify issues regarding trade-ins including how advance trade-ins apply in auction situations.

8. Amendment of Section 130.2115 regarding special order items to clarify how repeat orders of special order items are taxed.

9. The Department anticipates creating a new section regarding the exemption for building materials incorporated into qualifying Rivers Edge Redevelopment Zones created by P.A. 94-1021.

10. Amendment of 130.2125 to clarify how automobile rebates and dealer incentives are taxed.

11. Amendment of 130.120 to recognize the exemption created by Public Act 95-0304 for aircraft purchased for use outside of this State.

12. Amendment of 130.120 to recognize the exemption created by Public Act 95-0538 for tangible personal property used in the construction or maintenance of a community water supply that is operated by certain not-for-profit corporations.

13. Amendment of 130.120 to recognize the reinstatement of the exemption created by Public Act 95-0088 for certain horses used for purposes of breeding or racing for prizes.

14. Amendment of 130.120 to recognize the exemption created by Public Act 95-0672 for tangible personal property sold to public-facilities corporation for purposes of constructing or furnishing a municipal convention hall.

15. Amendment of 130.120 to insert statutorily-mandated sunset dates for various exemptions.

16. Amendment of 130.331 to reflect the sunset date for the MPC credit.

17. Amendment of 130.325 to reflect the sunset date for the graphic arts machinery and equipment exemption.

18. Amendment of 130.605 to recognize the exemption created by Public Act 95-0304 for aircraft purchased for use outside of this State.

19. Amendment of 130.2080 to update the regulation governing sales to governmental bodies, foreign diplomats and consular personnel.

20. Amendment of Section 130 ILLUSTRATION A – to update examples of tax exemption cards.

21. Amendment of 130.2050 – Sales and Gifts By Employers to Employees – to update presumptive Use Tax base on meals provided to employees.

22. The Department anticipates creating a new section regarding the exemption created by Public Act 95-0672 for tangible personal property sold to public-facilities corporation for purposes of constructing or furnishing a municipal convention hall.

23. The Department anticipates creating a new section regarding the exemption created by Public Act 95-0538 for tangible personal property used in the construction or maintenance of a community water supply that is operated by certain not-for-profit corporations.

B) Statutory Authority: 35 ILCS 120/12

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: As noted above, there will be a number of rulemakings proposed with respect to Part 130 over the next six months. We anticipate filing rulemakings amending Part 130 on a regular basis during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: Small businesses that sell tangible personal property

at retail will be affected by these regulations. Transportation companies and their suppliers, along with limousine companies will be affected by the rolling stock regulations. Restaurants, grocers and other establishments selling food products will be affected by changes to Section 130.310, as will persons selling drugs and medical appliances. Businesses selling motor vehicles will be affected by the changes proposed to Section 130.120, 130.455, 130.605, 130.2013, and 130.2125. Businesses selling aircraft, race horses, property used in the construction or maintenance of a community water supplies or certain municipal convention halls, and Illinois coal will be affected by the changes proposed to Section 130.120. Hotels will be affected by the changes proposed to Section 130.2145. Tax exempt organizations will be affected by the changes proposed to Section 130.2005.

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G) Related rulemakings and other pertinent information: None.

f) Part: Service Occupation Tax, 86 Ill. Adm. Code 140

1) Rulemaking:

A) Description: Amendments will be made as part of a general update to clarify application of the Service Occupation Tax and to reflect recent decisional law, statutory changes and Department policy. Some of the highlights of these changes are revisions to Section 140.108 to add an example of a company that provides water service as a de minimis serviceman; and the addition of language to reinforce that de minimis servicemen cannot provide certificates of resale if those de minimis servicemen are registered with the

Department only for the limited purpose of self-assessing and remitting their own use tax liability. New Section 140.129 will be added to explain the taxation of seminar materials.

B) Statutory Authority: 35 ILCS 115/12

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: As noted above, there will be a number of rulemakings proposed with respect to Part 140 over the next six months. We anticipate filing rulemakings amending Part 140 on a regular basis during the next six months of this year.

E) Effect on small business, small municipalities or not-for-profit corporations: Servicemen transferring tangible personal property incident to service will be affected by these rules.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: None.

g) Part: Use Tax, 86 Ill. Adm. Code 150

1) Rulemaking:

A) Description: Amendments will be made to update the Use Tax regulations to reflect new statutory developments, decisional law and Department policies. For Example, regulations that set forth the Department's policies regarding the types of activities and relationships that establish nexus for Use Tax collection.

B) Statutory Authority: 35 ILCS 105/12

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings amending Part 150 during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: These amendments will affect persons subject to the Use Tax.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: None.

h) Part: Service Use Tax, 86 Ill. Adm. Code 160

1) Rulemaking:

A) Description: Amendments will be made to update the Service Use Tax regulations to reflect new statutory developments, decisional law and Department policies.

B) Statutory Authority: 35 ILCS 110/12

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings amending Part 160 during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: These amendments will affect persons subject to the Service Use Tax, including persons required to collect Service Use Tax from Illinois purchasers.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: None.

i) Part: Metro East Mass Transit District Retailers' Occupation Tax, 86 Ill. Adm. Code 370

1) Rulemaking:

A) Description: Regulations will be updated to reflect past statutory changes including the provisions of Public Act 94-776 regarding the taxation of titled or registered tangible personal property.

B) Statutory Authority: 70 ILCS 3610/5.01

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: Businesses that sell tangible personal property, especially titled or registered tangible personal property, in a Metro East Mass Transit District would be minimally impacted.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: Similar changes will be made to Parts 380 and 390 regarding the taxes imposed in Metro East Mass Transit Districts.

j) Part: Metro East Mass Transit District Service Occupation Tax, 86 Ill. Adm. Code 380

1) Rulemaking:

A) Description: Regulations will be updated to reflect past statutory changes including the provisions of Public Act 94-776 regarding the taxation of titled or registered tangible personal property.

B) Statutory Authority: 70 ILCS 3610/5.01

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: Businesses that make sales of service involving the

transfer of tangible personal property in a Metro East Mass Transit District would be minimally impacted.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: Similar changes will be made to Parts 370 and 390 regarding the taxes imposed in Metro East Mass Transit Districts.

k) Part: Metro East Mass Transit District Use Tax, 86 Ill. Adm. Code 390

1) Rulemaking:

A) Description: Regulations will be updated to reflect past statutory changes including the provisions of Public Act 94-776 regarding the taxation of titled or registered tangible personal property.

B) Statutory Authority: 70 ILCS 3610/5.01

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: Businesses that sell tangible personal property, especially titled or registered tangible personal property, in a Metro East Mass Transit District would be minimally impacted.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: Similar changes will be made to Parts 370 and 380 regarding the taxes imposed in Metro East Mass Transit Districts.

l) Part: New Part governing County School Facility Retailers' Occupation Tax

1) Rulemaking:

A) Description: New regulations will be promulgated to implement the provisions of PA 95-675 imposing a County School Facility Retailers' Occupation Tax.

B) Statutory Authority: 55 ILCS 5/5-1006.7(a).

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: Counties imposing this tax and retailers located in such jurisdictions will be affected by this rulemaking.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: A new Part implementing a County School Facility Service Occupation Tax is related.

m) Part: New Part governing County School Facility Service Occupation Tax

1) Rulemaking:

A) Description: New regulations will be promulgated to implement the provisions of PA 95-675 imposing a County School Facility Retailers' Occupation Tax.

B) Statutory Authority: 55 ILCS 5/5-1006.7(b).

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: Businesses making sales of service in counties imposing the tax will be minimally affected.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: A new Part governing a County School Facility Retailers' Occupation Tax is related.

n) Part: Regional Transportation Authority Retailers' Occupation Tax, 86 Ill. Adm. Code 320

1) Rulemaking:

A) Description: Regulations will be updated to reflect the tax increase for the RTA Retailers' Occupation Tax (Public Act 95-708)

B) Statutory Authority: 70 ILCS 3615/4.03(e).

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: Businesses that sell tangible personal property in the metropolitan area will be minimally affected.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: Related rulemakings include amendments to Parts 330 and 340 (see subsections (o) and (p)).

o) Part: Regional Transportation Authority Service Occupation Tax, 86 Ill. Adm. Code 330

1) Rulemaking:

A) Description: Regulations will be updated to reflect the tax increase for the RTA Service Occupation Tax (Public Act 95-708)

B) Statutory Authority: 70 ILCS 3615/4.03(f).

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: Businesses in the metropolitan region that make sales of service involving the transfer of tangible personal property would be minimally affected.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: Related rulemakings include amendments to Parts 320 and 340 (see subsections (n) and (p)).

p) Part: Regional Transportation Authority Use Tax, 86 Ill. Adm. Code 340

1) Rulemaking:

A) Description: Regulations will be updated to reflect the tax increase for the RTA Use Tax (Public Act 95-708)

B) Statutory Authority: 70 ILCS 3615/4.03(g).

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: Persons making purchases outside the metropolitan region of items that are titled or registered to an address in the metropolitan region will be minimally affected.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: Related rulemakings include amendments to Parts 320 and 330 (see subsections (n) and (o)).

q) Part: Bingo License and Tax Act, 86 Ill. Adm. Code 430

1) Rulemaking:

A) Description: Regulations will be updated to reflect the provisions of Public Act 93-742, which authorizes the Department to issue 3-year

bingo licenses, including regular licenses, limited licenses or senior citizen restricted licenses, and the amendments in Public Act 95-228, dealing with licensing. The regulations will also be amended to clarify record keeping requirements and the documentation required for a license application.

B) Statutory Authority: 230 ILCS 25/1

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: Entities eligible for bingo licenses will be affected by this rulemaking.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: There are no related rulemakings.

r) Part: Pull Tabs and Jar Games, 86 Ill. Adm. Code 432

1) Rulemaking:

A) Description: Regulations will be amended to implement the amendments in Public Act 95-228 dealing with licensing and to clarify record keeping requirements and the documentation required for a license application.

B) Statutory Authority: 230 ILCS 20/1

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: Entities eligible for pull tabs and jar games licenses will be affected by this rulemaking.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: There are no related rulemakings.

s) Part: Charitable Games, 86 Ill. Adm. Code 435

1) Rulemaking:

A) Description: Regulations will be amended to implement the amendments in Public Act 95-228 dealing with licensing and to clarify record keeping requirements and the documentation required for a license application.

B) Statutory Authority: 230 ILCS 30/1

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Affect on small business, small municipalities or not for profit corporations: Entities eligible for a charitable games license will be affected by this rulemaking.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: There are no related rulemakings.

t) Part: Cigarette Tax Act, 86 Ill. Adm. Code 440

1) Rulemaking:

A) Description: Section 440.30 will be updated to reflect a new statutory exemption created by Public Act 95-0462 for transfers of cigarettes to not-for-profit research institutions that conduct tests concerning the health effects of tobacco products.

B) Statutory Authority: 35 ILCS 130/1

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings to Part 440 during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: Retailers who transfer cigarettes will be affected by these regulations.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: There will be a similar rulemaking for Part 450, Cigarette Use Tax Act.

u) Part: Cigarette Use Tax Act, 86 Ill. Adm. Code 450

1) Rulemaking:

A) Description: Section 450.10 will be updated to reflect a new statutory exemption created by Public Act 95-0462 for transfers of cigarettes to not-for-profit research institutions that conduct tests concerning the health effects of tobacco products.

B) Statutory Authority: 35 ILCS 135/1

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings to Part 450 during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations:
Distributors of cigarettes to not-for-profit research institutions that conduct tests concerning the health effects of tobacco products.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: There will be a similar rulemaking for Part 440, Cigarette Tax Act.

v) Part: Telecommunications Excise Tax, 86 Ill. Adm. Code 495

1) Rulemaking:

A) Description: Regulations will be updated to reflect new statutory provisions, decisional law and Department policy. Examples include:

1. Regulations that explain the manner in which DSL services are taxed.

2. Regulations that explain the taxation of telecommunications that are provided by cable and satellite television companies as part of internet access services and the taxation of Voice Over Internet Protocol (VOIP).

3. Regulations which reflect the provisions of the Simplified Telecommunications Tax Act (92-526, 92-878, 92-602, 93-286, and 94-793) and the Mobile Telecommunications Sourcing Conformity Act. (92-474).

4. Regulations that explain the telecommunications tax liabilities involved when multiple parties are joined together in different conference calling arrangements.

B) Statutory Authority: 35 ILCS 630; Public Acts 92-526; 92-0602; 92-878, 93-286, and 94-793.

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings to Par 495 during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: Retailers of telecommunications and their telecommunications customers will be affected by these regulations.

F) Agency contact person for information:

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G) Related rulemakings and other pertinent information: There are no related rulemakings.

w) Part: Motor Fuel Tax, 86 Ill. Adm. Code 500

1) Rulemaking:

A) Description: Regulations will be updated to reflect new statutory provisions, new provisions and procedures under the International Fuel Tax Agreement, and changes in Department procedures.

B) Statutory Authority: 35 ILCS 505/14

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings to Part 500 during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: Motor fuel distributors, suppliers and receivers, as well as persons licensed under the International Fuel Tax Agreement, will be affected by these regulations.

F) Agency contact person for information:

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Telephone: (217) 782-2844

G) Related rulemakings and other pertinent information: There are no related rulemakings.

x) Part: New Part, Amnesty, 86 Ill. Adm. Code 522

1) Rulemaking:

A) Description: Emergency regulations adopted after the Illinois Tax Delinquency Act was enacted in 2003 (Public Act 93-0026) have expired and must be replaced by permanent regulations.

B) Statutory Authority: 35 ILCS 745

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: Within the next 6 months.

E) Affect on small business, small municipalities and not for profit corporations: Any small business or not for profit corporation that had an Illinois tax liability that qualified for amnesty under the

Illinois Tax Delinquency Act will receive guidance on the consequences of participating or failing to participate in the amnesty program.

F) Agency contact person for information:

Paul Caselton
Deputy General Counsel - Income Tax
Illinois Department of Revenue
101 W. Jefferson, 5-500
Springfield, IL 62794
Telephone: (217) 524-3951

G) Related rulemakings and other pertinent information: None.

y) Part: Uniform Penalty and Interest Act, 86 Ill. Adm. Code 700

1) Rulemaking:

A) Description: The Department will amend the regulations in Part 700 to reflect recent amendments to the Uniform Penalty and Interest Act.

B) Statutory Authority: 20 ICLS 2505/2505-795.

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filings during the next six months of this year.

E) Affect on small business, small municipalities and not for profit corporations: These rulemakings will provide guidance for any business or not for profit corporation that incurs tax liabilities potentially subject to penalty or interest obligations under the Uniform Penalty and Interest Act.

F) Agency contact person for information:

Paul Caselton
Deputy General Counsel, Income Tax
Illinois Department of Revenue
101 W. Jefferson, 5-500
Springfield, IL 62794
Telephone: (217) 524-3951

G) Related rulemakings and other pertinent information: None.

z) Part: New Part Governing Electronic Filing of Corporate Income Tax Returns

1) Rulemaking:

A) Description: The Department will promulgate regulations providing the procedures for corporations, partnerships and tax exempt organizations to file their Illinois income tax returns electronically.

B) Statutory Authority: 35 ILCS 5/502

C) Scheduled meeting/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filings during the next six months of this year.

E) Affect on small business, small municipalities and not for profit corporations: This rulemaking will provide guidance for corporations who will file their Illinois income tax returns electronically.

F) Agency contact person for information:

Rickey A. Walton
Special Assistant Attorney General
Illinois Department of Revenue
100 W. Randolph St., 7-900
Chicago, IL 60601

Telephone: (312) 814-3185

G) Related rulemakings and other pertinent information: None.

aa) Part: New Part Governing Internet Filing of Sales and Use Tax Returns

1) Rulemaking:

A) Description: Regulations will be promulgated to provide the specific procedures and requirements for persons using an Internet-based system to file sales and use tax returns.

B) Statutory Authority: 20 ILCS 2505/2505-210.

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: Persons using the Internet to file sales and use tax returns will be affected by these rules.

F) Agency contact person for information:

Jerilynn Gorden
Deputy General Counsel, Sales and Excise Tax
Illinois Department of Revenue
101 W. Jefferson, 5-500
Springfield, IL 62794
Telephone: (217) 782-2844

G) Related rulemakings and other pertinent information: None.

bb) Part: New Part Governing Business District Taxes

DEPARTMENT OF REVENUE

JULY 2008 REGULATORY AGENDA

1) Rulemaking:

A) Description: Regulations will be promulgated to set out specific procedures and requirements for the business district taxes authorized by P.A 93-1053.

B) Statutory Authority: 65 ILCS 5/11-74.3-6.

C) Scheduled meetings/hearing dates: No schedule has been established at this time.

D) Date agency anticipates First Notice: We anticipate filing rulemakings during the next six months of this year.

E) Effect on small business, small municipalities or not for profit corporations: Municipalities are authorized to impose these taxes within business districts established by those municipalities. All businesses that are engaged in making sales of tangible personal property at retail and sales of service when tangible personal property is transferred incident to those sales of service within a business district where those taxes are imposed will be subject to those taxes.

F) Agency contact person for information:

Jerilynn Gorden
Deputy General Counsel, Sales and Excise Tax
Illinois Department of Revenue
101 W. Jefferson, 5-500
Springfield, IL 62794
Telephone: (217) 782-2844

G) Related rulemakings and other pertinent information: None.