

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.1405 Seller's Responsibility to Obtain Certificates of Resale and Requirements for Certificates of Resale
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**TITLE 86: REVENUE
PART 130
RETAILERS' OCCUPATION TAX**

Section 130.1405 Seller's Responsibility to Obtain Certificates of Resale and Requirements for Certificates of Resale

- a) Except in the case of sales to totally exempt purchasers, when sales for resale are made, sellers should, for their protection, take a Certificate of Resale from the purchaser. Mere statements by sellers that property was sold for resale will not be accepted by the Department without corroborative evidence. Certificates of Resale may be made a part of purchase orders signed by the purchaser.
- b) A Certificate of Resale is a statement signed by the purchaser that the property purchased by him is purchased for purposes of resale. Provided that this statement is correct, the Department will accept Certificates of Resale as prima facie proof that sales covered thereby were made for resale. In addition to the statement, a Certificate of Resale must contain:
- 1) The seller's name and address;
 - 2) the purchaser's name and address;
 - 3) a description of the items being purchased for resale;
 - 4) purchaser's signature, or the signature of an authorized employee or agent of the purchaser, and date of signing;
 - 5) Registration Number, Resale Number, or Certification of Resale to Out-of-State Purchaser
 - A) purchaser's registration number with the Illinois Department of Revenue; or
 - B) purchaser's resale number issued by the Department of Revenue; or
 - C) a statement that the purchaser is an out-of-State purchaser who will sell only to purchasers located outside the State of Illinois.

For information regarding the Seller's Responsibility to Determine the Character of the Sale at the Time of the Sale, see 86 Ill. Adm. Code 130.1401.

- c) If all of a purchaser's purchases are for resale, a purchaser may provide a blanket Certificate of Resale to a seller.

- 1) While there is no statutory requirement that blanket Certificates of Resale be renewed at certain intervals, blanket Certificates should be updated periodically, and no less frequently than every three years.
 - 2) If a purchaser knows that a certain percentage of all purchases from a given seller will be made for purposes of resale, he may accept a blanket Certificate of Resale stating that a designated percentage of the sales made by such seller to such purchaser will be made for purposes of resale.
- d) *Failure to present an active registration number or resale number and a certification to the seller that a sale is for resale creates a presumption that a sale is not for resale. This presumption may be rebutted by other evidence that all of the seller's sales are sales for resale, or that a particular sale is a sale for resale (Section 2c of the Act). For example, other evidence that might be used to document a sale for resale, when a registration number or resale number and certification to the seller are not provided, could include an invoice from the purchaser to his customer showing that the item was actually resold, along with a statement from the purchaser explaining why it had not obtained a resale number and certifying that the purchase was a purchase for resale in Illinois.*

(Source: Amended at 24 Ill. Reg. 15104, effective October 2, 2000)