

Sales/Use/Indirect:

Illinois DOR Addresses Retail Delivery Fees and Taxation of § 336 Liquidations and NFTs

General Information Letter ST-23-0027-GIL, Ill. Dept. of Rev. (8/16/23). Responding to a survey request from a third-party research firm, the Illinois Department of Revenue explains the following:

URL:
<https://tax.illinois.gov/content/dam/soi/en/web/tax/research/legalinformation/lett rulings/st/documents/2023/st23-0027-gil.pdf>

- Illinois does not impose a separate “retail delivery fee” but outgoing transportation and delivery charges are part of the gross receipts subject to the Illinois retailers’ occupation tax (ROT) when there is an inseparable link between the sale of tangible personal property and the outgoing transportation and delivery of the property;
- With respect to liquidations under Internal Revenue Code section 336, such sales are subject to the Illinois ROT and use tax provided that the liquidation takes place by means of sales, and provided that the sales are made for use or consumption and consist of tangible personal property customarily sold by such business; and
- Nonfungible tokens (NFTs) are considered digital assets and currently are not subject to the Illinois ROT and use tax.

Please contact us with any questions.

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