KEWANEE ILLINOIS

Community Development Department
401 E Third St
Kewanee, IL. 61443

Everything You Need!

Phone 309-852-2611
Fax 309-856-6001

There will be a processing fee of 0.5% of the building materials cost payable to the City of Kewanee.
This fee is due at the time of submitting this application.

Instructions for acquiring an "Applicant ID" number for a Building Materials Exemption Certificate (BMEC).

If you already have an "Applicant ID" or a "FEIN" number please skip the instructions and fill out the bottom of this page and proceed to page two.

1. Go to the Illinois Department Of Revenue website: www.revenue.state.il.us
2. Select the "Tax Resources" pull down menu and click on "Businesses"
3. Click on "Business Incentives Reporting and Building Materials Exemption Certification.
4. Scroll down and click on "Proceed to the BMEC application".
5. You are about to begin a Building Materials Exemption Certificate session. Click "Next".
6. Getting Started. Click "Certificate Applicant".
7. A green box will appear. Click "Register Now!".
8. Applicant Registration. Fill out all boxes. (For individuals use Social Security Number for "Tax ID type".)
9. After filling out the Applicant Registration, click "Next" and follow the instructions on the next screen.
10. After receiving your Applicant ID Number in an email from the Illinois Department Of Revenue, write the number in the section below. Fill out all other blanks listed and bring this form back to the Director of Community Development at City Hall.
    You will receive another email with your Building Materials Exemption Certificate usually within a day.

    PLEASE NOTE: For individuals, please use your Social Security Number in place of the FEIN Number. If you do not wish to provide your Social Security Number on this form, you will need to make an appointment to meet with the Director of Community Development at City Hall. Your Social Security Number will be required to be entered a second time on the Illinois Department of Revenue website. By meeting with the Director of Community Development you will be able to enter your Social Security Number yourself in order to protect your privacy.

Applicant ID Number: _____

Continue to page two.

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Illinois eServices

Building Materials Exemption Certificates

Business

Legal business name

Mailing address | City | State | Zip

FEIN | Unemployment Insurance number (UIN)

Email

Project

Project name

Project address or location (no P.O. boxes) | City | Zip

Building permit issue date | FTE covered employees at project initiation

Project Estimates

Estimated project completion date

Estimated building materials cost

Estimated labor cost

Estimated FTE covered employees at project conclusion

Publication 139

June 2019

Application Process to Obtain Sales Tax Exemption Certificates for Building Materials

The information in this publication is current as of the date of the publication. Please visit our website at **tax.illinois.gov** to verify you have the most current revision.

The contents of this publication are informational only and do not take the place of statutes, rules, and court decisions. For many topics covered in this publication, we have provided a reference to the applicable section or part of the Illinois Administrative Code for further clarification or more detail. All of the sections and parts referenced can be found in Title 86 of the Illinois Administrative Code.

About this publication

Publication 139, Application Process to Obtain Sales Tax Exemption Certificates for Building Materials, has been developed to help obtain and describe the requirements of Sales Tax Exemption Certificates for Building Materials. This publication supercedes Informational Bulletin FY 2013-16.

Contractors, sub-contractors, and other entities participating in a real estate construction, rehabilitation, or renovation project in an Enterprise Zone or a River Edge Redevelopment Zone – or for a state-certified High Impact Business – may purchase qualified building materials for the project exempt from sales tax.

Each contractor, sub-contractor, or other entity that purchases qualified building materials for a project must have their own exemption certificate. Contractors or sub-contractors may not use other contractors' or other entities' exemption certificates.

This publication provides a brief description of the requirements. For complete information about what you need, visit our website at tax.illinois.gov and click on the "Business Incentives Reporting " link under the "Businesses" drop-down to get started.

For information or forms, visit our website at: tax.illinois.gov

Who is required to obtain a Building Materials Exemption Certificate?

- Each construction contractor, sub-contractor, or other entity that purchases building materials to be incorporated into real estate in an Enterprise Zone or River Edge Redevelopment Zone by rehabilitation, remodeling or new construction.
- Each construction contractor, sub-contractor, or other entity that purchases building materials that will be incorporated into a High Impact Business location as designated by the Department of Commerce and Economic Opportunity.

What information does IDOR require to apply for an exemption certificate?

- Name, address and e-mail address of the construction contractor, sub-contractor, or other entity seeking a certificate;
- Name of the Enterprise Zone or River Edge Redevelopment Zone (not necessary for High Impact Business locations);
- The name of the project;
- The address (or location) of the project;
- The estimated amount of the exemption based on the percentage of the contract that consists of qualified materials; and
- Federal Employer Identification Number (FEIN) or Applicant ID

How do I apply for a Building Materials Exemption Certificate?

- Construction contractors, sub-contractors, or other entities may obtain an Applicant ID through the Illinois Department of Revenue (IDOR) website to expedite the Building Materials Exemption Certificate application process. IDOR will provide an Applicant ID by email, which the applicant can bring to the Zone Administrator or High Impact Business project manager to complete the application. Select the "Proceed to the BMEC application" link on the "Business Incentives" page to get started.
- Construction contractors, sub-contractors, or other entities are required to set up an account on IDOR's website. To begin the process, click on the link in the Applicant ID email that was sent to you. You will be prompted to enter the Social Security Number or Federal Employer Identification Number that you used to obtain your Applicant ID. Next it will require you to create a password and security questions for easy access in the future. Once your account has been set up, you will only need to enter the Applicant ID and your password to have access to all exemption certificates associated with your Applicant ID.
- Construction contractors, sub-contractors, or other entities must request exemption certificates from the Zone Administrator of the zone where the project is located or from the High Impact Business project manager. The Zone Administrator will then submit an application on behalf of the construction contractor, sub-contractor, or other entity for an exemption certificate from IDOR.
- IDOR will issue an exemption certificate within 72 hours of receiving an application.

How long is a certificate valid?

Zone Administrators determine the length of time that an exemption certificate is valid with a maximum of two years. However, exemption certificates may be renewed by the Zone Administrator upon request. Renewals can be submitted 30 days prior to expiration date. Contact your Zone Administrator or High Impact Business project manager for more details.

What are the penalties for misuse of an exemption certificate?

Certificate holders are responsible for ensuring that their certificates are used only to make qualified purchases. A certificate holder who uses the certificate or allows it to be used to improperly avoid tax will be assessed taxes and penalties on the purchase, an additional monetary penalty equal to the state and local sales taxes on the purchase, and may be barred from securing certificates for other projects.

Each contractor, sub-contractor, or other entity that purchases qualified building materials for a project must have their own exemption certificate. Contractors or sub-contractors may not use other contractors' or other entities' exemption certificates.

How will a retailer know when a purchaser has a valid exemption certificate?

When a certificate holder purchases tax exempt building materials, the certificate holder must submit a signed statement to the retailer that contains the certificate number, the zone, the project, and the qualified materials being purchased. Form EZ-1, Building Materials Exemption Certification, contains all necessary information and will be provided to certificate holders when they receive their certificates. Form EZ-1 is also available for download at **tax.illinois.gov**.

Note: It is the seller's responsibility to verify that the certificate holder's building materials exemption certificate number is valid and active. You can confirm this by visiting our website at **tax.illinois.gov.** Select the "Business Incentives Reporting " link under the "Businesses" drop-down on our homepage and then select "Verify the validity of a Building Materials Exemption Certificate" link.

Are there reporting requirements if I have been issued an exemption certificate?

If you obtained a sales tax exemption certificate issued by IDOR, you are required to file a report with IDOR. You are required to report the dollar amount of exempt building materials that you purchased. Each contractor, sub-contractor, or other entity that is issued a certificate is liable to file, including filing a zero report when no purchases were made. For information on reporting requirements, see Publication 140, Reporting Requirements for Business Incentives.

For more information:

Find the most up-to-date information on the Illinois Department of Revenue's website at **tax.illinois.gov.**

Frequently Asked Questions (FAQ) pages have been developed to provide more specific detail about each reporting type. Look for the "Business Incentives Reporting" link under the "Businesses" drop-down on our homepage to get started.

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