



Changes for Form RUT-50

Informational Bulletin

August 2002

Glen L. Bower
Director of Revenue

For information or forms...

- ◆ Call us at:
1 800 732-8866 or
217 782-3336
- ◆ Call our TDD
(telecommunications device
for the deaf) at:
1 800 544-5304
- ◆ Write us at:
Illinois Department of Revenue
P.O. Box 19044
Springfield, IL 62794-9044
- ◆ Visit our Web site at:
www.ILtax.com
- ◆ Call
"Illinois Tax Fax," our
fax-on-demand service, at:
217 785-3400
- ◆ Call
our 24-hour
Forms Order Line at:
1 800 356-6302

To:

All Form RUT-50 Filers and Persons or Businesses who Provide Assistance with the Completion of Form RUT-50

We have revised Form RUT-50, Vehicle Use Tax Transaction Return, because we have updated our processing system for this form. The laws on which the form is based have not changed so requirements for reporting and filing are the same. The instructions for filing Form RUT-50, which are now printed on the back of Page 2, reflect all of the changes we have made.

What changes have been made to Form RUT-50?

We have

- ◆ changed the arrangement of information on the form so that the headings for each step are on the left-hand side of the page and the lines to be completed for that step are opposite them.
 - ◆ made the form two pages instead of three pages.
 - ◆ added a new line in Step 1 to request your driver's license number.
 - ◆ moved the line for the purchase price of the vehicle to Step 3, Line 11.
 - ◆ added a new line in Step 3 to request the odometer reading.
 - ◆ grouped into Step 4, the descriptions for tax-exempt transactions and the \$15 exception taxes. We have also moved the boxes that you use to mark the type of transaction to the right of each line.
 - Lines 17a through 17e provide the reasons that a vehicle transaction may be exempt from tax.
- Note:** For Line 17c, we no longer require you to attach Form RUT-7, Rolling Stock

Certification, as proof of the exemption. Instead, you must write your Certificate of Authority number on the line provided. Retain Form RUT-7 in your books and records as documentation of this exemption.

- Lines 17f through 17h provide the reasons that a vehicle transaction may qualify as an exception. Tax due for Lines 17f through 17h is \$15.
- ◆ grouped into Step 5 the description for the \$25 tax due on motorcycles or ATV's and the taxable transactions on which you calculate tax from the applicable table; Table A or Table B. We have also moved the boxes that you use to mark the type of transaction to the right of each line.
 - Line 19a is for vehicle transactions that are motorcycles or ATV's. Tax due for this type of transaction is \$25 regardless of purchase price.
 - Line 19b is for vehicle transactions on which you owe tax from Table A. You will find Table A printed in the instructions on the back of Page 2 of Form RUT-50.
 - Line 19c is for vehicle transactions on which you owe tax from Table B. You will find Table B printed in the instructions on the back of Page 2 of Form RUT-50.

Please see Pages 2 and 3 of this bulletin to view a facsimile of the revised form. Key points about the form are also noted on these two pages. A facsimile of the instructions for filing this form is included on Page 4 of this bulletin.

May I use old versions of the form?

We recommend that you destroy all old revisions of Form RUT-50 and use only the 7/02 revision of the form. Filing on an old revision of the form may result in processing delays or errors.

When will the revised forms and instructions be available?

We expect the revised form to be available in October 2002.

We will send supplies of this form to

- ◆ Office of the Secretary of State Driver Services facilities located throughout the state,
- ◆ license remittance agents, and
- ◆ currency exchanges where you apply for vehicle title and registration.

You may also request the form from us by telephone or mail.

How can I be sure that I am using the correct revision of the form?

You can identify the revised RUT-50 by the revision date on the upper left-hand corner of the face of the form. The revision date is July 2002; it prints as "(R-7/02)."

What can I do to help avoid making errors on my return?

We have listed below several items that you can verify before filing your return to avoid some common reporting errors:

- ◆ On every Form RUT-50 you file, you must provide the purchase price (or fair market value, when applicable) of the vehicle. The line for the purchase price is now located in Step 3, Line 11.

Note: See "When tax is due on the purchase price of the vehicle" in the instructions on the back of Page 2 for further information on purchase price and fair market value.

- ◆ You must mark only ONE box from the items listed in Step 4 and Step 5. Mark the ONE box that describes your vehicle transaction.
- ◆ For Step 4, Line 17d to apply, the actual purchase date of the vehicle must be provided to substantiate that it was used outside of Illinois for more than three months.
- ◆ For Step 4, Line 17h to apply, the family relationship between the purchaser and seller must be a spouse, parent, brother, sister, or child.
- ◆ Regardless of purchase price, a \$25 tax is due for a transaction that is a motorcycle or ATV reported in Step 5, Line 19a. **Do not** use Table A or Table B to calculate tax for this type of transaction.
- ◆ When your vehicle transaction is fully taxable, you must use the correct tax table (in the instructions) to figure your tax.
 - Use **Table A** if the purchase price (or fair market value, when applicable) is **less than \$15,000**.
 - Use **Table B** if the purchase price (or fair market value, when applicable) is **\$15,000 or more**.
- ◆ Form RUT-50 must be properly signed and dated by the owner and any co-owners.

Line 11

Write the purchase price or, when applicable, the fair market value of the vehicle. See "When tax is due on the purchase price of the vehicle" in the instructions on the back of Page 2 of Form RUT-50 for further information.

This is a new line on the form.

In Line 12, write the odometer reading of the vehicle.

Line 19a

For motorcycles and ATV's, \$25 tax is due.

Line 19b

If Line 11 is less than \$15,000, mark this box and use Table A in the instructions to figure the tax due.

Line 19c

If Line 11 is \$15,000 or more, mark this box and use Table B in the instructions to figure the tax due.



Illinois Department of Revenue

RUT-50 Vehicle Use Tax Transaction Return PV

Form 088 Rev 01 EC RC CA

Complete this return if you purchased or acquired a vehicle from a private party. See instructions on back of Page 2. Please print or type.

Step 1

Complete this information about you, the purchaser or owner

- 1 Your name: 2 Co-owner(s): 3 Address: 4 Daytime phone: 5 SSN: 6 FEIN: 7 Driver's license number:

Step 2

Complete the seller's information.

- 8 Seller's name: 9 Address: 10 Daytime phone:

Step 3

Complete the vehicle information.

- 11 Purchase price of vehicle: 12 Odometer reading: 13 Vehicle identification number (VIN): 14 Year: 15 Make: 16 Model:

Step 4

If your vehicle transaction is either exempt from tax or qualifies as an exception, mark the ONE box that describes the exemption or exception.

- 17 Mark X if a the purchase is exempt based on the tax-exempt status of the organization. b the vehicle is a farm implement, ready-mix concrete truck, or replacement vehicle. c the vehicle is used for rolling stock. d you were an out-of-state resident. e you are the surviving spouse. f you are a beneficiary who is not the surviving spouse. g the vehicle is being transferred in a business reorganization. h the vehicle is being transferred or purchased from a spouse, parent, brother, sister, or child.

If no box applies, continue to Step 5.

Step 5

If you did not mark a box in Step 4, mark the ONE box in Step 5 that describes your vehicle transaction.

- 19 Mark X if a the vehicle is a motorcycle or an ATV. b Line 11 is less than \$15,000 and you did not mark any box above. c Line 11 is \$15,000 or more and you did not mark any box above.

Step 6

Figure your tax.

- 20 Write your tax amount here. 21 Write the credit for tax you previously paid to. 22 Subtract Line 21 from Line 20. This is your total tax due.

Step 7

Sign here.

Under penalties of perjury, I state that I have examined this return and, to the best of my knowledge, it is true, correct, and complete.

Your signature Date Co-owner signature(s) Remittance agent number, if applicable

Copy 1 - Revenue Page 1

This form is authorized by the Illinois tax laws and the Illinois Vehicle Code. Disclosure of this information is REQUIRED. Failure to provide information could result in penalties. This form has been approved by the Forms Management Center. IL-492-0010

Date received

Line 5

Write the Social Security Number of the owner here.

This is a new line on the form.

In Line 7, write the driver's license number of the owner here.

Line 17c

We no longer require you to attach Form RUT-7 when claiming an exemption for rolling stock. Write your Certificate of Authority number here.

Lines 17a through 17e

If one of these exemptions applies to your transaction, \$0 tax is due.

Lines 17f through 17h

If one of these exceptions applies to your transaction, \$15 tax is due.

Line 20

Write the amount of tax due on this line.

This figure is based on the type of transaction you report in Step 4, Lines 17a through 17h or Step 5, Lines 19a through 19c. Please see the notations made for each of the lines for further information.

The owner and any co-owners, must sign and date this return.

Instructions for filing Form RUT-50

General Information

Who must file this return?

You must file this return if you purchased or acquired by gift or transfer a **motor vehicle** from a private party within or outside Illinois. **Complete one return for each motor vehicle.**

Note: You must submit Form RUT-50 as proof of tax payment or proof of exemption along with your application for title and registration. **Do not** take a trade-in allowance on this return.

Do not use this return if you purchased a vehicle from an out-of-state dealer, lending institution, leasing company, or retailer; or if you purchased a passenger car from an unregistered Illinois lending institution or leasing company. You must use Form RUT-25.

Do not use this return if you purchased a vehicle from an Illinois dealer. The dealer must provide Form ST-556.

When is this return due?

This return is due within 30 days of the date the vehicle was purchased or acquired by gift or transfer.

What if I need help?

If you need help, visit our Web site at www.ILtax.com; call us at **1 800 732-8866** or **217 782-3336**; or call our TDD (telecommunications device for the deaf) at **1 800 544-5304**.

Step-by-Step Instructions

Step 1: Complete this information about you, the purchaser

Lines 1 through 7 - Write your name, any co-owner name(s), and your address, daytime phone number, Social Security number or federal employer identification number, and driver's license number.

Step 2: Complete the seller's information

Lines 8 through 10 - Write the seller's name, address, and daytime phone number.

Step 3: Complete the vehicle information

Lines 11 through 16 - Write the purchase price (or fair market value-see "When tax is due on the purchase price of a vehicle" in the next column for an explanation) of the motor vehicle, odometer reading, vehicle identification number (VIN), year, make, and model of the vehicle.

Step 4: If your vehicle transaction is either exempt from tax or qualifies as an exception, mark the ONE box that describes the exemption or exception.

Lines 17 Boxes a-e: If this transaction is exempt from tax as described below, mark the box that applies, and write "E" in Step 6, Line 20.

- a) The organization purchasing the vehicle is charitable, religious, educational, or governmental organization that has been issued an exemption number by the Illinois Department of Revenue; or the vehicle purchase is being made specifically for the purpose of donating it to an exempt organization that is operated exclusively for educational purposes. Write the organization's active Illinois sales tax exemption "E" number in the space provided.
- b) The vehicle is a farm implement as defined in Section 1-130 of the Illinois Vehicle Code, and you are not applying for license plates for on-the-road use; the vehicle is a ready-mix concrete truck used in manufacturing tangible personal property for sale; or the vehicle is a replacement vehicle purchased by an insurance company for their insured as a result of a total loss claim.

Attach Copy 2 of Form RVT-7 if this is a replacement vehicle.

- c) The vehicle is used for rolling stock to haul persons or commodities for hire in interstate commerce. Write your Certificate of Authority number in the space provided.
 - d) You were a resident of another state, and you used the vehicle outside Illinois for at least three months. You must surrender the out-of-state title, registration, or other proof of the vehicle's use at the time you apply for an Illinois title. Write the purchase date in the space provided.
 - e) You are the surviving spouse, and the vehicle is an estate gift.
- Lines 17 Boxes f-h:** If this transaction qualifies for one of the exceptions described below, mark the box that applies, and write "\$15" tax in Step 6, Line 20.
- f) You are a beneficiary who is not the surviving spouse, and the vehicle is an estate gift.
 - g) The vehicle, which was once subjected to Illinois Retailers' Occupation Tax or Illinois Use Tax, is being transferred due to the organization, reorganization, dissolution, or partial liquidation of an incorporated or unincorporated business and the beneficial ownership is not being changed.
 - h) The vehicle is being transferred or purchased from a spouse, parent, brother, sister, or child. Circle the one that indicates your relationship.

Step 5: If you did not mark a box in Step 4, mark the ONE box (19a, 19b, or 19c) that describes your vehicle transaction

Line 19a - If the vehicle purchased is a motorcycle, motor-driven cycle, three-wheel or four-wheel all-terrain vehicle (ATV), or a motorized pedacycle, mark the box and write "\$25" tax in Step 6, Line 20.

When tax is due on the purchase price of the vehicle (Line 19b or Line 19c) If previous lines do not apply, tax is due on the purchase price of the vehicle. "Purchase price" is the value given for a motor vehicle and may be in the form of money, credit, property or service. When there is no stated purchase price, such as a gift or even trade, fair market value is used. You can obtain a fair market value from a licensed dealer. Instructions for calculating the tax due based on the purchase price (or fair market value) of the vehicle follow. If a review of the return results in a question about the amount of the fair market value stated, the department has the authority to determine the fair market value of the vehicle.

Line 19b - If the vehicle's purchase price or fair market value is less than \$15,000, determine the vehicle age using the following worksheet. Then, find the correct tax due from **Table A**, and write that amount in Step 6, Line 20.

Worksheet	Example	Yours
a Write year of the title application.	2002	_____
b Write the year of the vehicle.	1999	_____
c Subtract Line b from Line a. (This is your vehicle age.)	3	_____
d Write the tax due from Table A here and in Step 6, Line 20.	\$ 215	_____

Table A	Vehicle age	Tax due
Use this table if you marked Line 19b.	1 or less	\$ 390
	2	290
	3	215
	4	165
	5	115
	6	90
	7	80
	8	65
	9	50
	10	40
	11 or more	25

Line 19c - If the vehicle's purchase price or fair market value is \$15,000 or more, find the tax due from **Table B** and write that amount in Step 6, Line 20.

Table B	Purchase price or fair market value	Tax due
Use this table if you marked Line 19c.	\$15,000 to 19,999.99	\$ 750
	\$20,000 to 24,999.99	1,000
	\$25,000 to 29,999.99	1,250
	\$30,000 or more	1,500

Step 6: Figure your tax

Line 20 - Tax. Write the amount of tax due as determined in Step 4 or 5.

Line 21 - Credit for tax previously paid. Write the amount of use tax you previously paid to another state on this vehicle. Write the name of the state in the space provided. We will allow credit only if the tax previously paid was properly due and separately stated on the proof of tax payment. You must attach proof of tax payment.

Line 22 - Total tax due. Subtract Line 21 from Line 20, and write the amount of tax due. You owe a **late-filing penalty** if you do not file a processable return by the due date. You owe a **late-payment penalty** if you do not pay the tax you owe by the original due date of the return. We may bill you for penalties and interest. For additional information, see Publication 103, Uniform Penalties and Interest. To receive a copy of this publication, call 1 800 356-6302.

Step 7: Sign here

The purchaser and any co-owner(s) must sign the return. **Make a separate payment for tax payable to the "Illinois Department of Revenue" and attach it to Page 1.** Send Page 1 and any other required forms and attachments with your application and fees for title and registration to:

OFFICE OF THE SECRETARY OF STATE
VEHICLE SERVICES DEPARTMENT
HOWLETT BLDG SPRINGFIELD IL 62756

Keep Page 2 (Taxpayer's copy) of the return for your records. If you walk into one of our facilities to pay the tax and you will need a receipt to prove tax payment because you must title and register the vehicle at a later date, also bring Page 2 with you.