



ST-589 Certificate of Eligibility for Sales and Use Tax Exemption — Community Water Supply

The seller must keep this certificate. The community water supply must always complete Steps 1 through 4. If the purchaser is a contractor, the contractor also must complete Step 5.

Step 1: Identify the seller

Name _____

Address _____

Number and street

Phone (____) _____

City _____ State _____ ZIP _____

Step 2: Identify the community water supply

Name _____

Date of purchase _____ / _____ / _____

Month Day Year

Address _____

Illinois EPA Water Supply Facility Number:

Number and street

IL _____

City _____ State _____ ZIP _____

Phone (____) _____

FEIN _____ - _____

Step 3: Identify the tangible personal property you are purchasing

Description of tangible personal property _____

Vehicle identification number (VIN) or other identifying number for items that must be titled or registered with an agency of Illinois state government _____

Step 4: Identify how the tangible personal property will be used and sign below

This is a purchase by the community water supply identified above, and (check one)

- this tangible personal property is being purchased and used in the construction or maintenance of structures and physical plant owned by the community water supply and will be physically incorporated into the structures and physical plant; or
- this tangible personal property will not be physically incorporated into the structures and physical plant owned by a community water supply but is being purchased for use in the construction or maintenance of a community water supply. **Note:** This exempt purpose can be claimed only when the purchaser is the community water supply, not a contractor.

Sign here

Under penalties of perjury, I state that I have examined this certificate and to the best of my knowledge it is true, correct, and complete. I further state that the above-identified community water supply meets all the requirements of Section 2-5(39) of the Retailers' Occupation Tax Act and that the not-for-profit corporation is in good standing and has not been dissolved. If the not-for-profit corporation is a foreign not-for-profit corporation, I also state that it has obtained a certificate of authority to conduct affairs in Illinois and that the certificate has not been withdrawn.

Signature of chief executive officer or duly authorized designee _____

____ / ____ / ____
Date

Step 5: If the purchaser is a contractor, also complete the following and sign below

Contractor's Name _____

Address _____

Number and street

Phone (____) _____

City _____ State _____ ZIP _____

I am a contractor and the tangible personal property I am purchasing will be physically incorporated into the structures and physical plant owned by a community water supply in fulfillment of a construction contract with a not-for-profit corporation that operates the community water supply and is eligible for this exemption. Under penalties of perjury, I state that I have examined this certificate and, to the best of my knowledge, it is true, correct, and complete.

Contractor's signature _____

____ / ____ / ____
Date

If you have questions about the community water supply sales and use tax exemption, call the Illinois Department of Revenue at (217) 785-6606. Additional forms are available on our website at tax.illinois.gov.

This form is authorized as outlined under the tax or fee Act imposing the tax or fee for which this form is filed. Disclosure of this information is required. Failure to provide information may result in this form not being processed and may result in a penalty.

Instructions for Form ST-589, Certificate of Eligibility for Sales and Use Tax Exemption — Community Water Supply

General Information

When is an exemption certificate required?

A community water supply purchaser (or a contractor) claiming a sales and use tax exemption must provide to the seller either Form ST-589, Certificate of Eligibility for Sales and Use Tax Exemption — Community Water Supply, or an equivalent as proof that no tax is due on certain sales.

What sales qualify for the exemption?

The following types of sale qualify as exempt:

- sales of tangible personal property purchased and used in the construction or maintenance of structures and physical plant owned by a community water supply, when the tangible personal property is physically incorporated into the structures and physical plant; or
- sales of tangible personal property purchased and owned by a community water supply, when the tangible personal property is not physically incorporated into the structures and physical plant owned by a community water supply but is used in the construction and maintenance of a community water supply.

See 86 Ill. Adm. Code 130.1934(c), for a detailed list of tangible personal property that does and does not qualify for this exemption.

Who keeps the exemption certificate?

The seller must keep the certificate as proof that no tax was due on the sale of the specified tangible personal property. Unless requested, do *not* mail the certificate to us. A retailer that obtains proper certification is relieved of any tax liability relating to the sale in the event the tangible personal property purchased by the community water supply is not used by the community water supply in the construction or maintenance of the community water supply identified in the certificate of eligibility for sales tax exemption issued by the not-for-profit corporation.

Do leases of tangible personal property qualify for the exemption?

No. Purchases of tangible personal property by a lessor to be leased to a community water supply for use in the construction or maintenance of structures and physical plant owned by the community water supply do *not* qualify for the exemption.

Can I use my own equivalent form?

Yes. As noted above, you can use other forms or statements in place of this certificate, provided the certificate contains the following:

- the name of the not-for-profit corporation operating the community water supply;
- the location or address of the community water supply;
- a statement that the community water supply identified in the certificate meets all the requirements of Section 2-5(39) of the Retailers' Occupation Tax Act;
- a statement that the not-for-profit corporation is in good standing and has not been dissolved (a foreign not-for-profit corporation also shall state that it has obtained a certificate of authority to conduct affairs in Illinois and that the certificate has not been withdrawn);
- a description of the tangible personal property being purchased;
- a statement that the tangible personal property is either:
 - being purchased and used in the construction or maintenance of structures and physical plant owned by a community water supply and physically incorporated into the structures and physical plant; or
 - being purchased for use in the construction or maintenance of a community water supply by a community water supply; and
- the signature of the chief executive officer of the not-for-profit corporation operating the community water supply or the chief executive officer's duly authorized designee.

If the purchaser is a contractor, the equivalent certificate also must contain a signed statement that the tangible personal property will be physically incorporated into the structures and physical plant owned by a community water supply in fulfillment of a construction contract with a not-for-profit corporation that operates the community water supply and is eligible for this exemption.

What if I have questions?

For questions related to the community water supply sales and use tax exemption, call us at **(217) 785-6606**.

Specific Instructions

The community water supply must always complete Steps 1 through 4. If the purchaser is a contractor, the contractor also must complete Step 5.

Step 1: Identify the seller

Provide the seller's name, address, and phone number on the lines provided.

Note: The seller must keep this certificate.

Step 2: Identify the community water supply

Provide the community water supply's name, address, phone number, and date of purchase on the lines provided. You also must provide the community water supply's Illinois EPA water supply facility number and FEIN.

Step 3: Identify the tangible personal property you are purchasing

Describe the tangible personal property you are purchasing. If the tangible personal property is an item that must be titled or registered with an agency of Illinois state government, you also must provide the Vehicle Identification Number (VIN) or other identifying number.

Step 4: Identify how the tangible personal property will be used and sign below

The community water supply must check the box to indicate how the tangible personal property will be used. Either the chief executive officer of the not-for-profit corporation operating the community water supply or the chief executive officer's duly authorized designee must sign and date the form.

Step 5: If the purchaser is a contractor, also complete the following and sign below

Provide the contractor's name, address, and phone number. The contractor also must sign and date the form.