

**Illinois Department of Revenue  
Regulations**

<b>Title 86 Part 190 Section 190.125 Exemptions to Avoid Multi-State Transactions</b>
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**TITLE 86: REVENUE**

**PART 190  
AUTOMOBILE RENTING USE TAX**

**SUBPART B: EXEMPT AUTO RENTING USES AND AUTORENTEES  
NOT SUBJECT TO THE TAX**

**Section 190.125 Exemptions to Avoid Multi-State Transactions**

- a) To prevent actual multi-state taxation, the Automobile Renting Use Tax does not apply to the use in this State of automobiles rented under lease terms of one year or less under the following circumstances:
  - 1) the use, in this State, of an automobile rented outside this State by a non-resident and brought into this State by that non-resident for his or her own use while temporarily within this State or while passing through this State, and
  - 2) the use, in this State, of an automobile rented outside this State by any person who has already paid a rental tax in another state to the extent of the amount of such tax properly due and paid in such other state (for this purposes, "State" includes the District of Columbia).
  
- b) Since the exemptions set out immediately above at subsection (a)(1) and (2) of this Section do not exist as far as the Automobile Renting Occupation Tax is concerned, these two exemptions have application only where the sole tax liability involved is Automobile Renting Use Tax. If the rentor in the same transaction incurs Automobile Renting Occupation Tax liability, these exemptions have no application.

(Source: Amended at \_\_\_ Ill. Reg. \_\_\_\_, effective \_\_\_\_\_)