**Section 150.905 Deduction for Collecting Tax**

The retailer, in remitting the use tax collected from the purchaser, may deduct 1.75% thereof or $5.00 per calendar year, whichever is greater, as an allowance for the retailer's cost *incurred in collecting the tax, keeping records, preparing and filing returns, remitting the tax and supplying data to the Department on request. In the case of retailers who report and pay the tax on a transaction-by-transaction basis, as provided in* Section 9 of the Act, *such discount shall be taken with each such tax remittance instead of when such retailer files* such *periodic return. The discount allowed under* this Section *is allowed only for returns that are filed in the manner required by* the Act. [35 ILCS 105/9] This allowance is available when the tax is remitted with a return that is filed when due under the Act, but is not available in any case in which the tax is paid late (with or without a return, and whether formally assessed by the Department or not). *The Department may disallow the discount for retailers whose certificate of registration is revoked at the time the return is filed, but only if the Department's decision to revoke the certificate of registration has become final.* [35 ILCS 105/9] Also, this discount for collecting the tax is not allowable when the use tax is remitted directly to the Department by a user.

(Source: Amended at 48 Ill. Reg. 6836, effective April 24, 2024)