**Section 475.150 Books and Records**

a) *All of the provisions of Section 7 of the Retailers' Occupation Tax Act* [35 ILCS 120] *that are not inconsistent with the Tax Act shall apply, as far as practicable, to the subject matter of the Tax Act to the same extent as if those provisions were included in the Tax Act* [35 ILCS 450/2-70].

b) Every purchaser that removes oil or gas from a production unit, and every operator that transports *oil or gas off the production unit where severed, uses oil or gas on the production unit where severed by the operator, or manufactures and converts oil and gas into refined products on the production unit where severed* [35 ILCS120/2-10]*,* shall keep books and records, of all oil and gas removed, transported, used, manufactured or converted, together with invoices, bills of lading, sales records, production records, copies of bills of sale, and other pertinent papers and documents. For purposes of this Section, "records" means all data maintained by the taxpayer, including data on paper, microfilm, microfiche, diskettes, flash drives, servers (whether owned by the taxpayer or a third-party), or any type of machine-sensible data compilation. (See 35 ILCS 120/7.)

c) For each production unit for which a purchaser or operator is required to withhold and remit tax pursuant to Section 475.130, the purchaser or operator shall maintain in his or her books and records the following information:

1) Production Unit Information

A) name and address of the operator;

B) common name of the well on the permit issued DNR;

C) number assigned to the production unit by the operator; and

D) legal description of the production unit.

2) Producer/Owner Information

A) the names, addresses, social security numbers or FEINs of the producers;

B) the percentage of interest owned in the well for each royalty interest owner, overriding royalty interest owner and working interest owner; and

C) the rate of tax imposed on each producer and the amount of tax withheld from each producer.

d) All books and records and other papers and documents required by the Tax Act and this Part to be kept shall be kept in the English language and shall, at all times during business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees. (See 35 ILCS 120/7.)

e) For wells a first purchaser begins to purchase oil and gas on or after January 1, 2019, unless the purchaser obtains a properly completed and executed certification under Section 475.130(b)(2), it shall be presumed that all sales of oil and gas from those wells are subject to tax under the Tax Act until the contrary is established. The burden of proving that oil and gas is not taxable under the Tax Act shall be upon the person who would be required to remit the tax to the Department if the transaction is taxable. In the course of any audit, investigation or hearing by the Department with reference to a given taxpayer, if the Department finds that the taxpayer lacks documentary evidence needed to support the taxpayer's claim to exemption from the tax, the Department is authorized to notify the taxpayer in writing to produce that evidence. The taxpayer shall have 60 days, subject to the right of the Department to extend this period either on request for good cause shown or on its own motion from the date when notice is sent to the taxpayer by certified or registered mail (or delivered to the taxpayer if the notice is served personally), in which to obtain and produce the evidence for the Department's inspection. If sufficient evidence is not produced, the matter shall be closed and the oil and gas shall be conclusively presumed to be taxable. (See 35 ILCS 120/7.)

f) *The Department shall have the power:*

1) *to require any operator, producer, transporter, or person purchasing any oil or gas severed from the earth,* soil*, or water to furnish any additional information deemed to be necessary for the purpose of computing the amount of the tax;*

2) *for the purpose of tax computation, to examine the meter and other charts, books, records, and all files of that person; and*

3) *for the purpose of tax computation, to issue subpoenas and examine witnesses under oath. If any witness shall fail or refuse to appear at the request of the Director, or refuses access to books, records, and files, the circuit court of the proper county, or the judge of that court, on application of the Department, shall compel obedience by proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from that court or a refusal to testify before that court.* [35 ILCS 450/2-40]