



*i*nformational Bulletin

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New Exemption for Military Purchases Made by Active Duty US Armed Forces Personnel, Effective January 1, 2024

This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

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To: Active duty US armed forces personnel and retailers filing Form ST-1, Sales and Use Tax and E911 Surcharge Return

Effective **January 1, 2024**, purchases of tangible personal property made by an active duty member of the United States armed forces in which the federal government is the payor are exempt from the Retailers' Occupation Tax Act, the Service Occupation Tax Act, the Use Tax Act, and the Service Use Tax Act. 35 ILCS 120/2-5(48); 35 ILCS 115/3-5(35); 35 ILCS 110/3-5(34); 35 ILCS 105/3-5(43).

The exemption does not apply to personal purchases made by active duty members of the armed forces.

How does a qualified purchaser claim the military purchase exemption?

To claim the exemption, the active duty service member must present valid military identification, provide payment from the federal government, and complete Form ST-590-M, Certificate of Eligibility for Military Purchase Exemption, at the time of purchase. Form ST-590-M is required for proof that the transaction is eligible for the exemption.

The payment must be made by the federal government for the exemption to be valid. Valid payment types include, but are not limited to, a credit card held by the federal government or a check for which the federal government is the account holder.

Who keeps the Certificate of Eligibility for Military Purchase Exemption?

Retailers must keep Form ST-590-M as documentation of the exemption in their records for a period of not less than six years. The Illinois Department of Revenue (IDOR) may request Form ST-590-M as proof that no tax was due on the sale of the specified property. Unless otherwise requested, do not send the certificate to IDOR.

When is a blanket certificate used?

The purchaser may provide Form ST-590-M as a blanket certificate of eligibility for exemption to any seller from whom all purchases made are eligible for the exemption. Blanket certificates must be kept up to date, and retailers should request a new blanket certificate if any information changes. Otherwise, all certificates should be updated at least every three years.