**Section 470.125 Gross Amount of Transactions or Billings Basis of Tax**

a) The Department will grant permission to a taxpayer to file returns required by the Act and to pay a tax imposed by the Act on the basis of gross amount of transactions or gross billings of services covered by the Act, when the taxpayer keeps his or her books and records in such a manner that they do not conveniently or readily reflect the taxpayer's gross receipts from services, but keeps his or her books and records in a manner that does readily and conveniently reflect the gross amount billed for the covered services.

b) When a taxpayer desires to file returns and pay taxes on the basis of the gross amount of services billed, he or she shall file a written request with the Department for permission to report on this basis on forms prepared by the Department and shall obligate himself or herself to pay any additional amounts of tax that an audit of the books and records of the taxpayer may disclose to be owing and due upon this basis. Bad debts or uncollectible accounts actually written off the books of a taxpayer will be allowed as a deduction from gross billings in the return filed for the month in which they are written off, when a tax has previously been paid with respect to the amounts of the debt.

c) When permission to make returns and pay tax on a basis of gross amount of services billed has been granted, no change to a gross receipts basis will be allowed except at the end of a tax year ending June 30, and then only upon written authorization of the Department. The Department reserves the right, after notice, to require a taxpayer to make a return and pay tax on a gross receipts basis whenever it may deem that action necessary or expedient to protect the State against loss.

d) *The return shall state: The total number of therms for which payment was received by him from customers during the preceding calendar month and upon the basis of which the tax is imposed; the gross receipts received by him from customers during the preceding calendar month from such business, including budget plan and other customer-owned amounts applied during such month in payment of charges includable in gross receipts, and upon the basis of which the tax is imposed.*

e) *In making the return, the taxpayer may use any reasonable method to derive reportable "Therms" and "Gross Receipts" from his or her billing and payment records.*

f) *In making the return, the taxpayer shall determine the value of any reportable consideration other than money received by him or her and shall include that value in the return.* [35 ILCS 615/3]

(Source: Amended at 43 Ill. Reg. 7463, effective June 18, 2019)