

 **Illinois Department of Revenue**
ST-587 Equipment Exemption Certificate

Step 1: Identify the seller

The seller must keep this certificate.

Name _____ Address _____
Number and street
Phone (____) _____
City _____ State _____ ZIP _____

Step 2: Identify the purchaser (lessor)

Name _____ Phone (____) _____
Address _____ Date of purchase ____/____/____
Number and street Month Day Year
City _____ State _____ ZIP _____
Write the purchaser's Illinois account ID number, FEIN or SSN.
Illinois account ID number _____
FEIN _____ SSN _____

Step 3: Identify the lessee

Name _____ Address _____
Number and street
Phone (____) _____
City _____ State _____ ZIP _____

Step 4: Identify the equipment* you are purchasing (or leasing)

* Equipment includes machinery and repair/replacement parts

Type of equipment _____
Serial no. _____

Step 5: Identify how you will use this equipment. Check the appropriate box. See instructions.

I state that this equipment will be used

- primarily in the manufacturing or assembling of tangible personal property for wholesale or retail sale or lease.
- primarily in production agriculture.
- primarily for coal and aggregate exploration and related mining, off-highway hauling, processing, maintenance, and reclamation, but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

Step 6: Blanket Certificate Check the appropriate box in each section.

I am the identified purchaser, and I certify that

- all of the purchases that I make from this seller are eligible for the **production agriculture** exemption.
- the following percentage, _____ %, of all of the purchases that I make from this seller are eligible for the **production agriculture** exemption.
- all of the purchases that I make from this seller are eligible for the **coal and aggregate mining** exemption.
- the following percentage, _____ %, of all of the purchases that I make from this seller are eligible for the **coal and aggregate mining** exemption.

Step 7: Sign below

Under penalties of perjury, I state that I have examined this certificate and, to the best of my knowledge, it is true, correct, and complete.

Purchaser's signature _____ Date ____/____/____

You may photocopy this form or you may obtain additional forms by visiting our website at tax.illinois.gov.

ST-587 Equipment Exemption Certificate Instructions

General Information

When is an Equipment Exemption Certificate required?

Generally, an Equipment Exemption Certificate is required for proof that no tax is due on any sale that is made tax-free as a sale of equipment to be used primarily in manufacturing or assembling of tangible personal property, production agriculture, or coal and aggregate mining. The purchaser, at the seller's request, must provide the information that is needed to complete this certificate.

Who keeps the Equipment Exemption Certificate?

The seller must keep the certificate. We may request it as proof that no tax was due on the sale of the specified equipment.

Do not mail the certificate to us.

Can other forms be used?

Yes. You can use other forms or statements in place of this certificate but whatever you use as proof that an exempt sale of equipment was made must contain

- the seller's name and address;
- the purchaser's name and address;
- a description of the property being purchased;
- a statement that the property is being purchased for use primarily in (1) manufacturing or assembling of tangible personal property, (2) production agriculture, (3) coal and aggregate mining; and
- the purchaser's signature and date of signing.

Note: A purchase order signed by the purchaser may be used as an Equipment Exemption Certificate if it contains all of the previously stated required information.

When is a blanket Equipment Exemption Certificate used?

The purchaser may provide a blanket Equipment Exemption Certificate to any seller from whom all purchases made are for equipment to be used primarily in production agriculture or coal and aggregate mining. A blanket certificate can also specify that a percentage of the purchases made from the identified seller will be exempt. In either instance, blanket certificates should be kept up-to-date. If a specified percentage changes, a new certificate should be provided. Otherwise, all certificates should be updated at least every three years.

Note: Blanket certificates may **not** be used for purchases of equipment to be used primarily in manufacturing or assembling tangible personal property.

Specific Instructions

Step 1: Identify the seller

Provide the seller's name, address, and phone number on the lines provided.

Step 2: Identify the purchaser (lessor)

Provide the purchaser's (lessor's) name, address, phone number, and date of purchase on the lines provided. You must also write the purchaser's identification number on the corresponding line.

Step 3: Identify the lessee

If the purchaser is a lessor, provide the lessee's name, address, and phone number on the lines provided.

If the purchaser is not a lessor, leave this step blank and continue to Step 4.

Step 4: Identify the equipment you are purchasing (leasing)

Equipment includes machinery and repair/replacement parts. Provide the type of equipment and serial number of the equipment on the lines provided.

Step 5: Identify how you will use this equipment

Complete this step if you are using this form for a one-time purchase (manufacturers must use this step because blanket certificates are not accepted for your equipment). Check the appropriate box to indicate how the equipment will be used.

If you are in production agriculture or coal and aggregate mining and wish to issue this as a blanket certificate, leave this step blank and continue to Step 6.

Step 6: Blanket Certificate

Complete this step **only** if you are using this form as a blanket certificate **and** your primary use is for production agriculture or coal and aggregate mining.

Check the appropriate box to indicate the type of blanket exemption and how the equipment will be used.

Step 7: Sign Below

The purchaser must sign and date the form.