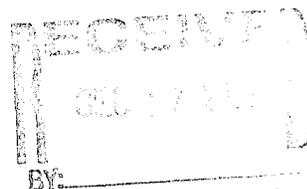


ILLINOIS INDEPENDENT
TAX TRIBUNAL

Ryt-way Industries LLC
and
David C. Finch
Petitioners

v.

ILLINOIS DEPARTMENT OF REVENUE
Respondent



PETITION

The Petitioners, Ryt-way Industries LLC (“Ryt-way”) and David C. Finch (“Finch”), hereby petition the Illinois Independent Tax Tribunal to review and reverse the Assessment and Notice of Intent (“Notice”) issued by the Illinois Department of Revenue (“Department”) for the reasons below:

INTRODUCTION

1. Petitioner Ryt-way is a Limited Liability Company with its principal place of business in Downers Grove, Illinois. The corporate office is located at 3250 Lacey Road, Suite 200, Downers Grove, Illinois 60515 and its telephone number is 630-967-3600. Ryt-way is now a subsidiary of Hearthside Holdco LLC.
2. Petitioner Finch is a resident of the State of Minnesota and is the former Chief Executive Officer of Ryt-way.

BACKGROUND AND RELEVANT FACTS

3. Effective January 1, 2013, Ryt-way and its subsidiary Cloud Packaging Solutions LLC consolidated their tax identification numbers under Ryt-way Payroll, LLC (“Ryt-way Payroll”), Illinois Taxpayer ID No. 46-1596776 000 9. See Attachment A.
4. Ryt-way Payroll filed a UC-40A form for the first quarter 2013 on or around April 30th, 2013; Ryt-way Payroll filed a UC-40A form for the second quarter 2013 on or around July 31st, 2013. Both filings were made under Illinois Taxpayer ID No. 46-1596776 000 9, consistent with the consolidation that occurred effective January 1, 2013. A copy of the filings are attached as Attachment B.
5. On November 5, 2015, the Department issued the Notice seeking payment of the amount of \$24,069.00 in tax, \$3,588.28 in penalties and \$1,333.33 in interest for

taxable periods first quarter 2013 and second quarter 2013 from Petitioner Finch. This notice was issued under the previous Ryt-way Illinois Taxpayer ID No. 26-3160783-000. A copy of the Notice is attached to this Petition as Attachment C.

6. Ryt-way Payroll properly filed a return for the first quarter 2013 tax period on or around April 30th, 2013.
7. Ryt-way Payroll properly filed a return for the second quarter 2013 tax period on or around July 31st, 2013.
8. Ryt Way Industries LLC, through Ryt-way Payroll, LLC filed and deposited Illinois tax withholdings on a timely basis under Illinois Taxpayer ID No. 46-1596776 000 9 for the entire year of 2013.

CONCLUSION AND RELIEF REQUESTED

9. Based on the foregoing, Petitioner Ryt-way has paid all taxes that are due and owed to the State of Illinois for the first and second quarters of 2013. Since Petitioner Ryt-way has paid all taxes, there is no basis for holding Petitioner Finch personally liable for taxes that are not due and owing. As such, the Department erroneously issued the Notice.

WHEREAS, Petitioners respectfully request that the Notice be canceled for the reasons contained herein.

Ryt-way Industries LLC and David C. Finch

By: 
Dennis Craig Gott, Esq.
Illinois Bar No. 1022695

Collection Action

Assessment and Notice of Intent



November 5, 2015



Letter ID: L0822975632

DAVID C. FINCH
13580 40TH ST S
AFTON MN 55001-9638

Taxpayer ID: XXX-XX-5835
1002D Penalty ID: 560861



RYT-WAY INDUSTRIES LLC
424 HOWARD AVE
DES PLAINES IL 60018-1910

We have determined you are personally liable for a penalty of \$28,990.61.

The penalty is equal to the amount of unpaid liability of RYT-WAY INDUSTRIES LLC, due to your status as a responsible officer, partner, or individual of RYT-WAY INDUSTRIES LLC.

Illinois law (35 ILCS 5/1002(d)) provides that any person who has control, supervision, or responsibility of filing returns or making payments for a taxpayer, and who willfully fails to do so, shall be personally liable for a penalty equal to the amount of tax due including penalty and interest.

Pay us \$28,990.61. Your payment must be guaranteed (i.e., cashier's check, money order) and made payable to the Illinois Department of Revenue. Send or bring it to us at the address below.

If you do not agree, you may contest this notice by following the instructions listed below.

- **If the amount of this liability is more than \$15,000**, file a petition with the Illinois Independent Tax Tribunal within **60 days** of this notice. Your petition must be in accordance with the rules of practice and procedure provided by the Tribunal (35 ILCS 1010/1-1, *et seq.*).
- **In all other cases that do not fall within the jurisdiction of the Illinois Independent Tax Tribunal**, file a protest with us, the Illinois Department of Revenue, and request an administrative hearing within 60 days of the date of this notice, which is **January 4, 2016**. Your request must be in writing, clearly indicate that you want to protest, and explain in detail why you do not agree with our actions. If you do not file a protest within the time allowed, you will waive your right to a hearing, and this liability will become final. An administrative hearing is a formal legal proceeding conducted pursuant to the rules adopted by the Department and is presided over by an administrative law judge. A protest of this notice does not preserve your rights under any other notice.
- **Instead of filing a petition with the Illinois Independent Tax Tribunal or a protest with us, the Illinois Department of Revenue**, you may instead, under Sections 2a and 2a.1 of the State Officers and Employees Money Disposition Act (30 ILCS 230/2a, 230/ 2a.1), pay the total liability under protest using Form RR-374, Notice of Payment Under Protest (available on our website at tax.illinois.gov), and file a complaint with the circuit court for a review of our determination.

If the debt remains unpaid and this penalty becomes final, we intend to take collection enforcement action against you personally to collect this debt. Collection action can include the seizure and sale of your assets, and levy of your wages and bank accounts.

DEBBIE PAONI
100% PENALTY UNIT
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19035
SPRINGFIELD IL 62794-9035

217 782-9904 ext. 31607
217 785-2635 fax

For information about
› **how to pay**
› **submitting proof**
› **collection actions**



Collection Action
Assessment and Notice of Intent



November 5, 2015



Letter ID: L0822975632

DAVID C. FINCH
13580 40TH ST S
AFTON MN 55001-9638

Taxpayer ID: XXX-XX-5835
1002D Penalty ID: 560861



This statement lists our most recent information about your unpaid balance, available credits, or returns you have not filed. A payment voucher is included so you may pay the balance due.

IL Withholding Income Tax

Account ID: 26-3160783-000

Period	Tax	Penalty	Interest	Other	Payments/Credits	Balance
31-Mar-2013	12,365.00	1,833.80	684.97	-	-	14,883.77
30-Jun-2013	11,704.00	1,754.48	648.36	-	-	14,106.84

IDOR-5P-NPL (N-03/07)

Retain this portion for your records.
Fold and detach on perforation. Return bottom portion with your payment.

Collection Action

(R-12/08) (136)



Letter ID: L0822975632
DAVID C. FINCH

Total amount due: \$28,990.61

Write the amount you are paying below.

\$ _____

Write your Account ID on your check.

Mail this voucher and your payment to:
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19035
SPRINGFIELD IL 62794-9035

000 006 006541785123 731 123199 7 0000002899061