



## **JURISDICTION**

6. Petitioner(s) brings action pursuant to the Illinois Independent Tax Tribunal Act ( "Tribunal Act"), 35 ILCS 10101-1 to 35 ILCS 10101-100.

7. On or about November 12, 2015, the Department issued a Notice of Tax Liability to Petitioner(s) asserting additional tax due in the amount of \$50,442.54 for the period of January 1, 2012 through August 31,2013. (A copy of the notice is attached hereto and incorporated herein as Exhibit "B").

8. The Illinois Department of Revenue received an appeal of this liability in a timely fashion and dismissed the action granting leave to file an appeal with this Tribunal. (A copy of the notice is attached hereto and incorporated herein as Exhibit "C").

9. This tribunal has jurisdiction pursuant to Sections 1-45 and 1-50 of the Tribunal Act over the Department's determinations as reflected in the order, where the amount at issue exceeds \$15,000.00, exclusive of penalties and interest.

## **BACKGROUND**

10. Petitioner(s) operates a Gas Station.

11. Petitioner(s) timely filed all tax returns and paid all amounts due on a regular and timely basis.

## **PROCEDURAL HISTORY**

12. At some point before November 12, 2015 the Department initiated a sales tax audit of the returns filed by the Petitioner(s) for the period of January 1, 2012 through August 31, 2013, (the "Audit Period").

13. After completing the sales tax audit the department determined that the taxpayer underreported sales.

14. The taxpayer provided books and records regarding his purchases and provided information regarding the cost of gasoline and the selling price of gasoline.

15. The department issued an assessment and disregarded the information provided to it by the Taxpayer.

16. The auditor further assessed an additional tax based upon the arbitrary addition of non-gas sales from the business without justification.

17. The issuance of the assessment is in error.

WHEREFORE, Petitioner(s) SANTOK 13 INC, respectfully requests that the Tax Tribunal find and order that any tax, interest and penalties assessed by the Department be abated in full and for such other and further relief as the Tax Tribunal deems appropriate in this matter.

SANTOK 13 INC,  
Petitioner,

By: 

Akram Zanayed

Akram Zanayed  
Akram Zanayed & Associates  
8500 S. Harlem Avenue, Ste. G  
Bridgeview, IL 60455  
708-237-9000  
Zanayedlaw@gmail.com  
Attorney No. 14635



Illinois Department of Revenue  
**IL-2848 Power of Attorney**



**Read this information first**

Attach a copy of this form to each specific tax return or item of correspondence for which you are requesting power of attorney. You or your representative may also be required to provide a copy of this form when contacting the Illinois Department of Revenue. If you do not properly complete this form, you will be required to submit a new IL-2848.

**Step 1: Complete the following taxpayer information** (\* indicates required field)

<p><b>1 SANTOK 13, INC.</b>          Taxpayer's name*</p> <p><b>2 37-1652646</b>          Taxpayer's identification number(s)*</p>	<p><b>3 725 PINTAIL LANE</b>          Taxpayer's street address</p> <p><b>WASHINGTON, IL 61571</b>          City State ZIP</p>
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**Step 2: Complete the following information** (\* indicates required field)

4 The taxpayer named above appoints the following representatives as attorneys-in-fact:

<p><b>AKRAM ZANAYED</b>          Name*</p> <p><b>AKRAM ZANAYED &amp; ASSOCIATES</b>          Name of firm</p> <p><b>8550 S. HARLEM AVE., SUITE G</b>          Street address*</p> <p><b>BRIDGEVIEW IL 60455</b>          City* State* ZIP*</p> <p><b>(708) 237-9000</b>          Daytime phone number*</p> <p><b>ZANAYEDLAW@GMAIL.COM</b>          E-mail address</p> <p><b>SALES/INCOME 2012-2013</b>          Specific tax type* Year or period*</p>	<p>Name*</p> <p>Name of firm</p> <p>Street address*</p> <p>City* State* ZIP*</p> <p>Daytime phone number*</p> <p>E-mail address</p> <p>Specific tax type* Year or period*</p>	<p>Name*</p> <p>Name of firm</p> <p>Street address*</p> <p>City* State* ZIP*</p> <p>Daytime phone number*</p> <p>E-mail address</p> <p>Specific tax type* Year or period*</p>
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The attorneys-in-fact named above shall have, subject to revocation, full power and authority to perform any act that the principals can and may perform, including the authority to receive confidential information. If you wish to limit the power of the attorneys-in-fact, specify the actions they **may not** perform on Line 5.

5 The attorneys-in-fact named above **do not** have the power to do the following:

Check only the items below you **do not** wish to grant.

- endorse or collect checks in payment of refunds.
- receive checks in payment of any refund of Illinois taxes, penalties, or interest.
- execute waivers (including offers of waivers) of restrictions on assessment or collection of deficiencies in tax and waivers of notice of disallowance of a claim for credit or refund.
- execute consents extending the statutory period for assessments or collection of taxes.
- delegate authority or substitute another representative.
- file a protest to a proposed assessment.
- execute offers in compromise or settlement of tax liability.
- represent the taxpayer before the Illinois Department of Revenue in all proceedings including hearings (requiring representation by an attorney) pertaining to matters specified above.
- obtain a private letter ruling on behalf of the taxpayer.
- perform other acts. (explain) \_\_\_\_\_

6 This power of attorney revokes all prior powers of attorney on file with the Illinois Department of Revenue with respect to the same matters and years or periods covered by this form, except for the following:

<p>Name _____</p> <p>Street address _____</p> <p>City State ZIP _____</p> <p>( ) _____</p> <p>Daytime phone number _____</p> <p>Date granted _____</p>	<p>Name _____</p> <p>Street address _____</p> <p>City State ZIP _____</p> <p>( ) _____</p> <p>Daytime phone number _____</p> <p>Date granted _____</p>	<p>Name _____</p> <p>Street address _____</p> <p>City State ZIP _____</p> <p>( ) _____</p> <p>Daytime phone number _____</p> <p>Date granted _____</p>
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7 Copies of notices and other written communications addressed to the taxpayer in proceedings involving the matters listed on the front of this form should be sent to the following:

**AKRAM ZANAYED**

Name  
**8550 S. HARLEM AVE., SUITE G**  
 Street address  
**BRIDGEVIEW IL 60455**  
 City State ZIP  
**(708) 237-9000**  
 Daytime phone number

Name  
 Street address  
 City State ZIP  
 Daytime phone number

Name  
 Street address  
 City State ZIP  
 Daytime phone number

**Step 3: Complete the following if the power of attorney is granted to an attorney, a certified public accountant, or an enrolled agent**

I declare that I am **not** currently under suspension or disbarment and that I am

- a member in good standing of the bar of the highest court of the jurisdiction indicated below: or
- duly qualified to practice as a certified public accountant in the jurisdiction indicated below: or
- enrolled as an agent pursuant to the requirements of United States Treasury Department Circular Number 230.

Check one:  Attorney  C.P.A.  Enrolled agent

**ILLINOIS**  
 Jurisdiction (state(s), etc.)

*Akram Zanayed* 2/24/16  
 Signature Date

Check one:  Attorney  C.P.A.  Enrolled agent

Jurisdiction (state(s), etc.)

Signature Date

Check one:  Attorney  C.P.A.  Enrolled agent

Jurisdiction (state(s), etc.)

Signature Date

**Step 4: Taxpayer's signature**

If signing as a corporate officer, partner, fiduciary, or individual on behalf of the taxpayer, I certify that I have the authority to execute this power of attorney on behalf of the taxpayer.

*[Signature]*  
 Taxpayer's signature

**PRAGNESH V. PATEL**  
 Print name

**OWNER**  
 Title, if applicable

**2/24/16**  
 Date

Spouse's signature

Print name

Title, if applicable

Date

If corporation or partnership, signature of officer or partner

Print name

Title, if applicable

Date

**Complete the following if the power of attorney is granted to a person other than an attorney, a certified public accountant, or an enrolled agent**

If the power of attorney is granted to a person other than an attorney, a certified public accountant, or an enrolled agent, this document must be witnessed or notarized below. Please check and complete **one** of the following:

Any person signing as or for the taxpayer

- is known to and this document is signed in the presence of the two disinterested witnesses whose signatures appear here.

Signature of witness Date

Signature of witness Date

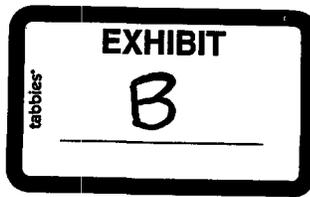
- appeared this day before a notary public and acknowledged this power of attorney as his or her voluntary act and deed.

Signature of notary Date

**Notary seal**



**Notice of Tax Liability**  
**for Form EDA-105-R, ROT Audit Report**



#BWNKMGV  
#CNXX X185 X2X4 4329#  
SANTOK 13 INC  
ATTN: PRAGNESH PATEL  
725 PINTAIL LN  
WASHINGTON IL 61571-9256

November 12, 2015



Letter ID: CNXXX185X2X44329

Account ID: 4061-2651



We have audited your account for the reporting periods January 01, 2012, through August 31, 2013. As a result we have assessed the amounts shown below.

	<u>Liability</u>	<u>Payments/Credit</u>	<u>Unpaid Balance</u>
Tax	35,938.00	0.00	35,938.00
Late Payment Penalty, Increase	7,188.00	0.00	7,188.00
Negligence Penalty	5,012.00	0.00	5,012.00
Interest	2,304.54	0.00	2,304.54
<b>Assessment Total</b>	<b>\$50,442.54</b>	<b>\$0.00</b>	<b>\$50,442.54</b>

If you agree, pay the assessment total as soon as possible to minimize additional penalty and interest. Mail a copy of this notice and your payment with the voucher on the enclosed Taxpayer Statement. By including a copy of this notice, your payment will be properly applied to the audit liability.

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

- If the amount of this tax liability, exclusive of penalty and interest, is more than \$15,000, or if no tax liability is assessed but the total penalties and interest 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 11, 2016. Submit your protest on Form AH-4, Protest and Request for Administrative Hearing with the Illinois Department of Revenue (available on our website at tax.illinois.gov). Mail form AH-4 along with a copy of this notice to the address on the form. 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 you do not protest this notice or pay the assessment total in full, we may take collection action against you for the balance due, which may include levy of your wages and bank accounts, filing of a tax lien, or other action to satisfy your liability.

If you have questions, write or call us weekdays between 8:00 a.m. and 4:00 p.m. Our contact information is listed below.

BUREAU OF AUDITS  
TECHNICAL REVIEW SECTION  
ILLINOIS DEPARTMENT OF REVENUE  
PO BOX 19012  
SPRINGFIELD IL 62794-9012

217 785-6579

## Penalties and Fees

For detailed information on penalties and rates in effect for specific periods on or after January 1, 1994, see Publication 103.

- 1 Late-filing or Nonfiling penalty** - You owe this penalty if you do not file a return by the due date, including any extended due date, or you file a return that is not processable and you do not correct it within 30 days of the date we notify you.
- 2 Late-payment penalty for underpayment of estimated or quarter-monthly tax** - You owe this penalty if you were required to make estimated or quarter-monthly tax payments and failed to do so, or if you failed to pay the required amount by the payment due date.
- 3 Late-payment penalty for regular tax payments** - You owe this penalty if you did not pay the tax you owed by the original due date of the return.
- 4 Negligence penalty** - You owe this penalty if, in preparing a return or amended return, you do not make a reasonable attempt to comply with the provisions of any tax act, including showing careless, reckless, or intentional disregard for the law or regulations.
- 5 Fraud penalty** - You owe this penalty if any part of a deficiency is due to fraud.
- 6 Cost of collection fee** - You owe this fee if you do not pay the total amount you owe within 30 days after a bill has been issued.
- 7 Bad check penalty** - You owe this penalty if you send a remittance to the Department that is not honored by your financial institution.
- 8 Failure to disclose participation in a reportable transaction penalty** - You owe this penalty if you were required to disclose your participation in an abusive tax shelter transaction and did not do so by the required due date.
- 9 Reportable transaction understatement penalty** - You owe this penalty if you do not report and pay the full amount of your tax liability as the result of participating in an abusive tax shelter transaction.

**10 100 percent interest penalty** - You owe this penalty if you

- were contacted by the Internal Revenue Service or Illinois Department of Revenue regarding the use of a potentially abusive tax transaction for a taxable year;
- are later found to have a deficiency in that taxable year that is the result of the tax avoidance transaction; and
- did not report or pay that liability before we issued a Notice of Deficiency.

**11 Audit penalty** - You owe this penalty if you did not pay the tax you owed before the start of an audit or investigation.

**12 Nonfiling penalty for transaction return** - You owe this penalty if you are a retailer required to file a transaction return (ST-556, Sales Tax Transaction Return) by the due date, even if no tax is due on the return.

### Are penalties ever abated?

If you were unable to either timely pay the required amount of estimated or quarter-monthly payments, pay the tax you owed by the due date, or file your tax return by the extended due date because of a casualty, disaster, or other similar circumstance, you may request a waiver of penalties due to reasonable cause. To request this waiver, send us a detailed explanation of the cause of the delay and any documentation you have to support your request. Reasonable cause will be determined on a case-by-case basis according to our rules and regulations.

### How is interest figured?

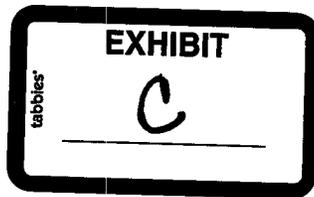
Interest is calculated on your tax from the day after the original due date of your return through the date you pay the tax (for certain tax periods interest may also accrue on penalties). Interest accrues at simple rates established by the Internal Revenue Service. See Publication 103 for more information.

## Bankruptcy Information

If you are currently under the protection of the Federal Bankruptcy Court, contact us and provide the bankruptcy number and the bankruptcy court. The bankruptcy automatic stay does not change the fact that you are required to file tax returns.

## Taxpayer Bill of Rights

- You have the right to call the Department of Revenue for help in resolving tax problems.
- You have the right to privacy and confidentiality under most tax laws.
- You have the right to respond, within specified time periods, to Department notices by asking questions, paying the amount due, or providing proof to refute the Department's findings.
- You have the right to appeal Department decisions, in many instances, within specified time periods, by asking for Department review, by filing a petition with the Illinois Independent Tax Tribunal, or by filing a complaint in circuit court.
- If you have overpaid your taxes, you have the right, within specified time periods, to file for a credit (or, in some cases, a refund) of that overpayment.
- For more information about these rights and other Department procedures, you may contact us. Our contact information is on the front of this notice.



**Illinois Department of Revenue**  
**OFFICE OF ADMINISTRATIVE HEARINGS**  
 Willard Ice Building  
 101 West Jefferson Street – Level 5SW  
 Springfield, IL 62702  
 (217)782-6995

January 20, 2016

Santok 13 Inc.  
 Attn: Pragnesh Patel  
 725 Pintail Lane  
 Washington, IL 61571

Re: **PROTEST DISMISSAL DUE TO LACK OF JURISDICTION**  
 Santok 13 Inc.  
 Account ID: 4061-2651  
 Notice of Tax Liability (NTL), dated November 12, 2015  
 Letter ID: CNXXX185X2X44329

To Santok 13 Inc.:

The Office of Administrative Hearings of the Illinois Department of Revenue received a protest and request for an administrative hearing for Santok 13 Inc. regarding the above Notice. The mailing date of the protest and request for a hearing indicates that the protest was sent within the 60-day protest period for requesting an administrative hearing. However, the assessment at issue for the protest exceeds the statutory amount (\$15,000, exclusive of penalties and interest or \$15,000 for notices that involve only penalties and interest) for which the Department has jurisdiction for protests filed on or after January 1, 2014. For protests that exceed the statutory amount and are filed on or after January 1, 2014, jurisdiction is vested solely in the Illinois Independent Tax Tribunal (Tax Tribunal). See 35 ILCS 1010/1-1 *et seq.* **Because the Department does not have jurisdiction over this protest, the Department is respectfully dismissing your protest and request for administrative hearing.**

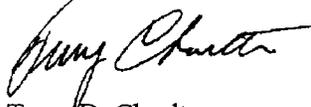
Because of these recent changes in Illinois law, the Department and the Tax Tribunal recognize that there may be instances, such as this, when a protest and request for an administrative hearing may be filed in the wrong jurisdiction. The Tax Tribunal’s website ([www.illinois.gov/taxtribunal](http://www.illinois.gov/taxtribunal)) contains rules that include guidance on filing in the wrong jurisdiction and contact information for the Tax Tribunal. **The Tax Tribunal’s rules provide that a timely protest that is dismissed by the Department for lack of jurisdiction may be filed with the Tax Tribunal within 60 days of the notice of such dismissal.** See Subsection (a)(3) of Section

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5000.310 of the Tax Tribunal's rules. Please note that the Tax Tribunal has different requirements than the Department for filing protests, including the payment of filing fees and the filing of a petition in the form required by the Tax Tribunal.

I recommend that you review the information provided on the Tax Tribunal's website and contact them if you have any questions.

Sincerely,



Terry D. Charlton  
Chief Administrative Law Judge  
Illinois Department of Revenue

TDC