

7. On or about April 20, 2016, the Department issued a Notice of Tax Liability to Petitioner(s) asserting additional tax due in the amount of \$84,452.69 for the period of July 1, 2012 through December 31, 2014. (A copy of the notice is attached hereto and incorporated herein as Exhibit "B").
8. This tribunal has jurisdiction pursuant to Sections 1-45 and 1-50 of the Tribunal Act over the Department's determinations as reflected on the April 20, 2016 notice, where the amount at issue exceeds \$15,000.00, exclusive of penalties and interest.

BACKGROUND

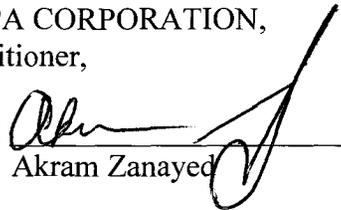
9. Petitioner(s) operates a Tobacco Store.
10. Petitioner(s) timely filed all tax returns and paid all amounts due on a regular and timely basis.

PROCEDURAL HISTORY

11. At some point before October 22, 2015 the Department initiated a sales tax audit of the returns filed by the Petitioner(s) for the period of July 1, 2012 through December 31, 2014, (the "Audit Period").
12. After completing the sales tax audit the department determined that the taxpayer underreported sales.
13. The taxpayer provided books and records regarding his purchases and provided information regarding the cost of the tobacco products.
14. On October 22, 2015 the Department issued an assessment based upon the audit findings. Said assessment is marked as Exhibit C and attached hereto.
15. The assessment was represented to be an amount due based upon the audit findings.
16. Subsequent to the producing of the assessment, the department unilaterally raised the assessment to the amount currently requested, that being \$84,452.69 as stated in Exhibit B, attached hereto.
17. The Department provided no explanation or reason for the additional assessment and the Petitioner believes that both assessments are erroneous.

WHEREFORE, Petitioner(s) ISPA CORPORATION, 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.

ISPA CORPORATION,
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



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. **Do not send this form separately.**

Step 1: Complete the following taxpayer information

1	<u>ISPA CORPORATION</u>	3	<u>1116 ARMY TRAIL ROAD</u>
	Taxpayer's name		Taxpayer's street address
2	<u>27-1407913</u>	<u>HANOVER PARK</u>	<u>IL</u>
	Taxpayer's identification number(s)	City	State
			<u>60133</u>
			ZIP

Step 2: Complete the following information

4 The taxpayer named above appoints the following to represent him before the Illinois Department of Revenue.

AKRAM ZANAYED

Name AKRAM ZANAYED & ASSOCIATES	Name	Name
Name of firm	Name of firm	Name of firm
Street address 8550 S. HARLEM AVE.	Street address	Street address
City State ZIP BRIDGEVIEW IL 60455	City State ZIP	City State ZIP
Daytime phone number (708) 237-9000	Daytime phone number	Daytime phone number
E-mail address ZANAYEDLAW@GMAIL.COM	E-mail address	E-mail address
Specific tax type Year or period SALES TAX 2012-2014	Specific tax type Year or period	Specific tax type Year or period

5 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.

The attorneys-in-fact named above **do not** have the power to -- *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 department 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 department with respect to the same matters and years or periods covered by this form, except for the following:

Name	Name	Name
Street address	Street address	Street address
City State ZIP	City State ZIP	City State ZIP
Daytime phone number	Daytime phone number	Daytime phone number
Date granted	Date granted	Date granted



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.	Name	Name
Street address BRIDGEVIEW IL 60455	Street address	Street address
City State ZIP 708 237-9000	City State ZIP	City State ZIP
Daytime phone number	Daytime phone number	Daytime phone number

Step 3: 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.

	PRESIDENT	
Taxpayer's signature	Title, if applicable	Date
Spouse's signature	Title, if applicable	Date
If corporation or partnership, signature of officer or partner	Title, if applicable	Date

Step 4: 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.

ATTORNEY	IL		
Designation (attorney, C.P.A., enrolled agent)	Jurisdiction (state(s), etc.)	Signature	Date
Designation (attorney, C.P.A., enrolled agent)	Jurisdiction (state(s), etc.)	Signature	Date
Designation (attorney, C.P.A., enrolled agent)	Jurisdiction (state(s), etc.)	Signature	Date

Step 5: 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
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Notary seal



Notice of Tax Liability

for Form EDA-105-R, ROT Audit Report



#BWNKMGV
#CNXX X148 2X74 1924#
ISPA CORPORATION
ATTN: POA AKRAM ZANAYED
8550 S HARLEM AVE
BRIDGEVIEW IL 60455-1770

April 20, 2016



Letter ID: CNXXX1482X741924

Account ID: 3979-1238

We have audited your account for the reporting periods July 01, 2012, through December 31, 2014. As a result we have assessed the amounts shown below.

	<u>Liability</u>	<u>Payments/Credit</u>	<u>Unpaid Balance</u>
Tax	57,660.00	0.00	57,660.00
Late Payment Penalty Increase	11,532.00	0.00	11,532.00
Negligence Penalty	11,532.00	0.00	11,532.00
Interest	3,728.69	0.00	3,728.69
Assessment Total	\$84,452.69	\$0.00	\$84,452.69

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.

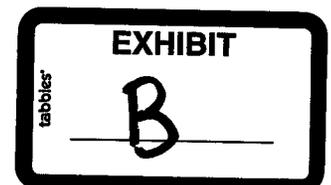
- If the amount of this tax liability, exclusive of penalty and interest, is more than \$15,000, or if no tax liability is assessed but the total penalties and interest is more than \$15,000, file a petition with the Illinois Independent Tax Tribunal within 60 days of this notice. Your petition must 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 June 20, 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



Taxpayer Statement



April 20, 2016

TDD 1 800 544-5304



Letter ID: CNXXX188845992X2

#BWNKMGV
#CNXX X188 8459 92X2#
ISPA CORPORATION
ATTN: POA AKRAM ZANAYED
8550 S HARLEM AVE
BRIDGEVIEW IL 60455-1770

Account ID: 3979-1238

Total amount due: \$84,452.69

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.

Sales/Use Tax & E911 Surcharge

Account ID: 3979-1238

Period	Tax	Penalty	Interest	Other	Payments/Credits	Balance
31-Dec-2014	62,466.00	23,064.00	3,728.69	-	(4,806.00)	84,452.69

• \$84,452.69 of this amount is subject to protest.

SOA

Retain this portion for your records.

P-000091

Fold and detach on perforation. Return bottom portion with your payment.

Taxpayer Statement (R-12/08) (136)



Letter ID: CNXXX188845992X2

ISPA CORPORATION

Total amount due: \$84,452.69

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 19006
SPRINGFIELD IL 62794-9006

\$84,452.69 is subject to protest.

Do not pay any Income Tax liability that you intend to protest.

000 006 010842257444 731 123199 7 0000008445269

**Notice of Proposed Liability
for Sales, Use, and Excise Taxes and Fees**



October 22, 2015



Letter ID: L1468598928

ISPA CORPORATION
CIGAR RETTE PALACE
ATTN: CIGAR-RETTE PALACE
1916 ARMY TRAIL RD
HANOVER PARK IL 60133-8974

Taxpayer ID: 27-1407913
Account ID: 3979-1238
Audit ID: A1692786688
Return type: ST-1
Audit periods: 07/2012 - 12/2014



We have audited your account and have determined that there is additional liability due.

Tax	\$47,603.00
Penalty	\$16,661.00
Interest	\$2,386.00
Total	\$66,650.00

Our calculations, periods covered, and other explanations resulting in the determination are attached for your review.

If you agree with the tax amount as shown, contact us using the information listed below for further instructions. Please note, if you sign the Audit Report, you waive the right to seek review by the Informal Conference Board.

If you do not agree with the figures, you may request a review of this proposed liability by the Informal Conference Board (Section 2505-510). To do this, you must complete Form ICB-1, Request for Informal Conference Board Review, within 60 days from the date of this notice and mail it, along with a copy of the auditor's work papers and a copy of this notice, to:

INFORMAL CONFERENCE BOARD
100 W RANDOLPH SUITE 7-288
CHICAGO IL 60601

If you do not request an ICB review within 60 days from the date of this notice, we will issue a Notice of Tax Liability for the amount proposed to be due.

Sincerely,

Mary Piszczor
Revenue Auditor

ILLINOIS DEPARTMENT OF REVENUE
9511 W HARRISON STREET, DP-A
DES PLAINES IL 60016-1523

312 636-9682
312 636-9882 cell
847 294-4246 fax
mary.piszczor@illinois.gov





Illinois Department of Revenue
Sales Tax Audit System
Schedule 2-A Interest Computation

Date: 10/22/2015
Time: 10:49:36
Page: 1

Taxpayer: ISPA CORPORATION IBT: 3979-1238 Audit Period: 07/01/2012 through 12/31/2014
Tax Type: ROT Interest Thru Date: 10/22/2015 Detail Liability: \$47,803.04 Average Liability: \$0.00

Auditor: Mary T. Piszczor

Month	Detail Liability	Average Liability	Prepayment	Total Liability	Rate	Interest
07/2012	\$1,083.17	\$0.00	\$0.00	\$1,083.17	6.5177	\$70.60
08/2012	\$1,083.17	\$0.00	\$0.00	\$1,083.17	6.2629	\$67.84
09/2012	\$1,083.17	\$0.00	\$0.00	\$1,083.17	6.0163	\$65.17
10/2012	\$1,083.17	\$0.00	\$0.00	\$1,083.17	5.7615	\$62.41
11/2012	\$1,083.17	\$0.00	\$0.00	\$1,083.17	5.5149	\$59.74
12/2012	\$1,083.17	\$0.00	\$0.00	\$1,083.17	5.2445	\$58.76
01/2013	\$2,384.84	\$0.00	\$0.00	\$2,384.84	5.4245	\$129.37
02/2013	\$2,384.84	\$0.00	\$0.00	\$2,384.84	5.4245	\$129.37
03/2013	\$2,384.84	\$0.00	\$0.00	\$2,384.84	5.4245	\$129.37
04/2013	\$2,384.84	\$0.00	\$0.00	\$2,384.84	5.4245	\$129.37
05/2013	\$2,384.84	\$0.00	\$0.00	\$2,384.84	5.4245	\$129.37
06/2013	\$2,384.84	\$0.00	\$0.00	\$2,384.84	5.4245	\$129.37
07/2013	\$2,464.33	\$0.00	\$0.00	\$2,464.33	5.4245	\$133.58
08/2013	\$2,464.33	\$0.00	\$0.00	\$2,464.33	5.4245	\$133.58
09/2013	\$2,464.33	\$0.00	\$0.00	\$2,464.33	5.4245	\$133.58
10/2013	\$2,464.33	\$0.00	\$0.00	\$2,464.33	5.4245	\$133.58
11/2013	\$2,464.33	\$0.00	\$0.00	\$2,464.33	5.4245	\$133.58
12/2013	\$2,464.33	\$0.00	\$0.00	\$2,464.33	5.2602	\$129.53
01/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	5.0054	\$50.09
02/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	4.7752	\$47.79
03/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	4.5205	\$45.24
04/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	4.2739	\$42.77
05/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	4.0191	\$40.22
06/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	3.7725	\$37.75
07/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	3.5177	\$35.20
08/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	3.2629	\$32.55
09/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	3.0164	\$30.18
10/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	2.7816	\$27.54
11/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	2.5150	\$25.17
12/2014	\$1,000.75	\$0.00	\$0.00	\$1,000.75	2.2602	\$22.62
Total:	\$47,803.04	\$0.00	\$0.00	\$47,803.04		\$2,398.10

#3979-1238

ISPA CORPORATION
DBA CIGAR RETTE PALACE
HANOVER PK, IL. 60133-8974

10/22/2015
MTP

SUMMARY OF LIABILITY

	7/12-12/12	2013		2014
PURCHASES	441848	983389		907950
x MARK-UP	1.06	1.06		1.06
EXPECTED SALES	468269	1042371		962427
SALES REPORTED ON THE ROT	381705	660797		807472
DIFFERENCE	88654	381574		154955
		190787	190787	
TAX RATE	7.50	7.50	7.75	7.75
ADDITIONAL TAX DUE	6499	14309	14786	12009
				47663