

**ILLINOIS INDEPENDENT TAX TRIBUNAL
CHICAGO, ILLINOIS**

JAMAL CHAUDHARY,)	
)	
v.)	14-TT-183
ILLINOIS DEPARTMENT OF REVENUE,)	
Respondent.)	

ANSWER

NOW COMES the Department of Revenue of the State of Illinois (the “Respondent”), through its attorney, Lisa Madigan, Attorney General of and for the State of Illinois, and for its Answer to Jamal Chaudhary’s (the “Petitioner”) Petition (the “Petition”) respectfully pleads as follows:

PARTIES

1. Petitioner, JAMAL CHAUDHARY (“Petitioner”), is an individual business owner.

ANSWER: The Respondent objects to Paragraph 1 of the Petition in that it is vague and ambiguous as to the phrase “individual business owner.” Notwithstanding said objection, and without waiving the same, and to the extent Paragraph 1 of the Petition refers to the fact that the Petitioner is an individual, and does business as First Stop Mart, the Respondent admits the allegations in Paragraph 1 of the Petition. The Respondent denies any remaining allegations in Paragraph 1 of the Petition.

2. Petitioner’s principal place of residence is located at 600 Logan Avenue, Belvidere, IL 61108.

ANSWER: The Respondent denies the allegations in Paragraph 2 of the Petition.

3. Petitioner's telephone number is (815)558-4441

ANSWER: The Respondent admits the allegations in Paragraph 3 of the Petition.

4. Petitioner's social security number is [XXX-XX]-4255

ANSWER: The Respondent admits the allegations in Paragraph 4 of the Petition, but has redacted, from the restatement of such allegations, all but "the last four digits of the [Petitioner's] Social Security . . . number" in compliance with Ill. Sup. Ct. R. 138(c), (c)(1).

5. Respondent, Illinois Department of Revenue (the "Department"), is an agency of the State of Illinois responsible for administering and enforcing the revenue laws of the state of Illinois.

ANSWER: The Respondent admits the allegations in Paragraph 5 of the Petition.

JURISDICTION

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

ANSWER: The Respondent admits that the Petitioner brings this action pursuant to the Illinois Independent Tax Tribunal Act, 35 ILCS 10101-1 through 35 ILCS 10101-100. The Respondent denies the remaining allegations in Paragraph 6 of the Petition.

7. ON [sic] or about August 27, 2014, the Department issued a Notice of Tax Liability to Petitioner asserting additional tax due in the amount of \$44,922.27 for the period of

January 1, 2010 through June 30, 2013. (A copy of the August 27, 2014 notice is attached hereto and incorporated herein as Exhibit "B").

ANSWER: The Respondent denies the allegation in Paragraph 7 of the Petition, that the Notice of Tax Liability issued to the Petitioner, for the periods of January 1, 2010 through June 30, 2013 (the "Periods"), dated August 27, 2014 and with Letter ID CNXXXX5787376324, attached to the Petition as Exhibit "B" (the "Notice") asserts additional tax due in the amount of \$44,922.27, and affirmatively states that the Notice reflects \$44,922.27 in additional tax, penalties and interest. A copy of the Notice is not a material allegation of fact, and therefore does not require an answer pursuant to Illinois Independent Tax Tribunal Regulation 310(b)(2) (86 Ill. Adm. Code § 5000.310(b)(2)), but to the extent an answer is required, the Respondent admits issuing the Notice and states that the Notice speaks for itself. The Respondent admits the remaining allegations in Paragraph 7 of the Petition.

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 August 27, 2014 notice, where the amount at issue exceeds \$15,000.00, exclusive of penalties and interest and because Petitioner timely filed this petition within 60 days of the August 27, 2014 notice. See 35 ILCS 1010/1-45 and 35 ILCS 1010/1-50.

ANSWER: The Respondent admits the allegations in Paragraph 8 of the Petition.

BACKGROUND

9. Petitioner operates a convenient store & [sic] gas station which sells gasoline and various food items.

ANSWER: The Respondent strongly objects to Paragraph 9 of the Petition, to the extent it seeks an answer concerning a tax period that is beyond the scope of the relevant sales tax audit in this matter. Notwithstanding said objection, and without waiving the same, the Respondent denies the allegations in Paragraph 9 of the Petition, and affirmatively states that during the Periods the Petitioner operated two locations with a convenience store and gas station, and that both locations sold gasoline and food.

10. Petitioner timely filed all tax returns and paid all amounts due on a regular and timely basis.

ANSWER: The Respondent objects to Paragraph 10 of the Petition in that it is vague and ambiguous as to the “tax returns” to which the Petitioner is referring, and as to the character of the “amounts due.” The Respondent also strongly objects to Paragraph 10 of the Petition, to the extent it seeks an answer concerning an audit, type of tax, or tax period that is beyond the scope of the relevant sales tax audit in this matter. Notwithstanding said objections, and without waiving the same, and to the extent Paragraph 10 of the Petition refers to any Forms ST-1, Sales and Use Tax and E911 Surcharge Returns filed by the Petitioner with respect to the Periods, the Respondent denies the allegations in Paragraph 10 of the Petition. The Respondent denies any remaining allegations in Paragraph 10 of the Petition.

PROCEDURAL HISTORY

11. At some point before August 27, 2014 the Department initiated an audit of the returns filed by the Petitioner for the period of January 1, 2010 through June 30, 2013 (the “Audit Period”).

ANSWER: The Respondent admits that it initiated an audit of Petitioner’s Account ID 3131-2772 before August 27, 2014, for the Periods. The Respondent denies the remaining allegations in Paragraph 11 of the Petition.

12. The taxpayer provided adequate books and records for the Department to examine.

ANSWER: The Respondent objects to Paragraph 12 of the Petition in that it is vague as to the purpose for which the Respondent was to examine any books and records provided by the Petitioner. The Respondent also strongly objects to Paragraph 12 of the Petition, to the extent it seeks an answer concerning an audit, type of tax, or tax period that is beyond the scope of the relevant sales tax audit in this matter. Notwithstanding said objections, and without waiving the same, and to the extent Paragraph 12 of the Petition refers to the books and records relevant to the sales tax audit in this matter, the Respondent denies the allegations in Paragraph 12 of the Petition. The Respondent denies any remaining allegations in Paragraph 12 of the Petition.

13. The Department disregarded the books and issued and [sic] assessment based upon its own calculations.

ANSWER: The Respondent objects to Paragraph 13 of the Petition in that it is vague as to the “books” and the “assessment” to which the Petitioner is referring. The

Respondent also strongly objects to Paragraph 13 of the Petition, to the extent it seeks an answer concerning an audit, type of tax, or tax period that is beyond the scope of the relevant sales tax audit in this matter. Notwithstanding said objections, and without waiving the same, and to the extent Paragraph 13 of the Petition refers to the books and records relevant to the sales tax audit in this matter, and the assessment contained in the Notice, the Respondent denies the allegations in Paragraph 13 of the Petition. The Respondent denies any remaining allegations in Paragraph 13 of the Petition.

14. The basis for which the calculations were made by the department are [sic] improper. Since [sic] it disregarded the books and records of the taxpayer.

ANSWER: The Respondent objects to Paragraph 14 of the Petition in that it is vague as to the “calculations” to which the Petitioner is referring, and as to the type of books and records which the Respondent disregarded. The Respondent also strongly objects to Paragraph 14 of the Petition, to the extent it seeks an answer concerning an audit, type of tax, or tax period that is beyond the scope of the relevant sales tax audit in this matter. Notwithstanding said objections, and without waiving the same, and to the extent Paragraph 14 of the Petition refers to the books and records relevant to the sales tax audit in this matter, and the calculations underlying the assessment contained in the Notice, the Respondent denies the allegations in Paragraph 14 of the Petition. The Respondent denies any remaining allegations in Paragraph 14 of the Petition.

WHEREFORE, the Respondent prays that the Tribunal enter an order to:

- a. deny each prayer for relief in the Petitioner’s Petition;

- b. find that the Notice (as that term is defined in the answer to Paragraph 7 of the Petition) is correct as issued;
- c. order judgment in favor of the Respondent and against the Petitioner; and
- d. grant such further relief as this Tribunal deems appropriate under the circumstances.

Respectfully Submitted,

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State of Illinois

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