



## NOTICE

5. On May 29, 2018, the Department issued a Notice of Tax Liability letter (“Notice”) to the Petitioner for a sales/use tax audit for the tax periods July 1, 2014 to June 30, 2016. The Notice reflects \$77,085 in tax due, \$7,802 in interest due, and zero penalties. The Notice is attached hereto as Exhibit 1.

## JURISDICTION

6. Petitioner brings this action pursuant to the Illinois Independent Tax Tribunal Act (“Tribunal Act”), 35 ILCS 1010/1-1 to 35 ILCS 1010/1-100.

7. This Tribunal has jurisdiction over this matter pursuant to Section 1-45 and 1-50 of the Tribunal Act because Petitioner timely filed this Petition within 60 days of the Notice.

## BACKGROUND

8. Petitioner is located in the far west suburbs and operates an indoor trampoline park.

9. The Department audited Petitioner from July 1, 2014 to June 30, 2016.

10. The audit liability contained in the Notice is overstated because it improperly contains tax-exempt trampoline receipts offered to customers via both party packages and also on Friday nights whereby customers can bounce all night long and also get a “free” slice of pizza.

## COUNT I

### Defendant’s audit methodology overstates Petitioner’s liability.

11. Petitioner realleges and incorporates by reference the allegation made in paragraphs 1 through 10, inclusive, hereinabove.

12. On audit, the Department calculated the audit liability by improperly including tax-exempt trampoline receipts during the audit tax periods.

13. By applying this audit methodology, the Department unreasonably inflated Petitioner's audit liability.

**WHEREFORE**, Petitioner prays that the Tribunal enter an order that:

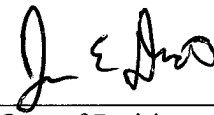
- (a) enters judgment in favor of Petitioner and cancels a portion of the Notice;
- (b) enjoins the Department from taking any action to assess, lien, levy, offset, or any other way prosecute and collect the amount due on the Notice;
- (c) grants such further relief as the Tribunal deems appropriate.

Thank you for considering this Petition.

Respectfully submitted,

Epic Air Inc.,  
Petitioner

By:

  
\_\_\_\_\_  
One of Petitioner's Attorneys

Date:

6/11/18

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Western Springs, IL 60558  
708-784-3200 (fax 3201)  
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# Notice of Tax Liability

Exhibit 1



#BWNKMGV  
#CNXX XXX2 7689 1365#  
EPIC AIR LLC  
1675 N LANCASTER RD  
SOUTH ELGIN IL 60177-2703

May 29, 2018



Letter ID: CNXXXXXX276891365

Account ID: 4051-4471  
Reporting period: June 30, 2016

We have audited your Sales/Use Tax & E911 Surcharge account for the reporting periods July 01, 2014, through June 30, 2016, and the liability has been processed on Form EDA-105-R, ROT and E911 Surcharge Audit Report. As a result, we have assessed the amounts shown below.

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 protest this notice within specific time periods. See the "Protest Rights" section on the following page of this notice for additional information and instructions.

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.

Note: If you are under bankruptcy protection, see the "Bankruptcy Information" section on the following pages of this notice for additional information and instructions.

	<u>Liability</u>	<u>Payments/Credit</u>	<u>Unpaid Balance</u>
Tax	77,085.00	0.00	77,085.00
Interest	7,801.80	0.00	7,801.80
<b>Assessment Total</b>	<b>\$84,886.80</b>	<b>\$0.00</b>	<b>\$84,886.80</b>

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.

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

217 785-6579