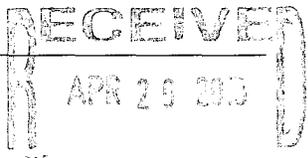


**BEFORE THE
ILLINOIS INDEPENDENT TAX TRIBUNAL**

In the Matter of:)
)
GARY J. RONALD)
620 Mor Street)
Gillespie, IL 62033-1352)
)
ASSESSMENT AND NOTICE OF INTENT)
NPL PENALTY ID: 1420993)

Case No. 
BY: _____
15TT80

PETITION

Gary J. Ronald (“Petitioner”) hereby contests the determination of the Illinois Department of Revenue that he is personally liable for a penalty equal to the amount of alleged unpaid liability of Tri County Coal LLC (“Company”) as shown on the Assessment and Notice of Intent issued March 17, 2015 (“Assessment”). A copy of the Assessment is attached to this petition as Exhibit A. As a basis for this petition, Petitioner states as follows:

1. Petitioner’s address is 620 Mor Street, Gillespie, IL 62033-1352, his telephone number is 217-839-2521, and his taxpayer identification number is [REDACTED].
2. The Illinois Department of Revenue, 100% Penalty Unit, issued the Assessment, dated March 17, 2015, NPL Penalty Number 1420993, against Petitioner for a penalty in the amount of \$229,187.51 for the tax period ending 31 August 2011.
3. The Assessment indicates that the penalty at issue is based on “the amount of unpaid liability” of the Company which includes tax, penalty and interest for the tax period ending 31 August 2011.

4. The Assessment indicates that it is based on a determination that Petitioner is a responsible officer, partner or individual of the Company, within the meaning of Illinois law (35 ILCS 735/3-7).

5. The Company was audited by the Illinois Department of Revenue (“Department”), for the period 07/01/2009 to 08/31/2011. Based on the audit, the Department determined that the Company owed use tax on its general merchandise purchases in the amount of \$175,130. A copy of the Department’s audit report that was prepared in connection with its audit of the Company is attached as Exhibit B.

6. Illinois law (35 ILCS 735/3-7(a)) provides that “[a]ny officer or employee of any taxpayer subject to the provisions of a tax Act administered by the Department who has the control, supervision or responsibility of filing returns and making payment of the amount of any *trust tax* imposed in accordance with that Act and who wilfully fails to file the return or make the payment to the Department or wilfully attempts in any other manner to evade or defeat the tax shall be personally liable for a penalty equal to the total amount of tax unpaid by the taxpayer including interest and penalties thereon.” (Emphasis added).

7. Illinois law (35 ILCS 735/3-7(f)) defines a “trust tax” as “any tax for which an amount is collected or withheld by a taxpayer from another person, and any tax for which an amount is required to be collected or withheld by a taxpayer from another person, regardless of whether it is in fact collected or withheld.”

8. As shown in Exhibit B, the tax assessed against the Company by the Department was use tax that the Company allegedly owed on its purchases. Under Illinois law (35 ILCS 105/3-45) use tax owed by a consumer on its purchases must be paid directly to the Department, unless it is collected from the purchaser by the seller. The tax assessed against the

Company on its purchases is *not* a tax that was or should have been collected or withheld by the Company from another person, and therefore this tax does not come within the definition of a “trust tax” under Illinois law.

9. Because the tax assessed against the Company is not a “trust tax,” it cannot be the basis for a penalty assessment against Petitioner under Illinois law (35 ILCS 735/3-7(a)).

10. The Department issued a Notice of Intent to Petitioner on October 2, 2014, stating that “a penalty equal to the total tax, penalty and interest due from” the Company would be assessed against him unless he either paid “the full amount of the debt” or provided written proof that he was not personally liable for the Company’s tax liability.

11. Within ten days of the date of the Notice of Intent, Petitioner (by counsel) sent a letter by fax and called the Department, and provided proof that the tax assessed against the Company was not a “trust tax” and could not be the basis for a penalty assessment against Petitioner. A copy of the letter faxed by Petitioner’s attorney to the Department is attached as Exhibit C. (This letter included a copy of the audit report that is Exhibit B to this Petition, along with a copy of the Notice of Intent sent to Petitioner and a Power of Attorney form.) In addition, the Department is in possession of information concerning the audit and assessment against the Company, and therefore the Department knew or should have known that the tax it assessed against the Company is not a “trust tax.”

12. As demonstrated by the foregoing, the allegations included in the Assessment were made by the Department without reasonable cause, and therefore Petitioner is entitled to recover his reasonable expenses, including reasonable attorney fees, incurred in connection with this action pursuant to Illinois law (5 ILCS 100/10-55).

13. As further grounds for this Petition, Petitioner is not liable for the Assessment because he does not have “control, supervision or responsibility of filing returns and making payment” of the Company’s trust taxes, nor did he wilfully fail to file a return or make a payment to the Department, or wilfully attempt in any other manner to evade or defeat the tax.

14. As required by 86 Ill. Admin. Code 5000.310.a)2), a check in the amount of \$500.00 payable to the Illinois Independent Tax Tribunal for the payment of filing fees is included with this Petition.

WHEREFORE based on the foregoing, Petitioner respectfully requests: (1) that this Tribunal issue a decision finding that Petitioner is not liable for the Assessment; (2) that this Tribunal order the Department to withdraw the Assessment against Petitioner; and (3) that Petitioner be granted such other relief as may be authorized by the applicable laws, including an award of his expenses and attorney fees.

Respectfully submitted,

BRYAN CAVE LLP

By: 
B. Derek Rose (Reg. Number 6231247)
One Metropolitan Square
211 North Broadway, Suite 3600
St. Louis, Missouri 63102-2750
Telephone: (314) 259-2529
drose@bryancave.com

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of April, 2015, a copy of the foregoing Petition was served by certified mail, postage prepaid, to:

Illinois Department of Revenue

Office of Legal Services

100 W. Randolph St., 7-900

Chicago, IL 60601.

Deek Rosa

Collection Action
Assessment and Notice of Intent



March 17, 2015



Letter ID: L2078054672

GARY J. RONALD
620 MOR ST
GILLESPIE IL 62033-1352

Taxpayer ID: XXX-XX-7403
NPL Penalty ID: 1420993



TRI COUNTY COAL LLC
PO BOX 259
FARMERSVILLE IL 62533-0259

**We have determined you are personally liable
for a penalty of \$229,187.51.**

The penalty is equal to the amount of unpaid liability of TRI COUNTY COAL LLC, due to your status as a responsible officer, partner, or individual of TRI COUNTY COAL LLC.

Illinois law (35 ILCS 735/3-7) 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 \$229,187.51. 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 **May 16, 2015**. 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.

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

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



217 782-9904 ext. 31609
217 785-2635 fax



To avoid this collection action

Pay

Your payment must be guaranteed (*i.e.* cashier's check, money order) and made payable to the Illinois Department of Revenue.

If you believe you are not personally responsible, send us proof

Send us written proof, documents, or testimony for review. You may provide one or all of the following:

- copies of notarized resignation papers.
- corporate minutes where your resignation was accepted.
- copy of signed agreement to transfer stocks and bonds to another party.
- a notarized affidavit from someone whom we recognize as knowledgeable of the business' operation stating that you were not responsible for filing returns and paying taxes.
- the name of the person who was responsible for filing returns and paying taxes.

Federal Bankruptcy Court

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 relieve your obligations to file tax returns.

Correct our records

If our records are not correct, send us proof of your prior payment, a copy of the return you filed, or other documentations so that we can correct our records.

Collection Action Information

Applicable Illinois law

Illinois law (35 ILCS 735/3-7 of the Retailers' Occupation Tax Act) 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. The penalty is equal to the amount of tax due including penalty and interest.

More information is on our website at tax.illinois.gov.

What other collection actions may we take?

Additional collection action includes, but is not limited to:

- levy of wages and bank accounts.
- withholding of your state payments, tax refunds, lottery winnings, contractual service vouchers, *etc.*
- seizure and sale of your assets.
- referral to a collection agency.
- civil judgments.
- referral for non-renewal or revocation of your
 - Professional license,
 - Certificate of Registration,
 - Liquor license,
 - Corporate Charter with the Secretary of State, or
 - Lottery license.
- prosecution for bad checks and deceptive practice.
- filing a tax lien against your property (the filing of a lien may damage your credit rating for up to seven years, even after the lien is released). If we file a lien against your property, you are responsible for paying the lien filing and release fees and charges.

Collection Action
Assessment and Notice of Intent



March 17, 2015



Letter ID: L2078054672

GARY J. RONALD
620 MOR ST
GILLESPIE IL 62033-1352

Taxpayer ID: XXX-XX-7403
NPL Penalty ID: 1420993



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: 3963-8006
Period	Tax	Penalty	Interest	Other Payments/Credits	Balance	
31-Aug-2011	175,130.00	35,126.00	19,962.34	- (1,030.83)	229,187.51	

IDOR-SP-NPL (N-03/07)

Retain this portion for your records.

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





Illinois Department of Revenue

Authority to Levy Statutory References and Taxpayers' Bill of Rights

Authority to Levy

From 35 ILCS 5/1109 of the Income Tax Act and 35 ILCS 120/5f of the Retailers' Occupation Tax Act.

In addition to any other provisions of this Section, any officer or employee of the Department designated in writing by the Director, may levy upon the following property and rights to property belonging to a taxpayer: contractual payments, accounts and notes receivable and other evidences of debt, and interest on bonds, by serving a notice of levy on the person making such payment. Levy shall not be made until the Department has caused a demand to be made on the taxpayer in the manner provided above. In addition to any other provisions of this Section, any officer or employee of the Department designated in writing by the Director, may levy upon the salary, wages, commissions and bonuses of any employee, including officers, employees, or elected officials of the United States as authorized by Section 5520a of the Government Organization and Employees Act (5 U.S.C. 5520a), but not upon the salary or wages of officers, employees, or elected officials of any state other than this State by serving a notice of levy on the employer, as defined in Section 701(d). Levy shall not be made until the Department has caused a demand to be made on the employee in the manner provided above. The provisions of Section 12-803 of the Code of Civil Procedure relating to maximum compensation subject to collection under wage deduction orders shall apply to all levies made upon compensation under this Section. To the extent of the amount due on the levy, the employer or other person making payments to the taxpayer shall hold any non-exempt wages or other payments due or which subsequently come due. The levy or balance due thereon is a lien on wages or other payments due at the time of the service of the notice of levy, and such lien shall continue as to subsequent earnings and other payments until the total amount due upon the levy is paid, except that such lien on subsequent earnings or other payments shall terminate sooner if the employment relationship is terminated or if the notice of levy is rescinded or modified. The employer or other person making payments to the taxpayer shall file, on or before the return dates stated in the notice of levy (which shall not be more often than bimonthly) a written answer under oath to interrogatories, setting forth the amount due as wages or other payments to the taxpayer for the payment periods ending immediately prior to the appropriate return date. A lien obtained hereunder shall have priority over any subsequent lien obtained pursuant to Section 12-808 of the Code of Civil Procedure, except that liens for the support of a spouse or dependent children shall have priority over all liens obtained hereunder.

Illinois law (735 ILCS 5/12-803 of the Code of Civil Procedure) and Federal law (15 U.S.C. 1673) define "maximum wages subject to collection."

Federal law places a ceiling of 25% of the amount of an employee's disposable earnings subject to garnishment, so long as state law does not prohibit garnishment or provide for more limited garnishment than is allowed by federal law.

"The maximum wages, salary commissions, and bonuses subject to collection under a deduction order, for any work week shall not exceed the lesser of (1) 15% of such gross amount paid for that week, or (2) the amount by which *disposable earnings* (emphasis added) for a week exceed 45 times the Federal Minimum Hourly Wage prescribed by Section 206(a)(1) of Title 29 of the United States Code, as amended, in effect at the time the amounts are payable.... The term "*disposable earnings*" (emphasis added) means that part of the earnings of any individual remaining after the deduction from those earnings of any amounts required by law to be withheld." (735 ILCS 5/12-803)

Taxpayers' Bill of Rights

- You have the right to call the Illinois 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 our notices by asking questions, paying the amount due, or providing proof to refute our findings.
- You have the right to appeal our decisions in many instances within specified time periods by asking for our review or by taking the
- If you have overpaid your taxes, you have the right to a credit (or, in some cases, a refund) of that overpayment, within certain time



Illinois Department of Revenue
EDA-105-R ROT Audit Report

Rev 01
 Form 854

Account ID 39638006
 Business name TRI COUNTY COAL LLC
 Business address PO BOX 139
FARMERSVILLE, IL 62533-0139

Processing period 07/01/2009 - 08/31/2011
 Interest through (issue) date 03/06/2014
 Earliest statute date 07/13/2014
 Audit period 07/01/2009 - 08/31/2011

Step 1: Taxes due per audit

The line numbers in Step 1 of this report mirror those on Form ST-1.

Sales made from locations inside Illinois

Retailers/service occupation tax

4b General merchandise 4b 0
 5b Food and drug 5b 0

Sales made from locations outside Illinois

Retailers/service occupation tax

6b General merchandise 6b 0
 7b Food and drug 7b 0

Sales at other rates

Retailers/service occupation tax

8b General merchandise 8b 0

Total tax due on receipts

11 Total tax due on receipts (Add Lines 4b through 8b.) 11 0

Tax on purchases

Use tax on purchases

12b General merchandise 12b 175130
 13b Food and drug 13b 0
 15 Total tax due on purchases (Add Lines 12b through 13b.) 15 175130

16 Total tax or credit due on receipts and purchases (Add Lines 11 and 15.) 16 175130
 22 Excess tax collected 22 0
 23 Total tax due (Add Lines 16 and 22.) 23 175130

Step 2: Penalty and interest due

26 Penalty
 a Penalty (prior to 12/93) 26a 0
 b Late-filing penalty 26b 0
 c Negligence penalty 26c 0
 d Fraud penalty 26d 0
 e Late-payment penalty (12/03 and after) 26e 26269
 27 Interest
 a Interest on tax 27a 14557
 b Interest on late-filing penalty 27b 0
 c Interest on negligence/fraud penalty 27c 0

Step 3: Amount due or overpaid

28 Total due or overpaid (Add Lines 23 and 27c.) 28 216956

Step 4: Read and sign below

Under penalties of perjury, I state that I have examined this report and, to the best of my knowledge, it is true, correct, and complete. By signing this report, I waive the right to seek review by the Informal Conference Board.

Taxpayer's signature _____ Title _____ Date _____

Auditor's signature _____ Title _____ Date _____

Official use only. Do not write below this line.

Late-payment penalty (prior to 12/03)	<u>0</u>	Total audit payments	_____
Late-payment penalty interest	<u>0</u>	MPC amount	_____
Tier 2 late-filing penalty	_____	Track number	<u>A88496768</u>
Tier 2 late-filing penalty interest	_____	Date received	_____
		AL EL NF MAAD	_____
		Remittance amount	_____



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

Date: 03/06/2014
Time: 11:35:16
Page: 1

Taxpayer: TRI COUNTY COAL LLC IBT: 39638006 Audit Period: 07/01/2009 through 08/31/2011

Auditor: Tom McLaughlin

Tax Type: ROT

Interest Thru Date: 03/06/2014 Detail Liability: \$21,984.02 Average Liability: \$153,145.51

<u>Month</u>	<u>Detail Liability</u>	<u>Average Liability</u>	<u>Prepayment</u>	<u>Total Liability</u>	<u>Rate</u>	<u>Interest</u>
07/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	12.5041	\$736.52
08/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	12.1643	\$716.50
09/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	11.8356	\$697.14
10/2009	\$3,484.82	\$5,890.21	\$0.00	\$9,375.03	11.4958	\$1,077.74
11/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	11.1671	\$657.76
12/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	10.8273	\$637.75
01/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	10.4876	\$617.74
02/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	10.1808	\$599.67
03/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	9.8410	\$579.66
04/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	9.5123	\$560.29
05/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	9.1725	\$540.28
06/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	8.8438	\$520.92
07/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	8.5040	\$500.91
08/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	8.1643	\$612.22
09/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	7.8355	\$587.57
10/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	7.4958	\$562.10
11/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	7.1670	\$537.44
12/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	6.8821	\$516.08
01/2011	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	6.6273	\$496.97
02/2011	\$1,683.60	\$5,890.21	\$0.00	\$7,573.81	6.3972	\$484.51
03/2011	\$1,683.60	\$5,890.21	\$0.00	\$7,573.81	6.1424	\$465.21
04/2011	\$1,683.60	\$5,890.21	\$0.00	\$7,573.81	5.8958	\$446.54
05/2011	\$0.00	\$5,890.21	\$0.00	\$5,890.21	5.6410	\$332.27
06/2011	\$0.00	\$5,890.21	\$0.00	\$5,890.21	5.3397	\$314.52
07/2011	\$3,796.80	\$5,890.21	\$0.00	\$9,687.01	4.9999	\$484.35
08/2011	\$0.00	\$5,890.26	\$0.00	\$5,890.26	4.6602	\$274.50
Total:	\$21,984.02	\$153,145.51	\$0.00	\$175,129.53		\$14,557.16



Illinois Department of Revenue
Sales Tax Audit System
Schedule 2-B Penalty Computation

Date: 03/06/2014
Time: 11:37:06
Page: 1

Taxpayer: TRI COUNTY COAL LLC IBT: 39638006 Audit Period: 07/01/2009 through 08/31/2011
Tax Type: ROT Interest Thru Date: 03/06/2014

Auditor: Tom McLaughlin

Late Filing

This penalty was not assessed for any periods.

Late Payment

Filing Period	Tax Amount	Penalty		Interest		Total
		Rate	Amount	Rate	Amount	
07/2009	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
08/2009	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
09/2009	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
10/2009	\$9,375.03	15.00%	\$1,406.25	0.00%	\$0.00	\$1,406.25
11/2009	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
12/2009	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
01/2010	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
02/2010	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
03/2010	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
04/2010	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
05/2010	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
06/2010	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
07/2010	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
08/2010	\$7,498.81	15.00%	\$1,124.82	0.00%	\$0.00	\$1,124.82
09/2010	\$7,498.81	15.00%	\$1,124.82	0.00%	\$0.00	\$1,124.82
10/2010	\$7,498.81	15.00%	\$1,124.82	0.00%	\$0.00	\$1,124.82
11/2010	\$7,498.81	15.00%	\$1,124.82	0.00%	\$0.00	\$1,124.82
12/2010	\$7,498.81	15.00%	\$1,124.82	0.00%	\$0.00	\$1,124.82
01/2011	\$7,498.81	15.00%	\$1,124.82	0.00%	\$0.00	\$1,124.82
02/2011	\$7,573.81	15.00%	\$1,136.07	0.00%	\$0.00	\$1,136.07
03/2011	\$7,573.81	15.00%	\$1,136.07	0.00%	\$0.00	\$1,136.07
04/2011	\$7,573.81	15.00%	\$1,136.07	0.00%	\$0.00	\$1,136.07
05/2011	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
06/2011	\$5,890.21	15.00%	\$883.53	0.00%	\$0.00	\$883.53
07/2011	\$9,687.01	15.00%	\$1,453.05	0.00%	\$0.00	\$1,453.05
08/2011	\$5,890.26	15.00%	\$883.54	0.00%	\$0.00	\$883.54
Total Late Payment	\$175,129.53		\$26,269.39		\$0.00	\$26,269.39

Negligence

This penalty was not assessed for any periods.



Illinois Department of Revenue

Sales Tax Audit System
Schedule 2-B Penalty Computation

Date: 03/06/2014
Time: 11:37:06
Page: 2

Taxpayer: TRI COUNTY COAL LLC IBT: 39638006 Audit Period: 07/01/2009 through 08/31/2011
Tax Type: ROT Interest Thru Date: 03/06/2014

Auditor: Tom McLaughlin

Fraud

This penalty was not assessed for any periods.

	<u>Penalty</u>	<u>Interest</u>	<u>Total</u>
Grand Total	\$26,269.39	\$0.00	\$26,269.39



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

Date: 03/06/2014
Time: 11:56:34
Page: 1

Taxpayer: TRI COUNTY COAL LLC IBT: 3963-8006 Audit Period: 07/01/2009 through 08/31/2011
Tax Type: ROT Interest Thru Date: 03/07/2014 Detail Liability: \$21,984.02 Average Liability: \$153,145.51

Auditor: Tom McLaughlin

Month	Detail Liability	Average Liability	Prepayment	Total Liability	Rate	Interest
07/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	12.5123	\$737.00
08/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	12.1726	\$716.99
09/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	11.8438	\$697.62
10/2009	\$3,484.82	\$5,890.21	\$0.00	\$9,375.03	11.5041	\$1,078.51
11/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	11.1753	\$658.25
12/2009	\$0.00	\$5,890.21	\$0.00	\$5,890.21	10.8356	\$638.24
01/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	10.4958	\$618.23
02/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	10.1890	\$600.15
03/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	9.8492	\$580.14
04/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	9.5205	\$560.78
05/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	9.1807	\$540.77
06/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	8.8520	\$521.40
07/2010	\$0.00	\$5,890.21	\$0.00	\$5,890.21	8.5123	\$501.39
08/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	8.1725	\$612.84
09/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	7.8438	\$588.16
10/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	7.5040	\$562.71
11/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	7.1753	\$538.06
12/2010	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	6.8903	\$516.69
01/2011	\$1,608.60	\$5,890.21	\$0.00	\$7,498.81	6.6355	\$497.59
02/2011	\$1,683.60	\$5,890.21	\$0.00	\$7,573.81	6.4054	\$485.13
03/2011	\$1,683.60	\$5,890.21	\$0.00	\$7,573.81	6.1506	\$465.83
04/2011	\$1,683.60	\$5,890.21	\$0.00	\$7,573.81	5.9040	\$447.16
05/2011	\$0.00	\$5,890.21	\$0.00	\$5,890.21	5.6493	\$332.75
06/2011	\$0.00	\$5,890.21	\$0.00	\$5,890.21	5.3479	\$315.00
07/2011	\$3,796.80	\$5,890.21	\$0.00	\$9,687.01	5.0082	\$485.14
08/2011	\$0.00	\$5,890.26	\$0.00	\$5,890.26	4.6684	\$274.98
Total:	\$21,984.02	\$153,145.51	\$0.00	\$175,129.53		\$14,571.53

14,557.16

\$ 14.37

TRI COUNTY COAL LLC
3963-8006
EXAMINATION TYPE: PURCHASES
SAMPLE EVALUATION

These are the projections based on the information you provided. The audit period for this examination was July 2009 through August 2011. The "Total audit adjustment" is for the period covered by the sample population of August 2009 through August 2011. A separate projection will be made for the portion of the audit period not covered by this sample.

Projected Tax Base Information

Total adjustment for the sample population:	\$2,802,072.44
Actual adjustments for Strata not processed:	\$0.00
	<hr/>
Total audit adjustment:	\$2,802,072.44
	<hr/> <hr/>

Interest Information

Projected Strata Amount for Average Interest:	\$2,450,328.17
	<hr/>
Detail Strata Amount for Detailed Interest:	\$351,744.27
	<hr/>

The projection for the sample portion of this audit was made utilizing a COMBINED REGRESSION estimator. The calculations are based on a 90% two-sided confidence level. Confidence Level refers to the reliability of the statistical sample audit. This is generally expressed as a certain percentage, the most common being 90% two-sided. If an auditor states that they are 90% confident in a projection of the sample result, the auditor means that they would expect nine samples out of ten to be within the precision range. Precision is a statement of how close the sample result should be to the actual result for a given confidence level if every item in the population was examined.

Once the review of the transactions selected by the random sample has been completed, any errors found in a strata are projected against the total items for that strata. The projection method used to calculate the tax liability or refund due is based on the optimum sample evaluation method. The optimum sample evaluation method is the one with the smallest sampling error (precision). The precision stated as a percentage is sampling error divided by projected tax base. The department uses four mathematical methods of sample evaluation: mean estimator, difference estimator, ratio estimator, and regression estimator. Our policy is to propose the tax liability or deficiency based on the optimum estimator's calculated point estimate.

The COMBINED REGRESSION ESTIMATOR uses the best linear relationship between the adjusted and reported values of sample items to compute point estimate. The individual tax differences per strata for sample transactions are summed and divided by the sample size to determine an average adjustment per sample item. This average adjustment per sample item is multiplied by the strata population count to calculate adjustment per strata. The adjustment per strata is then added to the product of the regression coefficient and difference between strata reported value and estimated strata reported value to determine the strata tax deficiency or overpayment. The total tax deficiency or overpayment for all strata is calculated using a multi-strata sampling formula which takes into consideration the computed tax deficiencies or overpayments of each strata. The regression coefficient numerator is the summation of the adjusted values multiplied by reported values subtracted from sample size multiplied by average adjustment per sample item multiplied by average reported value. The denominator is the summation of reported values squared less sample size multiplied by average reported values squared.

TRI COUNTY COAL LLC * 3963-8006
Examination Type: PURCHASES
Statistical Appraisal Report
Summary of Population and Sample Information

COMBINED REGRESSION ESTIMATOR

Stratum	Sample Size	Population Size	Population Rep. Value	Sample Rep. Value	Actual Adjustments	Errors	Separate Point Estimate	Standard Error of Estimate
1	210	16,678	3,602,631.92	43,568.56	4,101.19	24	329,090.59	75,671.00
2	200	5,165	9,168,907.10	356,701.22	57,404.73	23	1,468,563.85	292,801.82
3	200	1,254	13,230,576.53	2,128,744.69	102,835.00	10	639,824.34	204,738.76
4	236	236	7,386,803.06	7,386,803.06	351,744.27	12	351,744.27	0.00
Totals	846	23,333	33,388,918.61	9,915,817.53	516,085.19	69	2,789,223.05	573,211.58

The point estimate for the strata that were processed is:	\$2,802,072.44
The actual adjustments for the strata not processed are:	\$0.00
Total projected tax base projected for this population:	\$2,802,072.44
The precision for this sample is:	616,978.71
Precision stated as a percentage for COMBINED REGRESSION ESTIMATOR:	22.0187 %
Precision stated as a percentage for MEAN ESTIMATOR	37.4027 %
Precision stated as a percentage for DIFFERENCE ESTIMATOR	22.7136 %
Precision stated as a percentage for COMBINED RATIO ESTIMATOR	22.1230 %

Company Identifier: TRI COUNTY COAL
Data File: PURCHASES

TRI COUNTY COAL LLC * 3963-8006
 SAMPLE LISTING REPORT
 REPORT NUMBER: S0001 AUDITOR: THOMAS MCLAUGHLIN

G.L. DATE	ACCT	ACCT_DESC	DOC	DT	VENDOR	EXPLAINATI	INVOICE	PO	XAMT	STRATA	EXCEPTIONS	COMMENTS	
2/1/2011	1.32150	Received Not Vouchered	349830	PV	Fairmont Supply-a-MT VERNON	1992-S STANLEY KNIFE BLADE.S	3031510-00	521079	27.12	1	27.12	MPC USED IN ERROR	
5/27/2010	1.32150	Received Not Vouchered	339395	PV	McMaster-Carr - ELMHURST	9021K11 Steel Wool	55447955	302836	27.95	1	27.95		
7/23/2010	1.32150	Received Not Vouchered	341788	PV	MEMSCO (Mine Equip. & Mill Su	PLM PCK-100 Cleaning Kit	34451	518876	28.5	1	28.50		
1/28/2010	1.32150	Received Not Vouchered	333782	PV	Gooding Rubber Co.-BENTON	SILICONE SPRAY FOR FLEKCO	4064358-01	516987	41.28	1	41.28		
5/3/2011	15375.77100	Superintendent Control Acct	353260	PV	M & M Service Company	TAX/ENV IMP FEE	805277	512809	56.06	1	53.32	MPC USED IN ERROR	
6/15/2011	15375.77100	Superintendent Control Acct	354824	PV	Fairmont Supply Co. - Lubrica	TAX	3150155-00	522094	68.72	1	58.10	MPC USED IN ERROR	
8/28/2009	1.32150	Received Not Vouchered	326753	PV	Petter Supply Co. - VMI	VMI Material	6285905-01	301709	84.66	1	78.75	INCORRECT TAX PAID	
3/25/2011	1.32150	Received Not Vouchered	351815	PV	MEMSCO (Mine Equip. & Mill Su	RBC2 Primer Kits	40103	521496	86.9	1	86.90		
9/18/2009	1.32150	Received Not Vouchered	327600	PV	Petter Supply Co. - VMI	blanket kit	6286149-02	301709	102.83	1	95.65	INCORRECT TAX PAID	
6/17/2011	15375.77100	Superintendent Control Acct	354916	PV	Material Service Corp -a- Nok	TAX	5225295	522187	124.86	1	124.86	MPC USED IN ERROR	
1/19/2011	15375.77100	Superintendent Control Acct	349296	PV	Material Service Corp -a- Nok	TAX/UTOF	5201115	520210	216.71	1	159.35	MPC USED IN ERROR	
9/16/2010	15375.77100	Superintendent Control Acct	344188	PV	Material Service Corp -a- Nok	TAX/UTOF	5182635	519345	217.02	1	159.57	MPC USED IN ERROR	
1/22/2010	1.32150	Received Not Vouchered	333482	PV	McKay Auto Parts	terops	142290	302302	163.84	1	163.84		
3/23/2011	15375.77100	Superintendent Control Acct	351734	PV	M & M Service Company	TAX/ENV IMP FEE	805052	521630	221.2	1	209.48	MPC USED IN ERROR	
11/23/2009	1.32150	Received Not Vouchered	331032	PV	Carroll Engineering	4" DAVIS ANEMOMETER,BALL BRG.	0484870	515767	210	1	210.00		
10/20/2010	15375.77100	Superintendent Control Acct	345631	PV	M & M Service Company	TAX/ENV IMP FEE	803599	519944	246.39	1	229.46	MPC USED IN ERROR	
5/13/2010	1.32150	Received Not Vouchered	339716	PV	Kennametal c/o Fairmont Suppl	U80 BIT PULLER NEW STYLE	2795013-00	518241	234.54	1	234.54	TOOL	
11/3/2009	1.32150	Received Not Vouchered	329882	PV	Marmic Fire and Safety Co.	Ansul Checks - 6 Month	678	650489	250.28	1	250.28		
11/3/2009	1.32150	Received Not Vouchered	329863	PV	Marmic Fire and Safety Co.	Ansul Checks - 6 Month	659	650489	250.28	1	260.28		
11/3/2009	1.32150	Received Not Vouchered	329879	PV	Marmic Fire and Safety Co.	Ansul Checks - 6 Month	675	650489	250.28	1	250.28		
4/7/2011	1.32150	Received Not Vouchered	352302	PV	Cuda Tools Inc.	12" Roof Bolt Wrench	121347	521753	267.04	1	267.04	BOLTER	
8/31/2009	1.32150	Received Not Vouchered	326900	PV	Fastenal - VMI	VMI - Fasteners	ILSPR158742	301756	306.51	1	306.51		
9/15/2009	1.32150	Received Not Vouchered	327533	PV	Fastenal - VMI	VMI - Fasteners	ILSPR159596	301814	327.13	1	327.13		
4/18/2011	1.32150	Received Not Vouchered	352729	PV	MEMSCO (Mine Equip. & Mill Su	#31 3M JACKET WRAP	40770	521678	461	1	481.00		
1/25/2011	1.32150	Received Not Vouchered	349398	PV	Fuchs Lubricants Company/MT V	1185 A/L/H/O oil anti leak	90295996	303618	930	2	539.40	MPC USED IN ERROR	
7/7/2010	1.32150	Received Not Vouchered	341043	PV	M & M Service Company	#2 Diesel Fuel W/Additive	802453	518766	1190.64	2	1,190.64	MPC USED IN ERROR	
11/16/2010	1.32150	Received Not Vouchered	349366	PV	Fairmont Supply - VMI	VMI safety Material	2949345-00	303365	1230.45	2	1,230.45	MPC USED IN ERROR	
4/11/2011	1.32150	Received Not Vouchered	352376	PV	Fairmont Supply - VMI	VMI Safety	3084045-00	303860	1615.05	2	1,340.50	MPC USED IN ERROR	
7/6/2011	15375.77100	Superintendent Control Acct	355374	PV	Roland Machinery Co./Springfi	INV #11092884	11092884	1485.01	2	1,355.50	DOZER / SEAT		
8/15/2010	1.32150	Received Not Vouchered	340259	PV	M & M Service Company	#2 Diesel Fuel W/Additive	802358	518423	1361.2	2	1,361.30	MPC USED IN ERROR	
4/14/2011	1.32150	Received Not Vouchered	352634	PV	Bucyrus/Camier Mills* (Ika D	491740 x 1 readout	90722262	303916	1472.22	2	1,472.22		
1/22/2010	1.32150	Received Not Vouchered	333472	PV	United Central Ind Supply -Ca	System 15 LQ Foam Pak	441532	516841	1510	2	1,510.00		
1/6/2011	1.32150	Received Not Vouchered	348715	PV	M & M Service Company	#2 Diesel Fuel	403658	520795	1743.75	2	1,743.75	MPC USED IN ERROR	
5/10/2010	1.32150	Received Not Vouchered	338543	PV	D-A Lubricant Company, Inc.	54308 Quinlubric Pak	2010-02724-00	650674	2280	2	2,280.00	INCORRECT TAX PAID	
9/20/2010	1.32150	Received Not Vouchered	339069	PV	Fairmont Supply - VMI	VMI safety Material	2803807-00	302819	2486.52	2	2,486.52	MPC USED IN ERROR	
8/22/2011	1.32150	Received Not Vouchered	357039	PV	Fuchs Lubricants Company/MT V	Gearmaster SYN 320NA	90339915	522844	3738	2	3,355.00	MPC USED IN ERROR	
11/12/2010	1.32150	Received Not Vouchered	346809	PV	M & M Service Company	#2 Diesel Fuel	834531	526415	2468.59	2	2,468.59	MPC USED IN ERROR	
4/15/2011	1.32150	Received Not Vouchered	352691	PV	M & M Service Company	#2 Diesel Fuel	1256620	521794	2793.01	2	2,793.01	MPC USED IN ERROR	
2/8/2011	1.32150	Received Not Vouchered	350093	PV	M & M Service Company	#2 Diesel Fuel	804665	521150	2846.75	2	2,846.75	MPC USED IN ERROR	
12/18/2009	1.32150	Received Not Vouchered	332220	PV	MEMSCO (Mine Equip. & Mill Su	#2D-3/C M.M. CABLE, ROUND, G	29712	518427	3250	2	3,250.00		
1/13/2011	1.32150	Received Not Vouchered	349389	PV	M & M Service Company	#2 Diesel Fuel W/Additive	804760	520504	3254.42	2	3,254.42	MPC USED IN ERROR	
6/3/2010	1.32150	Received Not Vouchered	339644	PV	M & M Service Company	#2 Diesel Fuel	80000402131	518522	3483.03	2	3,483.03	MPC USED IN ERROR	
7/22/2011	1.32150	Received Not Vouchered	356040	PV	M & M Service Company	#2 Diesel Fuel	808057	522560	3589.87	2	3,589.87	MPC USED IN ERROR	
7/29/2011	15375.77100	Superintendent Control Acct	356246	PV	M & M Service Company	#2 Diesel Fuel	806070	522560	3888.29	2	3,888.29	MPC USED IN ERROR	
8/2/2011	1.32150	Received Not Vouchered	354306	PV	M & M Service Company	#2 Diesel Fuel	805485	522055	4185.89	2	4,185.89	MPC USED IN ERROR	
11/23/2010	1.32150	Received Not Vouchered	347353	PV	M & M Service Company	#2 Diesel Fuel	804580	520503	4370.26	2	4,370.26	MPC USED IN ERROR	
8/23/2010	1.32150	Received Not Vouchered	343037	PV	Altorfer Inc - SPRINGFIELD.	D9R Dozer - Repair	W0000011882	650782	4601.42	2	4,601.42		
9/23/2010	1.32150	Received Not Vouchered	344543	PV	Fuchs Lubricants Company/MT V	Gearmaster SYN 320NA	90271626	519809	5499	3	5,499.00	MPC USED IN ERROR	
1/7/2011	1.32150	Received Not Vouchered	348758	PV	M & M Service Company	#2 Diesel Fuel	804737	520795	5700	3	5,700.00	MPC USED IN ERROR	
9/30/2009	1.32150	Received Not Vouchered	328254	PV	Perma USA	perma lubricators	100648118	301800	6180	3	6,180.00		
4/14/2011	1.32150	Received Not Vouchered	352632	PV	Ameson Timber Company	2" X 4" X 16' LUMBER	1103-10	521897	6186.4	3	6,188.40		
11/22/2010	1.32150	Received Not Vouchered	347264	PV	Phillips Machine / Corp offc	Wear Runner & Riser	29789	650874	7250	3	7,250.00	STEPS	
8/28/2011	1.32150	Received Not Vouchered	355246	PV	Perma USA	Luber Supplies	100622654	304122	11395	3	11,395.00		
6/9/2010	1.32150	Received Not Vouchered	339583	PV	Perma USA	perma lubbers	100051815	302637	11925	3	11,925.00		
2/2/2010	1.32150	Received Not Vouchered	333901	PV	Perma USA	Luber Supplies	100050689	302279	11925	3	11,925.00		
6/25/2010	1.32150	Received Not Vouchered	340621	PV	Perma USA	perma lubbers	100653041	302663	14175	3	14,175.00		
7/15/2010	1.32150	Received Not Vouchered	341488	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1407331	518919	22617.8	3	22,617.80	MPC USED IN ERROR	
8/28/2010	1.32150	Received Not Vouchered	343313	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1410678	519385	25737.6	4	25,737.60	MPC USED IN ERROR	
9/23/2010	1.32150	Received Not Vouchered	344524	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1412610	519678	25737.6	4	25,737.60	MPC USED IN ERROR	
10/8/2010	1.32150	Received Not Vouchered	345101	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1413459	519808	25737.6	4	25,737.60	MPC USED IN ERROR	
11/11/2010	1.32150	Received Not Vouchered	346753	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1416107	520224	25737.6	4	25,737.60	MPC USED IN ERROR	
12/8/2010	1.32150	Received Not Vouchered	347723	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1417713	520474	25737.6	4	25,737.60	MPC USED IN ERROR	
1/6/2011	1.32150	Received Not Vouchered	348692	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1419110	520687	25737.6	4	25,737.60	MPC USED IN ERROR	
2/4/2011	1.32150	Received Not Vouchered	349942	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1422138	521082	26937.6	4	26,937.60	MPC USED IN ERROR	
3/9/2011	1.32150	Received Not Vouchered	351259	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1424799	521414	26937.6	4	26,937.60	MPC USED IN ERROR	
4/18/2011	1.32150	Received Not Vouchered	352789	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1428393	521744	26937.6	4	26,937.60	MPC USED IN ERROR	
7/8/2011	1.32150	Received Not Vouchered	355419	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1436363	522221	28742.4	4	28,742.40	MPC USED IN ERROR	
7/27/2011	1.32150	Received Not Vouchered	356188	PV	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	1437827	522358	32006.4	4	32,006.40	MPC USED IN ERROR	
10/13/2009	1.32150	Received Not Vouchered	329783	PV	Roland Machinery Co. / Spring	7738 Haul Truck - Repair	11078942	650440	55757.07	4	55,757.07		
Total											516,085.19	516,085.19	



Illinois Department of Revenue

Sales Tax Audit System

Global Exceptions Allowed Detailed Report / All Codes Sorted by Date

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Taxpayer: TRI COUNTY COAL LLC

IBT #: 3963-8006 Audit Period: 07/01/2009 through 08/31/2011

Auditor: Tom McLaughlin

<u>Date</u>	<u>Doc #</u>	<u>Name/Description</u>	<u>Amount Questioned</u>	<u>Reason Questioned/Allowed</u>	<u>Amount Allowed</u>
Tax Code: 31	Exam Type: 100				
08/06/2009	617006-00	United Central Ind Supply -Ca 5'-9' X 16' STD. METAL	\$28,058.40	CAA DETAIL STRATA LAW CHANGE	\$28,058.40
08/07/2009	230320	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
08/11/2009	230630	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
08/12/2009	230699	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
08/13/2009	90665	Central Illinois Steel Compan 8X8 Plates w/Hanger Donut	\$25,200.00	CAA DETAIL STRATA LAW CHANGE	\$25,200.00
08/18/2009	230892	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
08/25/2009	231301	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
08/27/2009	231409	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
09/01/2009	231490	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
09/03/2009	2312754	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
09/04/2009	2584158-00	Kennametal c/o Fairmont Suppl U93LRD Miner Bit 14CM15	\$27,480.00	CAA DETAIL STRATA LAW CHANGE	\$27,480.00
09/08/2009	2591058-00	Kennametal c/o Fairmont Suppl U93LRD Miner Bit 14CM15	\$25,899.90	CAA DETAIL STRATA LAW CHANGE	\$25,899.90
09/14/2009	231974	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
09/15/2009	232136	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
09/22/2009	232516	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
09/29/2009	232954	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
09/30/2009	233112	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00



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Taxpayer: TRI COUNTY COAL LLC

IBT #: 3963-8006 Audit Period: 07/01/2009 through 08/31/2011

Auditor: Tom McLaughlin

<u>Date</u>	<u>Doc #</u>	<u>Name/Description</u>	<u>Amount Questioned</u>	<u>Reason Questioned/Allowed</u>	<u>Amount Allowed</u>
10/05/2009	233206	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
10/05/2009	233025	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
10/06/2009	233378	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
10/13/2009	233615	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
10/16/2009	2621676	Kennametal c/o Fairmont Suppl U93LRD Miner Bit 14CM15	\$27,480.00	CAA DETAIL STRATA LAW CHANGE	\$27,480.00
10/19/2009	233546	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
10/20/2009	375440	United Central Ind Supply -Ca 5'-9' X 16' STD. METAL	\$28,058.40	CAA DETAIL STRATA LAW CHANGE	\$28,058.40
10/20/2009	234160	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
10/20/2009	234161	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
10/23/2009	234443	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
10/27/2009	234622	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
10/29/2009	234734	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
11/03/2009	234921	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
11/05/2009	400128	United Central Ind Supply -Ca 5'-9' X 16' STD. METAL	\$28,058.40	CAA DETAIL STRATA LAW CHANGE	\$28,058.40
11/05/2009	235081	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
11/10/2009	235204	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
11/11/2009	235140	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
11/12/2009	235361	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00



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Auditor: Tom McLaughlin

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11/17/2009	2650807-00	Kennametal c/o Fairmont Suppl U93LRD Miner Bit 14CM15	\$34,350.00	CAA DETAIL STRATA LAW CHANGE	\$34,350.00
11/17/2009	235516	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
11/19/2009	235898	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
11/25/2009	236244	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
12/09/2009	236628	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
12/15/2009	236848	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
12/16/2009	237169	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
12/16/2009	237170	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
12/16/2009	237014	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
12/22/2009	236921	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
12/28/2009	237554	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
12/28/2009	237488	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
12/29/2009	237643	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
01/07/2010	430385	United Central Ind Supply -Ca 5'-9" X 16' STD. METAL	\$28,058.40	CAA DETAIL STRATA LAW CHANGE	\$28,058.40
01/18/2010	238384	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$29,137.50	CAA DETAIL STRATA LAW CHANGE	\$29,137.50
01/18/2010	238480	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
01/28/2010	239003	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
01/28/2010	238808	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00



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02/01/2010	S153256	K & E Technical, Inc. #10051 Diesel Bolter - Rebuild	\$39,395.00	CAA DETAIL STRATA LAW CHANGE	\$39,395.00
02/05/2010	239225	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
02/05/2010	239097	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
02/09/2010	239375	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
02/12/2010	239570	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
02/12/2010	239525	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
02/16/2010	239945	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
02/16/2010	239883	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
02/24/2010	240417	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
02/24/2010	240252	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
03/03/2010	240567	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
03/03/2010	240605	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
03/05/2010	240821	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
03/05/2010	240687	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
03/10/2010	241140	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
03/10/2010	241068	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
03/15/2010	241241	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
03/18/2010	241555	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00



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03/18/2010	241614	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
03/24/2010	241945	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
03/24/2010	241946	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
03/30/2010	242191	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
03/31/2010	242237	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
04/08/2010	242757	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
04/09/2010	242851	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
04/16/2010	243182	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
04/16/2010	243181	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
04/26/2010	243562	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
04/28/2010	243782	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
04/30/2010	243967	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
04/30/2010	243927	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
05/04/2010	244092	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
05/07/2010	244293	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
05/18/2010	244874	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
05/19/2010	245007	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
05/25/2010	245220	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00



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05/27/2010	245369	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
05/27/2010	245368	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
06/03/2010	245663	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
06/07/2010	245871	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
06/14/2010	246345	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
06/15/2010	246432	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
06/17/2010	246685	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
07/01/2010	247185	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
07/01/2010	247184	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
07/07/2010	247474	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
07/09/2010	247616	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
07/28/2010	248543	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
07/29/2010	248830	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
07/29/2010	248712	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
08/06/2010	249172	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
08/10/2010	249293	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$28,854.00	CAA DETAIL STRATA LAW CHANGE	\$28,854.00
08/10/2010	249294	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
08/18/2010	249721	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00



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08/18/2010	249686	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
08/23/2010	250033	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$30,525.00	CAA DETAIL STRATA LAW CHANGE	\$30,525.00
09/01/2010	250684	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
09/07/2010	250751	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
09/08/2010	250918	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
09/09/2010	251077	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
09/16/2010	251309	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
09/21/2010	251569	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
09/21/2010	251495	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$25,956.00	CAA DETAIL STRATA LAW CHANGE	\$25,956.00
09/23/2010	251775	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
09/28/2010	252243	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
10/04/2010	252383	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
10/06/2010	252767	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
10/15/2010	253306	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
10/15/2010	253206	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
10/20/2010	253382	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$25,956.00	CAA DETAIL STRATA LAW CHANGE	\$25,956.00
10/21/2010	253651	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
10/25/2010	253827	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00



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10/26/2010	253986	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
11/02/2010	254416	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
11/02/2010	254326	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
11/08/2010	254647	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
11/11/2010	254870	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
11/16/2010	254953	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
11/19/2010	255273	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
11/22/2010	255390	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
11/29/2010	255691	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
11/30/2010	255755	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$25,956.00	CAA DETAIL STRATA LAW CHANGE	\$25,956.00
12/02/2010	255938	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
12/10/2010	256334	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
12/13/2010	256270	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
12/14/2010	256224	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
12/17/2010	256726	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
12/17/2010	256567	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
12/22/2010	256859	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
01/14/2011	257957	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00



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01/18/2011	258067	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
01/24/2011	258422	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
01/25/2011	258571	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
02/04/2011	258900	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
02/10/2011	259292	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
02/11/2011	259415	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
02/16/2011	259569	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
02/25/2011	260146	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
02/25/2011	260251	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
03/09/2011	260779	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
03/11/2011	261076	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
03/11/2011	260927	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
03/18/2011	261358	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
03/31/2011	262161	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
04/07/2011	262441	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
04/11/2011	262695	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$27,192.00	CAA DETAIL STRATA LAW CHANGE	\$27,192.00
04/12/2011	262907	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
04/12/2011	262796	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00



Illinois Department of Revenue

Sales Tax Audit System

Global Exceptions Allowed Detailed Report / All Codes Sorted by Date

Date: 09/30/2013
Time: 14:27:49
Page: 10

Taxpayer: TRI COUNTY COAL LLC

IBT #: 3963-8006 Audit Period: 07/01/2009 through 08/31/2011

Auditor: Tom McLaughlin

<u>Date</u>	<u>Doc #</u>	<u>Name/Description</u>	<u>Amount Questioned</u>	<u>Reason Questioned/Allowed</u>	<u>Amount Allowed</u>
04/27/2011	263179	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
04/28/2011	263412	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
05/05/2011	263926	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
05/05/2011	264082	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
05/11/2011	264280	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
05/23/2011	264947	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
05/26/2011	265265	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
06/03/2011	265531	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
06/06/2011	265679	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
06/14/2011	266039	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
06/15/2011	266234	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
06/17/2011	266380	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
06/24/2011	266715	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
06/29/2011	267031	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
06/29/2011	266873	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$27,192.00	CAA DETAIL STRATA LAW CHANGE	\$27,192.00
07/12/2011	267412	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
07/28/2011	268283	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
08/04/2011	268600	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00



Illinois Department of Revenue

Sales Tax Audit System

Global Exceptions Allowed Detailed Report / All Codes Sorted by Date

Date: 09/30/2013
Time: 14:27:49
Page: 11

Taxpayer: TRI COUNTY COAL LLC

IBT #: 3963-8006 Audit Period: 07/01/2009 through 08/31/2011

Auditor: Tom McLaughlin

<u>Date</u>	<u>Doc #</u>	<u>Name/Description</u>	<u>Amount Questioned</u>	<u>Reason Questioned/Allowed</u>	<u>Amount Allowed</u>
08/11/2011	269164	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
08/18/2011	269459	Excel Mining Corp. - Marion/M #6 X 96" SRD Tension Rebar	\$27,192.00	CAA DETAIL STRATA LAW CHANGE	\$27,192.00
08/18/2011	269651	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
08/18/2011	269460	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
08/25/2011	269949	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
08/30/2011	270401	Excel Mining Corp. - Marion/M #6 x 72" SRD Tension Rebar	\$27,500.00	CAA DETAIL STRATA LAW CHANGE	\$27,500.00
Total for Exam Type: 100			<u>\$5,377,018.00</u>		<u>\$5,377,018.00</u>
Total for Tax Code: 31 - Consumable Supplies Use Tax Adjustment			<u>\$5,377,018.00</u>		<u>\$5,377,018.00</u>
Totals for Examination:			<u>\$5,377,018.00</u>		<u>\$5,377,018.00</u>



Illinois Department of Revenue
Sales Tax Audit System
Global Taxable Exceptions Detailed Report / All Codes Sorted by Date

Date: 09/30/2013
Time: 14:30:12
Page: 1

Taxpayer: TRI COUNTY COAL LLC

IBT #: 3963-8006 Audit Period: 07/01/2009 through 08/31/2011

Auditor: Tom McLaughlin

<u>Date</u>	<u>Doc #</u>	<u>Name</u>	<u>Description</u>	<u>Reason Questioned</u>	<u>Amount Taxable</u>
Tax Code: 31 Exam Type: 100					
10/13/2009	11075842	Roland Machinery Co. / Sp	773B Haul Truck - Repair	CAA DETAIL STRATA	\$55,757.07
08/26/2010	1410678	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$25,737.60
09/23/2010	1412610	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$25,737.60
10/06/2010	1413459	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$25,737.60
11/11/2010	1416107	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$25,737.60
12/06/2010	1417713	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$25,737.60
01/06/2011	1419110	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$25,737.60
02/04/2011	1422138	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$26,937.60
03/09/2011	1424799	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$26,937.60
04/18/2011	1428393	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$26,937.60
07/06/2011	1436363	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$28,742.40
07/27/2011	1437827	Warren Oil Co., Inc.	AW 68 Hydraulic Oil	CAA DETAIL STRATA	\$32,006.40
Total for Exam Type: 100					\$351,744.27
Tax Code: 31 Exam Type: 300					
01/01/2010	VARIOUS	VARIOUS	VARIOUS	CAA PROJECTED STRATA	\$2,450,328.17
Total for Exam Type: 300					\$2,450,328.17
Total for Tax Code: 31 - Consumable Supplies Use Tax Adjustment					\$2,802,072.44
Totals for Examination:					\$2,802,072.44



Illinois Department of Revenue

Sales Tax Audit System
Projected Data Results

Date: 09/30/2013
Time: 14:34:58
Page: 1

Taxpayer: 3963-8006/TRI COUNTY COAL LLC Audit Period: 07/01/2009 through 08/31/2011

Auditor: Tom McLaughlin

Selection Criteria

Tax Code: 31 Consumable Supplies Use Tax Adjustment

Exam Type: 100 Consumable Supplies Use Tax Adjustment

Additional Tax Base: \$351,744.27

<u>Location</u>	<u>Name</u>	<u>Rate</u>	<u>Rate Period</u>	<u>Taxable Amount</u>	<u>Tax Due</u>
084 0001 6	SPRINGFIELD	06.25	2009 07 - Current	\$351,744.27	\$21,984.02
				\$351,744.27	\$21,984.02



Carole L. Iles
 Of Counsel
 Direct: 573/556-6621
 Fax: 573/556-7441
 carole.iles@bryancave.com

October 10, 2014

VIA FAX (217) 524-2549

David McHenry
 Illinois Department of Revenue
 PO Box 19035
 Springfield, IL 62794-9035

Re: Collection Action Notice of Intent – Taxpayer ID 27-0441750

Dear Mr. McHenry:

I contacted you by phone and left messages for you earlier today. I am writing to you on behalf of Gary Ronald and Archibald Parker of Tri County Coal LLC (the “Company”). Included with this letter are power of attorney forms authorizing me to communicate with you on their behalf.

On October 2, 2014, the Illinois Department of Revenue (“DOR”) sent notices to Mr. Ronald and Mr. Parker, asserting that they had been identified as responsible officers of the Company, and would be held personally liable for a penalty in the amount of the Company’s unpaid use tax, penalty and interest due pursuant to 35 ILCS 735/3-7.

35 ILCS 735/3-7 provides that an officer or employee of any taxpayer who has the control, supervision or responsibility of filing returns and making payments of the amount of any *trust tax* is personally liable for a penalty equal to the total amount of trust tax unpaid by the taxpayer. The statute defines trust tax as any tax for which an amount is, or is required to be, collected or withheld by a taxpayer from another person, regardless of whether it is in fact collected or withheld. See 35 Ill. Comp. Stat. 735/3-7(f). A tax that is directly remitted by a taxpayer to the DOR is not a trust tax. See Illinois Dept. Of Rev. General Information Letter ST 99-0425-GIL. (Dec. 30, 1999).

The tax included in the notices sent to Mr. Ronald and Mr. Parker is use tax that was assessed on the Company’s purchases following an audit. This use tax was required to be directly remitted to the DOR. Included with this fax is a copy of the DOR’s audit report of the Company identifying the unpaid use tax. Because the use tax was

Bryan Cave LLP
 One Metropolitan Square
 211 North Broadway
 Suite 3600
 St. Louis, MO 63102-2750
 Tel (314) 259-2000
 Fax (314) 259-2020
 www.bryancave.com

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David McHenry
September 23, 2014
Page 2

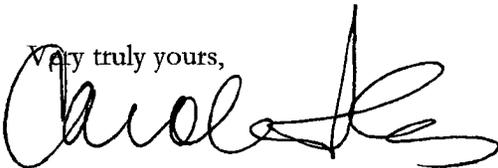
Bryan Cave LLP

required to be directly remitted by the Company to the DOR and was not collected or withheld from another person, it is not a trust tax.

Based on the foregoing, we request that the DOR recognize that Mr. Ronald and Mr. Parker are not personally liable for a penalty in the amount of the Company's unpaid use tax pursuant to 35 Ill. Comp. Stat. 735/3-7, and not issue a penalty against them for the amount of the tax.

Thank you for your assistance in this matter. If you have any questions, please contact me at (573) 556-6621.

Very truly yours,

A handwritten signature in black ink, appearing to read "Carole L. Iles". The signature is fluid and cursive, with a large initial "C" and a long, sweeping tail.

Carole L. Iles

CLI:cjs

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:

Bryan Cave LLP, Attn: Dan Cullen Name 161 North Clark Street, Suite 4300 Street address Chicago IL 60601 City State ZIP (312) 602-5071 Daytime phone number	Bryan Cave LLP, Attn: Carole Iles Name 221 Bollvar Street Street address Jefferson City MO City State ZIP (573) 556-6621 Daytime phone number	Bryan Cave LLP, Attn: Brian Sher Name 161 North Clark Street, Suite 4300 Street address Chicago IL 60601 City State ZIP (312) 602-5070 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.

Carole Iles managing member Oct. 9, '14
 Taxpayer's signature Title, if applicable Date

Spouse's signature Title, if applicable Date

If incorporation 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, NY, OH		
Designation (attorney, C.P.A., enrolled agent)	Jurisdiction (state(s), etc.)	Signature	Date
Attorney	MO	<u>[Signature]</u>	<u>10/9/14</u>
Designation (attorney, C.P.A., enrolled agent)	Jurisdiction (state(s), etc.)	Signature	Date
Attorney	IL		
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

Notary seal





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. Do not send this form separately.

Step 1: Complete the following taxpayer information

1 Gary Ronald Taxpayer's name
 2 [REDACTED] Taxpayer's identification number(s)
 3 620 Mor Street Taxpayer's street address
[REDACTED] City [REDACTED] State [REDACTED] ZIP

Step 2: Complete the following information

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

Daniel F. Cullen
Name
Bryan Cave LLP
Name of firm
161 North Clark Street, Suite 4300
Street address
Chicago IL 60601
City State ZIP
(312) 602-5071
Daytime phone number
daniel.cullen@bryancave.com
E-mail address
Sales / use All
Specific tax type Year or period

Carole L. Iles
Name
Bryan Cave LLP
Name of firm
221 Bolivar Street
Street address
Jefferson City MO 65101
City State ZIP
(573) 556-6621
Daytime phone number
carole.iles@bryancave.com
E-mail address
Sales / use All
Specific tax type Year or period

Brian A. Sher
Name
Bryan Cave LLP
Name of firm
161 North Clark Street, Suite 4300
Street address
Chicago IL 60601
City State ZIP
(312) 602-5070
Daytime phone number
brian.sher@bryancave.com
E-mail address
Sales / use All
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 _____
 Street address _____
 City _____ State _____ ZIP _____
 () _____
 Daytime phone number _____
 Date granted _____

Name _____
 Street address _____
 City _____ State _____ ZIP _____
 () _____
 Daytime phone number _____
 Date granted _____

Name _____
 Street address _____
 City _____ State _____ ZIP _____
 () _____
 Daytime phone number _____
 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:

Bryan Cave LLP, Attn: Dan Cullen Name 161 North Clark Street, Suite 4300 Street address Chicago IL 60601 City State ZIP (312) 602-6071 Daytime phone number	Bryan Cave LLP, Attn: Carole Iles Name 221 Bolivar Street Street address Jefferson City MO 65101 City State ZIP (573) 556-6621 Daytime phone number	Bryan Cave LLP, Attn: Brian Sher Name 161 North Clark Street, Suite 4300 Street address Chicago IL 60601 City State ZIP (312) 602-5070 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.

Gary Ronald MANAGING MEMBER 10-09-14
 Taxpayer's signature Title, if applicable Date

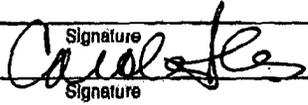
 Spouse's signature Title, if applicable Date

 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 Designation (attorney, C.P.A., enrolled agent)	IL, NY, OH Jurisdiction (state(s), etc.)	Signature 	Date 10-9-14
Attorney Designation (attorney, C.P.A., enrolled agent)	MO Jurisdiction (state(s), etc.)	Signature	Date
Attorney Designation (attorney, C.P.A., enrolled agent)	IL 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
---------------------	------

Notary seal



Collection Action
Notice of Intent



October 2, 2014



Letter ID: L1770660320

TRI COUNTY COAL LLC
ATTN: GARY RONALD
620 MOR ST

GILLESPIE IL 62033-1352

Taxpayer ID: 27-0441750

TRI COUNTY COAL LLC
PO BOX 259
FARMERSVILLE IL 62533-0259

**You have been identified as a responsible
officer, partner, or individual of TRI COUNTY COAL LLC.**

Illinois law provides that we may hold you personally liable for a penalty equal to the total tax, penalty, and interest due from TRI COUNTY COAL LLC.

The following pages detail the current amount of debt we are pursuing against TRI COUNTY COAL LLC. This debt must be paid immediately. 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 this debt is not paid, we intend to issue a penalty against you for the full amount of the debt. Once the penalty becomes final, we can take further collection action against you personally which may include the seizure and sale of your assets and levy of your wages and bank accounts.

If you believe you are not personally responsible for this debt, send us written proof within 10 days. If the information you submit is insufficient, we may continue to issue the penalty.

If you have any questions, please write or call our office weekdays from 8:30 a.m. to 4:30 p.m.

DAVID MCHENRY
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19035
SPRINGFIELD IL 62794-9035

217 836-5483
217 524-2549 fax

For information about
› how to pay
› submitting proof
› what you owe
› collection actions

Turn page

To avoid this collection action

Pay

Your payment must be guaranteed (i.e., cashier's check, money order) and made payable to the Illinois Department of Revenue.

If you believe you are not personally responsible, send us proof

Send us written proof, documents, or testimony for review.

You may provide one or all of the following:

- copies of notarized resignation papers.
- corporate minutes where your resignation was accepted.
- copy of signed agreement to transfer stocks and bonds to another party.
- a notarized affidavit from someone whom we recognize as knowledgeable of the business' operation stating that you were not responsible for filing returns and paying taxes.
- the name of the person who was responsible for filing returns and paying taxes.

Collection action information

Applicable Illinois law

Illinois law (35 ILCS 735/3-7 of the Retailers' Occupation Tax Act) 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. The penalty is equal to the amount of tax due including penalty and interest.

More information is on our website at tax.illinois.gov.

Federal Bankruptcy Court

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 relieve your obligations to file tax returns.

Correct our records

If our records are not correct, send us proof of your prior payment, a copy of the return you filed, or other documentation so that we can correct our records.

What other collection actions may we take?

Additional collection action includes, but is not limited to:

- levy of wages and bank accounts.
- withholding of your state payments, tax refunds, lottery winnings, contractual service vouchers, etc.
- seizure and sale of your assets.
- referral to a collection agency.
- civil judgments.
- referral for non-renewal or revocation of your
 - Professional license,
 - Certificate of Registration,
 - Liquor license,
 - Corporate Charter with the Secretary of State, or
 - Lottery license.
- prosecution for bad checks and deceptive practice.
- filing a tax lien against your property (the filing of a lien may damage your credit rating for up to seven years, even after the lien is released). If we file a lien against your property, you are responsible for paying the lien filing and release fees and charges.

Taxpayer Statement



October 2, 2014



Letter ID: L1772742672

TRI COUNTY COAL LLC
ATTN: GARY RONALD
620 MOR ST
GILLESPIE IL 62033-1352

Taxpayer ID: 27-0441750
Total amount due: \$227,835.80

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: 3963-8006

Period	Tax	Penalty	Interest	Other	Payments/Credits	Balance
31-Aug-2011	178,941.00	35,126.00	17,579.80	-	(3,811.00)	227,835.80

SOC

Retain this portion for your records.

P-001240

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

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



Letter ID: L1772742672
TRI COUNTY COAL LLC

Total amount due: \$227,835.80

Write the amount you are paying below.

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

\$ _____
Write your Taxpayer ID on your check.

000 006 014755099046 731 123199 2 0000022783580

Collection Action
Notice of Intent



October 2, 2014



Letter ID: L1921150688

TRI COUNTY COAL LLC
ATTN: ARCHIBALD PARKER
6709 LORTON LN

VIRDEN IL 62690-9404

Taxpayer ID: 27-0441750

TRI COUNTY COAL LLC
PO BOX 259
FARMERSVILLE IL 62533-0259

You have been identified as a responsible officer, partner, or individual of TRI COUNTY COAL LLC.

Illinois law provides that we may hold you personally liable for a penalty equal to the total tax, penalty, and interest due from TRI COUNTY COAL LLC.

The following pages detail the current amount of debt we are pursuing against TRI COUNTY COAL LLC. This debt must be paid immediately. 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 this debt is not paid, we intend to issue a penalty against you for the full amount of the debt. Once the penalty becomes final, we can take further collection action against you personally which may include the seizure and sale of your assets and levy of your wages and bank accounts.

If you believe you are not personally responsible for this debt, send us written proof within 10 days. If the information you submit is insufficient, we may continue to issue the penalty.

If you have any questions, please write or call our office weekdays from 8:30 a.m. to 4:30 p.m.

DAVID MCHENRY
ILLINOIS DEPARTMENT OF REVENUE
PO BOX 19035
SPRINGFIELD IL 62794-9035

217 836-5483
217 524-2549 fax

For information about
› how to pay
› submitting proof
› what you owe
› collection actions

Turn page

Taxpayer Statement



October 2, 2014



Letter ID: L0699000848

TRI COUNTY COAL LLC
ATTN: ARCHIBALD PARKER
6709 LORTON LN
VIRDEN IL 62690-9404

Taxpayer ID: 27-0441750
Total amount due: \$227,835.80

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: 3963-8006

Period	Tax	Penalty	Interest	Other	Payments/Credits	Balance
31-Aug-2011	178,941.00	35,126.00	17,579.80	-	(3,811.00)	227,835.80

SOC

Retain this portion for your records.

P-001324

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

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



Letter ID: L0699000848
TRI COUNTY COAL LLC

Total amount due: \$227,835.80

Write the amount you are paying below.

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

\$ _____
Write your Taxpayer ID on your check.

000 006 004017680805 731 123199 5 0000022783580

To avoid this collection action

Pay

Your payment must be guaranteed (*i.e.*, cashier's check, money order) and made payable to the Illinois Department of Revenue.

If you believe you are not personally responsible, send us proof

Send us written proof, documents, or testimony for review. You may provide one or all of the following:

- copies of notarized resignation papers.
- corporate minutes where your resignation was accepted.
- copy of signed agreement to transfer stocks and bonds to another party.
- a notarized affidavit from someone whom we recognize as knowledgeable of the business' operation stating that you were not responsible for filing returns and paying taxes.
- the name of the person who was responsible for filing returns and paying taxes.

Collection action information

Applicable Illinois law

Illinois law (35 ILCS 735/3-7 of the Retailers' Occupation Tax Act) 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. The penalty is equal to the amount of tax due including penalty and interest.

More information is on our website at tax.illinois.gov.

Federal Bankruptcy Court

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 relieve your obligations to file tax returns.

Correct our records

If our records are not correct, send us proof of your prior payment, a copy of the return you filed, or other documentation so that we can correct our records.

What other collection actions may we take?

Additional collection action includes, but is not limited to:

- levy of wages and bank accounts.
- withholding of your state payments, tax refunds, lottery winnings, contractual service vouchers, etc.
- seizure and sale of your assets.
- referral to a collection agency.
- civil judgments.
- referral for non-renewal or revocation of your
 - Professional license,
 - Certificate of Registration,
 - Liquor license,
 - Corporate Charter with the Secretary of State, or
 - Lottery license.
- prosecution for bad checks and deceptive practice.
- filing a tax lien against your property (the filing of a lien may damage your credit rating for up to seven years, even after the lien is released). If we file a lien against your property, you are responsible for paying the lien filing and release fees and charges.