**Section 100.260 Uniform Systems of Accounts**

a) It shall be the duty of all retail licensees of this Commission for the purpose of this Act, to keep the minimum uniform records described in this Rule at a location within the State of Illinois for the purpose of inspection at all reasonable times by representatives authorized in writing by the chairman or a member of the Illinois Liquor Control Commission, or by representatives authorized in writing by any local Liquor Control Commissioner that issues the local license.

b) Retail licensees maintaining records on the cash basis:

1) A record of cash receipts from all sources. This record must be kept in accordance with the Rules and procedural requirements of the Illinois Department of Revenue, as set forth in the Retailers Occupation Tax Act [35 ILCS 120] and 86 Ill. Adm. Code 130: Subpart H.

2) A record of all cash disbursements for payment of merchandise purchases. This record must be documented by paid invoices or receipts.

3) A record of all cash disbursements for operating expenses (including rent, salaries, light, power and heat, payroll and other taxes) and all other expenses. This record shall show to whom payment was made and for what purpose.

4) Monthly or quarterly statements must be available for inspection disclosing cash receipts, cash disbursements for merchandise purchases and cash disbursements for operating expenses, and all other expenses, which will reflect the licensee's gross profit, net profit or loss, and the person or persons sharing directly or indirectly in the said net profit or loss. Where physical inventories are not taken quarterly, it will be permissible to determine gross profit on the basis of deducting purchases from sales.

5) A record must also be maintained of cash on hand and cash in the bank. Bank statements and canceled checks must also be on file.

c) Retail licensees maintaining records on an accrual basis:

Retail licensees who maintain records on an accrual basis may continue their present methods. This method of record keeping must also be one conforming to the Rules and Regulations of the Illinois Department of Revenue as cited above. The records of such licensees shall be documented in the same manner as those of licensees on the cash basis. In addition they shall maintain records supporting entries made for accruals of income and expenses.

d) Beneficial interest:

1) All documents, including but not limited to bills of sale, contracts of purchase, evidence of mortgage indebtedness or leases of licensed premises, evidence of original capital investment, a record of who provided such capital funds and from what bank or other lender, if any, said funds were obtained, and any agreements for sharing profits other than on the basis of shares of stock owned or sharing of profits set forth in the articles of partnership, shall be maintained and available for inspection. Also, if the licensee is a corporation, a listing of all stockholders of record shall be maintained. If the licensee is a partnership, the articles of partnership shall be available for inspection.

2) Requirements for maintenance of records of beneficial interest specified under the preceding paragraph shall not be applicable to licensees having one or more classes of equity securities registered with the Securities Exchange Commission. Nor shall they be applicable to licensees of which more than 50 per cent of the voting securities are owned by a company that would be exempted hereunder if it were the licensee.

3) Licensees availing themselves of the exemption stated in the preceding paragraph shall notify the Illinois Liquor Control Commission in writing that they are exempt under this provision, as above stated, and are filing annual reports with the Securities Exchange Commission, and that this exemption shall be effective so long as they are filing such annual reports.

e) Each retail licensee must also have available for inspection said licensee's Retailer's Occupation Tax Registration Certificate as issued by the Illinois Department of Revenue.

f) Each retail licensee of this Commission shall maintain and preserve the required records as set forth in this Rule for at least three calendar years.

(Source: Amended at 18 Ill. Reg. 4811, effective March 9, 1994)