

# How to complete a Retail & Service Invoice in Illinois

Calculating invoice with quantity × rate line items, tax, total, and bank-ready PDF.

## What this form is for

Use this invoice when your retail or service business delivers goods or completes work for a customer and needs to request payment with a clear, itemized breakdown. Lenders review your invoices to verify revenue, assess cash flow timing, and confirm your business operates with professional financial controls.

## Before you start

- Your business legal name, address, phone, email, and tax identification number
- Customer's full name or company name, billing address, and contact information
- Unique invoice number following your sequential numbering system and invoice date
- Detailed list of products sold or services rendered, including description, quantity, unit price, and any applicable discounts
- Illinois state sales tax rate for your location (currently varies by municipality, typically 6.25% state base plus local portions) and whether your items are taxable or exempt
- Your payment terms (net 30, due upon receipt, etc.) and accepted payment methods
- Bank account details if you want to include direct deposit information for faster payment

## Step-by-step

1. Fill in your business information at the top: legal name, full address, phone, email, and EIN or tax ID so the customer and any lender can identify your business instantly.
2. Enter the invoice number (use a consistent format like INV-2024-001) and the invoice date. Add a due date based on your standard payment terms.
3. Record the customer's billing information completely, including company name if applicable, contact person, address, phone, and email.
4. Build your line items row by row. For each product or service, write a clear description, quantity sold, rate or unit price, and let the form calculate the line total (quantity times rate).
5. Subtotal all line items before tax. The form should auto-calculate this.
6. Apply Illinois sales tax to taxable items only. Enter the correct combined state and local rate for your jurisdiction. If any items are tax-exempt (certain groceries, medicines, manufacturing equipment), separate those line items and note the exemption.
7. Calculate the final total by adding subtotal and tax. Double-check that the form's auto-calculation matches your manual verification.

8. State your payment terms clearly (for example, "Net 30 days" or "Due upon receipt") and list accepted payment methods (check, ACH, credit card, wire transfer).
9. Add any notes about late fees, early payment discounts, or project milestones if applicable to this transaction.
10. Save the completed invoice as a PDF with a clear file name like "INV-2024-001\_CustomerName\_Date" for your records and email delivery.

## What lenders look for

- Banks scan for sequential invoice numbering and consistent formatting because gaps or duplicate numbers suggest poor controls or potential revenue manipulation that inflates loan applications.
- Underwriters compare invoice dates to bank deposits to measure your days sales outstanding (DSO). Slow collections signal cash flow problems, so highlight your follow-up process and keep aging under 45 days.
- Illinois sales tax compliance matters. If your invoices show incorrect rates or missing tax on taxable items, lenders question whether you face state audits or penalties that could drain cash and threaten loan repayment.