

**Illinois Department of Revenue
Regulations**

Title 86 Part 131 Section 105 Definitions
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**TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 131
LEVELING THE PLAYING FIELD FOR ILLINOIS RETAIL ACT**

Section 131.105 Definitions

As used in this Part:

"Affiliate" means a person that, with respect to another person:

has a direct or indirect ownership interest of more than 5% in the other person; or

is related to the other person because a third person, or a group of third persons who are affiliated with each other (under this definition), holds a direct or indirect ownership interest of more than 5% in the related person.

"Certified Service Provider" or "CSP" means an agent certified by the Department to perform the remote retailer's use and occupation tax functions, as outlined in the contract between the State and the certified service provider. [35 ILCS 185/5-10]

"Certified Automated System" or "CAS" means an automated software system that is certified by the State as meeting all performance and tax calculation standards required by this Part. References throughout this Part to a CAS mean the person that owns or provides the certified automated software system used by a remote retailer. [35 ILCS 185/5-10]

"Department" means the Department of Revenue. [35 ILCS 185/5-10]

"Marketplace" means a physical or electronic place, forum, platform, application, or other method by which a marketplace seller sells or offers to sell items. [35 ILCS 120/1]

"Marketplace Facilitator" means a person who, pursuant to an agreement with an unrelated third-party marketplace seller, directly or indirectly through one or more affiliates, facilitates a retail sale by an unrelated third-party marketplace seller by:

listing or advertising for sale, by the marketplace seller in a marketplace, tangible personal property that is subject to tax under the Retailers' Occupation Tax Act [35 ILCS 120]; and

either directly or indirectly, through agreements or arrangements with third parties, collecting payment from the customer and transmitting that payment to the marketplace seller regardless of whether the marketplace facilitator receives compensation or other consideration in exchange for its services.

A person who provides advertising services, including listing products for sale, is not considered a marketplace facilitator, so long as the advertising service platform or forum does not engage, directly or indirectly through one or more affiliated persons, in the activities described in the second indented paragraph of this definition. [35 ILCS 120/1]

"Marketplace Seller" means a person that makes sales through a marketplace operated by an unrelated third-party marketplace facilitator and who has obtained a certification from the marketplace facilitator as provided in Section 131.145. A person that is an affiliate, as defined in this Section, of a marketplace facilitator is not a marketplace seller. [35 ILCS 120/1]

"Person" means any natural individual, firm, partnership, association, joint stock company, joint adventure, public or private corporation, limited liability company, or a receiver, executor, trustee, guardian or other representative appointed by order of any court. [35 ILCS 120/1]

"Remote Retailer" means a retailer that does not maintain within this State, directly or by a subsidiary, an office, distribution house, sales house, warehouse or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether that place of business or agent is located in Illinois permanently or temporarily or whether the retailer or subsidiary is licensed to do business in this State. A retailer that fulfills any orders from its inventory in Illinois is not a "remote retailer". [35 ILCS 120/1]

"Retailers' Occupation Tax" means the tax levied under the Retailers' Occupation Tax Act (ROTA) and all applicable local retailers' occupation taxes collected by the Department in conjunction with the State retailers' occupation tax.

"Unrelated Third Party" means a person that, with respect to another person, has a direct or indirect ownership of 5% or less in the other person. A person is also considered to be an unrelated third party when a third person, or group of third persons who are affiliated with each other as defined in this Section, hold a direct or indirect ownership interest of 5% or less in the other person.

(SOURCE: Adopted at 45 Ill. Reg. 931, effective December 31, 2020.)