

**Illinois Department of Revenue
Regulations**

Title 86 Part 131 Section 135	Marketplace Facilitators – Determination of Obligation to Remit Tax
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**TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE**

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

Section 131.135 Marketplace Facilitators – Determination of Obligation to Remit Tax

- a) *Beginning January 1, 2021, a marketplace facilitator, as defined in Section 131.101, is considered a retailer engaged in the occupation of selling at retail in Illinois for purposes of ROTA if either of following thresholds is met:
 - 1) *The cumulative gross receipts from sales of tangible personal property to purchasers in Illinois made through the marketplace by the marketplace facilitator and by marketplace sellers are \$100,000 or more; or*
 - 2) *The marketplace facilitator and marketplace sellers selling through the marketplace cumulatively enter into 200 or more separate transactions for the sale of tangible personal property to purchasers in Illinois.**
- b) *Marketplace facilitators that meet or exceed either of the thresholds in subsection (a) shall be liable for all applicable State and local retailers' occupation taxes administered by the Department on all retail sales to Illinois purchasers.*
- c) *The marketplace facilitator shall determine on a quarterly basis, ending on the last day of March, June, September, and December, whether it meets either of the thresholds in subsection (a) for the preceding 12-month period. If the marketplace facilitator meets either threshold for a 12-month period, he or she is considered a retailer engaged in the occupation of selling at retail in Illinois and is required to remit the retailers' occupation tax and all retailers' occupation taxes imposed by local taxing jurisdictions in Illinois, provided those local taxes are administered by the Department, and to file all applicable returns for one year. A marketplace facilitator shall begin collecting taxes for sales beginning on the first day of the quarter immediately following the end of the 12-month lookback period. Taxes so collected shall be remitted to the Department no later than the 20th day of the calendar month following the month in which they were collected or as otherwise provided in accordance with Section 3 of ROTA.*
- d) *At the end of that one-year period, the marketplace facilitator shall determine whether it met either of the thresholds in subsection (a) for the preceding 12-month period. If the marketplace facilitator met either threshold for the preceding 12-month period, he or she is considered a retailer engaged in the occupation of selling at retail in Illinois and is required to remit all applicable State and local retailers' occupation taxes and file returns for the subsequent year. [35 ILCS 120/2(c)]*

- e) If, at the end of the one-year collection period in subsection (d), the marketplace facilitator determines that its sales to Illinois purchasers did not meet either of the thresholds in subsection (a) during that year, it must discontinue remitting State and local retailers' occupation taxes.
- f) If a marketplace facilitator is no longer required to remit State and local retailers' occupation taxes, it must notify the Department and its marketplace sellers of this change. It must also provide the Department with the name, address and FEIN of all marketplace sellers making sales to Illinois purchasers during the previous one-year period. Notification to the Department and provision of the information required by this subsection (f) shall be made electronically as required by the Department.
- g) *If a marketplace facilitator is no longer required to remit State and local retailers' occupation taxes and has discontinued tax remittance, it must redetermine, on a rolling quarterly basis, whether it is obligated to once more begin remitting State and local retailers' occupation taxes. For each quarter ending on the last day of March, June, September, and December, the marketplace facilitator must examine its sales for the immediately preceding 12-month period to determine whether it met either of the thresholds in subsection (a). If it met either of those thresholds during that 12-month lookback period, it must remit State and local retailers' occupation taxes for the following 12-month period. At the end of that 12-month period, it must examine its sales as provided in subsection (a) to determine if it must continue to remit tax. [35 ILCS 120/2]*

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