

Illinois Department of Revenue
1500 South Ninth Street
Springfield, Illinois 62708

INFORMATIONAL BULLETIN FY85-5

TO: All Filers of Illinois Sales Tax Returns

SUBJECT: Public Act 83-1129 (SB-1893)

On July 3, 1984, Public Act 83-1129 (SB-1893) was signed into law. Among other things, this act amends the Retailers' Occupation Tax Act as follows:

EFFECTIVE SEPTEMBER 1, 1984:

Soft drinks will no longer be exempt under the food and drug exemption. The term "soft drinks" means any complete finished, ready-to-use, non-alcoholic drink, whether carbonated or not, including but not limited to soda water, cola, fruit juice, vegetable juice, carbonated water, and all other preparations commonly known as soft drinks of whatever kind or description which are contained in any closed or sealed bottle, can, carton, or container regardless of size. "Soft drinks" do not include coffee, tea, non-carbonated water, infant formula, milk or milk products as defined in the Grade A Pasteurized Milk and Milk Products Act, or drinks containing 50% or more natural fruit or vegetable juice. In addition, frozen concentrated fruit juice, dry powdered drink mixes, and fruit juices which are reconstituted to natural strength are not soft drinks.

The state sales tax rate of 5% will apply, plus all applicable local taxes.

EFFECTIVE JANUARY 1, 1985:

Taxpayers filing RR-1-A tax returns and RR-556 transaction reporting returns will be entitled to a discount of 2.1% after January 1, 1985. The 2.1% discount only applies to timely filed returns.

Should you have any further questions, you may call us at (217) 782-7897 or, in Cook County, At (312) 641-2150.

J. Thomas Johnson
Director of Revenue

Issued: August, 1984

•