

Illinois Department of Revenue
Roger D. Sweet, Director
101 West Jefferson Street
Springfield, Illinois 62794

INFORMATIONAL BULLETIN FY88-20

TO: Retailers Located in South Beloit

SUBJECT: New Municipal Sales Tax on June 1, 1988

The city of South Beloit will impose a municipal sales tax of 1% on taxable sales occurring within that city, effective for sales made on or after June 1, 1988.

Therefore, beginning June 1st, the MAXIMUM SALES TAX RATE on a sale in South Beloit will be 6 1/4% (5% state tax + 1% municipal tax + 1/4% county supplementary tax).

NOTE TO RETAILERS WHO SELL DRUGS OR SELL FOOD ITEMS NOT INTENDED FOR IMMEDIATE CONSUMPTION: In the past, because there is no tax or county supplementary tax due on sales of drugs and of food items sold not for immediate consumption, you did not collect any tax on these sales. Since South Beloit will now be imposing a municipal tax, you will have to begin collecting a 1% tax on these sales. You should continue to deduct these sales on line 12 of your RR-1-A, but you should INCLUDE them when you figure how much of your receipts are subject to municipal tax (line 41).

You should report your municipal sales tax on LINE 42 (or, in some cases, on line 44) of your tax return - FORM RR-1-A. If you sell registered vehicles such as cars and trucks, you will report municipal tax on line 8 of your return - Form RR-556.

If you have questions or need more information, please call or write. The phone numbers and address are provided at the top of this bulletin.

Roger D. Sweet
Director of Revenue

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