

+ CHANGES IN FILING FOR RETAILERS IN HOME RULE MUNICIPALITIES

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 +---+
 |TO:| ALL RETAILERS IN: HOW WILL HOME RULE third quarter returns-
 +---+ SALES TAX CHANGE ON those for July,
 SEPTEMBER 1, 1990? August, and

Alton Aurora *Belleville Bloomington Burnham Calumet City Champaign Chicago Cicero Danville Decatur De Kalb *Elmwood Park Galesburg Granite City *Hoffman Estates Joliet *Kankakee Moline Mount Vernon Normal *Norridge Peoria Quincy *Rolling Meadows *Rosemont *Schaumburg *Sesser Springfield Stone Park Urbana *West Dundee	Beginning with your September 1, 1990, liability (due in October for monthly filers), we will begin collecting home rule sales tax for the above municipalities. You will be able to pay all of your sales tax to us using one combined rate. The combined rate will be preprinted on your Form ST-1, Sales and Use Tax Return. If you are already paying home rule sales tax, you will no longer have to make separate payments of state sales tax to us and home rule sales tax to your municipality.	September - do not all show the same rates. Your ST-1 for September will require you to use the new combined rate. You must use the correct form for each month.
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+ Quarterly Filers

Quarterly filers will
 use two returns: one
 to report for the
 months of July and
 August using separate
 rates and one to
 report for the month
 of September using the
 combined rate. Be sure
 to use the correct
 return for each month
 of the two periods of
 the third quarter.

+ Annual Filers

Annual filers will use
 two returns: one to
 report for the months
 of January through
 August using separate
 rates and one to
 report for the months
 of September through
 December using the
 combined rate. Be sure
 to use the correct
 return for each of the
 two periods of the
 year.

*These
 municipalities
 imposed a home
 rule sales tax
 effective
 September 1, 1990

HOW DO I REPORT HOME
RULE SALES TAX?

Filing procedures for
 retailers in these
 areas will be different
 for the final four
 months of 1990.

+ Monthly Filers
 Monthly filers will
 simply use the new

You will be able to tell
 which return to use by
 the preprinted rates.
 Those for periods after

combined rates
preprinted on their
ST-1 returns starting
with the September
return. You will
notice that the
enclosed

September 1, 1990, will
be higher than those for
periods before.
(over)

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WILL ALL HOME RULE
TAXES BE AFFECTED?

We will collect only
home rule sales tax.
Home rule units that
impose taxes on
utilities, hotels and
motels, real estate
transfers, restaurants,
and alcohol and
cigarettes will
continue to collect
these taxes. If a home
rule unit imposes a use
tax on cars and other
items that require a
title, the home rule
unit will also collect
this tax.

DO I CHARGE HOME RULE
TAX TO CUSTOMERS WHO
LIVE OUTSIDE MY HOME
RULE MUNICIPALITY?

After September 1,
1990, you will charge
home rule tax on your
sales regardless of the
customer's residency.
However, there is one
exception. Retailers
who sell cars or other
items that require a
title should not send
home rule use tax to us.

DO I COLLECT HOME RULE
SALES TAX ON FOOD AND
DRUGS?

The term "food and
drugs" refers to "low-
tax-rate" food (such as
that sold in grocery
stores), drugs, and
medical appliances
reported on line 5a of

returns contain
preprinted figures
showing whether and at
what rate your home
rule unit is taxing
these items. In
addition, the chart
with this bulletin
shows your home rule
unit's rates.

WHERE DO I DEDUCT HOME
RULE TAX ON THE
WORKSHEET FOR LINE 2 OF
FORM ST-1, SALES AND
USE TAX RETURN?

For the months of
January through August,
you must deduct the
home rule tax you pay
directly to your home
rule municipality on
line 16 ("Other") of
the ST-1 Worksheet for
Line 2.

After September 1, you
must include home rule
tax in line 1, items A
through D, of the ST-1
Worksheet for Line 2.

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|TO:|RETAILERS OF CARS
+---+AND OTHER ITEMS THAT
REQUIRE A TITLE

You will not pay home
rule use tax to us on
your sales of cars and
other items that
require a title. You
should check with your
home rule municipality
to see if it has imposed
a home rule use tax and
how it would like you to
collect home rule use
tax.

+---+
|TO:|RETAILERS IN
+---+DANVILLE, DE KALB,
GALESBURG, GRANITE
CITY, JOLIET,
PEORIA, AND URBANA

In your home rule unit,
the amount you pay has
been based upon a
"capped" amount, such as
the first \$500 or \$1,000
of certain sales
transactions. After
Sept. 1, 1990, you will
charge home rule sales
tax on the entire amount
of each transaction.

QUESTIONS?

If you have questions or
need more information,
please call or write us.
Our telephone numbers
and address are listed
at the bottom of this
bulletin.

your ST-1 - not to
"high-tax-rate" food
for immediate
consumption and
considered general
merchandise, such as
food sold in
restaurants. Your home
rule unit may choose to
tax food and drugs until
September 1, 1991, a
year after we begin to
collect home rule sales
taxes. Your ST-1

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FOR	CALL:	1 800 732-8866 or
INFORMATION		1 217 782-3336
	WRITE:	Illinois Department of Revenue
		101 W. Jefferson St., P.O. Box 19044
		Springfield, IL 62794-9044
