

+ CHANGES IN HOME RULE SALES TAX IN QUINCY
Summary: Beginning with your September 1 sales,
you will report your home rule sales tax to state.

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|TO:| ALL RETAILERS AND
+----+ SERVICE PERSONS
CONDUCTING
BUSINESS IN QUINCY

You will report receipts from this general merchandise tax on line 4a on the ST-1. Your preprinted return will show the correct combined rate.

WHAT'S NEW FOR AUTO DEALERS?

If you sell cars or other items that require a title, you should pay special attention. The home rule sales tax does not apply to these sales, and receipts from these sales will continue to be taxed at the current rate of 6.25 percent when reported on Form ST-556.

This is to remind you that, beginning with sales you make on September 1, 1990, you will report and send to us both the home rule sales tax you collect and the state sales tax you have been collecting. These rates will be combined and preprinted on your Form ST-1, Sales and Use Tax Return.

In addition, no change has occurred in Quincy's 0.75 percent home rule sales tax rate for QUALIFYING FOOD, DRUGS, AND MEDICAL APPLIANCES. Therefore, the combined food and drug rate will be 1.75 percent.

However, the rate of 7.00 percent reported on Form ST-1 will apply to receipts from sales of general merchandise, such as the parts you sell over the counter and the parts you use during service of motor vehicles and airplanes.

HAS THE HOME RULE SALES TAX RATE CHANGED?

No change has occurred in Quincy's 0.75 percent home rule sales tax rate for GENERAL MERCHANDISE. Therefore, the combined general merchandise rate will be 7.00 percent.

You will report receipts from this food and drug tax on line 5a on the ST-1. Your preprinted return will show the correct combined rate.

WHAT'S BEING TAXED?

The home rule sales tax has the same base for general merchandise and food and drugs as the state tax you are already familiar with. (The base refers to those items that are taxed. Any item that is exempt from state tax will also be exempt from this home rule tax.)

WHAT DO I DO WHEN A CUSTOMER PAYS ME AFTER SEPTEMBER 1 FOR A PURCHASE MADE EARLIER AT A DIFFERENT RATE?

If the original purchase was made at a different tax rate from those rates in Line 4a and 5a, you must report these receipts on Line 8a of the ST-1.

CUSTOMERS WHO LIVE
OUTSIDE MY HOME RULE
MUNICIPALITY?

Effective September 1,
1990, you will charge
home rule tax on your
sales (except sales
reported on Form
ST-556) regardless of
your Illinois
customer's address or
the sale's point of
delivery within this
state.

You will have two
returns. The return for
January through August
will be preprinted with
the lower rates, and a
return for September
through December will
be preprinted with the
higher combined rates.
The due date for both
returns is January 31,
1991.

QUESTIONS?

WHAT ARE MY SPECIAL
FILING INSTRUCTIONS?

+ Monthly filers
Your September return
will be the first
return to have
combined rates. The
due date is October
31, 1990, for the
return for September
1990.

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

+ Quarterly filers

You will have two
returns for the third
quarter. The return
for July and August
will be preprinted
with the lower rates,
and a return for
September will be
preprinted with the
higher combined rates.
The due date for both
returns is October
31, 1990.

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FOR
INFORMATION

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