

+ CHANGES IN HOME RULE SALES TAX FOR MULTIPLE-SITE FILERS
Summary: Beginning with your September 1 sales,
report your home rule sales tax to the state.

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|TO:| ALL RETAILERS AND
+---+ SERVICE PERSONS
CONDUCTING
BUSINESS IN THESE
HOME RULE
MUNICIPALITIES:

- Alton
- Aurora
- Belleville
- Bloomington
- Burnham
- Calumet City
- Champaign
- Chicago
(Cook County)
- Chicago
(Du Page County)
- Cicero
- Danville
- Decatur
- De Kalb
- Elmwood Park
- Galesburg
- Granite City
- Hoffman Estates
- Joliet
- Moline
- Mount Vernon
- Normal
- Norridge
- Peoria
- Quincy
- Rolling Meadows
- Rosemont
- Schaumburg
(Cook County)
- Schaumburg
(Du Page County)
- Sesser
- Springfield
- Stone Park
- Urbana
- West Dundee

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 and state and local sales tax. The rates for these taxes will be combined and preprinted for each home rule municipality on your Form ST-2, Multiple Site Form.

It may be necessary to adjust your cash registers and any computer programs you use so that, beginning on September 1, you will be collecting and paying the correct amounts.

HAS THE HOME RULE SALES TAX RATE CHANGED?

We have sent bulletins to your individual sites explaining specific details about home rule sales tax in these municipalities. You may wish to contact your sites for copies of these bulletins. A chart at the end of this bulletin describes state and local, home rule, and combined rates for each home rule municipality imposing a home rule sales 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 and ST-2.

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 when reported on Form ST-556 (see the first column of the chart under "general merchandise").

However, the rates reported on Form ST-2 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 (see the third column of the chart under "general

WHAT'S BEING TAXED?

The home rule municipality imposes home rule sales tax on GENERAL MERCHANDISE. This tax on these items has the same BASE (the dollar value of items being taxed) as the state sales tax you are already familiar with.

The home rule municipality may or may not impose a home rule sales tax on QUALIFYING FOOD, DRUGS, AND MEDICAL APPLIANCES (see the enclosed chart). If the municipality does impose a home rule sales tax on these items, this tax likewise has the same BASE as the state sales tax.

DO I CHARGE HOME RULE TAX TO ILLINOIS 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.

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

+ 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.

+ Annual filers
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.

SPECIAL NOTE:

Informational Bulletin FY91-2, "Changes in Filing for Retailers in Home Rule Municipalities," included a tax rate chart similar to the one enclosed. Since that bulletin was published, Kankakee has rescinded its 1 percent home rule sales tax, and Rolling Meadows has reduced its home rule sales tax to 0.25 percent. The enclosed chart now reflects the correct rates.

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.

return for September
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
