



■ Home Rule Sales Tax Summary

TO: All Retailers and Servicepersons Conducting Business in Municipalities Which Impose Home Rule Sales Tax

On September 1, 1990, we began administering home rule sales tax for those municipalities which chose to impose the tax. **Effective September 1, 1991**, several additional home rule municipalities have imposed sales tax, and several of those which originally imposed the tax have changed their rates (see the chart accompanying this bulletin).

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.

The home rule sales tax rate is part of the combined rate which is preprinted on your Form ST-1, Sales and Use Tax Return and, for multiple-site filers, your Form ST-2, Multiple Site Form.

What's being taxed?

The home rule sales tax has the same base for **general merchandise** 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.)

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

Effective September 1, 1991, **food, drugs, and medical appliances** are exempt from home rule sales tax.

If your home rule municipality has recently imposed a home rule sales tax or changed its sales tax rates (see the chart accompanying this bulletin), you should take note of the following issues and instructions.

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 Lines 4a and 5a of Form ST-1, you must report these receipts on Line 8a.

Do I charge home rule tax to Illinois customers who live outside my home rule municipality?

If your home rule municipality has recently imposed a home rule sales tax, effective September 1, 1991, you must 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.

(If your home rule municipality imposed a home rule sales tax effective September 1, 1990, the above provision has been in effect since that date.)

What's new for those who file Form ST-556, Sales Tax Transaction Return?

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 preprinted on your Form ST-556.

However, the rate preprinted on Forms ST-1 and 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.

What are my special filing instructions?**■ Monthly filers**

Your September return will be preprinted with the new combined rates reflecting the changes in the home rule rates. The due date is October 31, 1991, for the return for September 1991.

■ Quarterly filers

You will have two returns for the third quarter. The return for July and August will be preprinted with the former rates, and a return for September will be preprinted

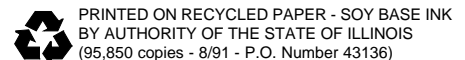
with the new rates. The due date for both returns is October 31, 1991.

■ Annual filers

You will have two returns. The return for January through August will be preprinted with the former rates, and a return for September through December will be preprinted with the new rates. The due date for both returns is January 20, 1992.

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.



Sales Tax Rates in Home Rule Municipalities

The following chart outlines the sales tax rates effective September 1, 1991, for each of the home rule municipalities in Illinois that impose sales tax. You will find the combined rate preprinted on your Forms ST-1 and ST-2 for each reporting period. Municipalities that have newly imposed home rule sales tax (effective September 1, 1991) are identified as "new."

	ST-1/ST-2 Rate Before 9/1/91	Home Rule Sales Tax Rate Change	ST-1/ST-2 Combined Rate Effective 9/1/91	
Alton				
General merchandise	7%	No change	7%	
Food and drugs*	1.25%	No change	1.25%	
Aurora (Du Page County)				
General merchandise	7%	No change	7%	
Food and drugs*	1.25%	No change	1.25%	
Aurora (Kane County)				
General merchandise	7%	No change	7%	
Food and drugs*	1.25%	No change	1.25%	
Belleville				
General merchandise	6.75%	No change	6.75%	
Food and drugs*	1.5%	-0.25%	1.25%	
Bloomington				
General merchandise	6.75%	No change	6.75%	
Food and drugs*	1.5%	-0.5%	1%	
Bolingbrook (Du Page County)				
General merchandise	6.5%	+0.25%	6.75%	(New)
Food and drugs*	1.25%	No change	1.25%	
Bolingbrook (Will County)				
General merchandise	6.5%	+0.25%	6.75%	(New)
Food and drugs*	1.25%	No change	1.25%	
Buffalo Grove (Cook County)				
General merchandise	7%	+0.5%	7.5%	(New)
Food and drugs*	2%	No change	2%	
Buffalo Grove (Lake County)				
General merchandise	6.5%	+0.5%	7%	(New)
Food and drugs*	1.25%	No change	1.25%	
Burnham				
General merchandise	8%	No change	8%	
Food and drugs*	2%	No change	2%	
Calumet City				
General merchandise	7.5%	No change	7.5%	
Food and drugs*	2%	No change	2%	
Champaign				
General merchandise	7.25%	No change	7.25%	
Food and drugs*	1%	No change	1%	
Chicago (Cook County)				
General merchandise	8%	No change	8%	
Food and drugs*	2%	No change	2%	
Chicago (Du Page County)				
General merchandise	7.5%	No change	7.5%	
Food and drugs*	1.25%	No change	1.25%	
Cicero				
General merchandise	8%	No change	8%	
Food and drugs*	3%	-1.0%	2%	
Danville				
General merchandise	7.25%	No change	7.25%	
Food and drugs*	1%	No change	1%	

	ST-1/ST-2 Rate Before 9/1/91	Home Rule Sales Tax Rate Change	ST-1/ST-2 Combined Rate Effective 9/1/91	
Decatur				
General merchandise	7.25%	No change	7.25%	
Food and drugs*	1%	No change	1%	
De Kalb				
General merchandise	7%	No change	7%	
Food and drugs*	1.75%	-0.75%	1%	
East Hazel Crest				
General merchandise	7%	+0.5%	7.5%	(New)
Food and drugs*	2%	No change	2%	
East St. Louis				
General merchandise	6.5%	+1.0%	7.5%	(New)
Food and drugs*	1.25%	No change	1.25%	
Elk Grove Village (Cook County)				
General merchandise	7%	+0.5%	7.5%	(New)
Food and drugs*	2%	No change	2%	
Elk Grove Village (Du Page County)				
General merchandise	6.5%	+0.5%	7%	(New)
Food and drugs*	1.25%	No change	1.25%	
Elmhurst				
General merchandise	6.75%	+0.25%	7%	(New)
Food and drugs*	1.25%	No change	1.25%	
Elmwood Park				
General merchandise	8%	No change	8%	
Food and drugs*	3%	-1.0%	2%	
Galesburg				
General merchandise	7%	No change	7%	
Food and drugs*	1%	No change	1%	
Granite City				
General merchandise	7.25%	+0.25%	7.5%	
Food and drugs*	2%	-0.75%	1.25%	
Hoffman Estates				
General merchandise	7.25%	+0.25%	7.5%	
Food and drugs*	2.25%	-0.25%	2%	
Joliet				
General merchandise	7.25%	No change	7.25%	
Food and drugs*	2%	-0.75%	1.25%	
Moline				
General merchandise	6.75%	No change	6.75%	
Food and drugs*	1.5%	-0.5%	1%	
Mount Prospect				
General merchandise	7%	+0.25%	7.25%	(New)
Food and drugs*	2%	No change	2%	
Mount Vernon				
General merchandise	7%	No change	7%	
Food and drugs*	1.75%	-0.75%	1%	
Niles				
General merchandise	7%	+0.5%	7.5%	(New)
Food and drugs*	2%	No change	2%	
Normal				
General merchandise	6.75%	No change	6.75%	
Food and drugs*	1.5%	-0.5%	1%	
Norridge				
General merchandise	8%	No change	8%	
Food and drugs*	3%	-1.0%	2%	

	ST-1/ST-2 Rate Before 9/1/91	Home Rule Sales Tax Rate Change	ST-1/ST-2 Combined Rate Effective 9/1/91	
Peoria				
General merchandise	7.25%	No change	7.25%	
Food and drugs*	1%	No change	1%	
Quincy				
General merchandise	7%	No change	7%	
Food and drugs*	1.75%	-0.75%	1%	
Rock Island				
General merchandise	6.25%	+0.5%	6.75%	(New)
Food and drugs*	1%	No change	1%	
Rolling Meadows				
General merchandise	7.25%	No change	7.25%	
Food and drugs*	2.25%	-0.25%	2%	
Rosemont				
General merchandise	8%	No change	8%	
Food and drugs*	3%	-1.0%	2%	
Schaumburg (Cook County)				
General merchandise	7.5%	No change	7.5%	
Food and drugs*	2%	No change	2%	
Schaumburg (Du Page County)				
General merchandise	7%	No change	7%	
Food and drugs*	1.25%	No change	1.25%	
Sesser				
General merchandise	7.25%	No change	7.25%	
Food and drugs*	2%	-1.0%	1%	
Skokie				
General merchandise	7%	+0.75%	7.75%	(New)
Food and drugs*	2%	No change	2%	
Springfield				
General merchandise	7.25%	No change	7.25%	
Food and drugs*	1%	No change	1%	
Stone Park				
General merchandise	8%	No change	8%	
Food and drugs*	2%	No change	2%	
Urbana				
General merchandise	7.25%	No change	7.25%	
Food and drugs*	1%	No change	1%	
West Dundee				
General merchandise	7%	No change	7%	
Food and drugs*	1.25%	No change	1.25%	

*Refers to qualifying food, drugs, and medical appliances to be taxed at the "low" rate (as contrasted with the "high" rate on food for immediate consumption, such as restaurant food, which is taxed at the same rate as general merchandise).