



## ■ ST-556 Accounts in Cook and Collar Counties Must Collect Chicago Home Rule Use Tax

### **TO:** ST-556 Filers in Counties of Cook, Du Page, Kane, Lake, McHenry, and Will

If you sell cars or other items that require a title or registration, for deliveries on or after January 1, 1992, you must collect and pay the 1 percent Chicago Home Rule Use Tax to us **if the purchaser's address for titling and registration purposes is within the corporate limits of the city of Chicago.**

You must use Form ST-556, Sales Tax Transaction Return, to report this tax.

### **How do I use Form ST-556 to collect and pay Chicago Home Rule Use Tax?**

#### ■ Using the ST-556 forms you have in stock...

Part 6, Line 4, of Form ST-556 contains a preprinted tax rate. If the customer's address for titling

and registration purposes is within the city of Chicago, you must add 1 percent (.01) to this preprinted rate before figuring the tax.

**For example,** if you are a retailer in Oak Lawn and your customer's address for titling and registration purposes is within the city of Chicago, add 1 percent (.01) to the preprinted rate-- in this example, 7 percent (.07)-- on Line 4. To figure the tax, multiply the amount on Line 3 by the combined rate of 8 percent (.08).

#### ■ Using ST-556 forms you order after January 1, 1992...

Returns ordered from us after January 1, 1992, will be preprinted with both the current rate and the combined rate, which includes Chicago Home Rule Use Tax.

The combined rate will be printed in Part 6 below Line 4 of the return. To figure the tax for a customer whose address for titling and

registration purposes is within the city of Chicago, multiply the amount on Line 3 by the combined rate.

### **Do I collect home rule use tax for any other municipality?**

No. All other home rule municipalities that have imposed home rule use taxes collect these taxes independently.

For purchases by any customer whose address for titling and registration purposes is **not** within the city of Chicago, you do not need to adjust the rate on Form ST-556 or use a combined rate. For these customers, use the preprinted rate on Line 4 of Part 6 to figure the sales tax.

### **Questions?**

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



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