



■ Changes in Home Rule Sales Tax in Joliet

TO: All Retailers and Servicepersons Conducting Business in Joliet

Effective September 1, 1992, Joliet has increased the home rule sales tax rate.

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.

Food, drugs, and medical appliances are exempt from home rule sales tax.

What is the tax rate?

Joliet has increased the home rule sales tax rate on general merchandise from 0.75 percent to **1.25 percent**.

This new rate will be reflected in Line 4a of Form ST-1 as a total general merchandise rate of **7.75 percent**.

What do I do when a customer pays me after September 1 for a purchase delivered earlier at a different rate?

If the original purchase was subject to a different tax rate from the rate in Line 4a 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?

Yes. 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.

Does home rule sales tax apply to sales on 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 20, 1992, for the return for September 1992.

■ 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 20, 1992.

■ 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, 1993.

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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