



Non-Home Rule Sales Tax in Sparta

Informational Bulletin

November 2001

Glen L. Bower
Director of Revenue

For information
or forms...

- ◆ Call us at:
1 800 732-8866 or
217 782-3336
- ◆ Call our TDD
(telecommunications device
for the deaf) at:
1 800 544-5304
- ◆ Write us at:
Illinois Department of Revenue
P.O. Box 19044
Springfield, IL 62794-9044
- ◆ Visit our Web site at:
www.revenue.state.il.us
- ◆ Call
"Illinois Tax Fax," our
fax-on-demand service, at:
217 785-3400
- ◆ Call
our 24-hour
Forms Order Line at:
1 800 356-6302

To:

All Retailers and Servicepersons Conducting Business
in Sparta

Effective **January 1, 2002**, Sparta has imposed non-home rule sales tax on general merchandise at the rate of 0.50 percent.

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

The new combined rate is reflected in Line 4a of Form ST-1 or Form ST-2 as a total general merchandise rate of 6.75 percent.

It may be necessary to adjust your cash registers and any computer programs you use so that, beginning on January 1, you will collect and pay the correct amount of tax.

What is taxed?

You must collect non-home rule sales tax on sales of **general merchandise** (reported on Line 4a of Form ST-1 and Form ST-2) The same items of general merchandise that are subject to state sales tax are also subject to non-home rule sales tax.

Non-home rule sales tax does **not** apply to sales of qualifying food, drugs, and medical appliances* (reported on Line 5a of Form ST-1 and Form ST-2.)

Also, non-home rule sales tax does not apply to items that must be titled or registered by an agency of Illinois state government (reported on Form ST-556, Sales Tax Transaction Return).

Please note that units of local government may impose and administer other taxes. If these taxes are imposed, they are not collected by the Illinois Department of Revenue. Please contact your municipal or county clerk's office for more information.

What do I do when a customer pays me on or after January 1 for a purchase that was delivered earlier and taxed at a different rate?

If the original purchase was subject to a tax rate that is different from the rate in Line 4a of Form ST-1 or Form ST-2, you must report these receipts on Line 8a.

Note: Line 8a is to be used **only** to report receivables subject to a previous tax rate. No other use of this line is permitted.

* 86 Ill. Adm. Code 130.310

