



# Sales Tax Rate Changes

## Informational Bulletin

June 2002

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Director of Revenue

### For information or forms...

- ◆ Call us at:  
1 800 732-8866 or  
217 782-3336
- ◆ Call our TDD  
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### To:

### All Retailers and Servicepersons Conducting Business in Units of Local Government That Have Imposed a Sales Tax Rate Change Beginning July 1, 2002

Effective **July 1, 2002**, certain units of local government have imposed home rule sales tax or county public safety sales tax on sales of certain merchandise. In addition, some units of local government have changed their previously imposed rates. These locally imposed taxes are collected by the Illinois Department of Revenue.

#### **Please see the table on the reverse side of this bulletin.** It lists

- ◆ each location affected by a tax rate change,
- ◆ by tax type, the amount of increase or decrease in tax rate, and
- ◆ the combined rate that is effective for your location on July 1, 2002.

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

The new combined rate will be reflected in the rate we print for Line 4a of Form ST-1 or Form ST-2 as a total general merchandise rate.

For a complete listing of statewide sales tax rates, see the July 1, 2002, version of our Publication ST-25, Illinois Sales Tax Rate Reference Manual.

### What is taxed?

You must collect home rule sales tax and county public safety 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 reported on Form ST-1 and Form ST-2 that are subject to state sales tax are also subject to home rule sales tax and county public safety sales tax.

Home rule sales tax and county public safety sales tax **do not** apply to sales of qualifying food, drugs, and medical appliances\* (reported on Line 5a of Form ST-1 and Form ST-2).

In addition, these taxes **do 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).

**Note:** Units of local government may impose and administer other taxes that 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 July 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.



The following table outlines the general merchandise rates effective July 1, 2002, for each of the units of local government in Illinois that have imposed a local sales tax rate change for a tax that the department collects. You will find the combined rate preprinted on Line 4a of your Form ST-1 and Form ST-2 for each reporting period.

	Home Rule Sales Tax Rate Change	County Public Safety Sales Tax Rate Change	General Merchandise Combined Rate Effective 7/1/02
<b>Bedford Park</b>	+ 0.75%	N/A	8.50%
<b>Bloomington</b>	+ 0.25%	N/A	7.25%
<b>Bridgeview</b>	+ 1.00%	N/A	8.75%
<b>Cahokia</b>	+ 0.25%	N/A	7.60%
<b>Calumet City</b>	+ 0.50%	N/A	8.75%
<b>Peoria</b>	+ 0.50%	N/A	8.00%
<b>Quincy</b>	+ 0.75%	N/A	7.75%
<b>Rock Island</b>	+ 0.25%	N/A	7.00%
<b>Sherman</b>	+ 0.50%	N/A	6.75%
<b>South Holland</b>	+ 0.50%	N/A	8.25%
<b>Stone Park</b>	+ 0.50%	N/A	9.25%
<b>Waukegan</b>	+ 1.00%	N/A	7.50%
<b>Perry County (Countywide)</b>	N/A	- 0.25%*	See * below

\* Perry County has **decreased** the countywide county public safety sales tax from 0.75% to **0.50%**. For units of local government within Perry County that impose home rule sales taxes or non-home rule sales taxes, the ST-1/ST-2 combined rate varies. For all unincorporated areas and units of local government in Perry County that do not impose home rule sales taxes or non-home rule sales taxes, the ST-1/ST-2 combined rate is 6.75%, effective July 1, 2002.