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Bulletin

David Harris, Director

Sales Tax Rate Change Summary, Effective July 1, 2021

This bulletin is written to inform you of recent changes; it does not replace statutes, rules and regulations, or court decisions.

For information or forms

Visit our website at:
tax.illinois.gov

Call us at:
1 800 732-8866 or
217 782-3336

Call our TDD
(telecommunications device
for the deaf) at:
1 800 544-5304

To: All retailers and servicepersons conducting business in taxing jurisdictions whose sales tax rate is changing

Effective **July 1, 2021**, certain taxing jurisdictions have imposed a local sales tax or changed their local sales tax rate on general merchandise sales. The following taxes are affected:

- business district sales tax
- home rule municipal sales tax
- non-home rule municipal sales tax

These local sales taxes are referred to in this bulletin as “locally imposed sales tax.”

You must adjust your cash register and any computer program so that beginning on July 1, 2021, you will collect and pay the correct sales tax. You need to contact your software vendor if you use software to create your forms. To verify your new combined sales tax rate (*i.e.*, state and local sales taxes), go to the **Tax Rate Database** on our website at tax.illinois.gov and select rates for July 2021.

What is taxed?

The same items of general merchandise reported on Line 4a of Forms ST-1 and ST-2 that are subject to state sales tax are also subject to the locally imposed sales tax.

Locally imposed sales tax does not apply to

- sales of qualifying food, drugs, and medical appliances¹ that are reported on Line 5a of Forms ST-1 and ST-2; or,
- items that must be titled or registered by an agency of Illinois state government and reported on dealer-filed transaction returns.

Note: Some jurisdictions may impose and administer taxes *not* collected by the Illinois Department of Revenue. Contact your municipal or county clerk’s office for more information.

How do I report an earlier sale that was subject to a different tax rate?

If a sale was subject to a sales tax rate different from the current sales tax rate, report this sale on Line 8a of Forms ST-1 and ST-2.²

Note: Line 8a is used only to report sales subject to a different sales tax rate. No other use of Line 8a is permitted.

¹ 86 Ill. Adm. Code 130.310 and 130.311

² 86 Ill. Adm. Code 130.101(a)

Where can I find tax rate changes or combined sales tax rates?

The chart below outlines the sales tax rate for each jurisdiction that has imposed a change in local sales tax rates collected by the Department of Revenue, effective July 1, 2021. For a complete list of all sales tax rates, go to the **Tax Rate Database** on our website at tax.illinois.gov.

How do I know if my sales are subject to a business district sales tax?

Your business address determines whether business district sales tax applies to your sales. Refer to our **Tax Rate Database** on our website at tax.illinois.gov for a list of addresses. To verify a tax rate or business district address, select July 2021 on the Tax Rate Database.

Sales Tax Rate Changes for Sales of General Merchandise				
Jurisdiction	Combined rate ending June 30, 2021	Rate Change	NEW Combined rate beginning July 1, 2021	Type of Local Tax Change
Municipalities				
Bartonville	8.25%	+0.25%	8.50%	Home Rule
Bourbonnais				
• Bourbonnais North Convent Business District	6.25%	+1.00%	7.25%	Business District Business District
• Main Street Business District	6.25%	+1.00%	7.25%	
• Bourbonnais Business District	7.25%	No change	7.25%	
• Outside Business Districts	6.25%	No change	6.25%	
Chatsworth	7.25%	+1.00%	8.25%	Non-Home Rule
Deer Park (Cook)	9.50%	+0.50%	10.00%	Non-Home Rule
Deer Park (Lake)	7.50%	+0.50%	8.00%	Non-Home Rule
Divernon				
• North Business Development District	7.25%	+1.00%	8.25%	Business District Business District
• South Business Development District	7.25%	+1.00%	8.25%	
• Outside Business Districts	7.25%	No change	7.25%	
Downs	6.25%	+1.00%	7.25%	Non-Home Rule
Harvey				
• Harvey Dixie Highway Business District	10.50%	+1.00%	11.50%	Business District
• Outside Business District	10.50%	No change	10.50%	
Hanover Park (Cook)	9.75%	+0.25%	10.00%	Home Rule
Hanover Park (DuPage)	7.75%	+0.25%	8.00%	Home Rule
Herscher	6.25%	+1.00%	7.25%	Non-Home Rule
Oak Lawn	9.75%	+0.50%	10.25%	Home Rule
Pecatonica				
• Pecatonica Business District	7.75%	+1.00%	8.75%	Business District
• Outside Business District	7.75%	No change	7.75%	
Pekin (Tazewell)				
• Pekin Business Development District No 1	8.50%	+1.00%	9.50%	Business District
• Outside Business District	8.50%	No change	8.50%	
Quincy				
• Mid-Town Business District	8.00%	+1.00%	9.00%	Business District
• Outside Business District	8.00%	No change	8.00%	
Rapids City	7.25%	+1.00%	8.25%	Non-Home Rule
Stockton				
• Route 20/Downtown Business Dev District	7.25%	+1.00%	8.25%	Business District
• Outside Business District	7.25%	No change	7.25%	
Spring Grove	7.00%	+0.75%	7.75%	Non-Home Rule