

Compliance Alert -

Tax Remittance Obligations for the Metropolitan Pier and Exposition Authority (MPEA) Retailers' Occupation Tax on Food and Beverages Under the New Marketplace Facilitator Law



February 2021

Compliance Problem

The Illinois Department of Revenue (IDOR) has received questions regarding whether restaurants and other food and beverage establishments, or marketplace facilitators are required to remit the [Metropolitan Pier and Exposition Authority \(MPEA\) Food and Beverage Retailers' Occupation Tax](#). This Compliance Alert is issued to clarify that restaurants and other food and beverage establishments should continue to remit this tax.

Background

The MPEA Food and Beverage Tax is a retailers' occupation tax imposed on persons within the MPEA [boundaries](#) engaged in the business of selling food, alcoholic beverages, or soft drinks sold for consumption on the premises or consumption off the premises if sold by a retailer whose primary source (more than 50 percent) of gross receipts is from the sale of food, alcoholic beverages, or soft drinks prepared for immediate consumption.

Solution

Restaurants and other food and beverage establishments that are subject to the MPEA Food and Beverage Tax will continue to remit the tax to IDOR for all their sales, including sales made over a marketplace. Marketplaces include food delivery services, such as GrubHub and UberEats.

Marketplace facilitators should **not** remit the MPEA Food and Beverage Tax. However, under the new marketplace facilitator law, marketplace facilitators **are** required to remit the sales tax on sales made over the marketplace on behalf of restaurants and other food and beverage establishments within the MPEA boundaries.

For example, *QuickEats* (a marketplace facilitator) makes sales of meals over its marketplace on behalf of *Ferris Wheel Restaurant*. *Ferris Wheel Restaurant* is located at Navy Pier, within the MPEA boundaries. For these sales, *QuickEats* is liable for state Retailers' Occupation Tax (ROT), County Home Rule ROT, Home Rule ROT, and Regional Transportation Authority ROT, but is not liable for MPEA Food and Beverage Tax. *Ferris Wheel Restaurant* is liable for remitting MPEA Food and Beverage Tax.

Questions

For more information about the MPEA Food and Beverage Tax, see [Publication 117, MPEA Food and Beverage Tax](#).

For more information about marketplace facilitators, see [Public Act 101-0604](#). Additional information is also available on the [Resource Page for the Leveling the Playing Field for Illinois Retail Act](#).

If you have questions regarding this compliance alert, contact us at 1 800 732-8866 or 217 782-3336.

The content of this Compliance Alert is informational only and does not take the place of statutes, rules and regulations, and court decisions.