



# Publication 116

## *Chicago Soft Drink Tax*

June 2010

The information in this publication is current as of the date of the publication. Please visit our website at [tax.illinois.gov](http://tax.illinois.gov) to verify you have the most current revision.

This publication is written in the plain English style so the tax information is easier to understand. As a result, we do not directly quote Illinois statutes or the Illinois Administrative Code. The contents of this publication are informational only and do not take the place of statutes, rules, or court decisions. For many topics covered in this publication, we have provided a reference to the applicable section or part of the Illinois Administrative Code for further clarification or more detail. All of the sections and parts referenced can be found in Title 86 of the Code.

### ***About this publication***

Knowing how Illinois tax laws apply to your business can save you time, trouble, and money. The information included in this publication will supply you with the general sales tax information most Chicago soft drink retailers need, help you collect the proper amount of tax due, and help you file your returns correctly.

As a retailer of canned or bottled soft drinks in Chicago, you are responsible for

- collecting the correct amount of tax on every soft drink sale you make,
- properly documenting the tax-exempt sales you make,
- sending the tax you have collected with your properly completed **Form ST-14, Chicago Soft Drink Tax Return**, by the due date, to the Illinois Department of Revenue, and
- keeping complete and accurate books and records for all soft drink sales.

### ***Taxpayer Bill of Rights***

You have the right to call the Department of Revenue for help in resolving tax problems.

You have the right to privacy and confidentiality under most tax laws.

You have the right to respond, within specified time periods, to department notices by asking questions, paying the amount due, or providing proof to refute the department's findings.

You have the right to appeal department decisions, in many instances, within specified time periods, by asking for department review or by taking the issue to court.

If you have overpaid your taxes, you have the right, within specified time periods, to a credit (or, in some cases, a refund) of that overpayment.

For more information about these rights and other department procedures, you may write us at the following address:

Problems Resolution Office  
Illinois Department of Revenue  
PO Box 19014  
Springfield, IL 62794-9014

**Get forms and other information faster and easier at [tax.illinois.gov](http://tax.illinois.gov)**



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# Registering Your Business

## ***If I am starting my business, what do I do to register my account?***

If you are just starting a business and have properly completed and filed Form REG-1, Illinois Business Registration Application, you have provided us with the information required to register your account as a retailer of soft drinks in Chicago and we will send you the appropriate forms to file.

If you have not filed Form REG-1 and registered as a retailer, you must do so. For detailed information about registering your account, see Publication 113, Retailer's Overview of Sales and Use Tax.

## ***If I am registered as a retailer but will sell soft drinks in Chicago, what do I need to do?***

Contact the Central Registration Division by e-mailing us at [centreg@revenue.state.il.us](mailto:centreg@revenue.state.il.us), calling 217 785-3707, or writing us at

**CENTRAL REGISTRATION DIVISION  
ILLINOIS DEPARTMENT OF REVENUE  
PO BOX 19030  
SPRINGFIELD IL 62794-9030**

## ***How will I know that I have successfully registered?***

We will send you a Certificate of Registration. This certificate is your permit to engage in the business of selling tangible personal property. It lists your account identification number, business name, address, effective date, the taxes you are registered for, and the date the certificate will expire.

You must display your certificate in the place of business for which it was issued and where it can be easily viewed by the public.

If you are already registered as a retailer but will now sell soft drinks in Chicago in addition to making other retail sales, we will send you an updated Certificate of Registration.

## ***What types of changes require me to contact the Central Registration Division?***

You will need to contact the Central Registration Division if you

- change the location of your business or one of your sites,
- discontinue your business or one of your sites,
- change your business structure, or
- sell any or all of your business.

In addition, if you lose or damage your Certificate of Registration, please contact us for a new certificate.

For detailed information about registering your account, see Publication 113, Retailer's Overview of Sales and Use Tax.

# Business Requirements for Retailers who File Form ST-14

## ***On what sales must I collect and pay the Chicago Soft Drink Tax?***

If you sell soft drinks at retail in the city of Chicago, you must collect and pay Chicago's Home Rule Municipal Soft Drink Retailers' Occupation Tax, using Form ST-14.

## ***What are soft drinks?***

"Soft drink" is any nonalcoholic beverage containing natural or artificial sweeteners. This includes, but is not limited to

- soda,
- sport or energy drinks,
- sweetened tea,
- enhanced sweetened or flavored waters,
- drinks containing 50 percent or less fruit or vegetable juice, and
- all other preparations commonly known as soft drinks.

"Soft drink" does not include any beverage containing milk or milk products, soy, rice or similar milk substitutes, unsweetened teas, drinks with greater than 50 percent of vegetable or fruit juice by volume, and carbonated or uncarbonated water that contains no sweeteners.

## ***What transactions are exempt from this tax?***

The same transactions that are exempt from sales tax (Illinois Retailers' Occupation Tax) are also exempt from this tax.

## ***What is the tax rate?***

The tax rate is 3 percent (.03) of the gross receipts of soft drinks sold at retail. Your tax rate will be preprinted on your Form ST-14.

## ***How do I show this tax on my retail receipts?***

You may either separately state this tax, or state this tax in combination with other taxes on the receipts you give your customers.

## ***Who pays tax on soft drinks sold in vending machines?***

In the case of soft drinks sold through vending machines, the owner of the products in the vending machine is liable for the tax.

## ***Do I owe Chicago Soft Drink Tax on fountain drinks?***

**No.** Fountain drinks (drinks that are prepared by mixing a syrup or concentrate with water) are **not** subject to this tax and are **not** reported on Form ST-14.

**Note:** The city of Chicago does administer a separate tax on fountain soft drinks. That tax must be paid directly to the Chicago Department of Revenue.

## ***How do I report the Chicago Soft Drink Tax?***

All retailers of soft drinks (not fountain) in Chicago must file Form ST-14, for each reporting period and pay the tax collected from retail sales made. We include instructions with the forms we send you.

## ***How do I file if I have more than one site?***

Because the Chicago Soft Drink Tax is imposed city wide, the same rate of tax is due at any site in Chicago where you make your sales. For each reporting period, report the combined sales from all of your sites on the same Form ST-14.

## ***Must I file Form ST-14 if I have no sales to report?***

**Yes.** You must file a processable (signed) Form ST-14 for each reporting period regardless of whether or not there are receipts to report. You may file a "zero" return.

## ***When is my return and tax payment due?***

You must file your Form ST-14 and pay any tax due on or before the 20th day of the month following the end of the reporting period. We will preprint the reporting period and due date on your Form ST-14. It will be the same as the reporting period for your Form ST-1. We will notify you if your filing status changes.

**Note:** Any time a due date falls on a weekend or state-recognized holiday, we adjust the due date to the next business day.

## ***Is there an incentive for paying the tax I owe on time?***

**Yes.** If you file your Form ST-14 and pay the tax on time, you are allowed to take a discount of 1.75 percent of the tax you collected on receipts from sales.

## ***Where do I file my Form ST-14?***

You should mail your Form ST-14 to the address printed on the form. If no address is available, please mail your return to:

**CHICAGO SOFT DRINK TAX ADMINISTRATION  
PO BOX 642603  
CHICAGO IL 60664-2603**

Do not mail Form ST-14 with any other type of return.

***What if I do not file and pay by the due date?***

If you do not file your Form ST-14 and pay the tax due by the due date, you will be assessed for any tax due (including any portion of the discount for timely filing that we have disallowed) plus penalty and interest. For detailed information about the penalties and interest that may apply, see PUB-103, Penalties and Interest for Illinois taxes.

**Note:** When sent through the U.S. mail, items filed with and payments made to IDOR are considered to be filed and received by the department on the date of the post office cancellation mark. Private postage meters are not used to establish the date of receipt.

If items are filed with or payments made to IDOR but are not sent through the U.S. mail, they are considered to be filed on the date the department receives them.

***What if I make a mistake on my Form ST-14?***

If, after you file your Form ST-14, you find you made a mistake that resulted in an overpayment or an underpayment, you must file an amended return (Form ST-14-X). Amended returns are available by calling our 24-hour Forms Order Line at **1 800 356-6302**.

For help completing your amended return, please call the Sales Tax Processing Division at **217-782-7517**.

For all other questions, you may visit our website at **tax.illinois.gov** or contact the department at the numbers listed at the end of this publication.

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***What books and records must I keep?***

The requirements for keeping books and records is the same for all retailers and can be found in Publication 113, Retailer's Overview of Sales and Use Tax.



**Office locations**

Maine North Regional Building  
9511 Harrison Street FA 203  
Des Plaines, Illinois 60016-1563  
847 294-4200

200 South Wyman Street  
Rockford, Illinois 61101-1237  
815 987-5210

James R. Thompson Center  
Concourse Level  
100 West Randolph Street  
Chicago, Illinois 60601-3274  
800 732-8866  
217 782-3336

Willard Ice Building  
101 West Jefferson  
Springfield, Illinois 62702  
800 732-8866  
217 782-3336

15 Executive Drive  
Business Center One, Suite 2  
Fairview Heights, Illinois 62208-1331  
618 624-6773

2309 W. Main  
Suite 114  
Marion, Illinois 62959-1196  
618 993-7650

**For information  
or forms**


Visit our website at [tax.illinois.gov](http://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**.

Write us at Illinois Department of Revenue, P.O. Box 19044, Springfield, IL 62794-9044.

Call our 24-hour Forms Order Line at **1 800 356-6302**.

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