



# Publication 117

June 2005

## *MPEA Food and Beverage Tax*

The information in this publication is current as of the date of the publication. Please visit our web site at **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 food and beverage retailers located in the Metropolitan Pier and Exposition Authority (MPEA) district need, help you collect the proper amount of tax due, and help you file your returns correctly.

As a retailer of food and beverages within the MPEA boundaries, you are responsible for

- collecting the correct amount of tax on every food and beverage sale you make,
- properly documenting the tax-exempt sales you make,
- sending the tax you have collected with your properly completed **Form ST-4, MPEA Food and Beverage Tax Return**, by the due date, to the Illinois Department of Revenue, and
- keeping complete and accurate books and records for all food and beverage 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)**



# Contents

---

## **Registering Your Business**

If I am just starting my business, what do I do to register my account? .....	4
If I am already registered as a retailer but will now sell food and beverages within the MPEA boundaries, what do I need to do? .....	4
How will I know that I have successfully registered? .....	4
What types of changes in my business require me to contact the Central Registration Division? .....	4

## **Business Requirements for Retailers who File Form ST-4**

On what sales must I collect and pay the MPEA Food and Beverage Tax? .....	5
What transactions are exempt from this tax? .....	5
What is the tax rate? .....	5
Is my tax rate preprinted on my return? .....	5
How do I show this tax on my retail receipts? .....	5
What form must I use to report the MPEA Food and Beverage Tax? .....	5
How do I file if I have more than one site? .....	5
Must I file Form ST-4 even if I have no sales to report? .....	5
When is my return and tax payment due? .....	5
Is there an incentive for paying the tax I have collected on time? .....	5
Where do I file my return? .....	5
What if I do not file and pay by the due date? .....	6
What if I make a mistake on my return? .....	6
What books and records must I keep? .....	6

## **Miscellaneous Information**

How do I determine if I am making sales within the MPEA boundaries? .....	7
---	---

<b>Office locations</b> .....	8
-------------------------------	---

# Registering Your Business

---

## ***If I am just 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 food and beverages within the MPEA boundaries 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 already registered as a retailer but will now sell food and beverages within the MPEA boundaries, 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 Illinois Business Tax (IBT) 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 food and beverages within the MPEA boundaries in addition to making other retail sales, we will send you an updated Certificate of Registration.

---

## ***What types of changes in my business, 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-4

## On what sales must I collect and pay the MPEA Food and Beverage Tax?

You must collect and pay the MPEA Food and Beverage Tax if you make retail sales of prepared food, alcoholic beverages, or soft drinks within the MPEA boundaries and your sales are for consumption

- on the premises;
- off the premises, if more than 50 percent of your gross receipts are from the sale of prepared food, alcoholic beverages, and soft drinks prepared for immediate consumption; or
- on boats and other watercraft, such as tour boats, departing from and returning to the shoreline of Lake Michigan, whose business locations are within the MPEA boundaries.

In general, if you are selling prepared food, alcoholic beverages, or soft drinks for which you collect and pay the sales tax at the "high rate" (in Lines 4a and 4b on Form ST-1, Sales and Use Tax Return), you must collect and pay the MPEA Food and Beverage Tax.

This includes restaurants, coffee shops, cafeterias, concession stands, snack shops, and street vendors.

**Note** → For street vendors, the MPEA tax is due for prepared food and beverages sold within the MPEA boundaries, no matter where the vendor's permanent business is located.

## What transactions are exempt from this tax?

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

## What is the tax rate?

The MPEA food and beverage tax rate is 1 percent (.01) of gross receipts.

## Is my tax rate preprinted on my return?

Yes, it will be preprinted on your Form ST-4 and if you make taxable sales from more than one site, the rate for each site will be printed on your Form ST-7, Multiple Site Form.

## 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.

## What form must I use to report MPEA Food and Beverage Tax?

To pay this tax, you must file Form ST-4, MPEA Food and Beverage Tax Return.

We include instructions with the forms we send you.

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

If you make retail sales from more than one site and any of those sites are within the MPEA boundaries, you must also file Form ST-7, Multiple Site Form.

We include instructions with the forms we send you.

## Must I file Form ST-4 even if I have no sales to report?

Yes. You must file a processable (signed) Form ST-4 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-4 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-4. 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 have collected on time?

Yes. If you file your return 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 return?

You should mail your return to the address printed on the form you receive. If no address is available, please mail your return to:

ILLINOIS DEPARTMENT OF REVENUE  
RETAILERS OCCUPATION TAX  
SPRINGFIELD IL 62776-0001

Do not mail this return in combination with any other type of return.

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

If you do not file your return 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 the Department of Revenue 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 the Department of Revenue 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 return?***

If, after you file your Form ST-4, you find you made a mistake that resulted in an overpayment or an underpayment, or you forgot to send any necessary attachments, you must file an amended return (Form ST-4-X). If you have more than one site, you must also file Form ST-7-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 web site at **tax.illinois.gov** or contact the department at the numbers listed at the end of this publication.

---

### ***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.

# Miscellaneous Information

## How do I determine if I am making sales within the MPEA boundaries?

1. In many instances, you can determine this by using the Zip code. The following Zip codes are entirely within the Metropolitan Pier and Exposition Authority (MPEA) boundaries:

60601	60668	60685
60602	60669	60686
60603	60670	60687
60604	60671	60688
60605	60672	60689
60606	60673	60690
60607	60674	60691
60610	60675	60692
60611	60678	60693
60654	60679	60694
60661	60680	60695
60663	60681	60696
60664	60682	60697
60665	60683	60698
60666	60684	60699

If you are located in one of these Zip codes, you are liable for the MPEA Food and Beverage Retailers' Occupation Tax.

**Note:** O'Hare airport is entirely within Zip code 60666.

2. For the following Zip codes, which are partially within the MPEA boundaries, you must determine if you are within the Lake Michigan area or Midway Airport boundaries.

60608	60616	60638
60614	60622	60657

### Lake Michigan area boundaries

The

- northern boundary is 150 feet north of the north side of Diversy Avenue.
- western boundary is 150 feet west of the west side of Ashland Avenue.
- southern boundary is the south side of Stevenson Expressway.
- eastern boundary is the shoreline of Lake Michigan, including Navy Pier and all other improvements fixed to land, docks, or piers.

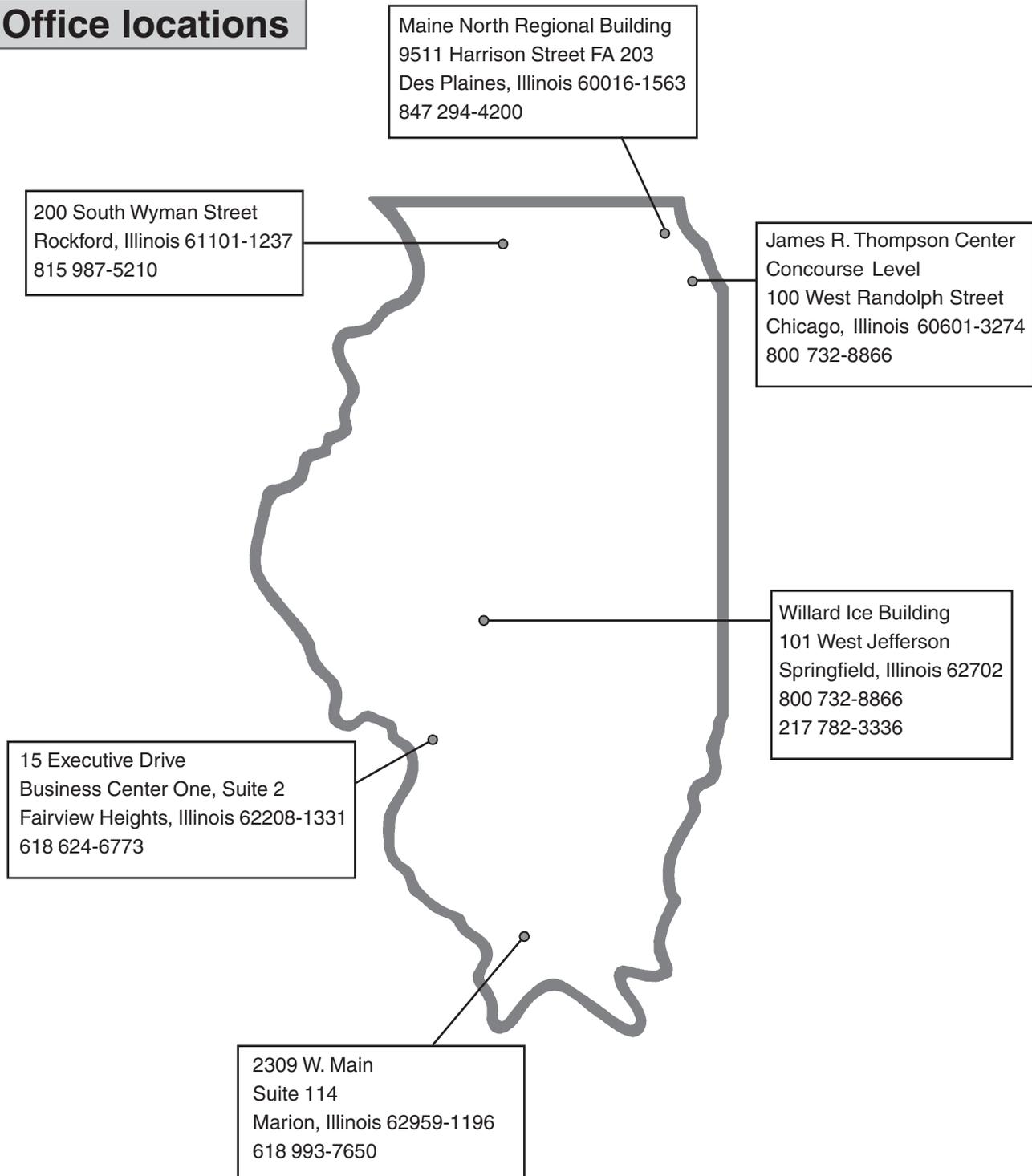
### Midway Airport boundaries

The

- northern boundary is the south side of 55th street.
- western boundary is the east side of Central Avenue.
- southern boundary is the north side of 63rd Street.
- eastern boundary is the west side of Cicero Avenue.

If you are located in one of these Zip codes and are within the Lake Michigan area or Midway boundaries, you are liable for the MPEA Food and Beverage Retailers' Occupation Tax.

## Office locations



### For information or forms

Visit our web site 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**.