



informational

Bulletin

Constance Beard/ Director

Sales Tax Rate Change Summary

To: All retailers and servicepersons conducting business in taxing jurisdictions whose sales tax rate is changing, effective January 1, 2016

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

Effective **January 1, 2016**, 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:

- home rule sales tax
- county home rule sales tax
- business district 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 January 1, 2016, 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 January 2016.

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 January 1, 2016. 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 January 2016 on the **Tax Rate Database**.

Sales Tax Rate Changes for Sales of General Merchandise				
Jurisdiction	Combined rate ending December 31, 2015	Rate Change	NEW Combined rate beginning as of January 1, 2016	Type of Local Tax
Municipalities				
Atwood (Douglas County)				
• Inside Atwood Business District	7.25%	+1.00%	8.25%	Business District
• Outside Business District	7.25%	No change	7.25%	
Atwood (Piatt County)				
• Inside Atwood Business District	7.25%	+1.00%	8.25%	Business District
• Outside Business District	7.25%	No change	7.25%	
Bellwood (Cook County)				
• Inside Mannheim Road Business Development District	10.50%	No net change	10.50% ³	Business District/ County Home Rule
• Inside St. Charles Road Business Development District	10.50%	No net change	10.50% ³	
• Outside Business Districts	9.50%	+1.00%	10.50% ⁴	
Bloomington (McLean County)	7.75%	+1.00%	8.75%	Home Rule
Effingham (Effingham County)				
• Inside Northwest Business District	6.50%	+1.00%	7.50%	Business District
• Inside Ford Avenue Business District	7.50%	No change	7.50%	
• Outside Business Districts	6.50%	No change	6.50%	
Elizabeth (Jo Daviess County)				
• Inside Route 20 Business Development District	7.25%	+0.50%	7.75%	Business District
• Outside Business District	7.25%	No change	7.25%	

³ Effective January 1, 2016, the combined rate inside Bellwood’s business districts (Cook County) will be 10.50%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase - business district decrease (10.50% + 1.00% (county home rule increase) - 1.00% (business district decrease) = 10.50%).

⁴ Effective January 1, 2016, the combined rate for Bellwood outside of its business districts (Cook County) will be 10.50%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase (9.50% + 1.00% (county home rule increase) = 10.50%).

Sales Tax Rate Changes for Sales of General Merchandise				
Jurisdiction	Combined rate ending December 31, 2015	Rate Change	NEW Combined rate beginning as of January 1, 2016	Type of Local Tax
Elmwood Park (Cook County)				
• Inside Harlem Avenue/North Avenue Business District	9.00%	+2.00%	11.00% ⁵	Business District/ County Home Rule
• Outside Business District	9.00%	+1.00%	10.00% ⁶	
Hartford (Madison County)				
• Inside Hartford Business District	6.85%	+1.00%	7.85%	Business District
• Outside Business District	6.85%	No change	6.85%	
Herrin (Williamson County)	8.50%	+0.25%	8.75%	Home Rule
Hopkins Park (Kankakee County)	9.25%	-1.00%	8.25%	Home Rule
Madison (Madison County)				
• Inside Bend Road Business District	6.85%	+1.00%	7.85%	Business District
• Outside Business District	6.85%	No change	6.85%	
Matteson (Cook County)				
• Inside Auto Mall Business Development District	8.00%	+2.00%	10.00% ⁷	Business District/ County Home Rule
• Inside Matteson Gateway Business Development District	9.00%	+1.00%	10.00% ⁸	
• Inside Lincoln Highway/Governors Highway Corridor Bus. Dev. District	9.00%	+1.00%	10.00% ⁸	
• Inside Lincoln Highway/Cicero Ave. Development Business District	9.00%	+1.00%	10.00% ⁸	
• Outside Business Districts	8.00%	+1.00%	9.00% ⁹	

⁵ Effective January 1, 2016, the combined rate inside Elmwood Park’s business district (Cook County) will be 11.00%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase + business district increase (9.00% + 1.00% (county home rule increase) + 1.00% (business district increase) = 11.00%).

⁶ Effective January 1, 2016, the combined rate for Elmwood Park outside of its business district (Cook County) will be 10.00%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase (9.00% + 1.00% (county home rule increase) = 10.00%).

⁷ Effective January 1, 2016, the combined rate inside Matteson’s Auto Mall business district (Cook County) will be 10.00%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase + business district increase (8.00% + 1.00% county home rule increase) + 1.00% (business district increase) = 10.00%).

⁸ Effective January 1, 2016, the combined rate inside Matteson’s other business districts (Cook County) will be 10.00%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase (9.00% + 1.00% county home rule increase) = 10.00%).

⁹ Effective January 1, 2016, the combined rate for Matteson outside of its business districts (Cook County) will be 9.00%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase (8.00% + 1.00% (county home rule increase) = 9.00%).

Sales Tax Rate Changes for Sales of General Merchandise				
Jurisdiction	Combined rate ending December 31, 2015	Rate Change	NEW Combined rate beginning as of January 1, 2016	Type of Local Tax
Morton Grove (Cook County)				
• Inside Dempster Waukegan Business District	9.25%	+1.25%	10.50% ¹⁰	Home Rule/ County Home Rule
• Outside Business District	9.00%	+1.25%	10.25% ¹¹	
Naperville (DuPage County)	7.25%	+0.50%	7.75%	Home Rule
Naperville (Will County)	7.25%	+0.50%	7.75%	Home Rule
Normal (McLean County)	7.75%	+1.00%	8.75%	Home Rule
Oswego (Kendall County)	7.75%	+0.75%	8.50%	Home Rule
Oswego (Will County)	7.50%	+0.75%	8.25%	Home Rule
Posen (Cook County)	8.50%	+1.50%	10.00% ¹²	Home Rule/ County Home Rule
Rockton (Winnebago County)				
• Inside Blackhawk Boulevard and Main Street Business District	7.25%	+1.00%	8.25%	Business District
• Outside Business District	7.25%	No change	7.25%	
Sherman (Sangamon County)				
• Inside Rail Pointe Business Development District	6.75%	+1.00%	7.75%	Business District
• Outside Business District	6.75%	No change	6.75%	
Shorewood (Will County)	8.00%	+0.75	8.75% ¹³	Non-Home Rule/ Home Rule
Stickney (Cook County)	9.00%	+1.25%	10.25% ¹⁴	Home Rule

¹⁰ Effective January 1, 2016, the combined rate inside Morton Grove's business district (Cook County) will be 10.50%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase + municipal home rule increase (9.25% + 1.00% (county home rule increase) + 0.25% (municipal home rule increase) = 10.50%).

¹¹ Effective January 1, 2016, the combined rate for Morton Grove outside of its business district (Cook County) will be 10.25%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase + municipal home rule increase (9.00% + 1.00% (county home rule increase) + 0.25% (municipal home rule increase) = 10.25%).

¹² Effective January 1, 2016, the combined rate for Posen (Cook County) will be 10.00%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase + municipal home rule increase (8.50% + 1.00% (county home rule increase) + 0.50% (municipal home rule increase) = 10.00%).

¹³ Effective January 1, 2016, the combined rate for Shorewood (Will County) will be 8.75%. The rate is computed as follows: effective rate as of December 31, 2015 - municipal non-home rule decrease + municipal home rule increase (8.00% - 1.00% (municipal non-home rule decrease) + 1.75% (municipal home rule increase) = 8.75%).

¹⁴ Effective January 1, 2016, the combined rate for Stickney (Cook County) will be 10.25%. The rate is computed as follows: effective rate as of December 31, 2015 + county home rule increase + municipal home rule increase (9.00% + 1.00% (county home rule increase) + 0.25% (municipal home rule increase) = 10.25%).

Sales Tax Rate Changes for Sales of General Merchandise				
Jurisdiction	Combined rate ending December 31, 2015	Rate Change	NEW Combined rate beginning as of January 1, 2016	Type of Local Tax
Counties¹⁵				
Cook County	8.00%	+1.00%	See below	County Home Rule

¹⁵This tax is imposed county-wide, in both the incorporated and unincorporated areas of the county.

Locations in Cook County		
If your rate as of 12/31/15 is	Rate increase +1.00%	Your rate as of 1/1/16 will be
6.25%	1.00%	7.25%
6.50%	1.00%	7.50%
6.75%	1.00%	7.75%
7.00%	1.00%	8.00%
7.25%	1.00%	8.25%
7.50%	1.00%	8.50%
7.75%	1.00%	8.75%
8.00%	1.00%	9.00%
8.25%	1.00%	9.25%
8.50%	1.00%	9.50%
8.75%	1.00%	9.75%
9.00%	1.00%	10.00%
9.25%	1.00%	10.25%
9.50%	1.00%	10.50%
9.75%	1.00%	10.75%
10.00%	1.00%	11.00%
10.25%	1.00%	11.25%
10.50%	1.00%	11.50%
10.75%	1.00%	11.75%
11.00%	1.00%	12.00%
11.25%	1.00%	12.25%
11.50%	1.00%	12.50%
11.75%	1.00%	12.75%
12.00%	1.00%	13.00%