



informational

Bulletin

David Harris, Director

Sales Tax Rate Change Summary, Effective January 1, 2023

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

This bulletin replaces FY 2023-03, Sales Tax Rate Change Summary Effective January 1, 2023 (N-11/22).

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

Effective **January 1, 2023**, 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;
- county public safety, public facilities, mental health, substance abuse, or transportation sales tax;
- home rule municipal sales tax; and
- 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 January 1, 2023, 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 [MyTax Illinois Tax Rate Finder](https://mytax.illinois.gov) at mytax.illinois.gov and select rates for January 2023.

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.

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

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.

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, 2023. To verify your new combined sales tax rate (*i.e.*, state and local sales taxes), go to the [MyTax Illinois Tax Rate Finder](https://mytax.illinois.gov) at mytax.illinois.gov and select rates for January 2023.

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 [MyTax Illinois Tax Rate Finder](https://mytax.illinois.gov) at mytax.illinois.gov for a list of addresses.

To verify a tax rate or business district address, go to the [MyTax Illinois Tax Rate Finder](https://mytax.illinois.gov) at mytax.illinois.gov and select rates for January 2023.

Sales Tax Rate Changes for Sales of General Merchandise				
Jurisdiction	Combined rate ending December 31, 2022	Rate Change	NEW Combined rate beginning January 1, 2023	Type of Local Tax Change
Municipalities				
Cahokia Heights³	—	+1.00%	8.35%	Home Rule
Alorton	7.35%	+1.00%	8.35%	
Cahokia	8.10%	+0.25%	8.35%	
Centreville ⁴	7.35%	+1.00%	8.35%	
Carlyle	6.75%	+0.50%	7.25%	Non-Home Rule
Erie				Business District
• Erie Business District	7.25%	+1.00%	8.25%	
• Outside Business District	7.25%	No change	7.25%	
Fairfield				Business District
• Fairfield Business District	7.00%	1.00%	8.00%	
• Outside Business District	7.00%	No change	7.00%	
Fairmont City (Madison County)				Business District
• Fairmont City Business District	6.85%	+1.00%	7.85%	
• Outside Business District	6.85%	No change	6.85%	

² 86 Ill. Adm. Code 130.101(a).

³ Effective January 1, 2023, the newly formed City of Cahokia Heights is imposing a Home Rule Sales Tax at a rate of 1%. This will result in a uniform general merchandise rate of 8.35% in each of the boroughs of Cahokia Heights: Alorton, Cahokia, and Centreville (formerly independent municipalities).

⁴ There are no changes to the Centreville Business District. However, effective January 1, 2023, the Centreville Business District is now located in the newly formed City of Cahokia Heights. The combined general merchandise rate for addresses within the Centreville Business District is 9.35%.

Jurisdiction	Combined rate ending December 31, 2022	Rate Change	NEW Combined rate beginning January 1, 2023	Type of Local Tax Change
Municipalities (list continued from previous page)				
Fairmont City (St. Clair County) - Fairmont City Business District - Outside Business District	7.35% 7.35%	+1.00% No change	8.35% 7.35%	Business District
Grafton - Grafton Business District No. 1 - Outside Business District	9.50% 8.50%	+0.50% +0.50%	10.00% 9.00%	Non-Home Rule
Libertyville⁵	8.00%	+0.50%	8.50%	Special Non-Home Rule
Loves Park - Illinois 173 and Forest Hills Business District - McFarland Road Business District - Forest Hills Road Business District - Meadow Mart Business District - Outside Business Districts	8.75% 8.75% 9.75% 9.75% 8.75%	+1.00% +1.00% No change No change No change	9.75% 9.75% 9.75% 9.75% 8.75%	Business District
Matteson (Cook County)⁶ - Matteson Gateway Business Development District - Lincoln/Governors Highway Corridor Business Development District - Lincoln Highway/Cicero Business District - Auto Mall Business District - Route 30 and Harlem Business District - Outside Business Districts	10.00% 10.00% 10.00% 10.00% 10.00% 9.00%	-1.00% -1.00% -1.00% -1.00% -1.00% No change ⁸	10.00% ⁷ 10.00% ⁷ 10.00% ⁷ 10.00% ⁷ 10.00% ⁷ 10.00% ⁹	Business District
Matteson (Cook County)	9.00%	+1.00%	10.00%	Home Rule
Matteson (Will County)	7.00%	+1.00%	8.00%	Home Rule
Mattoon - Broadway East Business District - I-57 East Business District - Remington Road and I-57 Business District - South Route 45 Business District - Outside Business Districts	8.75% 8.75% 7.75% 8.75% 7.75%	No change No change +1.00% No change No change	8.75% 8.75% 8.75% 8.75% 7.75%	Business District
North Chicago	7.00%	+1.00%	8.00%	Home Rule

⁵ See 65 ILCS 5/8-11-1.6 and 65 ILCS 5/8-11-1.7.

⁶ Effective January 1, 2023, all business districts within the City of Matteson (Cook County) are dissolved.

⁷ With the dissolution of the business districts, the discontinuation of the 1% Business District Retailers' and Service Occupation Tax, and the simultaneous imposition of a 1% Home Rule Municipal Retailers' and Service Occupation Tax on January 1, 2023, the combined rate will remain at 10.00%.

⁸ "No change" refers to the rates regarding the business districts. However, with the imposition of a 1% Home Rule Municipal Retailers' and Service Occupation Tax in Matteson (Cook County) on January 1, 2023, the combined rate will be 10.00%. See also footnote 9.

⁹ With the imposition of a 1% Home Rule Municipal Retailers' and Service Occupation Tax in Matteson (Cook County) on January 1, 2023, the combined rate will be 10.00%.

Jurisdiction	Combined rate ending December 31, 2022	Rate Change	NEW Combined rate beginning January 1, 2023	Type of Local Tax Change
Municipalities (list continued from previous page)				
Olney • Olney Business District • Outside Business District	7.75% 7.75%	+1.00% No change	8.75% 7.75%	Business District
Polo • Polo Business Development District No. 1 • Outside Business District	6.25% 6.25%	+0.50% No change	6.75% 6.25%	Business District
Richton Park • Sauk Trail Business District • Outside Business District	10.50% 9.50%	+0.50% +0.50%	11.00% 10.00%	Non-Home Rule
Robbins	9.00%	+1.50%	10.50%	Home Rule
Shiloh¹⁰ • Green Mount Business District • Three Springs at Shiloh Business District • Villages at Wingate Business District • Outside Business Districts	8.35% 7.85% 8.35% 7.35%	No change -0.50% No change No change	8.35% 7.35% 8.35% 7.35%	Business District
Sugar Grove • College Corner Business District • Outside Business District	8.00% 8.00%	+1.00% No change	9.00% 8.00%	Business District
Counties				
Schuyler County¹¹	7.25%	+1.00%	8.25%	County Public Safety

¹⁰ Effective January 1, 2023, Three Springs at Shiloh Business District is dissolved.

¹¹ This tax is imposed county-wide, in both the incorporated and unincorporated areas of the county. The new combined rate listed is the rate in the unincorporated area of the county and in any municipality that does not have a locally imposed sales tax. To determine the rate effective January 1, 2023, in a municipality in the county with a locally imposed sales tax, add 1.00% to the rate in effect in that municipality on December 31, 2022 (plus, if applicable, any change in the locally imposed sales tax rate).