

The Metropolitan Pier and Exposition Authority (MPEA) Retailers' Occupation Tax applies to (i) sales of food, alcoholic beverages, and soft drinks sold for consumption on the premises where sold and (ii) sales of food, alcoholic beverages, and soft drinks sold for consumption off the premises where sold by a retailer whose principal source of gross receipts is from the sale of food, alcoholic beverages, and soft drinks prepared for immediate consumption. See 70 ILCS 210/13(b). (This is a GIL.)

December 10, 2008

Dear Xxxxx:

This letter is in response to your letter dated July 17, 2008, in which you request information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at www.tax.illinois.gov to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

I am a CPA in Chicago, when new clients seek my service for sales tax preparation, I need to know if they should collect MPEA tax. To do my job correctly and serve the public good to the people of Illinois I need to know exactly what the borders of the Metropolitan Pier Exhibition Authority are.

Please send me this information to the above address, or email me. Thank you for your time and consideration in this matter.

DEPARTMENT'S RESPONSE:

The Illinois Department of Revenue administers the Metropolitan Pier and Exposition Authority (MPEA) Retailers' Occupation Tax (70 ILCS 210/13(b)). This tax is imposed only in the portions of the metropolitan area of Chicago described in the statute at the rate of 1% of the gross receipts (i) from the sale of food, alcoholic beverages, and soft drinks sold for consumption on the premises where sold and (ii) from the sale of food, alcoholic beverages, and soft drinks sold for consumption off the

premises where sold by a retailer whose principal source of gross receipts is from the sale of food, alcoholic beverages, and soft drinks prepared for immediate consumption. (70 ILCS 210/13(b)).

The area subject to the MPEA Retailers' Occupation Tax is set out at 70 ILCS 210/13(b). It is described as follows:

"The tax authorized to be levied under this subsection may be levied within all or any part of the following described portions of the metropolitan area:

(1) that portion of the City of Chicago located within the following area: Beginning at the point of intersection of the Cook County - DuPage County line and York Road, then North along York Road to its intersection with Touhy Avenue, then east along Touhy Avenue to its intersection with the Northwest Tollway, then southeast along the Northwest Tollway to its intersection with Lee Street, then south along Lee Street to Higgins Road, then south and east along Higgins Road to its intersection with Mannheim Road, then south along Mannheim Road to its intersection with Irving Park Road, then west along Irving Park Road to its intersection with the Cook County - DuPage County line, then north and west along the county line to the point of beginning; and

(2) that portion of the City of Chicago located within the following area: Beginning at the intersection of West 55th Street with Central Avenue, then east along West 55th Street to its intersection with South Cicero Avenue, then south along South Cicero Avenue to its intersection with West 63rd Street, then west along West 63rd Street to its intersection with South Central Avenue, then north along South Central Avenue to the point of beginning; and

(3) that portion of the City of Chicago located within the following area: Beginning at the point 150 feet west of the intersection of the west line of North Ashland Avenue and the north line of West Diversey Avenue, then north 150 feet, then east along a line 150 feet north of the north line of West Diversey Avenue extended to the shoreline of Lake Michigan, then following the shoreline of Lake Michigan (including Navy Pier and all other improvements fixed to land, docks, or piers) to the point where the shoreline of Lake Michigan and the Adlai E. Stevenson Expressway extended east to that shoreline intersect, then west along the Adlai E. Stevenson Expressway to a point 150 feet west of the west line of South Ashland Avenue, then north along a line 150 feet west of the west line of South and North Ashland Avenue to the point of beginning."

For assistance with determining if an address is located inside the jurisdictional boundaries of the MPEA, you may call the Department at (217) 785-2674. Upon registration with the Illinois Department of revenue to collect and remit tax, a business that will sell food, alcoholic beverages, or soft drinks that is located within the jurisdiction of the MPEA and whose sales are subject to the MPEA food and beverage tax will receive a certificate of registration from the Department that indicates that the business is subject to the MPEA food and beverage tax. In addition, the Department will supply the business with tax returns for the payment of the MPEA food and beverage tax.

I hope this information is helpful. If you require additional information, please visit our website at www.tax.illinois.gov or contact the Department's Taxpayer Information Division at (217) 782-3336. If you are not under audit and you wish to obtain a binding PLR regarding your factual situation, please submit a request conforming to the requirements of 2 Ill. Adm. Code 1200.110 (b).]

Sincerely,

Samuel J. Moore
Associate Counsel

SJM:msk