

Informational Bulletin

David Harris, Director

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

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Sales Tax Rate Change Summary, Effective January 1, 2026

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

Effective **January 1, 2026**, certain taxing jurisdictions have imposed a local sales tax or changed their local sales tax rate on general merchandise sales. These local sales taxes are referred to in this bulletin as "locally imposed sales tax."

The following taxes are affected:

- business district sales tax;
- · home rule municipal sales tax;
- Metro-East Mass Transit District (MED) sales tax; and
- · non-home rule municipal sales tax.

You must adjust your cash register and any computer program so that beginning on January 1, 2026, 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** at **mytax.illinois.gov** and select rates for January 2026.

Note: The Illinois Department of Revenue (IDOR) will issue a separate bulletin regarding municipal and county rates for Municipal and County Grocery Occupation Taxes that take effect January 1, 2026.

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 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 <u>not</u> collected by IDOR. Contact your municipal or county clerk's office for more information.

¹ 86 III. Adm. Code 130.310 and 130.311

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 on the next page outlines the sales tax rate for each jurisdiction that has imposed a change in local sales tax rates collected by IDOR, effective January 1, 2026.

Note: For business district sales tax rate changes, only the district with the sales tax rate change is listed. There may be additional business districts or addresses outside of the business district in these jurisdictions that do not have a sales tax rate change effective January 1, 2026.

To verify your combined sales tax rate (*i.e.*, State and local sales taxes), go to the MyTax Illinois Tax Rate Finder at mytax.illinois.gov and select rates for January 2026.

How do I know if my sales are subject to a business district sales tax?

Generally, your business address determines whether business district sales tax applies to your sales. Refer to our MyTax Illinois Tax Rate Finder at mytax.illinois.gov for a list of addresses.

Sales made by remote retailers who meet the \$100,000 tax remittance threshold are subject to business district sales taxes if the property is shipped or delivered to an address in the business district.³ Sales made over a marketplace by marketplace facilitators who meet the \$100,000 tax remittance threshold are subject to business district sales tax as follows: sales made on behalf of marketplace sellers are subject to business district sales taxes if the property is shipped or delivered to an address in the business district;⁴ a marketplace facilitator's own sales (or sales for which the marketplace seller is not identified) are subject to business district sales tax if the inventory is shipped from an address in the business district or the selling activities otherwise occur at an address in the business district;⁵ and a marketplace facilitator's own sales (or sales for which the marketplace seller is not identified) that are not fulfilled from inventory in Illinois and for which selling is not engaged in at any location in Illinois are subject to business district sales tax if the property is shipped or delivered to an address in this State that are not fulfilled from inventory in Illinois and for which selling is not engaged in at any location in Illinois are subject to business district sales tax if the property is shipped or delivered to an address in the business district.⁶

Sales Tax Rate Changes for Sales of General Merchandise					
Jurisdiction	Combined rate ending December 31, 2025	Rate Change	NEW Combined rate beginning January 1, 2026	Type of Local Tax Change	
Antioch	7.00%	+1.00	8.00%	Non-Home Rule	
Ashley	6.25%	+1.00	7.25%	Non-Home Rule	
Benton	9.50%	+1.00	10.50%	Home Rule	
Bourbonnais	6.25%	+1.00	7.25%	Non-Home Rule	
Bowen	6.25%	+1.00	7.25%	Non-Home Rule	
Calumet City	10.00%	+1.00	11.00%	Home Rule	
Cary	7.25%	+1.00	8.25%	Non-Home Rule	
Cedar Point	6.50%	+1.00	7.50%	Non-Home Rule	
Centralia (Clinton)	6.75%	+0.50	7.25%	Non-Home Rule	
Centralia (Jefferson)	7.25%	+0.50	7.75%	Non-Home Rule	

² 86 III. Adm. Code 130.101(b)

³ 86 III. Adm. Code 131.110(b)

⁴ 86 III. Adm. Code 131.130(f)

⁵ 86 III. Adm. Code 131.130(g)

⁶ Public Act 103-983

Jurisdiction	Combined rate ending December 31, 2025	Rate Change	NEW Combined rate beginning January 1, 2026	Type of Local Tax Change
Centralia (Marion)	8.00%	+0.50	8.50%	Non-Home Rule
Centralia (Washington)	6.75%	+0.50	7.25%	Non-Home Rule
Champaign	9.00%	+0.25	9.25%	Home Rule
Chatham	7.25%	+1.00	8.25%	Non-Home Rule
Cherry Valley • CherryVale Mall Area Business District	8.75%	+1.00	9.75%	Business District
Coal Valley Coal Valley Business Development District No. 1	7.25%	+1.00	8.25%	Business District
Colp	7.25%	+1.00	8.25%	Non-Home Rule
Creve Coeur • Creve Coeur Business Development District No. 1	7.75%	+1.00	8.75%	Business District
Cuba	7.75%	+0.50	8.25%	Non-Home Rule
Darien	8.00%	+0.25	8.25%	Home Rule
Dowell	7.25%	+1.00	8.25%	Non-Home Rule
Downers Grove	8.00%	+0.50	8.50%	Home Rule
Dwight (Grundy) • Dwight Business Development District No. 1	7.25%	+1.00	8.25%	Business District
Dwight (Livingston) • Dwight Business Development District No. 1	8.25%	+1.00	9.25%	Business District
Effingham	6.50%	+1.00	7.50%	Non-Home Rule
Energy	7.25%	+1.00	8.25%	Non-Home Rule
Fairview Heights • Lincoln Highway and 159 Business District	8.35%	+1.00	9.35%	Business District
Fox Lake (Lake)	7.00%	+0.50	7.50%	Non-Home Rule
Fox Lake (McHenry)	7.25%	+0.50	7.75%	Non-Home Rule
Fox River Grove (Lake)	7.00%	+1.00	8.00%	Non-Home Rule
Fox River Grove (McHenry)	7.25%	+1.00	8.25%	Non-Home Rule
Genoa	6.25%	+1.00	7.25%	Non-Home Rule
Girard	7.25%	+1.00	8.25%	Non-Home Rule
Glendale Heights	8.25%	+0.25	8.50%	Home Rule
Glenwood	10.00%	+1.00	11.00%	Home Rule
Godfrey	6.85%	+0.75	7.60%	Non-Home Rule
Golconda	6.25%	+1.00	7.25%	Non-Home Rule
Green Oaks	7.00%	+1.00	8.00%	Non-Home Rule
Green Valley	6.75%	+1.00	7.75%	Non-Home Rule
Gurnee	8.00%	+0.50	8.50%	Home Rule
Hartsburg	8.25%	+1.00	9.25%	Non-Home Rule
Heyworth	6.25%	+1.00	7.25%	Non-Home Rule
Homewood	9.00%	+1.00	10.00%	Non-Home Rule
Indian Head Park • The Village of Indian Head Park Triangle Area Business District	10.00%	+1.00	11.00%	Business District
Itasca	7.50%	+0.50	8.00%	Non-Home Rule
Johnsburg	7.75%	+0.50	8.25%	Non-Home Rule
Kewanee	8.25%	+0.50	8.75%	Non-Home Rule
Lake Villa	7.00%	+1.00	8.00%	Non-Home Rule
Lakemoor (Lake)	7.00%	+1.00	8.00%	Non-Home Rule

Jurisdiction	Combined rate ending December 31, 2025	Rate Change	NEW Combined rate beginning January 1, 2026	Type of Local Tax Change		
Lakemoor (McHenry)	7.25%	+1.00	8.25%	Non-Home Rule		
Leland Grove	7.25%	+1.00	8.25%	Non-Home Rule		
Macomb • Macomb Business Development District No. 1	9.00%	+1.00	10.00%	Business District		
Madison County (Marine Township ONLY) ⁷	6.60%	+0.25	6.85%	MED		
Malden	7.25%	+1.00	8.25%	Non-Home Rule		
Manlius	7.25%	+0.50	7.75%	Non-Home Rule		
Marine ⁷	6.60%	+0.25	6.85%	MED		
Marseilles	6.50%	+1.00	7.50%	Non-Home Rule		
Maryville	6.85%	+1.00	7.85%	Non-Home Rule		
McCullom Lake	7.25%	+1.00	8.25%	Non-Home Rule		
Neponset	7.25%	+1.00	8.25%	Non-Home Rule		
New Lenox	9.00%	+0.50	9.50%	Home Rule		
O'Fallon • Pierce Boulevard Business District	8.35%	+1.00	9.35%	Business District		
O'Fallon • Park Place Business District	8.35%	+1.00	9.35%	Business District		
O'Fallon • W Hwy 50 & N Green Mount Road Business District	8.35%	+1.00	9.35%	Business District		
Ottawa	7.00%	+0.50	7.50%	Non-Home Rule		
Palos Park	9.50%	+0.50	10.00%	Non-Home Rule		
Quincy • 54th Street Business District	8.00%	+1.00	9.00%	Business District		
Rochelle (Lee)	8.50%	+0.25	8.75%	Non-Home Rule		
Rochelle (Ogle)	7.00%	+0.25	7.25%	Non-Home Rule		
Round Lake	7.00%	+1.00	8.00%	Non-Home Rule		
Round Lake Beach	7.50%	+0.50	8.00%	Home Rule		
Sheffield	7.25%	+0.50	7.75%	Non-Home Rule		
St. Joseph	8.00%	+0.50	8.50%	Non-Home Rule		
Summit	9.50%	+0.50	10.00%	Home Rule		
Symerton	7.00%	+1.00	8.00%	Non-Home Rule		
Tinley Park (Cook)	9.75%	+0.25	10.00%	Home Rule		
Tinley Park (Will)	7.75%	+0.25	8.00%	Home Rule		
Tiskilwa	7.25%	+1.00	8.25%	Non-Home Rule		
Toledo	7.75%	+0.50	8.25%	Non-Home Rule		
Valier	8.25%	+1.00	9.25%	Non-Home Rule		
Vandalia • W Randolph St and Veterans Ave Business District	7.75%	+1.00	8.75%	Business District		
Wauconda	7.00%	+1.00	8.00%	Non-Home Rule		
Williamsville	8.25%	+0.50	8.75%	Home Rule		
Willisville	7.75%	+1.00	8.75%	Non-Home Rule		
Winfield	7.75%	+0.25	8.00%	Non-Home Rule		
Woodstock	8.25%	+0.25	8.50%	Home Rule		

⁷ Effective January 1, 2026, Marine Township was annexed into the MED. Marine is the only municipality in the township.

For further information about changes effective January 1, 2026, please visit our website at **tax.illinois.gov** for updated sales tax forms and instructions, and related bulletins and publications.