Illinois Department of Revenue

Grocery Receipts Reporting on Form ST-1 and Form ST-2 Chart

Effective **January 1, 2026**, the State of Illinois will eliminate the one-percent (1%) sales and use tax on grocery sales**.** This change will require all retailers to report their grocery sales differently on Form ST-1, Sales and Use Tax and E911 Surcharge Return and, if applicable, Form ST-2, Multiple Site Form. This change in law also authorizes municipalities and counties to impose a local grocery tax rate of exactly one-percent (1%) by ordinance. The current local tax on sales of grocery food made at a location within the Regional Transportation Authority (RTA) or Metro-East Mass Transit District (MED) has not been eliminated.

Use the **Grocery Receipts Reporting on Form ST-1 and Form ST-2 Chart** to determine how to report grocery sales beginning January 1, 2026.

Grocery Receipts Reporting on Form ST-1 and Form ST-2 Chart			
Municipality or County Imposes a one-percent (1%) Grocery Tax?	**Form ST-1, Steps 2 and 3**	**Form ST-1, Schedule A, Section 1, Deductions**	**Form ST-2, Multi-Site, Taxable Sales**
Yes **Always report sales for locations in RTA/ MED using these instructions.**	• **Step 2, Line 1** – Include gross receipts of grocery items (including tax). • **Step 2, Line 3** – Include taxable (net) receipts from qualifying grocery sales, including sales while performing services. • **Step 3, Line 5c** (new) – Report portion of **Line 3** that is grocery sales.	• **Line 2b** (new) – Enter total tax collected on grocery sales (including sales while performing services).	• **Line 5c** (new) – Enter taxable grocery receipts for each site located in a taxing jurisdiction that has implemented a grocery tax.*
No* Do **NOT** use these instructions for sales for locations in RTA/MED.	• **Step 2, Line 1** – Include gross receipts for grocery items (not taxable).	• **Line 16** – Include the total amount collected on grocery sales previously subject to the one-percent (1%) State of Illinois tax and enter the description.	• **Line 5c** (new) – Do not report grocery figures on **Line 5c** for the site location. Make sure your non-taxable sales of groceries are included on **Step 2**, **Line 1**, and deducted on **Schedule A**, **Line 16**.

* For a location in the RTA or MED area, report your grocery sales following the instructions for the "Yes" row. In an RTA or MED location where the municipality or county has also imposed a grocery tax, the lines on the return and schedule must be completed as provided in the "Yes" row and the tax rate will be the total of both rates.

NOTE: This chart is current as of the date of publication of this document.

For more information, see:

- **Form ST-1 and Form ST-2 Instructions** (January 2026 revisions will be available when finalized)**,**
- **FY Bulletin 2026-03, Illinois Grocery Tax Changes Effective January 1, 2026,** and
- **PIO-101, Illinois Sales & Use Tax Matrix.**

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