



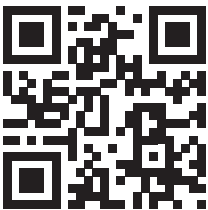
*i*nformational Bulletin

David Harris, Director

New Sales Tax Exemption for Qualified Purchases of Home-Delivered Meals, Effective July 1, 2024

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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**To: All retailers and servicepersons filing
Form ST-1, Sales and Use Tax and E911
Surcharge Return**

Effective **July 1, 2024**, purchases of home-delivered meals provided to Medicare or Medicaid recipients where payment is made by an intermediary, such as a Medicare Administrative Contractor, a Managed Care Organization, or a Medicare Advantage Organization, pursuant to a government contract, are exempt from the Retailers' Occupation Tax Act, the Service Occupation Tax Act, the Use Tax Act, and the Service Use Tax Act. 35 ILCS 120/2-5(49); 35 ILCS 115/3-5(36); 35 ILCS 110/3-5(35); 35 ILCS 105/3-5(44).

How is the home-delivered meals exemption documented?

The purchaser must certify that it is purchasing home-delivered meals on behalf of Medicare or Medicaid recipients as an intermediary pursuant to a government contract. To properly document this certification, purchasers should complete [Form ST-591, Certificate of Exemption Eligibility for Qualified Purchases of Home-Delivered Meals](#). Form ST-591 is required as proof that the transaction is eligible for this exemption. Once completed, Form ST-591 should be given to the retailer. The purchaser may keep a copy for their own records.

When is a blanket certificate used?

The purchaser may provide Form ST-591 as a blanket certificate of eligibility for exemption to any retailer from whom all purchases made are eligible for the exemption. Blanket certificates must be kept up to date, and the retailer should request a new blanket certificate if any information changes. Otherwise, all certificates should be updated at least every three years.

Who keeps the Certificate of Exemption Eligibility for Qualified Purchases of Home-Delivered Meals?

The retailer should keep Form ST-591 as documentation of the exemption in its records during any period for which IDOR is authorized to issue notices of tax liability as provided by Sections 4 and 5 of the Retailers' Occupation Tax Act, which is generally up to 3½ years. To determine the period for which IDOR is authorized to issue a notice of tax liability, see [86 Ill. Adm. Code 130.815](#).

IDOR may request Form ST-591 as proof that no tax was due on the sale of the home-delivered meal. Unless otherwise requested, do *not* send the certificate to IDOR.

How do retailers claim the home-delivered meals exemption?

This exemption must be claimed as a deduction on Form ST-1, Sales and Use Tax and E911 Surcharge Return. As with all exempt sales, you should include the receipts for sales of these products on Step 2, Line 1 of Form ST-1 but then also include these receipts in your total deductions on Step 2, Line 2. When calculating your total deductions, report these receipts on Line 16 of Schedule A with an appropriate description.

This exemption applies only to home-delivered meals certified by the purchaser to be delivered to a Medicare or Medicaid recipient. The payment for the home-delivered meals must be made by an intermediary, such as a Medicare Administrative Contractor, a Managed Care Organization, or a Medicare Advantage Organization, pursuant to a government contract. Retailers providing home-delivered meals must keep records including invoices issued to and paid by an intermediary. Invoices should also indicate whether the recipient of the meal was a beneficiary of either Medicare or Medicaid.

Note: Intermediaries such as the types listed above are not required to possess an active Illinois Department of Revenue (IDOR) Sales Tax Exemption number (E-number) for purchases of home-delivered meals provided to Medicare or Medicaid recipients in order for this exemption to apply.