

**Illinois Department of Revenue
Regulations**

Title 86 Part 396 Section 396.101 Nature of the Metro-East Park and Recreation District Service Occupation Tax

TITLE 86: REVENUE

PART 396

METRO-EAST PARK AND RECREATION DISTRICT SERVICE OCCUPATION TAX

Section 396.101 Nature of the Metro-East Park and Recreation District Service Occupation Tax

a) Authority to Impose Tax

If a Metro-East Park and Recreation District Retailers' Occupation Tax is imposed under 86 Ill. Adm. Code 395, the board of directors of the Metro-East Park and Recreation District shall also impose a tax on persons engaged in the business of making sales of service within the Metro-East Park and Recreation District, if a proposition for the tax has been submitted to the electors of the county that creates or joins the district and approved by a majority of those voting on the question. If imposed, the tax shall only be imposed at a rate of 1/10 of 1%. The tax may not be imposed on the sale of food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food that has been prepared for immediate consumption) and prescription and non-prescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics. The tax imposed by the board of directors under the Metro-East Park and Recreation District Act and this Part, and all civil penalties that may be assessed as an incident of that Act and this Part, shall be collected and enforced by the Illinois Department of Revenue (Department).

b) Passing on the Tax

The legal incidence of the Metro-East Park and Recreation District Service Occupation Tax is on the serviceman. Nevertheless, the General Assembly has authorized persons subject to this tax to reimburse themselves for their Metro-East Park and Recreation District Service Occupation Tax liability by separately stating the tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax that servicemen are authorized to collect under the Service Use Tax Act [35 ILCS 110].

c) Exclusion from "Cost Price"

Any amount added by a serviceman to the selling price of tangible personal property as an incident to service because of Metro-East Park and Recreation District Service Occupation Tax, or because of the Illinois Service Occupation Tax [35 ILCS 115], the Home Rule Municipal Service Occupation Tax [65 ILCS 5/8-11-5], the Non-Home Rule Municipal Service Occupation Tax [65 ILCS 5/8-11-1.4], or the Metro East Mass Transit District Service Occupation Tax [70 ILCS 3610/5.01], shall not be regarded as a part of

the selling prices that are subject to the Metro-East Park and Recreation District Service Occupation Tax.