

Illinois Department of Revenue Offering Two-Month Sales Tax Reprieve to Restaurants and Bars

By Ivan H. Golden

The Illinois Department of Revenue is offering sales tax relief to restaurants and bars dealing with the unprecedented challenges of the coronavirus pandemic. All Illinois restaurants and bars were ordered to close beginning Tuesday, March 17, and will remain closed through at least March 30 to limit the spread of the coronavirus. Many restaurants and bars have remained open for carryout and delivery, but they have faced steep declines in sales.

The Department announced on March 19, 2020, that it will automatically waive interest and penalties that would otherwise be imposed on late sales tax payments by qualified taxpayers. Qualified taxpayers include eating and drinking establishments that incurred total sales tax liability of less than \$75,000 during 2019.

The relief applies to sales tax payments otherwise due on March 20, April 20, and May 20, 2020, for the months of February, March, and April 2020, respectively. Qualified taxpayers still are required to file their sales tax returns on time, but are not required to pay by the deadline. Instead, one-quarter of the liability for February, March, and April 2020 will be due on each of May 20, June 22, July 20, and August 20, 2020.

Unless relief is extended, qualified taxpayers must resume paying their May 2020 sales tax in full on June 22, 2020.



IVAN H. GOLDEN, PARTNER

Hahn Loeser & Parks LLP

200 Madison Street, Suite 2700 | Chicago, IL 60606
igolden@hahnlaw.com | 312.637.3070