



Illinois sales tax guide

Standard rate

The standard rate in Illinois for sales tax for 2024 is 6.25%.

Reduced rate

The reduced rate in Illinois for 2024 is 1%.

Sales of tax-free products and services

There are no specific tax-free products and services listed in Illinois.

Who must register sales tax in Illinois

If you make sales outside of a marketplace facilitator and you meet one of the thresholds, you must [register to collect and remit sales tax](#), including local taxes.

Threshold

A retailer selling via Internet tangible personal property at retail in Illinois is subject to state and local sales tax if either of the following thresholds is met:

The cumulative gross receipts from sales of tangible personal property to purchasers in Illinois are \$100,000 or more;

The remote retailer enters into 200 or more separate transactions for the sale of tangible personal property to purchasers in Illinois.

[Merchant thresholds by state](#)

[Marketplace thresholds by state](#)

The special rules are applicable to the SAAS business.

[Software as Service Tax Thresholds by state.](#)

Online Marketplaces

If you marketplace seller and the marketplace facilitator collect and remit Illinois Use Tax for your sales through the marketplace, you will no longer be required to report these sales.

If you are selling through your own website, then you will need to [register for paying sales tax](#) if you meet the \$100,000 or 200 transactions threshold for remote sellers.

Sales tax payment and filing date

The filing frequency may vary based on your average monthly liability:

If your average monthly liability is greater than \$200, the department may notify you that your filing frequency has been changed to a monthly requirement;

If your average monthly liability is more than \$50 and less than \$200, the department may notify you that your filing frequency has been changed to a quarterly requirement;

The department may change filing frequency to an annual requirement if your average monthly liability is less than \$50.

You must file a tax return and pay tax before the 20th day of the month following the end of your reporting period. If the filing due date falls on a day off, sales tax is due the next day.

Penalty and interest

Late Filing Penalty – 2% of the tax due.

Late Payment Penalty:

2% of the tax due if paid within 30 days;

10% of the tax due if paid after 30 days but within 90 days;
15% of the tax due if paid after 90 days but within 180 days;
20% of the tax due if paid after 180 days.

Discount

In Illinois, the discount for paying on time is greater than 1.75% of the tax due or \$5 for the calendar year.



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