



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5392

Introduced 2/10/2026, by Rep. Dagmara Avelar

SYNOPSIS AS INTRODUCED:

35 ILCS 105/2d
35 ILCS 110/2d
35 ILCS 115/3
35 ILCS 120/2

from Ch. 120, par. 439.103

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that the Department of Revenue may audit both the marketplace seller and the delivery network company for a qualified delivery network sale. Provides that, with respect to a qualified delivery network sale made on or after the effective date of the amendatory Act, a delivery network company may deduct or exclude from its tax liability the amount of tax that the delivery network company paid to the marketplace seller in connection with the qualified delivery network sale.

LRB104 18823 HLH 32268 b

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Use Tax Act is amended by changing Section
5 2d as follows:

6 (35 ILCS 105/2d)

7 Sec. 2d. Marketplace facilitators and marketplace sellers.

8 (a) As used in this Section:

9 "Affiliate" means a person that, with respect to another
10 person: (i) has a direct or indirect ownership interest of
11 more than 5 percent in the other person; or (ii) is related to
12 the other person because a third person, or a group of third
13 persons who are affiliated with each other as defined in this
14 subsection, holds a direct or indirect ownership interest of
15 more than 5% in the related person.

16 "Marketplace" means a physical or electronic place, forum,
17 platform, application, or other method by which a marketplace
18 seller sells or offers to sell items.

19 "Marketplace facilitator" means a person who, pursuant to
20 an agreement with an unrelated third-party marketplace seller,
21 directly or indirectly through one or more affiliates
22 facilitates a retail sale by an unrelated third party
23 marketplace seller by:

1 (1) listing or advertising for sale by the marketplace
2 seller in a marketplace, tangible personal property that
3 is subject to tax under this Act; and

4 (2) either directly or indirectly, through agreements
5 or arrangements with third parties, collecting payment
6 from the customer and transmitting that payment to the
7 marketplace seller regardless of whether the marketplace
8 facilitator receives compensation or other consideration
9 in exchange for its services.

10 "Marketplace seller" means a person that sells or offers
11 to sell tangible personal property through a marketplace
12 operated by an unrelated third-party marketplace facilitator.

13 (b) Beginning on January 1, 2020 and through December 31,
14 2025, a marketplace facilitator who meets either of the
15 following thresholds is considered the retailer for each sale
16 of tangible personal property made through its marketplace:

17 (1) the cumulative gross receipts from sales of
18 tangible personal property to purchasers in Illinois by
19 the marketplace facilitator and by marketplace sellers
20 selling through the marketplace are \$100,000 or more; or

21 (2) the marketplace facilitator and marketplace
22 sellers selling through the marketplace cumulatively enter
23 into 200 or more separate transactions for the sale of
24 tangible personal property to purchasers in Illinois.

25 A marketplace facilitator shall determine on a quarterly
26 basis, ending on the last day of March, June, September, and

1 December, whether the marketplace facilitator meets the
2 threshold of either paragraph (1) or (2) of this subsection
3 (b) for the preceding 12-month period. If the marketplace
4 facilitator meets the threshold of either paragraph (1) or (2)
5 for a 12-month period, the marketplace facilitator is
6 considered a retailer maintaining a place of business in this
7 State and is required to collect and remit the tax imposed
8 under this Act and file returns for one year. At the end of
9 that one-year period, the marketplace facilitator shall
10 determine whether the marketplace facilitator met the
11 threshold of either paragraph (1) or (2) during the preceding
12 12-month period. If the marketplace facilitator met the
13 threshold in either paragraph (1) or (2) for the preceding
14 12-month period, the marketplace facilitator is considered a
15 retailer maintaining a place of business in this State and is
16 required to collect and remit the tax imposed under this Act
17 and file returns for the subsequent year. If at the end of a
18 one-year period a marketplace facilitator that was required to
19 collect and remit the tax imposed under this Act determines
20 that the marketplace facilitator did not meet the threshold in
21 either paragraph (1) or (2) during the preceding 12-month
22 period, the marketplace facilitator shall subsequently
23 determine on a quarterly basis, ending on the last day of
24 March, June, September, and December, whether the marketplace
25 facilitator meets the threshold of either paragraph (1) or (2)
26 for the preceding 12-month period.

1 (b-5) Beginning on January 1, 2026, a marketplace
2 facilitator whose cumulative gross receipts from sales of
3 tangible personal property to purchasers in Illinois by the
4 marketplace facilitator and by marketplace sellers selling
5 through the marketplace are \$100,000 or more is considered the
6 retailer for each sale of tangible personal property made
7 through its marketplace.

8 A marketplace facilitator shall determine on a quarterly
9 basis, ending on the last day of March, June, September, and
10 December, whether the marketplace facilitator meets the
11 threshold in this subsection (b-5) for the preceding 12-month
12 period. If the marketplace facilitator meets the threshold for
13 a 12-month period, the marketplace facilitator is considered a
14 retailer maintaining a place of business in this State and is
15 required to collect and remit the tax imposed under this Act
16 and file returns for one year. At the end of the one-year
17 period, the marketplace facilitator shall determine whether
18 the marketplace facilitator met the threshold during the
19 preceding 12-month period. If the marketplace facilitator met
20 the threshold for the preceding 12-month period, the
21 marketplace facilitator is considered a retailer maintaining a
22 place of business in this State and is required to collect and
23 remit the tax imposed under this Act and file returns for the
24 subsequent year. If at the end of a one-year period a
25 marketplace facilitator that was required to collect and remit
26 the tax imposed under this Act determines that the marketplace

1 facilitator did not meet the threshold during the preceding
2 12-month period, the marketplace facilitator shall
3 subsequently determine on a quarterly basis, ending on the
4 last day of March, June, September, and December, whether the
5 marketplace facilitator meets the threshold for the preceding
6 12-month period.

7 (c) Beginning on January 1, 2020 a marketplace facilitator
8 considered to be the retailer pursuant to subsection (b) or
9 (b-5) of this Section is considered the retailer with respect
10 to each sale made through its marketplace and is liable for
11 collecting and remitting the tax under this Act on all such
12 sales. The marketplace facilitator who is considered to be the
13 retailer under subsection (b) or (b-5) for sales made through
14 its marketplace has all the rights and duties, and is required
15 to comply with the same requirements and procedures, as all
16 other retailers maintaining a place of business in this State
17 who are registered or who are required to be registered to
18 collect and remit the tax imposed by this Act with respect to
19 such sales.

20 (d) A marketplace facilitator shall:

21 (1) certify to each marketplace seller that the
22 marketplace facilitator assumes the rights and duties of a
23 retailer under this Act with respect to sales made by the
24 marketplace seller through the marketplace; and

25 (2) collect taxes imposed by this Act as required by
26 Section 3-45 of this Act for sales made through the

1 marketplace.

2 (e) A marketplace seller shall retain books and records
3 for all sales made through a marketplace in accordance with
4 the requirements of Section 11.

5 (f) A marketplace seller shall furnish to the marketplace
6 facilitator information that is necessary for the marketplace
7 facilitator to correctly collect and remit taxes for a retail
8 sale. The information may include a certification that an item
9 being sold is taxable, not taxable, exempt from taxation, or
10 taxable at a specified rate. A marketplace seller shall be
11 held harmless for liability for the tax imposed under this Act
12 when a marketplace facilitator fails to correctly collect and
13 remit tax after having been provided with information by a
14 marketplace seller to correctly collect and remit taxes
15 imposed under this Act.

16 (g) If the marketplace facilitator demonstrates to the
17 satisfaction of the Department that its failure to correctly
18 collect and remit tax on a retail sale resulted from the
19 marketplace facilitator's good faith reliance on incorrect or
20 insufficient information provided by a marketplace seller, it
21 shall be relieved of liability for the tax on that retail sale.
22 In this case, a marketplace seller is liable for any resulting
23 tax due.

24 (h) (Blank).

25 (i) This Section does not affect the tax liability of a
26 purchaser under this Act.

1 (j) (Blank).

2 (k) A marketplace facilitator required to collect taxes
3 imposed under this Section and this Act on retail sales made
4 through its marketplace shall be liable to the Department for
5 such taxes, except when the marketplace facilitator is
6 relieved of the duty to remit such taxes by virtue of having
7 paid to the Department taxes imposed by the Retailers'
8 Occupation Tax Act upon his or her gross receipts from the same
9 transactions.

10 (l) If, for any reason, the Department is prohibited from
11 enforcing the marketplace facilitator's duty under this Act to
12 collect and remit taxes pursuant to this Section, the duty to
13 collect and remit such taxes reverts to the marketplace seller
14 that is a retailer maintaining a place of business in this
15 State pursuant to Section 2.

16 (m) Nothing in this Section affects the obligation of any
17 consumer to remit use tax for any taxable transaction for
18 which a certified service provider acting on behalf of a
19 remote retailer or a marketplace facilitator does not collect
20 and remit the appropriate tax.

21 (n) Notwithstanding any provision of law, the following
22 provisions apply regarding a qualified delivery network sale:

23 (1) the Department may audit both the marketplace
24 seller and the delivery network company for the qualified
25 delivery network sale; and

26 (2) for qualified delivery network sales made on or

1 after the effective date of this amendatory act of the
2 104th General Assembly, a delivery network company may, in
3 the form and manner prescribed by the Department, deduct
4 or exclude from its tax liability under this Section the
5 amount of tax under this Act that the delivery network
6 company paid to the marketplace seller in connection with
7 the qualified delivery network sale.

8 The delivery network company may not claim a deduction or
9 exclusion under this subsection if the marketplace seller did
10 not charge the delivery network company for the tax imposed
11 under this Act on the qualified network sale. The amount of the
12 deduction or exclusion under this subsection may not exceed
13 the amount of tax under this Act that was charged by the
14 marketplace seller to the delivery network company in
15 connection with the qualified delivery network sale.

16 As used in this subsection, the following terms have the
17 following meanings:

18 "Bicycle" has the meaning given to that term in the
19 Illinois Vehicle Code.

20 "Delivery network company" means a marketplace facilitator
21 that maintains a website, mobile application, or nondigital
22 platform used to facilitate delivery services that are
23 performed or otherwise conducted by a delivery network
24 courier.

25 "Delivery network courier" means an individual who
26 provides delivery services through a delivery network company

1 by using a personal means of transportation, such as a motor
2 vehicle, bicycle, scooter, or other similar mode of
3 transportation, or walking. "Delivery network courier" does
4 not include a common carrier or a motor carrier.

5 "Delivery services" means the pickup and delivery of
6 tangible personal property by a delivery network courier from
7 a marketplace seller located in this State to a customer
8 located in this State, which may include the selection,
9 collection, and purchase of the tangible personal property in
10 connection with the delivery. "Delivery services" does not
11 include a delivery requiring more than 75 miles of travel from
12 the marketplace seller to the customer.

13 "Motor vehicle" has the meaning given to that term in the
14 Illinois Vehicle Code.

15 "Qualified delivery network sale" means a sale that meets
16 all of the following requirements: (i) the sale is made as part
17 of delivery services facilitated by a delivery network
18 company, (ii) the sale is sourced to this State under this Act,
19 and (iii) the tax imposed by this Act on the sale is paid by
20 the delivery network company to the marketplace seller in
21 connection with the delivery services.

22 (Source: P.A. 104-6, eff. 6-16-25.)

23 Section 10. The Service Use Tax Act is amended by changing
24 Section 2d as follows:

1 (35 ILCS 110/2d)

2 Sec. 2d. Marketplace facilitators and marketplace
3 servicemen.

4 (a) Definitions. For purposes of this Section:

5 "Affiliate" means a person that, with respect to another
6 person: (i) has a direct or indirect ownership interest of
7 more than 5% in the other person; or (ii) is related to the
8 other person because a third person, or group of third persons
9 who are affiliated with each other as defined in this
10 subsection, holds a direct or indirect ownership interest of
11 more than 5% in the related person.

12 "Marketplace" means a physical or electronic place, forum,
13 platform, application, or other method by which a marketplace
14 serviceman makes or offers to make sales of service.

15 "Marketplace facilitator" means a person who, pursuant to
16 an agreement with an unrelated third-party marketplace
17 serviceman, directly or indirectly through one or more
18 affiliates facilitates sales of service by that unrelated
19 third-party marketplace serviceman through:

20 (1) listing or advertising for sale by the marketplace
21 serviceman in a marketplace, sales of service that are
22 subject to tax under this Act; and

23 (2) either directly or indirectly, through agreements
24 or arrangements with third parties, collecting payment
25 from the customer and transmitting that payment to the
26 marketplace serviceman regardless of whether the

1 marketplace facilitator receives compensation or other
2 consideration in exchange for its services.

3 "Marketplace serviceman" means a person that makes or
4 offers to make a sale of service through a marketplace
5 operated by an unrelated third-party marketplace facilitator.

6 (b) Beginning January 1, 2020 and through December 31,
7 2025, a marketplace facilitator who meets either of the
8 following thresholds is considered the serviceman for each
9 sale of service made through its marketplace:

10 (1) the cumulative gross receipts from sales of
11 service to purchasers in Illinois by the marketplace
12 facilitator and by marketplace servicemen selling through
13 the marketplace are \$100,000 or more; or

14 (2) the marketplace facilitator and marketplace
15 servicemen selling through the marketplace cumulatively
16 enter into 200 or more separate transactions for the sale
17 of service to purchasers in Illinois.

18 A marketplace facilitator shall determine on a quarterly
19 basis, ending on the last day of March, June, September, and
20 December, whether the marketplace facilitator meets the
21 threshold of either paragraph (1) or (2) of this subsection
22 (b) for the preceding 12-month period. If the marketplace
23 facilitator meets the threshold of either paragraph (1) or (2)
24 for a 12-month period, it is considered a serviceman
25 maintaining a place of business in this State and is required
26 to collect and remit the tax imposed under this Act and file

1 returns for one year. At the end of that one-year period, the
2 marketplace facilitator shall determine whether the
3 marketplace facilitator met the threshold of either paragraph
4 (1) or (2) during the preceding 12-month period. If the
5 marketplace facilitator met the threshold in either paragraph
6 (1) or (2) for the preceding 12-month period, it is considered
7 a serviceman maintaining a place of business in this State and
8 is required to collect and remit the tax imposed under this Act
9 and file returns for the subsequent year. If, at the end of a
10 one-year period, a marketplace facilitator that was required
11 to collect and remit the tax imposed under this Act determines
12 that it did not meet the threshold in either paragraph (1) or
13 (2) during the preceding 12-month period, the marketplace
14 facilitator shall subsequently determine on a quarterly basis,
15 ending on the last day of March, June, September, and
16 December, whether it meets the threshold of either paragraph
17 (1) or (2) for the preceding 12-month period.

18 (b-5) Beginning on January 1, 2026, a marketplace
19 facilitator whose cumulative gross receipts from sales of
20 service to purchasers in Illinois by the marketplace
21 facilitator and by marketplace servicemen selling through the
22 marketplace are \$100,000 or more is engaged in the business of
23 making sales of service in Illinois for purposes of this Act
24 for each sale of service made through the marketplace.

25 A marketplace facilitator shall determine on a quarterly
26 basis, ending on the last day of March, June, September, and

1 December, whether the marketplace facilitator meets the
2 threshold in this subsection (b-5) for the preceding 12-month
3 period. If the marketplace facilitator meets the threshold for
4 a 12-month period, the marketplace facilitator is considered a
5 serviceman maintaining a place of business in this State and
6 is required to collect and remit the tax imposed under this Act
7 and file returns for one year. At the end of the one-year
8 period, the marketplace facilitator shall determine whether
9 the marketplace facilitator met the threshold during the
10 preceding 12-month period. If the marketplace facilitator met
11 the threshold for the preceding 12-month period, the
12 marketplace facilitator is considered a serviceman maintaining
13 a place of business in this State and is required to collect
14 and remit the tax imposed under this Act and file returns for
15 the subsequent year. If at the end of a one-year period a
16 marketplace facilitator that was required to collect and remit
17 the tax imposed under this Act determines that the marketplace
18 facilitator did not meet the threshold during the preceding
19 12-month period, the marketplace facilitator shall
20 subsequently determine on a quarterly basis, ending on the
21 last day of March, June, September, and December, whether it
22 meets the threshold for the preceding 12-month period.

23 (c) A marketplace facilitator considered to be the
24 serviceman pursuant to subsection (b) or, beginning January 1,
25 2026, subsection (b-5) of this Section is considered the
26 serviceman for each sale of service made through its

1 marketplace and is liable for collecting and remitting the tax
2 under this Act on all such sales. The marketplace facilitator
3 has all the rights and duties, and is required to comply with
4 the same requirements and procedures, as all other servicemen
5 maintaining a place of business in this State who are
6 registered or who are required to be registered to collect and
7 remit the tax imposed by this Act with respect to such sales.

8 (d) A marketplace facilitator shall:

9 (1) certify to each marketplace serviceman that the
10 marketplace facilitator assumes the rights and duties of a
11 serviceman under this Act with respect to sales of service
12 made by the marketplace serviceman through the
13 marketplace; and

14 (2) collect taxes imposed by this Act as required by
15 Section 3-40 of this Act for sales of service made through
16 the marketplace.

17 (e) A marketplace serviceman shall retain books and
18 records for all sales of service made through a marketplace in
19 accordance with the requirements of Section 11.

20 (f) A marketplace serviceman shall furnish to the
21 marketplace facilitator information that is necessary for the
22 marketplace facilitator to correctly collect and remit taxes
23 for a sale of service. Such information includes the cost
24 price of any item transferred incident to a sale of service
25 under this Act when the cost price of an item exceeds 50% of
26 the entire billing to the service customer of a sale of service

1 made through the marketplace. The information may include a
2 certification that an item transferred incident to a sale of
3 service under this Act is taxable, not taxable, exempt from
4 taxation, or taxable at a specified rate. A marketplace
5 serviceman shall be held harmless for liability for the tax
6 imposed under this Act when a marketplace facilitator fails to
7 correctly collect and remit tax after having been provided
8 with information by a marketplace serviceman to correctly
9 collect and remit taxes imposed under this Act.

10 (g) If the marketplace facilitator demonstrates to the
11 satisfaction of the Department that its failure to correctly
12 collect and remit tax on a sale of service resulted from the
13 marketplace facilitator's good faith reliance on incorrect or
14 insufficient information provided by a marketplace serviceman,
15 it shall be relieved of liability for the tax on that sale of
16 service. In this case, a marketplace serviceman is liable for
17 any resulting tax due.

18 (h) (Blank).

19 (i) This Section does not affect the tax liability of a
20 purchaser under this Act.

21 (j) (Blank).

22 (k) A marketplace facilitator required to collect taxes
23 imposed under this Section and this Act on sales of service
24 made through its marketplace shall be liable to the Department
25 for such taxes, except when the marketplace facilitator is
26 relieved of the duty to remit such taxes by virtue of having

1 paid to the Department taxes imposed by the Service Occupation
2 Tax Act from the same transactions.

3 (1) If, for any reason, the Department is prohibited from
4 enforcing the marketplace facilitator's duty under this Act to
5 collect and remit taxes pursuant to this Section, the duty to
6 collect and remit such taxes reverts to the marketplace
7 serviceman that is a serviceman maintaining a place of
8 business in this State pursuant to Section 2.

9 (m) Nothing in this Section affects the obligation of any
10 consumer to remit service use tax for any taxable transaction
11 for which a certified service provider acting on behalf of a
12 serviceman maintaining a place of business in this State or a
13 marketplace facilitator does not collect and remit the
14 appropriate tax.

15 (n) Notwithstanding any provision of law, the following
16 provisions apply regarding a qualified delivery network sale:

17 (1) the Department may audit both the marketplace
18 seller and the delivery network company for the qualified
19 delivery network sale; and

20 (2) for qualified delivery network sales made on or
21 after the effective date of this amendatory act of the
22 104th General Assembly, a delivery network company may, in
23 the form and manner prescribed by the Department, deduct
24 or exclude from its tax liability under this Section the
25 amount of tax under this Act that the delivery network
26 company paid to the marketplace seller in connection with

1 the qualified delivery network sale.

2 The delivery network company may not claim a deduction or
3 exclusion under this subsection if the marketplace seller did
4 not charge the delivery network company for the tax imposed
5 under this Act on the qualified network sale. The amount of the
6 deduction or exclusion under this subsection may not exceed
7 the amount of tax under this Act that was charged by the
8 marketplace seller to the delivery network company in
9 connection with the qualified delivery network sale.

10 As used in this subsection, the following terms have the
11 following meanings:

12 "Bicycle" has the meaning given to that term in the
13 Illinois Vehicle Code.

14 "Delivery network company" means a marketplace facilitator
15 that maintains a website, mobile application, or nondigital
16 platform used to facilitate delivery services that are
17 performed or otherwise conducted by a delivery network
18 courier.

19 "Delivery network courier" means an individual who
20 provides delivery services through a delivery network company
21 by using a personal means of transportation, such as a motor
22 vehicle, bicycle, scooter, or other similar mode of
23 transportation, or walking. "Delivery network courier" does
24 not include a common carrier or a motor carrier.

25 "Delivery services" means the pickup and delivery of
26 tangible personal property by a delivery network courier from

1 a marketplace seller located in this State to a customer
2 located in this State, which may include the selection,
3 collection, and purchase of the tangible personal property in
4 connection with the delivery. "Delivery services" does not
5 include a delivery requiring more than 75 miles of travel from
6 the marketplace seller to the customer.

7 "Motor vehicle" has the meaning given to that term in the
8 Illinois Vehicle Code.

9 "Qualified delivery network sale" means a sale that meets
10 all of the following requirements: (i) the sale is made as part
11 of delivery services facilitated by a delivery network
12 company, (ii) the sale is sourced to this State under this Act,
13 and (iii) the tax imposed by this Act on the sale is paid by
14 the delivery network company to the marketplace seller in
15 connection with the delivery services.

16 (Source: P.A. 104-6, eff. 6-16-25.)

17 Section 15. The Service Occupation Tax Act is amended by
18 changing Section 3 as follows:

19 (35 ILCS 115/3) (from Ch. 120, par. 439.103)

20 Sec. 3. Tax imposed.

21 (a) A tax is imposed upon all persons engaged in the
22 business of making sales of service (referred to as
23 "servicemen") on all tangible personal property transferred,
24 including, on and after January 1, 2025, transferred by lease,

1 as an incident of a sale of service, including computer
2 software, and including photographs, negatives, and positives
3 that are the product of photoprocessing, but not including
4 products of photoprocessing produced for use in motion
5 pictures for public commercial exhibition. Beginning January
6 1, 2001, prepaid telephone calling arrangements shall be
7 considered tangible personal property subject to the tax
8 imposed under this Act regardless of the form in which those
9 arrangements may be embodied, transmitted, or fixed by any
10 method now known or hereafter developed. Sales of (1)
11 electricity delivered to customers by wire; (2) natural or
12 artificial gas that is delivered to customers through pipes,
13 pipelines, or mains; and (3) water that is delivered to
14 customers through pipes, pipelines, or mains are not subject
15 to tax under this Act. The provisions of this amendatory Act of
16 the 98th General Assembly are declaratory of existing law as
17 to the meaning and scope of this Act.

18 (b) Beginning on January 1, 2026, a serviceman maintaining
19 a place of business in this State that makes sales of service
20 to Illinois customers from a location or locations outside of
21 Illinois is engaged in the business of making sales of service
22 in Illinois for the purposes of this Act. A qualifying
23 serviceman under this subsection (b) is liable for all
24 applicable State and locally imposed service occupation taxes
25 administered by the Department on all tangible personal
26 property transferred as an incident of a sale of service made

1 by the serviceman to Illinois customers from locations outside
2 of Illinois.

3 (c) A serviceman maintaining a place of business in this
4 State that is required to collect taxes imposed under the
5 Service Use Tax Act on sales of service made to Illinois
6 purchasers shall be liable to the Department for such taxes,
7 except when the serviceman maintaining a place of business in
8 this State is relieved of the duty to remit such taxes by
9 virtue of having paid to the Department taxes imposed by this
10 Act in accordance with this Section upon such sales.

11 (d) Beginning January 1, 2026, a marketplace facilitator
12 whose cumulative gross receipts from sales of service to
13 purchasers in Illinois by the marketplace facilitator and by
14 marketplace servicemen selling through the marketplace are
15 \$100,000 or more is engaged in the business of making sales of
16 service in Illinois for purposes of this Act for each sale of
17 service made through its marketplace.

18 A marketplace facilitator who meets the threshold of this
19 subsection (d) is required to remit the applicable State
20 service occupation taxes under this Act and local service
21 occupation taxes administered by the Department on all taxable
22 transfers of tangible personal property made incident to sales
23 of service by the marketplace facilitator or facilitated for
24 marketplace servicemen to customers in this State. A
25 marketplace facilitator transferring or facilitating the
26 transfer of tangible personal property incident to a sale of

1 service to customers in this State is subject to all
2 applicable procedures and requirements of this Act.

3 The marketplace facilitator shall determine on a quarterly
4 basis, ending on the last day of March, June, September, and
5 December, whether the marketplace facilitator meets the
6 threshold of this subsection (d) for the preceding 12-month
7 period. If the marketplace facilitator meets the threshold for
8 a 12-month period, the marketplace facilitator is considered a
9 serviceman maintaining a place of business in this State and
10 is required to remit the tax imposed under this Act and all
11 service occupation tax imposed by local taxing jurisdictions
12 in Illinois, provided such local taxes are administered by the
13 Department, and to file all applicable returns for one year.
14 At the end of the one-year period, the marketplace facilitator
15 shall determine whether the marketplace facilitator met the
16 threshold for the preceding 12-month period. If the
17 marketplace facilitator met the threshold for the preceding
18 12-month period, the marketplace facilitator is considered a
19 serviceman maintaining a place of business in this State and
20 is required to remit all applicable State and local service
21 occupation taxes and file returns for the subsequent year. If
22 at the end of a one-year period a marketplace facilitator that
23 was required to remit the tax imposed under this Act
24 determines that the marketplace facilitator did not meet the
25 threshold during the preceding 12-month period, the
26 marketplace facilitator shall subsequently determine on a

1 quarterly basis, ending on the last day of March, June,
2 September, and December, whether he or she meets the threshold
3 for the preceding 12-month period.

4 (e) A marketplace facilitator shall be entitled to any
5 credits, deductions, or adjustments to the sales price
6 otherwise provided to the marketplace serviceman, in addition
7 to any such adjustments provided directly to the marketplace
8 facilitator. This Section pertains to, but is not limited to,
9 adjustments such as discounts, coupons, and rebates. In
10 addition, a marketplace facilitator shall be entitled to the
11 vendors' discount provided in Section 9 of the Service
12 Occupation Tax Act on all marketplace sales of service, and
13 the marketplace serviceman shall not include sales of service
14 made through a marketplace facilitator when computing any
15 vendors' discount on remaining sales of service. Marketplace
16 facilitators shall report and remit the applicable State and
17 local service occupation taxes on sales of service facilitated
18 for marketplace servicemen separately from any service
19 occupation or service use tax collected on taxable sales of
20 service made directly by the marketplace facilitator or its
21 affiliates.

22 The marketplace facilitator is liable for the remittance
23 of all applicable State service occupation taxes under this
24 Act and local service occupation taxes administered by the
25 Department on sales of service through the marketplace and is
26 subject to audit on all such sales of service. The Department

1 shall not audit marketplace servicemen for their marketplace
2 sales of service where a marketplace facilitator remitted the
3 applicable State and local service occupation taxes unless the
4 marketplace facilitator seeks relief as a result of incorrect
5 information provided to the marketplace facilitator by a
6 marketplace serviceman as set forth in this Section. The
7 marketplace facilitator shall not be held liable for tax on
8 any sales of service made by a marketplace serviceman that
9 take place outside of the marketplace and which are not a part
10 of any agreement between a marketplace facilitator and a
11 marketplace serviceman. In addition, marketplace facilitators
12 shall not be held liable to State and local governments of
13 Illinois for having charged and remitted an incorrect amount
14 of State and local service occupation tax if, at the time of
15 the sale of service, the tax is computed based on erroneous
16 data provided by the State in database files on tax rates,
17 boundaries, or taxing jurisdictions or incorrect information
18 provided to the marketplace facilitator by the marketplace
19 serviceman, including the marketplace serviceman's cost ratio
20 and registration status.

21 (f) A marketplace facilitator shall:

22 (1) certify to each marketplace serviceman that the
23 marketplace facilitator assumes the rights and duties of a
24 serviceman under this Act with respect to sales of service
25 made by the marketplace serviceman through the
26 marketplace; and

1 (2) remit taxes imposed by this Act as required by
2 this Act for sales of service made through the
3 marketplace.

4 (g) A marketplace serviceman shall retain books and
5 records for all sales of service made through a marketplace in
6 accordance with the requirements of Section 11 of this Act.

7 (h) A marketplace serviceman shall furnish to the
8 marketplace facilitator information that is necessary for the
9 marketplace facilitator to correctly remit taxes for a sale of
10 service. Such information includes the cost price of any item
11 transferred incident to a sale of service under this Act when
12 the cost price of an item exceeds 50% of the total invoice
13 price of a sale of service made through the marketplace. The
14 information may include a certification that an item
15 transferred incident to a sale of service under this Act is
16 taxable, not taxable, exempt from taxation, or taxable at a
17 specified rate. A marketplace serviceman shall be held
18 harmless for liability for the tax imposed under this Act when
19 a marketplace facilitator fails to correctly collect and remit
20 tax after having been provided with information by a
21 marketplace serviceman to correctly collect and remit taxes
22 imposed under this Act.

23 (i) If the marketplace facilitator demonstrates to the
24 satisfaction of the Department that its failure to correctly
25 collect and remit tax on a sale of service resulted from the
26 marketplace facilitator's good faith reliance on incorrect or

1 insufficient information provided by a marketplace serviceman,
2 it shall be relieved of liability for the tax on that sale of
3 service and the marketplace serviceman shall be liable for any
4 resulting tax due.

5 (j) A marketplace facilitator is subject to audit on all
6 marketplace sales of service for which it is considered to be
7 the serviceman, but shall not be liable for tax or subject to
8 audit on sales of service made by marketplace servicemen
9 outside of the marketplace.

10 (k) A marketplace facilitator required to collect taxes
11 imposed under the Service Use Tax Act on marketplace sales of
12 service made to Illinois purchasers shall be liable to the
13 Department for such taxes, except when the marketplace
14 facilitator is relieved of the duty to remit such taxes by
15 virtue of having paid to the Department taxes imposed by this
16 Act in accordance with this Section from such sales of
17 service.

18 (l) Nothing in this Section shall allow the Department to
19 collect service occupation taxes from both the marketplace
20 facilitator and marketplace serviceman on the same
21 transaction.

22 (m) If, for any reason, the Department is prohibited from
23 enforcing the marketplace facilitator's duty under this Act to
24 remit taxes pursuant to this Section, the duty to remit such
25 taxes remains with the marketplace serviceman.

26 (n) Notwithstanding any provision of law, the following

1 provisions apply regarding a qualified delivery network sale:

2 (1) the Department may audit both the marketplace
3 seller and the delivery network company for the qualified
4 delivery network sale; and

5 (2) for qualified delivery network sales made on or
6 after the effective date of this amendatory act of the
7 104th General Assembly, a delivery network company may, in
8 the form and manner prescribed by the Department, deduct
9 or exclude from its tax liability under this Section the
10 amount of tax under this Act that the delivery network
11 company paid to the marketplace seller in connection with
12 the qualified delivery network sale.

13 The delivery network company may not claim a deduction or
14 exclusion under this subsection if the marketplace seller did
15 not charge the delivery network company for the tax imposed
16 under this Act on the qualified network sale. The amount of the
17 deduction or exclusion under this subsection may not exceed
18 the amount of tax under this Act that was charged by the
19 marketplace seller to the delivery network company in
20 connection with the qualified delivery network sale.

21 As used in this subsection, the following terms have the
22 following meanings:

23 "Bicycle" has the meaning given to that term in the
24 Illinois Vehicle Code.

25 "Delivery network company" means a marketplace facilitator
26 that maintains a website, mobile application, or nondigital

1 platform used to facilitate delivery services that are
2 performed or otherwise conducted by a delivery network
3 courier.

4 "Delivery network courier" means an individual who
5 provides delivery services through a delivery network company
6 by using a personal means of transportation, such as a motor
7 vehicle, bicycle, scooter, or other similar mode of
8 transportation, or walking. "Delivery network courier" does
9 not include a common carrier or a motor carrier.

10 "Delivery services" means the pickup and delivery of
11 tangible personal property by a delivery network courier from
12 a marketplace seller located in this State to a customer
13 located in this State, which may include the selection,
14 collection, and purchase of the tangible personal property in
15 connection with the delivery. "Delivery services" does not
16 include a delivery requiring more than 75 miles of travel from
17 the marketplace seller to the customer.

18 "Motor vehicle" has the meaning given to that term in the
19 Illinois Vehicle Code.

20 "Qualified delivery network sale" means a sale that meets
21 all of the following requirements: (i) the sale is made as part
22 of delivery services facilitated by a delivery network
23 company, (ii) the sale is sourced to this State under this Act,
24 and (iii) the tax imposed by this Act on the sale is paid by
25 the delivery network company to the marketplace seller in
26 connection with the delivery services.

1 (o) The imposition of the tax under this Act on tangible
2 personal property transferred by lease by persons engaged in
3 the business of making sales of service applies to leases in
4 effect, entered into, or renewed on or after January 1, 2025.
5 In the case of leases, except as otherwise provided in this
6 Act, the serviceman who is a lessor must remit for each tax
7 return period only the tax applicable to that part of the
8 selling price actually received during such tax return period.
9 (Source: P.A. 103-592, eff. 1-1-25; 104-6, eff. 6-16-25.)

10 Section 20. The Retailers' Occupation Tax Act is amended
11 by changing Section 2 as follows:

12 (35 ILCS 120/2)

13 Sec. 2. Tax imposed.

14 (a) A tax is imposed upon persons engaged in the business
15 of selling at retail, which, on and after January 1, 2025,
16 includes leasing, tangible personal property, including
17 computer software, and including photographs, negatives, and
18 positives that are the product of photoprocessing, but not
19 including products of photoprocessing produced for use in
20 motion pictures for public commercial exhibition. Beginning
21 January 1, 2001, prepaid telephone calling arrangements shall
22 be considered tangible personal property subject to the tax
23 imposed under this Act regardless of the form in which those
24 arrangements may be embodied, transmitted, or fixed by any

1 method now known or hereafter developed.

2 The imposition of the tax under this Act on persons
3 engaged in the business of leasing tangible personal property
4 applies to leases in effect, entered into, or renewed on or
5 after January 1, 2025. In the case of leases, except as
6 otherwise provided in this Act, the lessor must remit, for
7 each tax return period, only the tax applicable to that part of
8 the selling price actually received during such tax return
9 period.

10 The inclusion of leases in the tax imposed under this Act
11 by Public Act 103-592 does not, however, extend to motor
12 vehicles, watercraft, aircraft, and semitrailers, as defined
13 in Section 1-187 of the Illinois Vehicle Code, that are
14 required to be registered with an agency of this State. The
15 taxation of these items shall continue in effect as prior to
16 the effective date of the changes made to this Section by
17 Public Act 103-592 (i.e., dealers owe retailers' occupation
18 tax, lessors owe use tax, and lessees are not subject to
19 retailers' occupation or use tax).

20 Sales of (1) electricity delivered to customers by wire;
21 (2) natural or artificial gas that is delivered to customers
22 through pipes, pipelines, or mains; and (3) water that is
23 delivered to customers through pipes, pipelines, or mains are
24 not subject to tax under this Act. The provisions of Public Act
25 98-583 are declaratory of existing law as to the meaning and
26 scope of this Act.

1 (b) Beginning on January 1, 2021 and through December 31,
2 2025, a remote retailer is engaged in the occupation of
3 selling at retail in Illinois for purposes of this Act, if:

4 (1) the cumulative gross receipts from sales of
5 tangible personal property to purchasers in Illinois are
6 \$100,000 or more; or

7 (2) the retailer enters into 200 or more separate
8 transactions for the sale of tangible personal property to
9 purchasers in Illinois.

10 Remote retailers that meet or exceed the threshold in
11 either paragraph (1) or (2) above shall be liable for all
12 applicable State retailers' and locally imposed retailers'
13 occupation taxes administered by the Department on all retail
14 sales to Illinois purchasers.

15 The remote retailer shall determine on a quarterly basis,
16 ending on the last day of March, June, September, and
17 December, whether it meets the threshold of either paragraph
18 (1) or (2) of this subsection for the preceding 12-month
19 period. If the retailer meets the threshold of either
20 paragraph (1) or (2) for a 12-month period, he or she is
21 considered a retailer maintaining a place of business in this
22 State and is required to collect and remit the tax imposed
23 under this Act and all retailers' occupation tax imposed by
24 local taxing jurisdictions in Illinois, provided such local
25 taxes are administered by the Department, and to file all
26 applicable returns for one year. At the end of that one-year

1 period, the retailer shall determine whether the retailer met
2 the threshold of either paragraph (1) or (2) for the preceding
3 12-month period. If the retailer met the threshold in either
4 paragraph (1) or (2) for the preceding 12-month period, it is
5 considered a retailer maintaining a place of business in this
6 State and is required to collect and remit all applicable
7 State and local retailers' occupation taxes and file returns
8 for the subsequent year. If, at the end of a one-year period, a
9 retailer that was required to collect and remit the tax
10 imposed under this Act determines that it did not meet the
11 threshold in either paragraph (1) or (2) during the preceding
12 12-month period, then the retailer shall subsequently
13 determine on a quarterly basis, ending on the last day of
14 March, June, September, and December, whether the retailer met
15 the threshold of either paragraph (1) or (2) for the preceding
16 12-month period.

17 (b-1) Beginning on January 1, 2026, a remote retailer is
18 engaged in the occupation of selling at retail in Illinois for
19 purposes of this Act if the remote retailer's cumulative gross
20 receipts from sales of tangible personal property to
21 purchasers in Illinois are \$100,000 or more.

22 Remote retailers that meet or exceed the threshold in this
23 subsection (b-1) shall be liable for all applicable State and
24 locally imposed retailers' occupation taxes administered by
25 the Department on all retail sales to Illinois purchasers.

26 The remote retailer shall determine on a quarterly basis,

1 ending on the last day of March, June, September, and
2 December, whether the remote retailer meets the threshold of
3 this subsection (b-1) for the preceding 12-month period. If
4 the remote retailer meets the threshold for a 12-month period,
5 the remote retailer is considered to be engaged in the
6 occupation of selling at retail in Illinois and is required to
7 remit the tax imposed under this Act and all retailers'
8 occupation tax imposed by local taxing jurisdictions in
9 Illinois, provided such local taxes are administered by the
10 Department, and to file all applicable returns for one year.
11 At the end of the one-year period, the remote retailer shall
12 determine whether the remote retailer met the threshold for
13 the preceding 12-month period. If the retailer met the
14 threshold for the preceding 12-month period, the remote
15 retailer is considered to be engaged in the occupation of
16 selling at retail in Illinois and is required to remit all
17 applicable State and local retailers' occupation taxes and
18 file returns for the subsequent year. If, at the end of a
19 one-year period, a remote retailer that was required to remit
20 the tax imposed under this Act determines that the remote
21 retailer did not meet the threshold during the preceding
22 12-month period, then the remote retailer shall subsequently
23 determine on a quarterly basis, ending on the last day of
24 March, June, September, and December, whether the remote
25 retailer met the threshold for the preceding 12-month period.

26 (b-2) Beginning on January 1, 2025, a retailer maintaining

1 a place of business in this State that makes retail sales of
2 tangible personal property to Illinois customers from a
3 location or locations outside of Illinois is engaged in the
4 occupation of selling at retail in Illinois for the purposes
5 of this Act. Those retailers are liable for all applicable
6 State and locally imposed retailers' occupation taxes
7 administered by the Department on retail sales made by those
8 retailers to Illinois customers from locations outside of
9 Illinois.

10 (b-5) For the purposes of this Section, neither the gross
11 receipts from nor, until January 1, 2026, the number of
12 separate transactions for sales of tangible personal property
13 to purchasers in Illinois that a remote retailer makes through
14 a marketplace facilitator shall be included for the purposes
15 of determining whether he or she has met the thresholds of
16 subsection (b) or (b-1) of this Section so long as the remote
17 retailer has received certification from the marketplace
18 facilitator that the marketplace facilitator is legally
19 responsible for payment of tax on such sales.

20 (b-10) A remote retailer that is required to collect taxes
21 imposed under the Use Tax Act on retail sales made to Illinois
22 purchasers or a retailer maintaining a place of business in
23 this State that is required to collect taxes imposed under the
24 Use Tax Act on retail sales made to Illinois purchasers shall
25 be liable to the Department for such taxes, except when the
26 remote retailer or retailer maintaining a place of business in

1 this State is relieved of the duty to remit such taxes by
2 virtue of having paid to the Department taxes imposed by this
3 Act in accordance with this Section upon his or her gross
4 receipts from such sales.

5 (c) Marketplace facilitators engaged in the business of
6 selling at retail tangible personal property in Illinois.
7 Beginning January 1, 2021 and through December 31, 2025, a
8 marketplace facilitator is engaged in the occupation of
9 selling at retail tangible personal property in Illinois for
10 purposes of this Act if, during the previous 12-month period:

11 (1) the cumulative gross receipts from sales of
12 tangible personal property on its own behalf or on behalf
13 of marketplace sellers to purchasers in Illinois equals
14 \$100,000 or more; or

15 (2) the marketplace facilitator enters into 200 or
16 more separate transactions on its own behalf or on behalf
17 of marketplace sellers for the sale of tangible personal
18 property to purchasers in Illinois, regardless of whether
19 the marketplace facilitator or marketplace sellers for
20 whom such sales are facilitated are registered as
21 retailers in this State.

22 A marketplace facilitator who meets either paragraph (1)
23 or (2) of this subsection is required to remit the applicable
24 State retailers' occupation taxes under this Act and local
25 retailers' occupation taxes administered by the Department on
26 all taxable sales of tangible personal property made by the

1 marketplace facilitator or facilitated for marketplace sellers
2 to customers in this State. A marketplace facilitator selling
3 or facilitating the sale of tangible personal property to
4 customers in this State is subject to all applicable
5 procedures and requirements of this Act.

6 The marketplace facilitator shall determine on a quarterly
7 basis, ending on the last day of March, June, September, and
8 December, whether it meets the threshold of either paragraph
9 (1) or (2) of this subsection for the preceding 12-month
10 period. If the marketplace facilitator meets the threshold of
11 either paragraph (1) or (2) for a 12-month period, the
12 marketplace facilitator is considered a retailer maintaining a
13 place of business in this State and is required to remit the
14 tax imposed under this Act and all retailers' occupation tax
15 imposed by local taxing jurisdictions in Illinois, provided
16 such local taxes are administered by the Department, and to
17 file all applicable returns for one year. At the end of that
18 one-year period, the marketplace facilitator shall determine
19 whether it met the threshold of either paragraph (1) or (2) for
20 the preceding 12-month period. If the marketplace facilitator
21 met the threshold in either paragraph (1) or (2) for the
22 preceding 12-month period, it is considered a retailer
23 maintaining a place of business in this State and is required
24 to collect and remit all applicable State and local retailers'
25 occupation taxes and file returns for the subsequent year. If
26 at the end of a one-year period a marketplace facilitator that

1 was required to collect and remit the tax imposed under this
2 Act determines that it did not meet the threshold in either
3 paragraph (1) or (2) during the preceding 12-month period, the
4 marketplace facilitator shall subsequently determine on a
5 quarterly basis, ending on the last day of March, June,
6 September, and December, whether it met the threshold of
7 either paragraph (1) or (2) for the preceding 12-month period.

8 (c-5) Beginning January 1, 2026, a marketplace facilitator
9 is engaged in the occupation of selling at retail tangible
10 personal property in Illinois for purposes of this Act if,
11 during the previous 12-month period the cumulative gross
12 receipts from sales of tangible personal property on its own
13 behalf or on behalf of marketplace sellers to purchasers in
14 Illinois equals \$100,000 or more.

15 A marketplace facilitator who meets the threshold of this
16 subsection is required to remit the applicable State
17 retailers' occupation taxes under this Act and local
18 retailers' occupation taxes administered by the Department on
19 all taxable sales of tangible personal property made by the
20 marketplace facilitator or facilitated for marketplace sellers
21 to customers in this State. A marketplace facilitator selling
22 or facilitating the sale of tangible personal property to
23 customers in this State is subject to all applicable
24 procedures and requirements of this Act.

25 The marketplace facilitator shall determine on a quarterly
26 basis, ending on the last day of March, June, September, and

1 December, whether the marketplace facilitator meets the
2 threshold of this subsection (c-5) for the preceding 12-month
3 period. If the marketplace facilitator meets the threshold for
4 a 12-month period, the marketplace facilitator is considered
5 to be engaged in the occupation of selling at retail in
6 Illinois and is required to remit the tax imposed under this
7 Act and all retailers' occupation tax imposed by local taxing
8 jurisdictions in Illinois, provided such local taxes are
9 administered by the Department, and to file all applicable
10 returns for one year. At the end of the one-year period, the
11 marketplace facilitator shall determine whether the
12 marketplace facilitator met the threshold for the preceding
13 12-month period. If the marketplace facilitator met the
14 threshold for the preceding 12-month period, the marketplace
15 facilitator is considered to be engaged in the occupation of
16 selling at retail in Illinois and is required to collect and
17 remit all applicable State and local retailers' occupation
18 taxes and file returns for the subsequent year. If at the end
19 of a one-year period a marketplace facilitator that was
20 required to collect and remit the tax imposed under this Act
21 determines that the marketplace facilitator did not meet the
22 threshold during the preceding 12-month period, the
23 marketplace facilitator shall subsequently determine on a
24 quarterly basis, ending on the last day of March, June,
25 September, and December, whether it met the threshold for the
26 preceding 12-month period.

1 (c-10) A marketplace facilitator shall be entitled to any
2 credits, deductions, or adjustments to the sales price
3 otherwise provided to the marketplace seller, in addition to
4 any such adjustments provided directly to the marketplace
5 facilitator. This Section pertains to, but is not limited to,
6 adjustments such as discounts, coupons, and rebates. In
7 addition, a marketplace facilitator shall be entitled to the
8 retailers' discount provided in Section 3 of the Retailers'
9 Occupation Tax Act on all marketplace sales, and the
10 marketplace seller shall not include sales made through a
11 marketplace facilitator when computing any retailers' discount
12 on remaining sales. Marketplace facilitators shall report and
13 remit the applicable State and local retailers' occupation
14 taxes on sales facilitated for marketplace sellers separately
15 from any sales or use tax collected on taxable retail sales
16 made directly by the marketplace facilitator or its
17 affiliates.

18 The marketplace facilitator is liable for the remittance
19 of all applicable State retailers' occupation taxes under this
20 Act and local retailers' occupation taxes administered by the
21 Department on sales through the marketplace and is subject to
22 audit on all such sales. The Department shall not audit
23 marketplace sellers for their marketplace sales where a
24 marketplace facilitator remitted the applicable State and
25 local retailers' occupation taxes unless the marketplace
26 facilitator seeks relief as a result of incorrect information

1 provided to the marketplace facilitator by a marketplace
2 seller as set forth in this Section. The marketplace
3 facilitator shall not be held liable for tax on any sales made
4 by a marketplace seller that take place outside of the
5 marketplace and which are not a part of any agreement between a
6 marketplace facilitator and a marketplace seller. In addition,
7 marketplace facilitators shall not be held liable to State and
8 local governments of Illinois for having charged and remitted
9 an incorrect amount of State and local retailers' occupation
10 tax if, at the time of the sale, the tax is computed based on
11 erroneous data provided by the State in database files on tax
12 rates, boundaries, or taxing jurisdictions or incorrect
13 information provided to the marketplace facilitator by the
14 marketplace seller.

15 (d) A marketplace facilitator shall:

16 (1) certify to each marketplace seller that the
17 marketplace facilitator assumes the rights and duties of a
18 retailer under this Act with respect to sales made by the
19 marketplace seller through the marketplace; and

20 (2) remit taxes imposed by this Act as required by
21 this Act for sales made through the marketplace.

22 (e) A marketplace seller shall retain books and records
23 for all sales made through a marketplace in accordance with
24 the requirements of this Act.

25 (f) A marketplace facilitator is subject to audit on all
26 marketplace sales for which it is considered to be the

1 retailer, but shall not be liable for tax or subject to audit
2 on sales made by marketplace sellers outside of the
3 marketplace.

4 (g) A marketplace facilitator required to collect taxes
5 imposed under the Use Tax Act on marketplace sales made to
6 Illinois purchasers shall be liable to the Department for such
7 taxes, except when the marketplace facilitator is relieved of
8 the duty to remit such taxes by virtue of having paid to the
9 Department taxes imposed by this Act in accordance with this
10 Section upon his or her gross receipts from such sales.

11 (h) Nothing in this Section shall allow the Department to
12 collect retailers' occupation taxes from both the marketplace
13 facilitator and marketplace seller on the same transaction.

14 (i) If, for any reason, the Department is prohibited from
15 enforcing the marketplace facilitator's duty under this Act to
16 remit taxes pursuant to this Section, the duty to remit such
17 taxes remains with the marketplace seller.

18 (j) (Blank).

19 (k) (Blank).

20 (l) A marketplace seller shall furnish to the marketplace
21 facilitator information that is necessary for the marketplace
22 facilitator to correctly remit taxes for a retail sale. The
23 information may include a certification that an item being
24 sold is taxable, not taxable, exempt from taxation, or taxable
25 at a specified rate. A marketplace seller shall be held
26 harmless for liability for the tax imposed under this Act when

1 a marketplace facilitator fails to correctly remit tax after
2 having been provided with information by a marketplace seller
3 to correctly remit taxes imposed under this Act.

4 (m) If the marketplace facilitator demonstrates to the
5 satisfaction of the Department that its failure to correctly
6 remit tax on a retail sale resulted from the marketplace
7 facilitator's good faith reliance on incorrect or insufficient
8 information provided by a marketplace seller, it shall be
9 relieved of liability for the tax on that retail sale and the
10 marketplace seller shall be liable for any resulting tax due.

11 (n) Notwithstanding any provision of law, the following
12 provisions apply regarding a qualified delivery network sale:

13 (1) the Department may audit both the marketplace
14 seller and the delivery network company for the qualified
15 delivery network sale; and

16 (2) for qualified delivery network sales made on or
17 after the effective date of this amendatory act of the
18 104th General Assembly, a delivery network company may, in
19 the form and manner prescribed by the Department, deduct
20 or exclude from its tax liability under this Section the
21 amount of tax under this Act that the delivery network
22 company paid to the marketplace seller in connection with
23 the qualified delivery network sale.

24 The delivery network company may not claim a deduction or
25 exclusion under this subsection if the marketplace seller did
26 not charge the delivery network company for the tax imposed

1 under this Act on the qualified network sale. The amount of the
2 deduction or exclusion under this subsection may not exceed
3 the amount of tax under this Act that was charged by the
4 marketplace seller to the delivery network company in
5 connection with the qualified delivery network sale.

6 As used in this subsection, the following terms have the
7 following meanings:

8 "Bicycle" has the meaning given to that term in the
9 Illinois Vehicle Code.

10 "Delivery network company" means a marketplace facilitator
11 that maintains a website, mobile application, or nondigital
12 platform used to facilitate delivery services that are
13 performed or otherwise conducted by a delivery network
14 courier.

15 "Delivery network courier" means an individual who
16 provides delivery services through a delivery network company
17 by using a personal means of transportation, such as a motor
18 vehicle, bicycle, scooter, or other similar mode of
19 transportation, or walking. "Delivery network courier" does
20 not include a common carrier or a motor carrier.

21 "Delivery services" means the pickup and delivery of
22 tangible personal property by a delivery network courier from
23 a marketplace seller located in this State to a customer
24 located in this State, which may include the selection,
25 collection, and purchase of the tangible personal property in
26 connection with the delivery. "Delivery services" does not

1 include a delivery requiring more than 75 miles of travel from
2 the marketplace seller to the customer.

3 "Motor vehicle" has the meaning given to that term in the
4 Illinois Vehicle Code.

5 "Qualified delivery network sale" means a sale that meets
6 all of the following requirements: (i) the sale is made as part
7 of delivery services facilitated by a delivery network
8 company, (ii) the sale is sourced to this State under this Act,
9 and (iii) the tax imposed by this Act on the sale is paid by
10 the delivery network company to the marketplace seller in
11 connection with the delivery services.

12 (Source: P.A. 103-592, eff. 1-1-25; 103-983, eff. 1-1-25;
13 104-6, eff. 6-16-25.)