



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB3843

Introduced 2/6/2026, by Sen. Patrick J. Joyce

#### 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 18877 HLH 32322 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.)