**Section 220.101 Nature of the County Retailer's Occupation Tax**

a) Authority to Impose Tax

Any County which is a home rule unit is authorized by Section 5-1006 of the Counties Code (Ill. Rev. State 1989, ch. 34, par. 5-1006) (the Act) to impose a tax on all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with this State's government, at retail in the county, on the gross receipts from sales made in the course of such business. *If imposed, such tax shall only be imposed in* 1/4% *increments. On and after September 1, 1991*, *this additional tax may not be imposed on the sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food which has been prepared for immediate consumption) and prescription and non-prescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics. The tax imposed by a home rule county pursuant to the Act and this Part and all civil penalties that may be assessed as an incident thereof, shall be collected and enforced by the Illinois Department of Revenue* (Department). (Section 5-1006 of the Act)

b) Passing on the Tax

The legal incidence of the Home Rule County Retailers' Occupation Tax is on the seller. Nevertheless, the General Assembly has authorized persons subject to any tax imposed pursuant to the authority granted in the Home Rule County Retailers' Occupation Tax Act to reimburse themselves for their sellers' Home Rule County Retailers' Occupation Tax liability by separately stating such tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax which sellers are required to collect under the Use Tax Act (Ill. Rev. Stat. 1989, ch. 120, pars. 439.1 et seq.), pursuant to such bracket schedules as the Department has prescribed. (See 86 Ill. Adm. Code 150. Table A)

c) Exclusion From "Gross Receipts"

Any amount added to the selling price of tangible personal property by the seller because of a Home Rule County Retailers' Occupation Tax, or because of the Illinois Retailers' Occupation Tax, or as Illinois Use Tax, and collected from the purchaser, shall not be regarded as a part of the seller's gross receipts that are subject to such Home Rule County Retailers' Occupation Tax.

(Source: Amended at 15 Ill. Reg. 5783, effective April 9, 1991)