



Food & Beverage Tax Information Packet

Included:

Instructions for completing the registration form and tax return form
Food and Beverage Tax Registration Form
Food and Beverage Tax Return Form
Copy of the Food and Beverage Tax Ordinance



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FOOD AND BEVERAGE TAX ACKNOWLEDGEMENT FORM

I hereby acknowledge receipt of the Village of Hawthorn Woods Food and Beverage Tax Information Packet which contains the following documents:

Instructions for completing the registration form and tax return form
Food and Beverage Tax Registration Form
Food and Beverage Tax Return Form
Copy of the Food and Beverage Tax Ordinance

Name of Business: _____

Business Address: _____

Printed Name of who received packet: _____

Signature of Representative who received packet: _____

Date signed: _____



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INSTRUCTIONS FOR PREPARING THE FOOD & BEVERAGE TAX REGISTRATION FORM

SECTION 1:

Provide the name, address, telephone number and email address of the retail facility or retail liquor facility located within the Village of Hawthorn Woods village limits.

SECTION 2:

Provide the name or title of the individual who will be working at the Hawthorn Woods facility who is to be considered the company's local agent with regard to the collection of the Village's food & beverage tax.

SECTION 3:

Provide the name, address and telephone number of the corporate office if different than the Hawthorn Woods location.

SECTION 4:

Describe the type of retail business you are going to operate within the Village of Hawthorn Woods.

Include the form of your business organization; provide your Federal Employee Identification Number (FEIN), provide your State of Illinois Business Taxpayer (IBT) number; indicate how you file your business state sales tax returns.

SECTION 5:

The registration form must be signed by the owner or officer of the business. The signed registration form must be returned prior to the submittal of your first Food & Beverage Tax Return.

INSTRUCTIONS FOR COMPLETING THE FOOD & BEVERAGE TAX RETURN

Provide the business information at the top of the form and complete the tax computation section to determine the amount of tax to remit to the Village.

Send in your return via mail or drop off at Village Hall. The return and payment must be received by the Village or postmarked on or before the last day of the calendar month succeeding the end of the sales tax reporting period.

A copy of your State Sales Tax form (ST-1) must be included with your return.

Failure to file the tax return and ST-1, and remit the taxes due, prior to the due date, will result in penalties being imposed and additional fines.

The Tax Return must be signed by a representative of the business.



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**VILLAGE OF HAWTHORN WOODS
FOOD AND BEVERAGE TAX REGISTRATION FORM**

SECTION 1:

Business name: _____

Address: _____

Telephone: _____

Email: _____

SECTION 2:

Local Agent Name and Title: _____

SECTION 3:

Corporate Name: _____

Mailing Address: _____

City, State, Zip: _____

Telephone/email: _____

SECTION 4:

Type of Business: _____

Form of Business: Sole Proprietor Partnership Corporation Other

FEIN# _____ Illinois taxpayer #: _____

Filing Illinois ST-1 frequency: Monthly Quarterly Semi-Annually Other

SECTION 5:

I hereby declare that I have examined this registration form, and to the best of my knowledge the information entered on this form is true, correct, and complete.

Signature of Owner or Officer

Title

Date

Printed Name of Owner/Officer

Please return the completed form to:
Village of Hawthorn Woods
Attn: Finance Department
2 Lagoon Drive, Hawthorn Woods, IL 60047



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Village of Hawthorn Woods Food and Beverage Tax Return Form

Business Name/Address: _____

Doing Business As: _____

Calendar Year/Reporting Period: _____

FEIN: _____

Computation of Tax Liability

- 1. Gross Sales (Should agree with IL ST-1, Line 3) \$ _____
- 2. Deduction of Sales Not Subject to Tax (T-shirts, etc.) \$ _____
- 3. Taxable receipts (Line 1 minus Line 2) \$ _____
- 4. Amount of Tax (Multiply Line 3 by 1% (.01)) \$ _____
- 5. Penalty if not paid on time (multiply Line 4 by 5% (.05)) \$ _____
- 6. Total amount remitted (Line 4 plus Line 5) \$ _____

Remittance Instructions

Please remit the amount indicated on line 6 above. Checks should be made payable to the Village of Hawthorn Woods and sent to the Village at the address shown below. This form and a complete copy of the Illinois Department of Revenue Form ST-1 (state sales tax return) for the corresponding month must accompany your remittance.

The Village must receive your remittance by the last day of the month following the calendar month when the taxes were collected. If the last day of the month falls on a weekend or holiday when the Village Hall is closed, payment must be received by the next business day. However, a payment sent by mail must be postmarked no later than the last day of the month.

Affirmation: Under penalties provided by the Village of Hawthorn Woods Code, I hereby affirm that the statements contained herein are taken from the books and records of the business and are true and correct to the best of my knowledge.

Signature of Preparer

Date

Signature of Taxpayer

Date

Please remember: Please mail this form and a complete copy of the Illinois Department of Revenue Form ST-1 (state sales tax return) for the corresponding month and payment to the address listed below.

Please return the completed form to:
Village of Hawthorn Woods
Attn: Finance Department
2 Lagoon Drive, Hawthorn Woods, IL 60047



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Food and Beverage Tax Frequently Asked Questions

What is the tax?

The Village of Hawthorn Woods Food and Beverage Tax is a 1% tax on the purchase price of food, alcoholic liquor, and non-alcoholic beverages for immediate consumption.

When will this tax take effect?

August 1, 2022. (Taxes from August sales are due by September 30th)

Where are these items sold?

Any establishment licensed under “Title 3 Chapter 3 Liquor Control” of the Village of Hawthorn Woods Municipal Code with respect to the sale of liquor. Additionally:

- Restaurant (dine-in or carryout) or eating place, drive-in restaurant, fast food outlet
- Cafeteria, cafe, lunch counter, delicatessen, sandwich shop, coffee shop, buffet
- Soft drink parlor, ice cream parlor, tearoom
- Inn, hotel or motel
- Grocery 'eat-in' and prepared take-out
- Banquet facilities, catering facilities & services
- Bakeries and confectioners
- Movie theatres, bowling alleys, billiards hall, golf course, tennis club, fitness clubs
- Convenience store/gas station 'take-out'
- Ice Cream and Food or beverage trucks, Festival vendors

On what sales must I collect and pay the Food and Beverage Tax?

You must collect and pay the Food and Beverage Tax if you make retail sales of prepared food and non-alcoholic drinks that have been prepared for immediate consumption, whether on or off the premises. The tax will also be collected on alcoholic beverages that have been prepared for immediate consumption at restaurants but not packaged liquor for consumption off premises. Examples of taxable sales include but are not limited to:

- All products served in restaurants, carry out orders, delivery orders.
- All restaurant style products sold by a grocery store or other places of eating, such as prepared chicken, ice cream cones or hot soup.
- All restaurant style products at convenience stores, such as food items selected under a heat lamp.
- A can or bottle of beer, a mixed drink, or a dispensed soft drink served to a diner in a restaurant or to a patron in a bar/tavern.
- Brewed coffee, fountain drinks or other beverages prepared for immediate consumption on or off premises in a grocery store or convenience store.

Are there any “Prepared Food and Beverage Facilities” exempt from the tax?

This tax is not imposed on the following:



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- Vending machines
- Daycare centers and nursing homes providing food and beverages in a contractual agreement.
- Other facilities of not-for-profit associations or corporations.
- Complimentary food and beverage with a service.

What transactions are exempt from the Food and Beverage Tax?

Products that are prepared off-site in packages ready for retail sale and not for immediate consumption. Examples of products that are exempt from the Food and Beverage Tax include, but are not limited to:

- Pre-packed pizzas or other frozen food products sold in a grocery store or convenience store.
- A can of soda, six-pack of beer, and wine from a cooler or convenience store.
- General grocery items such as bread, milk, and eggs that are in their original packaging and not prepared for immediate consumption.
- Items **sold** by a non-profit group (Provided a copy of the group's sales tax exemption letter issued by the Illinois Department of Revenue is filed with the Village of Hawthorn Woods Chief Financial Officer). May include: Government entities, hospitals and medical treatment facilities.

Do I have to register my business as a prepared food facility subject to the tax?

Yes. Every owner and operator of any prepared food facility must register as a retailer before opening for business. This is a one-time registration that will remain effective unless there are changes of business ownership, management or location.

Who is liable for payment?

The ultimate incidence and liability for payment of the tax is borne by the purchaser of prepared food at a prepared food facility. However, the owner and operator of each prepared food facility has the duty to collect, secure and account for the tax at the time of purchase. Any prepared food facility found to be violating or refusing to comply with the tax is subject to penalties and will not be released from the payment of the tax.

Is gratuity to be included in the cost of the meal?

No. The tax is paid on purchase price. Purchase price does not include amounts paid as gratuities for the employees.

How will this tax be applied to a food or beverage purchase?

Example: \$150 dinner & drinks, customer presents a 33% off coupon

Gross	\$150.00
Less: Discounts	<u>- 50.00</u>
Equals: Purchase Price	\$100.00
Add: Sales Tax (8.50%)	+ 8.50
Add: Food & Beverage Tax (1%)	<u>+ 1.00</u>
Equals: Total Sale	\$109.50
Add: Gratuity (<i>for illustrative purposes</i>)	<u>+ 20.00</u>
Equals: Total Customer Payment	\$129.50



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How do I show this tax on my retail receipts?

You may either separately state this tax, or state this tax in combination with other taxes on the receipts you give your customers.

What form must I use to report the Food and Beverage Tax?

The Village tax packet includes a copy of the tax return form. A fillable Food and Beverage Tax Return form is also available on Village of Hawthorn Woods's website.

Where do I file my return?

You should mail or deliver your sworn Food and Beverage Tax Return and payment to:
Village of Hawthorn Woods
Attn: Finance Department
2 Lagoon Drive
Hawthorn Woods, Illinois 60047

When is my monthly Food and Beverage Tax Return and tax payment due?

The returns and tax payments shall be due and owing as of the last day of the succeeding month following the month covered by said return (i.e., taxes from October sales are due by November 30th). The sworn food and beverage tax returns must also be accompanied with a copy of the Form ST-1 filed with the Illinois Department of Revenue covering the same reporting period.

How will payment be submitted?

Food & Beverage Tax payments will be submitted to the Village by check, money order, or cash on a monthly basis along with the Food and Beverage Tax form, plus additional ST1 documents (State tax filing form).

How do I file if I have more than one site?

If you make retail sales from more than one site you must file a separate Food and Beverage Tax Return for each site.

Must I file the Food and Beverage Tax Return even if I have no sales to report?

Yes. You must file a signed return form for each monthly reporting period regardless of whether or not there are receipts to report. You may file a "zero" return.

What if I do not file and pay by the due date?

If a tax return is not filed by the due date, a late filing penalty of five percent (5.0%) of the amount of tax shall be imposed.

Do caterers have to pay the Food and Beverage Tax?

Yes. Catering for all events held within the Village limits is subject to the Food and Beverage Tax, regardless of where the caterer's place of business is located. Events catered by Village of Hawthorn Woods caterers OUTSIDE the Village limits are not subject to the tax. Events inside the Village limits are subject to the tax, even if the caterer's location is outside of Village of



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Hawthorn Woods. The tax does not apply to goods associated with the event, such as linens, china, etc. if those items are distinctly priced separately in the event contract.

When a caterer has a dinner at a not-for-profit facility, is the Food and Beverage Tax charged on the meal?

Yes. Catering for all events held in the Village is subject to the Food and Beverage Tax, regardless of where the caterer's place of business is located. However, if the event is sponsored by and is an event of the not-for-profit agency, and the not-for-profit agency is sales tax exempt, then the "Food and Beverage" tax does not apply.

What other communities impose a Food and Beverage Tax?

Numerous communities throughout the State of Illinois impose a Food and Beverage Tax, typically at a rate between 1-2%. Communities proximate to the Village of Hawthorn Woods with a Food and Beverage Tax include: Vernon Hills (1.0%), Libertyville (1.0%) and Lincolnshire (1.0%).

If I have questions, who should I contact?

Please call Katreina York, Chief Financial Officer, at 847-847-3590 or kyork@vhw.org

Please note the information above may change without notice.