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DEFINING FOOD AND BEVERAGES
PREPARED FOR IMMEDIATE CONSUMPTION

Boone County's Community Building Complex Committee Sales Tax Ordinance (Chapter 70, Article III of the Boone County Code, pursuant to 70 ILCS 200/25-30) levies a 1% tax on the gross receipts of retail sales of food and beverages which have been **prepared for immediate consumption**.

There is no case law or administrative regulations to further define "food and beverages prepared for immediate consumption" under this specific ordinance, so we refer to the Retailer's Occupation Act, 35 ILCS 120/1, and case law and administrative regulations for that Act. Accordingly, the following criteria will be considered:

- 1) All food and beverages sold at establishments that provide facilities for on-premises consumption, including but not limited to restaurants, taverns, coffee shops, cafeterias, concession stands, and snack shops, is presumed to be prepared for immediate consumption and subject to tax.
- 2) Whether or not facilities for on-premises consumption exist, food that is prepared for immediate consumption by the retailer is subject to tax. "Prepared" is defined as to make the food ready to be eaten without substantial delay.
- 3) All hot food is considered to be prepared for immediate consumption and subject to tax.

Further, the Boone County Code provides that the following sales are exempt and not subject to this tax:

- 1) Sales which are exempt from taxation by operation of any state legislation, state constitutional provision, federal legislation, or federal constitutional provision.
- 2) Sales which are exempted by state legislation from state sales taxes in this state.
- 3) Any sale for resale.
- 4) An isolated sale not a part of a temporary or permanent business.
- 5) Sales that are a part of a not-for-profit or charitable organization fundraiser, as defined by the Internal Revenue Code and/or state statutes.

For further information, contact the Boone County Treasurer's Office at the phone number above.