



Illinois Department of Revenue

For Immediate Release
November 25, 2019

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New Law Requires Parking Area Operators to Collect and Remit Tax from Customers Beginning January 1st

SPRINGFIELD - Effective January 1, 2020, parking area operators will be required to register with the state of Illinois and begin collecting and remitting tax on the rental of parking spaces. The Illinois Department of Revenue (IDOR) wants to ensure that parking area operators are aware of their responsibility to ensure compliance with the new registration and tax requirement. Qualified operators will be required to collect and remit the tax monthly to IDOR.

“Those who operate parking lots or garages will need to make sure they are properly registered with the state by January 1st,” said acting Director David Harris. “Revenue from this new program will go to rebuilding our state’s infrastructure and building a stronger economy. It is this department’s duty to help achieve compliance, so all taxpayers are treated fairly and consistently.”

Parking area operators can include those who rent spaces for parking or storing vehicles or provide valet services for a fee. There are exemptions for parking areas owned and operated by government entities or by hospitals for employees, residential off-street parking that is part of a lease agreement, or those renting fewer than four spots.

Revenue from the new requirements will go to vertical projects, like universities, early childhood centers and state facilities as part of the state’s Rebuild Illinois Capital plan. The bipartisan plan will invest \$45 billion in critical infrastructure projects all over the state and is projected to create 540,000 jobs over the life of the plan.

Parking operators can register today with IDOR by visiting mytax.illinois.gov. To learn more about the requirements for both registration with the Department and for remitting the tax, please read IDOR's parking area operators Informational Bulletin FY2020-07 and Frequently Asked Questions (FAQs) located on IDOR's website tax.illinois.gov.

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