

Sales/Use/Indirect:

Illinois Letter Ruling Addresses Definition of Marketplace Facilitator in Context of Internet Auction Listing Service

General Information Letter ST 25-0005-GIL, Ill. Dept. of Rev. (2/3/25). A recently posted Illinois Department of Revenue (Department) general information letter addresses the definition of a “marketplace facilitator” in the context of an internet auction listing service and concluded that “based on the limited information provided,” it could not determine the exact nature of arrangements between an internet auction listing service provider and marketplace sellers and needed to review their actual contractual arrangements before determining whether the provider operated as a marketplace facilitator. The Department did generally explain that an internet auction listing service meeting the state law requirements of a marketplace facilitator, including one of the tax remittance thresholds, would be considered a marketplace facilitator – noting that “it has encountered various marketing and payment arrangements used by ecommerce marketplace facilitators” and the participation of a marketplace facilitator in the collection and payment process under 86 Ill. Adm. Code 131.130(a)(1)(B) is not limited to instances where the purchaser directly pays the marketplace facilitator, and the marketplace facilitator directly remits the payment to the marketplace seller. Please contact us with any questions.

URL:

<https://tax.illinois.gov/content/dam/soi/en/web/tax/research/legalinformation/lett rulings/st/documents/2025/st25-0005-gil.pdf>

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