

Effective September 1, 2009, "soft drinks" mean non-alcoholic beverages that contain natural or artificial sweeteners; but "soft drinks" do not include beverages that contain milk or milk products, soy, rice or similar milk substitutes, or greater than 50% of vegetable or fruit juice by volume. See 35 ILCS 120/2-10. (This is a GIL.)

May 14, 2010

Dear Xxxxx:

This letter is in response to your letter dated March 18, 2010, in which you request information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at [www.tax.illinois.gov](http://www.tax.illinois.gov) to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

COMPANY request [sic] a written opinion on the taxability of various beverages that contain a Supplement Facts panel on their packaging. I have attached product information for each beverage.

DRINK – helps to regulate the digestive system with probiotics.

ABC – Muscle recovery drink supplement.

WATER – metabolism boosting water.

DRINK2 – Energy supplement drink.

XYZ – Protein shake powder.

**DEPARTMENT'S RESPONSE:**

Although we cannot give you a specific answer in the form of a General Information Letter, we hope you find the following helpful.

Beginning September 1, 2009, "soft drinks" mean non-alcoholic beverages that contain natural or artificial sweeteners; but "soft drinks" do not include beverages that contain milk or milk products, soy, rice or similar milk substitutes, or greater than 50% of vegetable or fruit juice by volume. (See Public Acts 96-34, 96-37, and 96-38 and 35 ILCS 120/2-10.) The Department's regulation concerning soft drinks is in the process of being revised to reflect this change. Currently, the proposed rule can be found in Issue 18 of the Illinois Register, dated April 30, 2010, which can be accessed from the website of the Joint Committee on Administrative Rules. Once the proposed rule is adopted, you can access it on the Department's website at 86 Ill. Adm. Code 130.310. Note, the proposed rule provides that beverage powders or fruit flavored soft drink mix concentrates are not considered soft drinks. In addition, examples of various sweeteners are listed in the proposed rule, one of which is "sucralose" which I noticed is contained in one the products about which you inquired.

I hope this information is helpful. If you require additional information, please visit our website at [www.tax.illinois.gov](http://www.tax.illinois.gov) or contact the Department's Taxpayer Information Division at (217) 782-3336.

Very truly yours,

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