START A BUSINESS - ILLINOIS

How to start a roadside assistance company in Illinois

Form the business and register for sales tax; we found no state roadside license, and labor is not taxed.

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1 Is roadside assistance right for you?

Roadside companies help stranded drivers with jump starts, tire changes, fuel delivery, lockouts and winch-outs. It suits people who like driving and stay calm next to traffic.

2 Form the business and register for sales tax

1. Choose a structure. LLCs and corporations file with the Illinois Secretary of State.
2. Register with the Department of Revenue (MyTax Illinois) for retailers' and service occupation taxes on parts and goods.
3. Check your city or county for business licenses and zoning.

3 Licenses

We found no Illinois State license for roadside assistance. Check your city or county for business licenses and zoning.

4 Sales tax on repairs

In Illinois, the tax on a repair applies only to the replacement parts, not to the labor. When you list parts separately, the tax is based on the parts' selling price (not less than your cost). Shop supply charges for items left on the car are taxable.

5 Your first steps

1. Form the business and register for sales tax.
2. Get local business licenses and check zoning.
3. Buy insurance and equipment.
4. List your business on Nearby Car Care

Requirements at a glance

Tax on parts; labor not taxed

Required - State - Illinois Department of Revenue

In Illinois, the tax on a vehicle repair applies only to the replacement parts, not to the labor. When you list parts separately, the tax base is the parts' selling price (not less than your cost). Shop supply charges for items left on the car are taxable.

We found no Illinois State license for roadside assistance.

Official agencies and links

Sales Tax Audit Manual, Chapter 12 (07/2023)

Illinois Department of Revenue

https://tax.illinois.gov/content/dam/soi/en/web/tax/research/publications/auditmanual/documents/sales-tax/idor-st-am-ch12.pdf

Frequently asked questions

Do I need a license for roadside assistance in Illinois?
We found no state license.

This guide is general information, not legal advice. Rules change and can depend on your city or county, so confirm with the official agencies linked below before you apply.