

HB1210



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB1210

by Rep. Michael J. Madigan

SYNOPSIS AS INTRODUCED:

55 ILCS 5/5-1006

from Ch. 34, par. 5-1006

Amends the Home Rule County Retailers' Occupation Tax Law in the Counties Code. Makes a technical change in a Section concerning the Home Rule County Retailers' Occupation Tax Law.

LRB100 02373 AWJ 12378 b

A BILL FOR

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Counties Code is amended by changing Section
5 5-1006 as follows:

6 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

7 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
8 Law. Any county that ~~that~~ is a home rule unit may impose a tax
9 upon all persons engaged in the business of selling tangible
10 personal property, other than an item of tangible personal
11 property titled or registered with an agency of this State's
12 government, at retail in the county on the gross receipts from
13 such sales made in the course of their business. If imposed,
14 this tax shall only be imposed in 1/4% increments. On and after
15 September 1, 1991, this additional tax may not be imposed on
16 the sales of food for human consumption which is to be consumed
17 off the premises where it is sold (other than alcoholic
18 beverages, soft drinks and food which has been prepared for
19 immediate consumption) and prescription and nonprescription
20 medicines, drugs, medical appliances and insulin, urine
21 testing materials, syringes and needles used by diabetics. The
22 tax imposed by a home rule county pursuant to this Section and
23 all civil penalties that may be assessed as an incident thereof

1 shall be collected and enforced by the State Department of
2 Revenue. The certificate of registration that is issued by the
3 Department to a retailer under the Retailers' Occupation Tax
4 Act shall permit the retailer to engage in a business that is
5 taxable under any ordinance or resolution enacted pursuant to
6 this Section without registering separately with the
7 Department under such ordinance or resolution or under this
8 Section. The Department shall have full power to administer and
9 enforce this Section; to collect all taxes and penalties due
10 hereunder; to dispose of taxes and penalties so collected in
11 the manner hereinafter provided; and to determine all rights to
12 credit memoranda arising on account of the erroneous payment of
13 tax or penalty hereunder. In the administration of, and
14 compliance with, this Section, the Department and persons who
15 are subject to this Section shall have the same rights,
16 remedies, privileges, immunities, powers and duties, and be
17 subject to the same conditions, restrictions, limitations,
18 penalties and definitions of terms, and employ the same modes
19 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
20 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
21 provisions therein other than the State rate of tax), 4, 5, 5a,
22 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
23 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
24 and Section 3-7 of the Uniform Penalty and Interest Act, as
25 fully as if those provisions were set forth herein.

26 No tax may be imposed by a home rule county pursuant to

1 this Section unless the county also imposes a tax at the same
2 rate pursuant to Section 5-1007.

3 Persons subject to any tax imposed pursuant to the
4 authority granted in this Section may reimburse themselves for
5 their seller's tax liability hereunder by separately stating
6 such tax as an additional charge, which charge may be stated in
7 combination, in a single amount, with State tax which sellers
8 are required to collect under the Use Tax Act, pursuant to such
9 bracket schedules as the Department may prescribe.

10 Whenever the Department determines that a refund should be
11 made under this Section to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the order to be drawn for the
14 amount specified and to the person named in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of the home rule county retailers' occupation tax
17 fund.

18 The Department shall forthwith pay over to the State
19 Treasurer, ex officio, as trustee, all taxes and penalties
20 collected hereunder.

21 As soon as possible after the first day of each month,
22 beginning January 1, 2011, upon certification of the Department
23 of Revenue, the Comptroller shall order transferred, and the
24 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
25 local sales tax increment, as defined in the Innovation
26 Development and Economy Act, collected under this Section

1 during the second preceding calendar month for sales within a
2 STAR bond district.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on or before the 25th day of each calendar month, the
5 Department shall prepare and certify to the Comptroller the
6 disbursement of stated sums of money to named counties, the
7 counties to be those from which retailers have paid taxes or
8 penalties hereunder to the Department during the second
9 preceding calendar month. The amount to be paid to each county
10 shall be the amount (not including credit memoranda) collected
11 hereunder during the second preceding calendar month by the
12 Department plus an amount the Department determines is
13 necessary to offset any amounts that were erroneously paid to a
14 different taxing body, and not including an amount equal to the
15 amount of refunds made during the second preceding calendar
16 month by the Department on behalf of such county, and not
17 including any amount which the Department determines is
18 necessary to offset any amounts which were payable to a
19 different taxing body but were erroneously paid to the county,
20 and not including any amounts that are transferred to the STAR
21 Bonds Revenue Fund. Within 10 days after receipt, by the
22 Comptroller, of the disbursement certification to the counties
23 provided for in this Section to be given to the Comptroller by
24 the Department, the Comptroller shall cause the orders to be
25 drawn for the respective amounts in accordance with the
26 directions contained in the certification.

1 In addition to the disbursement required by the preceding
2 paragraph, an allocation shall be made in March of each year to
3 each county that received more than \$500,000 in disbursements
4 under the preceding paragraph in the preceding calendar year.
5 The allocation shall be in an amount equal to the average
6 monthly distribution made to each such county under the
7 preceding paragraph during the preceding calendar year
8 (excluding the 2 months of highest receipts). The distribution
9 made in March of each year subsequent to the year in which an
10 allocation was made pursuant to this paragraph and the
11 preceding paragraph shall be reduced by the amount allocated
12 and disbursed under this paragraph in the preceding calendar
13 year. The Department shall prepare and certify to the
14 Comptroller for disbursement the allocations made in
15 accordance with this paragraph.

16 For the purpose of determining the local governmental unit
17 whose tax is applicable, a retail sale by a producer of coal or
18 other mineral mined in Illinois is a sale at retail at the
19 place where the coal or other mineral mined in Illinois is
20 extracted from the earth. This paragraph does not apply to coal
21 or other mineral when it is delivered or shipped by the seller
22 to the purchaser at a point outside Illinois so that the sale
23 is exempt under the United States Constitution as a sale in
24 interstate or foreign commerce.

25 Nothing in this Section shall be construed to authorize a
26 county to impose a tax upon the privilege of engaging in any

1 business which under the Constitution of the United States may
2 not be made the subject of taxation by this State.

3 An ordinance or resolution imposing or discontinuing a tax
4 hereunder or effecting a change in the rate thereof shall be
5 adopted and a certified copy thereof filed with the Department
6 on or before the first day of June, whereupon the Department
7 shall proceed to administer and enforce this Section as of the
8 first day of September next following such adoption and filing.
9 Beginning January 1, 1992, an ordinance or resolution imposing
10 or discontinuing the tax hereunder or effecting a change in the
11 rate thereof shall be adopted and a certified copy thereof
12 filed with the Department on or before the first day of July,
13 whereupon the Department shall proceed to administer and
14 enforce this Section as of the first day of October next
15 following such adoption and filing. Beginning January 1, 1993,
16 an ordinance or resolution imposing or discontinuing the tax
17 hereunder or effecting a change in the rate thereof shall be
18 adopted and a certified copy thereof filed with the Department
19 on or before the first day of October, whereupon the Department
20 shall proceed to administer and enforce this Section as of the
21 first day of January next following such adoption and filing.
22 Beginning April 1, 1998, an ordinance or resolution imposing or
23 discontinuing the tax hereunder or effecting a change in the
24 rate thereof shall either (i) be adopted and a certified copy
25 thereof filed with the Department on or before the first day of
26 April, whereupon the Department shall proceed to administer and

1 enforce this Section as of the first day of July next following
2 the adoption and filing; or (ii) be adopted and a certified
3 copy thereof filed with the Department on or before the first
4 day of October, whereupon the Department shall proceed to
5 administer and enforce this Section as of the first day of
6 January next following the adoption and filing.

7 When certifying the amount of a monthly disbursement to a
8 county under this Section, the Department shall increase or
9 decrease such amount by an amount necessary to offset any
10 misallocation of previous disbursements. The offset amount
11 shall be the amount erroneously disbursed within the previous 6
12 months from the time a misallocation is discovered.

13 This Section shall be known and may be cited as the Home
14 Rule County Retailers' Occupation Tax Law.

15 (Source: P.A. 99-217, eff. 7-31-15.)