

1 AN ACT concerning revenue.

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

4 Section 5. The Hotel Operators' Occupation Tax Act is
5 amended by changing Sections 2, 3, and 9 as follows:

6 (35 ILCS 145/2) (from Ch. 120, par. 481b.32)

7 Sec. 2. Definitions. As used in this Act, unless the
8 context otherwise requires:

9 (1) "Hotel" means any building or buildings in which
10 the public may, for a consideration, obtain living
11 quarters, sleeping or housekeeping accommodations. The
12 term includes, but is not limited to, inns, motels, tourist
13 homes or courts, lodging houses, rooming houses and
14 apartment houses, retreat centers, conference centers, and
15 hunting lodges.

16 (2) "Operator" means any person operating a hotel.

17 (3) "Occupancy" means the use or possession, or the
18 right to the use or possession, of any room or rooms in a
19 hotel for any purpose, or the right to the use or
20 possession of the furnishings or to the services and
21 accommodations accompanying the use and possession of the
22 room or rooms.

23 (4) "Room" or "rooms" means any living quarters,

1 sleeping or housekeeping accommodations.

2 (5) "Permanent resident" means any person who occupied
3 or has the right to occupy any room or rooms, regardless of
4 whether or not it is the same room or rooms, in a hotel for
5 at least 30 consecutive days.

6 (6) "Rent" or "rental" means the consideration
7 received for occupancy, valued in money, whether received
8 in money or otherwise, including all receipts, cash,
9 credits and property or services of any kind or nature.

10 (7) "Department" means the Department of Revenue.

11 (8) "Person" means any natural individual, firm,
12 partnership, association, joint stock company, joint
13 adventure, public or private corporation, limited
14 liability company, or a receiver, executor, trustee,
15 guardian or other representative appointed by order of any
16 court.

17 (Source: P.A. 87-951; 88-480.)

18 (35 ILCS 145/3) (from Ch. 120, par. 481b.33)

19 Sec. 3. Rate; Exemptions ~~Exemption~~.

20 (a) A tax is imposed upon persons engaged in the business
21 of renting, leasing or letting rooms in a hotel at the rate of
22 5% of 94% of the gross rental receipts from such renting,
23 leasing or letting, excluding, however, from gross rental
24 receipts, the proceeds of such renting, leasing or letting to
25 permanent residents of that hotel and proceeds from the tax

1 imposed under subsection (c) of Section 13 of the Metropolitan
2 Pier and Exposition Authority Act.

3 (b) ~~There Commencing on the first day of the first month~~
4 ~~after the month this amendatory Act of 1984 becomes law, there~~
5 shall be imposed an additional tax upon persons engaged in the
6 business of renting, leasing or letting rooms in a hotel at the
7 rate of 1% of 94% of the gross rental receipts from such
8 renting, leasing or letting, excluding, however, from gross
9 rental receipts, the proceeds of such renting, leasing or
10 letting to permanent residents of that hotel and proceeds from
11 the tax imposed under subsection (c) of Section 13 of the
12 Metropolitan Pier and Exposition Authority Act.

13 (c) No funds received pursuant to this Act shall be used to
14 advertise for or otherwise promote new competition in the hotel
15 business.

16 (d) However, such tax is not imposed upon the privilege of
17 engaging in any business in Interstate Commerce or otherwise,
18 which business may not, under the Constitution and Statutes of
19 the United States, be made the subject of taxation by this
20 State. In addition, the tax is not imposed upon gross rental
21 receipts for which the hotel operator is prohibited from
22 obtaining reimbursement for the tax from the customer by reason
23 of a federal treaty.

24 (d-5) On and after July 1, 2017, the tax imposed by this
25 Act shall not apply to gross rental receipts received by an
26 entity that is organized and operated exclusively for religious

1 purposes and possesses an active Exemption Identification
2 Number issued by the Department pursuant to the Retailers'
3 Occupation Tax Act when acting as a hotel operator renting,
4 leasing, or letting rooms:

5 (1) in furtherance of the purposes for which it is
6 organized; or

7 (2) to entities that (i) are organized and operated
8 exclusively for religious purposes, (ii) possess an active
9 Exemption Identification Number issued by the Department
10 pursuant to the Retailers' Occupation Tax Act, and (iii)
11 rent the rooms in furtherance of the purposes for which
12 they are organized.

13 No gross rental receipts are exempt under paragraph (2) of
14 this subsection (d-5) unless the hotel operator obtains the
15 active Exemption Identification Number from the exclusively
16 religious entity to whom it is renting and maintains that
17 number in its books and records. Gross rental receipts from all
18 rentals other than those described in items (1) or (2) of this
19 subsection (d-5) are subject to the tax imposed by this Act
20 unless otherwise exempt under this Act.

21 This subsection (d-5) is exempt from the sunset provisions
22 of Section 3-5 of this Act.

23 (e) Persons subject to the tax imposed by this Act may
24 reimburse themselves for their tax liability under this Act by
25 separately stating such tax as an additional charge, which
26 charge may be stated in combination, in a single amount, with

1 any tax imposed pursuant to Sections 8-3-13 and 8-3-14 of the
2 Illinois Municipal Code, and Section 25.05-10 of "An Act to
3 revise the law in relation to counties".

4 (f) If any hotel operator collects an amount (however
5 designated) which purports to reimburse such operator for hotel
6 operators' occupation tax liability measured by receipts which
7 are not subject to hotel operators' occupation tax, or if any
8 hotel operator, in collecting an amount (however designated)
9 which purports to reimburse such operator for hotel operators'
10 occupation tax liability measured by receipts which are subject
11 to tax under this Act, collects more from the customer than the
12 operators' hotel operators' occupation tax liability in the
13 transaction is, the customer shall have a legal right to claim
14 a refund of such amount from such operator. However, if such
15 amount is not refunded to the customer for any reason, the
16 hotel operator is liable to pay such amount to the Department.

17 (Source: P.A. 87-733.)

18 (35 ILCS 145/9) (from Ch. 120, par. 481b.39)

19 Sec. 9. Applicability. Persons engaged in the business of
20 renting, leasing or letting rooms in a hotel only to permanent
21 residents are exempt from the provisions of this Act. In
22 addition, persons engaged in the business of renting, leasing,
23 or letting rooms in a hotel whose only rentals are as described
24 in items (1) and (2) of subsection (d-5) of Section 3 of this
25 Act are exempt from the provisions of this Act.

1 (Source: Laws 1961, p. 1728.)

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.