



Sen. Tim Bivins

Filed: 2/24/2017

10000SB0587sam001

LRB100 05291 HLH 21843 a

1 AMENDMENT TO SENATE BILL 587

2 AMENDMENT NO. _____. Amend Senate Bill 587 by replacing
3 everything after the enacting clause with the following:

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.

1 (3) "Occupancy" means the use or possession, or the
2 right to the use or possession, of any room or rooms in a
3 hotel for any purpose, or the right to the use or
4 possession of the furnishings or to the services and
5 accommodations accompanying the use and possession of the
6 room or rooms.

7 (4) "Room" or "rooms" means any living quarters,
8 sleeping or housekeeping accommodations.

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

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

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

18 (8) "Person" means any natural individual, firm,
19 partnership, association, joint stock company, joint
20 adventure, public or private corporation, limited
21 liability company, or a receiver, executor, trustee,
22 guardian or other representative appointed by order of any
23 court.

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

25 (35 ILCS 145/3) (from Ch. 120, par. 481b.33)

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

2 (a) A tax is imposed upon persons engaged in the business
3 of renting, leasing or letting rooms in a hotel at the rate of
4 5% of 94% of the gross rental receipts from such renting,
5 leasing or letting, excluding, however, from gross rental
6 receipts, the proceeds of such renting, leasing or letting to
7 permanent residents of that hotel and proceeds from the tax
8 imposed under subsection (c) of Section 13 of the Metropolitan
9 Pier and Exposition Authority Act.

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

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

23 (d) However, such tax is not imposed upon the privilege of
24 engaging in any business in Interstate Commerce or otherwise,
25 which business may not, under the Constitution and Statutes of
26 the United States, be made the subject of taxation by this

1 State. In addition, the tax is not imposed upon gross rental
2 receipts for which the hotel operator is prohibited from
3 obtaining reimbursement for the tax from the customer by reason
4 of a federal treaty.

5 (d-5) On and after July 1, 2017, the tax imposed by this
6 Act shall not apply to gross rental receipts received by an
7 entity that is organized and operated exclusively for religious
8 purposes and possesses an active Exemption Identification
9 Number issued by the Department pursuant to the Retailers'
10 Occupation Tax Act when acting as a hotel operator renting,
11 leasing, or letting rooms:

12 (1) in furtherance of the purposes for which it is
13 organized; or

14 (2) to entities that (i) are organized and operated
15 exclusively for religious purposes, (ii) possess an active
16 Exemption Identification Number issued by the Department
17 pursuant to the Retailers' Occupation Tax Act, and (iii)
18 rent the rooms in furtherance of the purposes for which
19 they are organized.

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

1 unless otherwise exempt under this Act.

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

4 (e) Persons subject to the tax imposed by this Act may
5 reimburse themselves for their tax liability under this Act by
6 separately stating such tax as an additional charge, which
7 charge may be stated in combination, in a single amount, with
8 any tax imposed pursuant to Sections 8-3-13 and 8-3-14 of the
9 Illinois Municipal Code, and Section 25.05-10 of "An Act to
10 revise the law in relation to counties".

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

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

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

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

9 Section 99. Effective date. This Act takes effect upon
10 becoming law."