



Sen. Pamela J. Althoff

Filed: 5/26/2017

10000SB0990sam001

LRB100 07613 HLH 26683 a

1 AMENDMENT TO SENATE BILL 990

2 AMENDMENT NO. _____. Amend Senate Bill 990 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by adding
5 Sections 5.878, 5.879, 5.880, 6z-20.1, 6z-20.2, 6z-101, and
6 6z-102 as follows:

7 (30 ILCS 105/5.878 new)

8 Sec. 5.878. The State Aviation Program Fund.

9 (30 ILCS 105/5.879 new)

10 Sec. 5.879. The Local Government Aviation Trust Fund.

11 (30 ILCS 105/5.880 new)

12 Sec. 5.880. The Aviation Fuel Sales Tax Refund Fund.

13 (30 ILCS 105/6z-20.1 new)

1 Sec. 6z-20.1. The State Aviation Program Fund. The State
2 Aviation Program Fund is created in the State Treasury. Moneys
3 in the Fund shall be used by the Department of Transportation
4 for the purposes of administering a State Aviation Program. The
5 moneys shall be used for the purpose of (i) distributing grants
6 to units of local government to be used for airport-related
7 purposes and (ii) by the State for airport-related purposes,
8 including for noise mitigation purposes on or off of airport
9 property. For purposes of this Section, "airport-related
10 purposes" means the capital or operating costs of: (1) an
11 airport; (2) a local airport system; or (3) any other local
12 facility that is owned or operated by the person or entity that
13 owns or operates the airport that is directly and substantially
14 related to the air transportation of passengers or property as
15 provided in 49 U.S.C. §47133. The provisions directing the
16 distributions from the special fund in the State Treasury
17 provided for in this Section shall constitute an irrevocable
18 and continuing appropriation of all amounts as provided herein.

19 (30 ILCS 105/6z-20.2 new)

20 Sec. 6z-20.2. The Local Government Aviation Trust Fund. The
21 Local Government Aviation Trust Fund is created as a trust fund
22 in the State Treasury. Moneys in the Trust Fund shall be used
23 by units of local government for airport-related purposes. For
24 purposes of this Section, "airport-related purposes" means the
25 capital or operating costs of: (1) an airport; (2) a local

1 airport system; or (3) any other local facility that is owned
2 or operated by the person or entity that owns or operates the
3 airport that is directly and substantially related to the air
4 transportation of passengers or property as provided in 49
5 U.S.C. §47133.

6 Moneys in the Trust Fund are not subject to appropriation
7 and shall be used solely as provided in this Section. All
8 deposits into the Trust Fund shall be held in the Trust Fund by
9 the State Treasurer, ex officio, as trustee separate and apart
10 from all public moneys or funds of this State.

11 On or before the 25th day of each calendar month, the
12 Department shall prepare and certify to the Comptroller the
13 disbursement of stated sums of money to named units of local
14 government, the units of local government to be those from
15 which retailers or servicemen have paid tax or penalties to the
16 Department during the second preceding calendar month on sales
17 of aviation fuel. The amount to be paid to each unit of local
18 government shall be the amount (not including credit memoranda)
19 collected during the second preceding calendar month by the
20 Department and paid into the Local Government Aviation Trust
21 Fund, plus an amount the Department determines is necessary to
22 offset any amounts which were erroneously paid to a different
23 taxing body, and not including an amount equal to the amount of
24 refunds made during the second preceding calendar month by the
25 Department, and not including any amount which the Department
26 determines is necessary to offset any amounts which are payable

1 to a different taxing body but were erroneously paid to the
2 unit of local government. Within 10 days after receipt by the
3 Comptroller of the certification for disbursement to the units
4 of local government, provided for in this Section to be given
5 to the Comptroller by the Department, the Comptroller shall
6 cause the orders to be drawn for the respective amounts in
7 accordance with the directions contained in the certification.

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

14 (30 ILCS 105/6z-102 new)

15 Sec. 6z-102. The Aviation Fuel Sales Tax Refund Fund.

16 (a) The Aviation Fuel Sales Tax Refund Fund is hereby
17 created as a special fund in the State Treasury. Moneys in the
18 Aviation Fuel Sales Tax Refund Fund shall be used by the
19 Department of Revenue to pay refunds of Use Tax, Service Use
20 Tax, Service Occupation Tax, and Retailers' Occupation Tax paid
21 on aviation fuel in the manner provided in Section 19 of the
22 Use Tax Act, Section 17 of the Service Use Tax Act, Section 17
23 of the Service Occupation Tax Act, and Section 6 of the
24 Retailers' Occupation Tax Act.

25 (b) Moneys in the Aviation Fuel Sales Tax Refund Fund shall

1 be expended exclusively for the purpose of paying refunds
2 pursuant to this Section.

3 (c) The Director of Revenue shall order payment of refunds
4 under this Section from the Aviation Fuel Sales Tax Refund Fund
5 only to the extent that amounts collected pursuant to Section 3
6 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
7 Act, Section 9 of the Service Occupation Tax Act, and Section 9
8 of the Service Use Tax Act on aviation fuel have been deposited
9 and retained in the Fund.

10 As soon as possible after the end of each fiscal year, the
11 Director of Revenue shall order transferred and the State
12 Treasurer and State Comptroller shall transfer from the
13 Aviation Fuel Sales Tax Refund Fund to the State Aviation
14 Program Fund 20% of any surplus remaining as of the end of such
15 fiscal year and shall transfer from the Aviation Fuel Sales Tax
16 Refund Fund to the General Revenue Fund 80% of any surplus
17 remaining as of the end of such fiscal year.

18 This Section shall constitute an irrevocable and
19 continuing appropriation from the Aviation Fuel Sales Tax
20 Refund Fund for the purpose of paying refunds in accordance
21 with the provisions of this Section.

22 Section 10. The Use Tax Act is amended by changing Sections
23 9 and 19 as follows:

24 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

1 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
2 and trailers that are required to be registered with an agency
3 of this State, each retailer required or authorized to collect
4 the tax imposed by this Act shall pay to the Department the
5 amount of such tax (except as otherwise provided) at the time
6 when he is required to file his return for the period during
7 which such tax was collected, less a discount of 2.1% prior to
8 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
9 per calendar year, whichever is greater, which is allowed to
10 reimburse the retailer for expenses incurred in collecting the
11 tax, keeping records, preparing and filing returns, remitting
12 the tax and supplying data to the Department on request. The
13 discount under this Section is not allowed for taxes paid on
14 aviation fuel that are deposited into the State Aviation
15 Program Fund under this Act. In the case of retailers who
16 report and pay the tax on a transaction by transaction basis,
17 as provided in this Section, such discount shall be taken with
18 each such tax remittance instead of when such retailer files
19 his periodic return. The Department may disallow the discount
20 for retailers whose certificate of registration is revoked at
21 the time the return is filed, but only if the Department's
22 decision to revoke the certificate of registration has become
23 final. A retailer need not remit that part of any tax collected
24 by him to the extent that he is required to remit and does
25 remit the tax imposed by the Retailers' Occupation Tax Act,
26 with respect to the sale of the same property.

1 Where such tangible personal property is sold under a
2 conditional sales contract, or under any other form of sale
3 wherein the payment of the principal sum, or a part thereof, is
4 extended beyond the close of the period for which the return is
5 filed, the retailer, in collecting the tax (except as to motor
6 vehicles, watercraft, aircraft, and trailers that are required
7 to be registered with an agency of this State), may collect for
8 each tax return period, only the tax applicable to that part of
9 the selling price actually received during such tax return
10 period.

11 Except as provided in this Section, on or before the
12 twentieth day of each calendar month, such retailer shall file
13 a return for the preceding calendar month. Such return shall be
14 filed on forms prescribed by the Department and shall furnish
15 such information as the Department may reasonably require.

16 The Department may require returns to be filed on a
17 quarterly basis. If so required, a return for each calendar
18 quarter shall be filed on or before the twentieth day of the
19 calendar month following the end of such calendar quarter. The
20 taxpayer shall also file a return with the Department for each
21 of the first two months of each calendar quarter, on or before
22 the twentieth day of the following calendar month, stating:

23 1. The name of the seller;

24 2. The address of the principal place of business from
25 which he engages in the business of selling tangible
26 personal property at retail in this State;

1 3. The total amount of taxable receipts received by him
2 during the preceding calendar month from sales of tangible
3 personal property by him during such preceding calendar
4 month, including receipts from charge and time sales, but
5 less all deductions allowed by law;

6 4. The amount of credit provided in Section 2d of this
7 Act;

8 5. The amount of tax due;

9 5-5. The signature of the taxpayer; and

10 6. Such other reasonable information as the Department
11 may require.

12 Beginning on January 1, 2018, each retailer required or
13 authorized to collect the tax imposed by this Act on aviation
14 fuel sold at retail in this State during the preceding calendar
15 month shall, instead of reporting and paying tax on aviation
16 fuel as otherwise required by this Section, file and pay tax to
17 the Department on an aviation fuel tax return, on or before the
18 twentieth day of each calendar month. The requirements related
19 to the return shall be as otherwise provided in this Section.
20 Notwithstanding any other provisions of this Act to the
21 contrary, retailers collecting tax on aviation fuel shall file
22 all aviation fuel tax returns and shall make all aviation fuel
23 fee payments by electronic means in the manner and form
24 required by the Department. For purposes of this paragraph,
25 "aviation fuel" means a product that is intended for use or
26 offered for sale as fuel for an aircraft.

1 If a taxpayer fails to sign a return within 30 days after
2 the proper notice and demand for signature by the Department,
3 the return shall be considered valid and any amount shown to be
4 due on the return shall be deemed assessed.

5 Beginning October 1, 1993, a taxpayer who has an average
6 monthly tax liability of \$150,000 or more shall make all
7 payments required by rules of the Department by electronic
8 funds transfer. Beginning October 1, 1994, a taxpayer who has
9 an average monthly tax liability of \$100,000 or more shall make
10 all payments required by rules of the Department by electronic
11 funds transfer. Beginning October 1, 1995, a taxpayer who has
12 an average monthly tax liability of \$50,000 or more shall make
13 all payments required by rules of the Department by electronic
14 funds transfer. Beginning October 1, 2000, a taxpayer who has
15 an annual tax liability of \$200,000 or more shall make all
16 payments required by rules of the Department by electronic
17 funds transfer. The term "annual tax liability" shall be the
18 sum of the taxpayer's liabilities under this Act, and under all
19 other State and local occupation and use tax laws administered
20 by the Department, for the immediately preceding calendar year.
21 The term "average monthly tax liability" means the sum of the
22 taxpayer's liabilities under this Act, and under all other
23 State and local occupation and use tax laws administered by the
24 Department, for the immediately preceding calendar year
25 divided by 12. Beginning on October 1, 2002, a taxpayer who has
26 a tax liability in the amount set forth in subsection (b) of

1 Section 2505-210 of the Department of Revenue Law shall make
2 all payments required by rules of the Department by electronic
3 funds transfer.

4 Before August 1 of each year beginning in 1993, the
5 Department shall notify all taxpayers required to make payments
6 by electronic funds transfer. All taxpayers required to make
7 payments by electronic funds transfer shall make those payments
8 for a minimum of one year beginning on October 1.

9 Any taxpayer not required to make payments by electronic
10 funds transfer may make payments by electronic funds transfer
11 with the permission of the Department.

12 All taxpayers required to make payment by electronic funds
13 transfer and any taxpayers authorized to voluntarily make
14 payments by electronic funds transfer shall make those payments
15 in the manner authorized by the Department.

16 The Department shall adopt such rules as are necessary to
17 effectuate a program of electronic funds transfer and the
18 requirements of this Section.

19 Before October 1, 2000, if the taxpayer's average monthly
20 tax liability to the Department under this Act, the Retailers'
21 Occupation Tax Act, the Service Occupation Tax Act, the Service
22 Use Tax Act was \$10,000 or more during the preceding 4 complete
23 calendar quarters, he shall file a return with the Department
24 each month by the 20th day of the month next following the
25 month during which such tax liability is incurred and shall
26 make payments to the Department on or before the 7th, 15th,

1 22nd and last day of the month during which such liability is
2 incurred. On and after October 1, 2000, if the taxpayer's
3 average monthly tax liability to the Department under this Act,
4 the Retailers' Occupation Tax Act, the Service Occupation Tax
5 Act, and the Service Use Tax Act was \$20,000 or more during the
6 preceding 4 complete calendar quarters, he shall file a return
7 with the Department each month by the 20th day of the month
8 next following the month during which such tax liability is
9 incurred and shall make payment to the Department on or before
10 the 7th, 15th, 22nd and last day of the month during which such
11 liability is incurred. If the month during which such tax
12 liability is incurred began prior to January 1, 1985, each
13 payment shall be in an amount equal to 1/4 of the taxpayer's
14 actual liability for the month or an amount set by the
15 Department not to exceed 1/4 of the average monthly liability
16 of the taxpayer to the Department for the preceding 4 complete
17 calendar quarters (excluding the month of highest liability and
18 the month of lowest liability in such 4 quarter period). If the
19 month during which such tax liability is incurred begins on or
20 after January 1, 1985, and prior to January 1, 1987, each
21 payment shall be in an amount equal to 22.5% of the taxpayer's
22 actual liability for the month or 27.5% of the taxpayer's
23 liability for the same calendar month of the preceding year. If
24 the month during which such tax liability is incurred begins on
25 or after January 1, 1987, and prior to January 1, 1988, each
26 payment shall be in an amount equal to 22.5% of the taxpayer's

1 actual liability for the month or 26.25% of the taxpayer's
2 liability for the same calendar month of the preceding year. If
3 the month during which such tax liability is incurred begins on
4 or after January 1, 1988, and prior to January 1, 1989, or
5 begins on or after January 1, 1996, each payment shall be in an
6 amount equal to 22.5% of the taxpayer's actual liability for
7 the month or 25% of the taxpayer's liability for the same
8 calendar month of the preceding year. If the month during which
9 such tax liability is incurred begins on or after January 1,
10 1989, and prior to January 1, 1996, each payment shall be in an
11 amount equal to 22.5% of the taxpayer's actual liability for
12 the month or 25% of the taxpayer's liability for the same
13 calendar month of the preceding year or 100% of the taxpayer's
14 actual liability for the quarter monthly reporting period. The
15 amount of such quarter monthly payments shall be credited
16 against the final tax liability of the taxpayer's return for
17 that month. Before October 1, 2000, once applicable, the
18 requirement of the making of quarter monthly payments to the
19 Department shall continue until such taxpayer's average
20 monthly liability to the Department during the preceding 4
21 complete calendar quarters (excluding the month of highest
22 liability and the month of lowest liability) is less than
23 \$9,000, or until such taxpayer's average monthly liability to
24 the Department as computed for each calendar quarter of the 4
25 preceding complete calendar quarter period is less than
26 \$10,000. However, if a taxpayer can show the Department that a

1 substantial change in the taxpayer's business has occurred
2 which causes the taxpayer to anticipate that his average
3 monthly tax liability for the reasonably foreseeable future
4 will fall below the \$10,000 threshold stated above, then such
5 taxpayer may petition the Department for change in such
6 taxpayer's reporting status. On and after October 1, 2000, once
7 applicable, the requirement of the making of quarter monthly
8 payments to the Department shall continue until such taxpayer's
9 average monthly liability to the Department during the
10 preceding 4 complete calendar quarters (excluding the month of
11 highest liability and the month of lowest liability) is less
12 than \$19,000 or until such taxpayer's average monthly liability
13 to the Department as computed for each calendar quarter of the
14 4 preceding complete calendar quarter period is less than
15 \$20,000. However, if a taxpayer can show the Department that a
16 substantial change in the taxpayer's business has occurred
17 which causes the taxpayer to anticipate that his average
18 monthly tax liability for the reasonably foreseeable future
19 will fall below the \$20,000 threshold stated above, then such
20 taxpayer may petition the Department for a change in such
21 taxpayer's reporting status. The Department shall change such
22 taxpayer's reporting status unless it finds that such change is
23 seasonal in nature and not likely to be long term. If any such
24 quarter monthly payment is not paid at the time or in the
25 amount required by this Section, then the taxpayer shall be
26 liable for penalties and interest on the difference between the

1 minimum amount due and the amount of such quarter monthly
2 payment actually and timely paid, except insofar as the
3 taxpayer has previously made payments for that month to the
4 Department in excess of the minimum payments previously due as
5 provided in this Section. The Department shall make reasonable
6 rules and regulations to govern the quarter monthly payment
7 amount and quarter monthly payment dates for taxpayers who file
8 on other than a calendar monthly basis.

9 If any such payment provided for in this Section exceeds
10 the taxpayer's liabilities under this Act, the Retailers'
11 Occupation Tax Act, the Service Occupation Tax Act and the
12 Service Use Tax Act, as shown by an original monthly return,
13 the Department shall issue to the taxpayer a credit memorandum
14 no later than 30 days after the date of payment, which
15 memorandum may be submitted by the taxpayer to the Department
16 in payment of tax liability subsequently to be remitted by the
17 taxpayer to the Department or be assigned by the taxpayer to a
18 similar taxpayer under this Act, the Retailers' Occupation Tax
19 Act, the Service Occupation Tax Act or the Service Use Tax Act,
20 in accordance with reasonable rules and regulations to be
21 prescribed by the Department, except that if such excess
22 payment is shown on an original monthly return and is made
23 after December 31, 1986, no credit memorandum shall be issued,
24 unless requested by the taxpayer. If no such request is made,
25 the taxpayer may credit such excess payment against tax
26 liability subsequently to be remitted by the taxpayer to the

1 Department under this Act, the Retailers' Occupation Tax Act,
2 the Service Occupation Tax Act or the Service Use Tax Act, in
3 accordance with reasonable rules and regulations prescribed by
4 the Department. If the Department subsequently determines that
5 all or any part of the credit taken was not actually due to the
6 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
7 be reduced by 2.1% or 1.75% of the difference between the
8 credit taken and that actually due, and the taxpayer shall be
9 liable for penalties and interest on such difference.

10 If the retailer is otherwise required to file a monthly
11 return and if the retailer's average monthly tax liability to
12 the Department does not exceed \$200, the Department may
13 authorize his returns to be filed on a quarter annual basis,
14 with the return for January, February, and March of a given
15 year being due by April 20 of such year; with the return for
16 April, May and June of a given year being due by July 20 of such
17 year; with the return for July, August and September of a given
18 year being due by October 20 of such year, and with the return
19 for October, November and December of a given year being due by
20 January 20 of the following year.

21 If the retailer is otherwise required to file a monthly or
22 quarterly return and if the retailer's average monthly tax
23 liability to the Department does not exceed \$50, the Department
24 may authorize his returns to be filed on an annual basis, with
25 the return for a given year being due by January 20 of the
26 following year.

1 Such quarter annual and annual returns, as to form and
2 substance, shall be subject to the same requirements as monthly
3 returns.

4 Notwithstanding any other provision in this Act concerning
5 the time within which a retailer may file his return, in the
6 case of any retailer who ceases to engage in a kind of business
7 which makes him responsible for filing returns under this Act,
8 such retailer shall file a final return under this Act with the
9 Department not more than one month after discontinuing such
10 business.

11 In addition, with respect to motor vehicles, watercraft,
12 aircraft, and trailers that are required to be registered with
13 an agency of this State, every retailer selling this kind of
14 tangible personal property shall file, with the Department,
15 upon a form to be prescribed and supplied by the Department, a
16 separate return for each such item of tangible personal
17 property which the retailer sells, except that if, in the same
18 transaction, (i) a retailer of aircraft, watercraft, motor
19 vehicles or trailers transfers more than one aircraft,
20 watercraft, motor vehicle or trailer to another aircraft,
21 watercraft, motor vehicle or trailer retailer for the purpose
22 of resale or (ii) a retailer of aircraft, watercraft, motor
23 vehicles, or trailers transfers more than one aircraft,
24 watercraft, motor vehicle, or trailer to a purchaser for use as
25 a qualifying rolling stock as provided in Section 3-55 of this
26 Act, then that seller may report the transfer of all the

1 aircraft, watercraft, motor vehicles or trailers involved in
2 that transaction to the Department on the same uniform
3 invoice-transaction reporting return form. For purposes of
4 this Section, "watercraft" means a Class 2, Class 3, or Class 4
5 watercraft as defined in Section 3-2 of the Boat Registration
6 and Safety Act, a personal watercraft, or any boat equipped
7 with an inboard motor.

8 The transaction reporting return in the case of motor
9 vehicles or trailers that are required to be registered with an
10 agency of this State, shall be the same document as the Uniform
11 Invoice referred to in Section 5-402 of the Illinois Vehicle
12 Code and must show the name and address of the seller; the name
13 and address of the purchaser; the amount of the selling price
14 including the amount allowed by the retailer for traded-in
15 property, if any; the amount allowed by the retailer for the
16 traded-in tangible personal property, if any, to the extent to
17 which Section 2 of this Act allows an exemption for the value
18 of traded-in property; the balance payable after deducting such
19 trade-in allowance from the total selling price; the amount of
20 tax due from the retailer with respect to such transaction; the
21 amount of tax collected from the purchaser by the retailer on
22 such transaction (or satisfactory evidence that such tax is not
23 due in that particular instance, if that is claimed to be the
24 fact); the place and date of the sale; a sufficient
25 identification of the property sold; such other information as
26 is required in Section 5-402 of the Illinois Vehicle Code, and

1 such other information as the Department may reasonably
2 require.

3 The transaction reporting return in the case of watercraft
4 and aircraft must show the name and address of the seller; the
5 name and address of the purchaser; the amount of the selling
6 price including the amount allowed by the retailer for
7 traded-in property, if any; the amount allowed by the retailer
8 for the traded-in tangible personal property, if any, to the
9 extent to which Section 2 of this Act allows an exemption for
10 the value of traded-in property; the balance payable after
11 deducting such trade-in allowance from the total selling price;
12 the amount of tax due from the retailer with respect to such
13 transaction; the amount of tax collected from the purchaser by
14 the retailer on such transaction (or satisfactory evidence that
15 such tax is not due in that particular instance, if that is
16 claimed to be the fact); the place and date of the sale, a
17 sufficient identification of the property sold, and such other
18 information as the Department may reasonably require.

19 Such transaction reporting return shall be filed not later
20 than 20 days after the date of delivery of the item that is
21 being sold, but may be filed by the retailer at any time sooner
22 than that if he chooses to do so. The transaction reporting
23 return and tax remittance or proof of exemption from the tax
24 that is imposed by this Act may be transmitted to the
25 Department by way of the State agency with which, or State
26 officer with whom, the tangible personal property must be

1 titled or registered (if titling or registration is required)
2 if the Department and such agency or State officer determine
3 that this procedure will expedite the processing of
4 applications for title or registration.

5 With each such transaction reporting return, the retailer
6 shall remit the proper amount of tax due (or shall submit
7 satisfactory evidence that the sale is not taxable if that is
8 the case), to the Department or its agents, whereupon the
9 Department shall issue, in the purchaser's name, a tax receipt
10 (or a certificate of exemption if the Department is satisfied
11 that the particular sale is tax exempt) which such purchaser
12 may submit to the agency with which, or State officer with
13 whom, he must title or register the tangible personal property
14 that is involved (if titling or registration is required) in
15 support of such purchaser's application for an Illinois
16 certificate or other evidence of title or registration to such
17 tangible personal property.

18 No retailer's failure or refusal to remit tax under this
19 Act precludes a user, who has paid the proper tax to the
20 retailer, from obtaining his certificate of title or other
21 evidence of title or registration (if titling or registration
22 is required) upon satisfying the Department that such user has
23 paid the proper tax (if tax is due) to the retailer. The
24 Department shall adopt appropriate rules to carry out the
25 mandate of this paragraph.

26 If the user who would otherwise pay tax to the retailer

1 wants the transaction reporting return filed and the payment of
2 tax or proof of exemption made to the Department before the
3 retailer is willing to take these actions and such user has not
4 paid the tax to the retailer, such user may certify to the fact
5 of such delay by the retailer, and may (upon the Department
6 being satisfied of the truth of such certification) transmit
7 the information required by the transaction reporting return
8 and the remittance for tax or proof of exemption directly to
9 the Department and obtain his tax receipt or exemption
10 determination, in which event the transaction reporting return
11 and tax remittance (if a tax payment was required) shall be
12 credited by the Department to the proper retailer's account
13 with the Department, but without the 2.1% or 1.75% discount
14 provided for in this Section being allowed. When the user pays
15 the tax directly to the Department, he shall pay the tax in the
16 same amount and in the same form in which it would be remitted
17 if the tax had been remitted to the Department by the retailer.

18 Where a retailer collects the tax with respect to the
19 selling price of tangible personal property which he sells and
20 the purchaser thereafter returns such tangible personal
21 property and the retailer refunds the selling price thereof to
22 the purchaser, such retailer shall also refund, to the
23 purchaser, the tax so collected from the purchaser. When filing
24 his return for the period in which he refunds such tax to the
25 purchaser, the retailer may deduct the amount of the tax so
26 refunded by him to the purchaser from any other use tax which

1 such retailer may be required to pay or remit to the
2 Department, as shown by such return, if the amount of the tax
3 to be deducted was previously remitted to the Department by
4 such retailer. If the retailer has not previously remitted the
5 amount of such tax to the Department, he is entitled to no
6 deduction under this Act upon refunding such tax to the
7 purchaser.

8 Any retailer filing a return under this Section shall also
9 include (for the purpose of paying tax thereon) the total tax
10 covered by such return upon the selling price of tangible
11 personal property purchased by him at retail from a retailer,
12 but as to which the tax imposed by this Act was not collected
13 from the retailer filing such return, and such retailer shall
14 remit the amount of such tax to the Department when filing such
15 return.

16 If experience indicates such action to be practicable, the
17 Department may prescribe and furnish a combination or joint
18 return which will enable retailers, who are required to file
19 returns hereunder and also under the Retailers' Occupation Tax
20 Act, to furnish all the return information required by both
21 Acts on the one form.

22 Where the retailer has more than one business registered
23 with the Department under separate registration under this Act,
24 such retailer may not file each return that is due as a single
25 return covering all such registered businesses, but shall file
26 separate returns for each such registered business.

1 Beginning January 1, 1990, each month the Department shall
2 pay into the State and Local Sales Tax Reform Fund, a special
3 fund in the State Treasury which is hereby created, the net
4 revenue realized for the preceding month from the 1% tax on
5 sales of food for human consumption which is to be consumed off
6 the premises where it is sold (other than alcoholic beverages,
7 soft drinks and food which has been prepared for immediate
8 consumption) and prescription and nonprescription medicines,
9 drugs, medical appliances, products classified as Class III
10 medical devices by the United States Food and Drug
11 Administration that are used for cancer treatment pursuant to a
12 prescription, as well as any accessories and components related
13 to those devices, and insulin, urine testing materials,
14 syringes and needles used by diabetics.

15 Beginning January 1, 1990, each month the Department shall
16 pay into the County and Mass Transit District Fund 4% of the
17 net revenue realized for the preceding month from the 6.25%
18 general rate on the selling price of tangible personal property
19 which is purchased outside Illinois at retail from a retailer
20 and which is titled or registered by an agency of this State's
21 government.

22 Beginning January 1, 1990, each month the Department shall
23 pay into the State and Local Sales Tax Reform Fund, a special
24 fund in the State Treasury, 20% of the net revenue realized for
25 the preceding month from the 6.25% general rate on the selling
26 price of tangible personal property, other than (i) tangible

1 personal property which is purchased outside Illinois at retail
2 from a retailer and which is titled or registered by an agency
3 of this State's government and (ii) aviation fuel sold on or
4 after December 1, 2017. This exception for aviation fuel only
5 applies for so long as the revenue use requirements of 49
6 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the
7 State..

8 For aviation fuel sold on or after December 1, 2017, each
9 month the Department shall pay into the State Aviation Program
10 Fund 20% of the net revenue realized for the preceding month
11 from the 6.25% general rate on the selling price of aviation
12 fuel, less an amount estimated by the Department to be required
13 for refunds of the 20% portion of the tax on aviation fuel
14 under this Act, which amount shall be deposited into the
15 Aviation Fuel Sales Tax Refund Fund. The Department shall only
16 pay moneys into the State Aviation Program Fund and the
17 Aviation Fuels Sales Tax Refund Fund under this Act for so long
18 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
19 U.S.C. §47133 are binding on the State.

20 Beginning August 1, 2000, each month the Department shall
21 pay into the State and Local Sales Tax Reform Fund 100% of the
22 net revenue realized for the preceding month from the 1.25%
23 rate on the selling price of motor fuel and gasohol. Beginning
24 September 1, 2010, each month the Department shall pay into the
25 State and Local Sales Tax Reform Fund 100% of the net revenue
26 realized for the preceding month from the 1.25% rate on the

1 selling price of sales tax holiday items.

2 Beginning January 1, 1990, each month the Department shall
3 pay into the Local Government Tax Fund 16% of the net revenue
4 realized for the preceding month from the 6.25% general rate on
5 the selling price of tangible personal property which is
6 purchased outside Illinois at retail from a retailer and which
7 is titled or registered by an agency of this State's
8 government.

9 Beginning October 1, 2009, each month the Department shall
10 pay into the Capital Projects Fund an amount that is equal to
11 an amount estimated by the Department to represent 80% of the
12 net revenue realized for the preceding month from the sale of
13 candy, grooming and hygiene products, and soft drinks that had
14 been taxed at a rate of 1% prior to September 1, 2009 but that
15 are now taxed at 6.25%.

16 Beginning July 1, 2011, each month the Department shall pay
17 into the Clean Air Act Permit Fund 80% of the net revenue
18 realized for the preceding month from the 6.25% general rate on
19 the selling price of sorbents used in Illinois in the process
20 of sorbent injection as used to comply with the Environmental
21 Protection Act or the federal Clean Air Act, but the total
22 payment into the Clean Air Act Permit Fund under this Act and
23 the Retailers' Occupation Tax Act shall not exceed \$2,000,000
24 in any fiscal year.

25 Beginning July 1, 2013, each month the Department shall pay
26 into the Underground Storage Tank Fund from the proceeds

1 collected under this Act, the Service Use Tax Act, the Service
2 Occupation Tax Act, and the Retailers' Occupation Tax Act an
3 amount equal to the average monthly deficit in the Underground
4 Storage Tank Fund during the prior year, as certified annually
5 by the Illinois Environmental Protection Agency, but the total
6 payment into the Underground Storage Tank Fund under this Act,
7 the Service Use Tax Act, the Service Occupation Tax Act, and
8 the Retailers' Occupation Tax Act shall not exceed \$18,000,000
9 in any State fiscal year. As used in this paragraph, the
10 "average monthly deficit" shall be equal to the difference
11 between the average monthly claims for payment by the fund and
12 the average monthly revenues deposited into the fund, excluding
13 payments made pursuant to this paragraph.

14 Beginning July 1, 2015, of the remainder of the moneys
15 received by the Department under this Act, the Service Use Tax
16 Act, the Service Occupation Tax Act, and the Retailers'
17 Occupation Tax Act, each month the Department shall deposit
18 \$500,000 into the State Crime Laboratory Fund.

19 Of the remainder of the moneys received by the Department
20 pursuant to this Act, (a) 1.75% thereof shall be paid into the
21 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
22 and after July 1, 1989, 3.8% thereof shall be paid into the
23 Build Illinois Fund; provided, however, that if in any fiscal
24 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
25 may be, of the moneys received by the Department and required
26 to be paid into the Build Illinois Fund pursuant to Section 3

1 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
2 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
3 Service Occupation Tax Act, such Acts being hereinafter called
4 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
5 may be, of moneys being hereinafter called the "Tax Act
6 Amount", and (2) the amount transferred to the Build Illinois
7 Fund from the State and Local Sales Tax Reform Fund shall be
8 less than the Annual Specified Amount (as defined in Section 3
9 of the Retailers' Occupation Tax Act), an amount equal to the
10 difference shall be immediately paid into the Build Illinois
11 Fund from other moneys received by the Department pursuant to
12 the Tax Acts; and further provided, that if on the last
13 business day of any month the sum of (1) the Tax Act Amount
14 required to be deposited into the Build Illinois Bond Account
15 in the Build Illinois Fund during such month and (2) the amount
16 transferred during such month to the Build Illinois Fund from
17 the State and Local Sales Tax Reform Fund shall have been less
18 than 1/12 of the Annual Specified Amount, an amount equal to
19 the difference shall be immediately paid into the Build
20 Illinois Fund from other moneys received by the Department
21 pursuant to the Tax Acts; and, further provided, that in no
22 event shall the payments required under the preceding proviso
23 result in aggregate payments into the Build Illinois Fund
24 pursuant to this clause (b) for any fiscal year in excess of
25 the greater of (i) the Tax Act Amount or (ii) the Annual
26 Specified Amount for such fiscal year; and, further provided,

1 that the amounts payable into the Build Illinois Fund under
2 this clause (b) shall be payable only until such time as the
3 aggregate amount on deposit under each trust indenture securing
4 Bonds issued and outstanding pursuant to the Build Illinois
5 Bond Act is sufficient, taking into account any future
6 investment income, to fully provide, in accordance with such
7 indenture, for the defeasance of or the payment of the
8 principal of, premium, if any, and interest on the Bonds
9 secured by such indenture and on any Bonds expected to be
10 issued thereafter and all fees and costs payable with respect
11 thereto, all as certified by the Director of the Bureau of the
12 Budget (now Governor's Office of Management and Budget). If on
13 the last business day of any month in which Bonds are
14 outstanding pursuant to the Build Illinois Bond Act, the
15 aggregate of the moneys deposited in the Build Illinois Bond
16 Account in the Build Illinois Fund in such month shall be less
17 than the amount required to be transferred in such month from
18 the Build Illinois Bond Account to the Build Illinois Bond
19 Retirement and Interest Fund pursuant to Section 13 of the
20 Build Illinois Bond Act, an amount equal to such deficiency
21 shall be immediately paid from other moneys received by the
22 Department pursuant to the Tax Acts to the Build Illinois Fund;
23 provided, however, that any amounts paid to the Build Illinois
24 Fund in any fiscal year pursuant to this sentence shall be
25 deemed to constitute payments pursuant to clause (b) of the
26 preceding sentence and shall reduce the amount otherwise

1 payable for such fiscal year pursuant to clause (b) of the
2 preceding sentence. The moneys received by the Department
3 pursuant to this Act and required to be deposited into the
4 Build Illinois Fund are subject to the pledge, claim and charge
5 set forth in Section 12 of the Build Illinois Bond Act.

6 Subject to payment of amounts into the Build Illinois Fund
7 as provided in the preceding paragraph or in any amendment
8 thereto hereafter enacted, the following specified monthly
9 installment of the amount requested in the certificate of the
10 Chairman of the Metropolitan Pier and Exposition Authority
11 provided under Section 8.25f of the State Finance Act, but not
12 in excess of the sums designated as "Total Deposit", shall be
13 deposited in the aggregate from collections under Section 9 of
14 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
15 9 of the Service Occupation Tax Act, and Section 3 of the
16 Retailers' Occupation Tax Act into the McCormick Place
17 Expansion Project Fund in the specified fiscal years.

18	Fiscal Year	Total Deposit
19	1993	\$0
20	1994	53,000,000
21	1995	58,000,000
22	1996	61,000,000
23	1997	64,000,000
24	1998	68,000,000
25	1999	71,000,000
26	2000	75,000,000

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	246,000,000
22	2022	260,000,000
23	2023	275,000,000
24	2024	275,000,000
25	2025	275,000,000
26	2026	279,000,000

1	2027	292,000,000
2	2028	307,000,000
3	2029	322,000,000
4	2030	338,000,000
5	2031	350,000,000
6	2032	350,000,000

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

15 Beginning July 20, 1993 and in each month of each fiscal
16 year thereafter, one-eighth of the amount requested in the
17 certificate of the Chairman of the Metropolitan Pier and
18 Exposition Authority for that fiscal year, less the amount
19 deposited into the McCormick Place Expansion Project Fund by
20 the State Treasurer in the respective month under subsection
21 (g) of Section 13 of the Metropolitan Pier and Exposition
22 Authority Act, plus cumulative deficiencies in the deposits
23 required under this Section for previous months and years,
24 shall be deposited into the McCormick Place Expansion Project
25 Fund, until the full amount requested for the fiscal year, but
26 not in excess of the amount specified above as "Total Deposit",

1 has been deposited.

2 Subject to payment of amounts into the Capital Projects
3 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois
4 Fund, and the McCormick Place Expansion Project Fund pursuant
5 to the preceding paragraphs or in any amendments thereto
6 hereafter enacted, the Department shall each month deposit into
7 the Aviation Fuel Sales Tax Refund Fund an amount estimated by
8 the Department to be required for refunds of the 80% portion of
9 the tax on aviation fuel under this Act.

10 Subject to payment of amounts into the Build Illinois Fund
11 and the McCormick Place Expansion Project Fund pursuant to the
12 preceding paragraphs or in any amendments thereto hereafter
13 enacted, beginning July 1, 1993 and ending on September 30,
14 2013, the Department shall each month pay into the Illinois Tax
15 Increment Fund 0.27% of 80% of the net revenue realized for the
16 preceding month from the 6.25% general rate on the selling
17 price of tangible personal property.

18 Subject to payment of amounts into the Build Illinois Fund
19 and the McCormick Place Expansion Project Fund pursuant to the
20 preceding paragraphs or in any amendments thereto hereafter
21 enacted, beginning with the receipt of the first report of
22 taxes paid by an eligible business and continuing for a 25-year
23 period, the Department shall each month pay into the Energy
24 Infrastructure Fund 80% of the net revenue realized from the
25 6.25% general rate on the selling price of Illinois-mined coal
26 that was sold to an eligible business. For purposes of this

1 paragraph, the term "eligible business" means a new electric
2 generating facility certified pursuant to Section 605-332 of
3 the Department of Commerce and Economic Opportunity Law of the
4 Civil Administrative Code of Illinois.

5 Subject to payment of amounts into the Build Illinois Fund,
6 the McCormick Place Expansion Project Fund, the Illinois Tax
7 Increment Fund, and the Energy Infrastructure Fund pursuant to
8 the preceding paragraphs or in any amendments to this Section
9 hereafter enacted, beginning on the first day of the first
10 calendar month to occur on or after August 26, 2014 (the
11 effective date of Public Act 98-1098) ~~this amendatory Act of~~
12 ~~the 98th General Assembly~~, each month, from the collections
13 made under Section 9 of the Use Tax Act, Section 9 of the
14 Service Use Tax Act, Section 9 of the Service Occupation Tax
15 Act, and Section 3 of the Retailers' Occupation Tax Act, the
16 Department shall pay into the Tax Compliance and Administration
17 Fund, to be used, subject to appropriation, to fund additional
18 auditors and compliance personnel at the Department of Revenue,
19 an amount equal to 1/12 of 5% of 80% of the cash receipts
20 collected during the preceding fiscal year by the Audit Bureau
21 of the Department under the Use Tax Act, the Service Use Tax
22 Act, the Service Occupation Tax Act, the Retailers' Occupation
23 Tax Act, and associated local occupation and use taxes
24 administered by the Department (except the amount collected on
25 aviation fuel sold on or after December 1, 2017).

26 Of the remainder of the moneys received by the Department

1 pursuant to this Act, 75% thereof shall be paid into the State
2 Treasury and 25% shall be reserved in a special account and
3 used only for the transfer to the Common School Fund as part of
4 the monthly transfer from the General Revenue Fund in
5 accordance with Section 8a of the State Finance Act.

6 As soon as possible after the first day of each month, upon
7 certification of the Department of Revenue, the Comptroller
8 shall order transferred and the Treasurer shall transfer from
9 the General Revenue Fund to the Motor Fuel Tax Fund an amount
10 equal to 1.7% of 80% of the net revenue realized under this Act
11 for the second preceding month. Beginning April 1, 2000, this
12 transfer is no longer required and shall not be made.

13 Net revenue realized for a month shall be the revenue
14 collected by the State pursuant to this Act, less the amount
15 paid out during that month as refunds to taxpayers for
16 overpayment of liability.

17 For greater simplicity of administration, manufacturers,
18 importers and wholesalers whose products are sold at retail in
19 Illinois by numerous retailers, and who wish to do so, may
20 assume the responsibility for accounting and paying to the
21 Department all tax accruing under this Act with respect to such
22 sales, if the retailers who are affected do not make written
23 objection to the Department to this arrangement.

24 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
25 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.
26 8-26-14; 99-352, eff. 8-12-15; 99-858, eff. 8-19-16; 99-933,

1 eff. 1-27-17; revised 2-3-17.)

2 (35 ILCS 105/19) (from Ch. 120, par. 439.19)

3 Sec. 19. If it shall appear that an amount of tax or
4 penalty or interest has been paid in error hereunder to the
5 Department by a purchaser, as distinguished from the retailer,
6 whether such amount be paid through a mistake of fact or an
7 error of law, such purchaser may file a claim for credit or
8 refund with the Department in accordance with Sections 6, 6a,
9 6b, 6c, and 6d of the Retailers' Occupation Tax Act. If it
10 shall appear that an amount of tax or penalty or interest has
11 been paid in error to the Department hereunder by a retailer
12 who is required or authorized to collect and remit the use tax,
13 whether such amount be paid through a mistake of fact or an
14 error of law, such retailer may file a claim for credit or
15 refund with the Department in accordance with Sections 6, 6a,
16 6b, 6c, and 6d of the Retailers' Occupation Tax Act, provided
17 that no credit or refund shall be allowed for any amount paid
18 by any such retailer unless it shall appear that he bore the
19 burden of such amount and did not shift the burden thereof to
20 anyone else (as in the case of a duplicated tax payment which
21 the retailer made to the Department and did not collect from
22 anyone else), or unless it shall appear that he or she or his
23 or her legal representative has unconditionally repaid such
24 amount to his vendee (1) who bore the burden thereof and has
25 not shifted such burden directly or indirectly in any manner

1 whatsoever; (2) who, if he has shifted such burden, has repaid
2 unconditionally such amount to his or her own vendee, and (3)
3 who is not entitled to receive any reimbursement therefor from
4 any other source than from his vendor, nor to be relieved of
5 such burden in any other manner whatsoever. If it shall appear
6 that an amount of tax has been paid in error hereunder by the
7 purchaser to a retailer, who retained such tax as reimbursement
8 for his or her tax liability on the same sale under the
9 Retailers' Occupation Tax Act, and who remitted the amount
10 involved to the Department under the Retailers' Occupation Tax
11 Act, whether such amount be paid through a mistake of fact or
12 an error of law, the procedure for recovering such tax shall be
13 that prescribed in Sections 6, 6a, 6b and 6c of the Retailers'
14 Occupation Tax Act.

15 Any credit or refund that is allowed under this Section
16 shall bear interest at the rate and in the manner specified in
17 the Uniform Penalty and Interest Act.

18 Any claim filed hereunder shall be filed upon a form
19 prescribed and furnished by the Department. The claim shall be
20 signed by the claimant (or by the claimant's legal
21 representative if the claimant shall have died or become a
22 person under legal disability), or by a duly authorized agent
23 of the claimant or his or her legal representative.

24 A claim for credit or refund shall be considered to have
25 been filed with the Department on the date upon which it is
26 received by the Department. Upon receipt of any claim for

1 credit or refund filed under this Act, any officer or employee
2 of the Department, authorized in writing by the Director of
3 Revenue to acknowledge receipt of such claims on behalf of the
4 Department, shall execute on behalf of the Department, and
5 shall deliver or mail to the claimant or his duly authorized
6 agent, a written receipt, acknowledging that the claim has been
7 filed with the Department, describing the claim in sufficient
8 detail to identify it and stating the date upon which the claim
9 was received by the Department. Such written receipt shall be
10 prima facie evidence that the Department received the claim
11 described in such receipt and shall be prima facie evidence of
12 the date when such claim was received by the Department. In the
13 absence of such a written receipt, the records of the
14 Department as to when the claim was received by the Department,
15 or as to whether or not the claim was received at all by the
16 Department, shall be deemed to be prima facie correct upon
17 these questions in the event of any dispute between the
18 claimant (or his or her legal representative) and the
19 Department concerning these questions.

20 In case the Department determines that the claimant is
21 entitled to a refund, such refund shall be made only from the
22 Aviation Fuel Sales Tax Refund Fund or from such appropriation
23 as may be available for that purpose, as appropriate. If it
24 appears unlikely that the amount available ~~appropriated~~ would
25 permit everyone having a claim allowed during the period
26 covered by such appropriation or from the Aviation Fuel Sales

1 Tax Refund Fund, as appropriate, to elect to receive a cash
2 refund, the Department, by rule or regulation, shall provide
3 for the payment of refunds in hardship cases and shall define
4 what types of cases qualify as hardship cases.

5 If a retailer who has failed to pay use tax on gross
6 receipts from retail sales is required by the Department to pay
7 such tax, such retailer, without filing any formal claim with
8 the Department, shall be allowed to take credit against such
9 use tax liability to the extent, if any, to which such retailer
10 has paid an amount equivalent to retailers' occupation tax or
11 has paid use tax in error to his or her vendor or vendors of the
12 same tangible personal property which such retailer bought for
13 resale and did not first use before selling it, and no penalty
14 or interest shall be charged to such retailer on the amount of
15 such credit. However, when such credit is allowed to the
16 retailer by the Department, the vendor is precluded from
17 refunding any of that tax to the retailer and filing a claim
18 for credit or refund with respect thereto with the Department.
19 The provisions of this amendatory Act shall be applied
20 retroactively, regardless of the date of the transaction.

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

22 Section 15. The Service Use Tax Act is amended by changing
23 Sections 9 and 17 as follows:

24 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

1 Sec. 9. Each serviceman required or authorized to collect
2 the tax herein imposed shall pay to the Department the amount
3 of such tax (except as otherwise provided) at the time when he
4 is required to file his return for the period during which such
5 tax was collected, less a discount of 2.1% prior to January 1,
6 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
7 year, whichever is greater, which is allowed to reimburse the
8 serviceman for expenses incurred in collecting the tax, keeping
9 records, preparing and filing returns, remitting the tax and
10 supplying data to the Department on request. The discount under
11 this Section is not allowed for taxes paid on aviation fuel
12 that are deposited into the State Aviation Program Fund under
13 this Act. The Department may disallow the discount for
14 servicemen whose certificate of registration is revoked at the
15 time the return is filed, but only if the Department's decision
16 to revoke the certificate of registration has become final. A
17 serviceman need not remit that part of any tax collected by him
18 to the extent that he is required to pay and does pay the tax
19 imposed by the Service Occupation Tax Act with respect to his
20 sale of service involving the incidental transfer by him of the
21 same property.

22 Except as provided hereinafter in this Section, on or
23 before the twentieth day of each calendar month, such
24 serviceman shall file a return for the preceding calendar month
25 in accordance with reasonable Rules and Regulations to be
26 promulgated by the Department. Such return shall be filed on a

1 form prescribed by the Department and shall contain such
2 information as the Department may reasonably require.

3 The Department may require returns to be filed on a
4 quarterly basis. If so required, a return for each calendar
5 quarter shall be filed on or before the twentieth day of the
6 calendar month following the end of such calendar quarter. The
7 taxpayer shall also file a return with the Department for each
8 of the first two months of each calendar quarter, on or before
9 the twentieth day of the following calendar month, stating:

10 1. The name of the seller;

11 2. The address of the principal place of business from
12 which he engages in business as a serviceman in this State;

13 3. The total amount of taxable receipts received by him
14 during the preceding calendar month, including receipts
15 from charge and time sales, but less all deductions allowed
16 by law;

17 4. The amount of credit provided in Section 2d of this
18 Act;

19 5. The amount of tax due;

20 5-5. The signature of the taxpayer; and

21 6. Such other reasonable information as the Department
22 may require.

23 Beginning on January 1, 2018, each serviceman required or
24 authorized to collect the tax imposed by this Act on aviation
25 fuel transferred as an incident of a sale of service in this
26 State during the preceding calendar month shall, instead of

1 reporting and paying tax on aviation fuel as otherwise required
2 by this Section, report and pay the tax by filing an aviation
3 fuel tax return with the Department on or before the twentieth
4 day of each calendar month. The requirements related to the
5 return shall be as otherwise provided in this Section.
6 Notwithstanding any other provisions of this Act to the
7 contrary, servicemen collecting tax on aviation fuel shall file
8 all aviation fuel tax returns and shall make all aviation fuel
9 tax payments by electronic means in the manner and form
10 required by the Department. For purposes of this paragraph,
11 "aviation fuel" means a product that is intended for use or
12 offered for sale as fuel for an aircraft.

13 If a taxpayer fails to sign a return within 30 days after
14 the proper notice and demand for signature by the Department,
15 the return shall be considered valid and any amount shown to be
16 due on the return shall be deemed assessed.

17 Beginning October 1, 1993, a taxpayer who has an average
18 monthly tax liability of \$150,000 or more shall make all
19 payments required by rules of the Department by electronic
20 funds transfer. Beginning October 1, 1994, a taxpayer who has
21 an average monthly tax liability of \$100,000 or more shall make
22 all payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 1995, a taxpayer who has
24 an average monthly tax liability of \$50,000 or more shall make
25 all payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 2000, a taxpayer who has

1 an annual tax liability of \$200,000 or more shall make all
2 payments required by rules of the Department by electronic
3 funds transfer. The term "annual tax liability" shall be the
4 sum of the taxpayer's liabilities under this Act, and under all
5 other State and local occupation and use tax laws administered
6 by the Department, for the immediately preceding calendar year.
7 The term "average monthly tax liability" means the sum of the
8 taxpayer's liabilities under this Act, and under all other
9 State and local occupation and use tax laws administered by the
10 Department, for the immediately preceding calendar year
11 divided by 12. Beginning on October 1, 2002, a taxpayer who has
12 a tax liability in the amount set forth in subsection (b) of
13 Section 2505-210 of the Department of Revenue Law shall make
14 all payments required by rules of the Department by electronic
15 funds transfer.

16 Before August 1 of each year beginning in 1993, the
17 Department shall notify all taxpayers required to make payments
18 by electronic funds transfer. All taxpayers required to make
19 payments by electronic funds transfer shall make those payments
20 for a minimum of one year beginning on October 1.

21 Any taxpayer not required to make payments by electronic
22 funds transfer may make payments by electronic funds transfer
23 with the permission of the Department.

24 All taxpayers required to make payment by electronic funds
25 transfer and any taxpayers authorized to voluntarily make
26 payments by electronic funds transfer shall make those payments

1 in the manner authorized by the Department.

2 The Department shall adopt such rules as are necessary to
3 effectuate a program of electronic funds transfer and the
4 requirements of this Section.

5 If the serviceman is otherwise required to file a monthly
6 return and if the serviceman's average monthly tax liability to
7 the Department does not exceed \$200, the Department may
8 authorize his returns to be filed on a quarter annual basis,
9 with the return for January, February and March of a given year
10 being due by April 20 of such year; with the return for April,
11 May and June of a given year being due by July 20 of such year;
12 with the return for July, August and September of a given year
13 being due by October 20 of such year, and with the return for
14 October, November and December of a given year being due by
15 January 20 of the following year.

16 If the serviceman is otherwise required to file a monthly
17 or quarterly return and if the serviceman's average monthly tax
18 liability to the Department does not exceed \$50, the Department
19 may authorize his returns to be filed on an annual basis, with
20 the return for a given year being due by January 20 of the
21 following year.

22 Such quarter annual and annual returns, as to form and
23 substance, shall be subject to the same requirements as monthly
24 returns.

25 Notwithstanding any other provision in this Act concerning
26 the time within which a serviceman may file his return, in the

1 case of any serviceman who ceases to engage in a kind of
2 business which makes him responsible for filing returns under
3 this Act, such serviceman shall file a final return under this
4 Act with the Department not more than 1 month after
5 discontinuing such business.

6 Where a serviceman collects the tax with respect to the
7 selling price of property which he sells and the purchaser
8 thereafter returns such property and the serviceman refunds the
9 selling price thereof to the purchaser, such serviceman shall
10 also refund, to the purchaser, the tax so collected from the
11 purchaser. When filing his return for the period in which he
12 refunds such tax to the purchaser, the serviceman may deduct
13 the amount of the tax so refunded by him to the purchaser from
14 any other Service Use Tax, Service Occupation Tax, retailers'
15 occupation tax or use tax which such serviceman may be required
16 to pay or remit to the Department, as shown by such return,
17 provided that the amount of the tax to be deducted shall
18 previously have been remitted to the Department by such
19 serviceman. If the serviceman shall not previously have
20 remitted the amount of such tax to the Department, he shall be
21 entitled to no deduction hereunder upon refunding such tax to
22 the purchaser.

23 Any serviceman filing a return hereunder shall also include
24 the total tax upon the selling price of tangible personal
25 property purchased for use by him as an incident to a sale of
26 service, and such serviceman shall remit the amount of such tax

1 to the Department when filing such return.

2 If experience indicates such action to be practicable, the
3 Department may prescribe and furnish a combination or joint
4 return which will enable servicemen, who are required to file
5 returns hereunder and also under the Service Occupation Tax
6 Act, to furnish all the return information required by both
7 Acts on the one form.

8 Where the serviceman has more than one business registered
9 with the Department under separate registration hereunder,
10 such serviceman shall not file each return that is due as a
11 single return covering all such registered businesses, but
12 shall file separate returns for each such registered business.

13 Beginning January 1, 1990, each month the Department shall
14 pay into the State and Local Tax Reform Fund, a special fund in
15 the State Treasury, the net revenue realized for the preceding
16 month from the 1% tax on sales of food for human consumption
17 which is to be consumed off the premises where it is sold
18 (other than alcoholic beverages, soft drinks and food which has
19 been prepared for immediate consumption) and prescription and
20 nonprescription medicines, drugs, medical appliances, products
21 classified as Class III medical devices, by the United States
22 Food and Drug Administration that are used for cancer treatment
23 pursuant to a prescription, as well as any accessories and
24 components related to those devices, and insulin, urine testing
25 materials, syringes and needles used by diabetics.

26 Beginning January 1, 1990, each month the Department shall

1 pay into the State and Local Sales Tax Reform Fund 20% of the
2 net revenue realized for the preceding month from the 6.25%
3 general rate on transfers of tangible personal property, other
4 than (i) tangible personal property which is purchased outside
5 Illinois at retail from a retailer and which is titled or
6 registered by an agency of this State's government and (ii)
7 aviation fuel sold on or after December 1, 2017. This exception
8 for aviation fuel only applies for so long as the revenue use
9 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
10 binding on the State.

11 For aviation fuel sold on or after December 1, 2017, each
12 month the Department shall pay into the State Aviation Program
13 Fund 20% of the net revenue realized for the preceding month
14 from the 6.25% general rate on the selling price of aviation
15 fuel, less an amount estimated by the Department to be required
16 for refunds of the 20% portion of the tax on aviation fuel
17 under this Act, which amount shall be deposited into the
18 Aviation fuel Sales Tax Refund Fund. The Department shall only
19 pay moneys into the State Aviation Program Fund and the
20 Aviation Fuel Sales Tax Refund Fund under this Act for so long
21 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
22 U.S.C. §47133 are binding on the State.

23 Beginning August 1, 2000, each month the Department shall
24 pay into the State and Local Sales Tax Reform Fund 100% of the
25 net revenue realized for the preceding month from the 1.25%
26 rate on the selling price of motor fuel and gasohol.

1 Beginning October 1, 2009, each month the Department shall
2 pay into the Capital Projects Fund an amount that is equal to
3 an amount estimated by the Department to represent 80% of the
4 net revenue realized for the preceding month from the sale of
5 candy, grooming and hygiene products, and soft drinks that had
6 been taxed at a rate of 1% prior to September 1, 2009 but that
7 are now taxed at 6.25%.

8 Beginning July 1, 2013, each month the Department shall pay
9 into the Underground Storage Tank Fund from the proceeds
10 collected under this Act, the Use Tax Act, the Service
11 Occupation Tax Act, and the Retailers' Occupation Tax Act an
12 amount equal to the average monthly deficit in the Underground
13 Storage Tank Fund during the prior year, as certified annually
14 by the Illinois Environmental Protection Agency, but the total
15 payment into the Underground Storage Tank Fund under this Act,
16 the Use Tax Act, the Service Occupation Tax Act, and the
17 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in
18 any State fiscal year. As used in this paragraph, the "average
19 monthly deficit" shall be equal to the difference between the
20 average monthly claims for payment by the fund and the average
21 monthly revenues deposited into the fund, excluding payments
22 made pursuant to this paragraph.

23 Beginning July 1, 2015, of the remainder of the moneys
24 received by the Department under the Use Tax Act, this Act, the
25 Service Occupation Tax Act, and the Retailers' Occupation Tax
26 Act, each month the Department shall deposit \$500,000 into the

1 State Crime Laboratory Fund.

2 Of the remainder of the moneys received by the Department
3 pursuant to this Act, (a) 1.75% thereof shall be paid into the
4 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
5 and after July 1, 1989, 3.8% thereof shall be paid into the
6 Build Illinois Fund; provided, however, that if in any fiscal
7 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
8 may be, of the moneys received by the Department and required
9 to be paid into the Build Illinois Fund pursuant to Section 3
10 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
11 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
12 Service Occupation Tax Act, such Acts being hereinafter called
13 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
14 may be, of moneys being hereinafter called the "Tax Act
15 Amount", and (2) the amount transferred to the Build Illinois
16 Fund from the State and Local Sales Tax Reform Fund shall be
17 less than the Annual Specified Amount (as defined in Section 3
18 of the Retailers' Occupation Tax Act), an amount equal to the
19 difference shall be immediately paid into the Build Illinois
20 Fund from other moneys received by the Department pursuant to
21 the Tax Acts; and further provided, that if on the last
22 business day of any month the sum of (1) the Tax Act Amount
23 required to be deposited into the Build Illinois Bond Account
24 in the Build Illinois Fund during such month and (2) the amount
25 transferred during such month to the Build Illinois Fund from
26 the State and Local Sales Tax Reform Fund shall have been less

1 than 1/12 of the Annual Specified Amount, an amount equal to
2 the difference shall be immediately paid into the Build
3 Illinois Fund from other moneys received by the Department
4 pursuant to the Tax Acts; and, further provided, that in no
5 event shall the payments required under the preceding proviso
6 result in aggregate payments into the Build Illinois Fund
7 pursuant to this clause (b) for any fiscal year in excess of
8 the greater of (i) the Tax Act Amount or (ii) the Annual
9 Specified Amount for such fiscal year; and, further provided,
10 that the amounts payable into the Build Illinois Fund under
11 this clause (b) shall be payable only until such time as the
12 aggregate amount on deposit under each trust indenture securing
13 Bonds issued and outstanding pursuant to the Build Illinois
14 Bond Act is sufficient, taking into account any future
15 investment income, to fully provide, in accordance with such
16 indenture, for the defeasance of or the payment of the
17 principal of, premium, if any, and interest on the Bonds
18 secured by such indenture and on any Bonds expected to be
19 issued thereafter and all fees and costs payable with respect
20 thereto, all as certified by the Director of the Bureau of the
21 Budget (now Governor's Office of Management and Budget). If on
22 the last business day of any month in which Bonds are
23 outstanding pursuant to the Build Illinois Bond Act, the
24 aggregate of the moneys deposited in the Build Illinois Bond
25 Account in the Build Illinois Fund in such month shall be less
26 than the amount required to be transferred in such month from

1 the Build Illinois Bond Account to the Build Illinois Bond
2 Retirement and Interest Fund pursuant to Section 13 of the
3 Build Illinois Bond Act, an amount equal to such deficiency
4 shall be immediately paid from other moneys received by the
5 Department pursuant to the Tax Acts to the Build Illinois Fund;
6 provided, however, that any amounts paid to the Build Illinois
7 Fund in any fiscal year pursuant to this sentence shall be
8 deemed to constitute payments pursuant to clause (b) of the
9 preceding sentence and shall reduce the amount otherwise
10 payable for such fiscal year pursuant to clause (b) of the
11 preceding sentence. The moneys received by the Department
12 pursuant to this Act and required to be deposited into the
13 Build Illinois Fund are subject to the pledge, claim and charge
14 set forth in Section 12 of the Build Illinois Bond Act.

15 Subject to payment of amounts into the Build Illinois Fund
16 as provided in the preceding paragraph or in any amendment
17 thereto hereafter enacted, the following specified monthly
18 installment of the amount requested in the certificate of the
19 Chairman of the Metropolitan Pier and Exposition Authority
20 provided under Section 8.25f of the State Finance Act, but not
21 in excess of the sums designated as "Total Deposit", shall be
22 deposited in the aggregate from collections under Section 9 of
23 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
24 9 of the Service Occupation Tax Act, and Section 3 of the
25 Retailers' Occupation Tax Act into the McCormick Place
26 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
1		
2	1993	\$0
3	1994	53,000,000
4	1995	58,000,000
5	1996	61,000,000
6	1997	64,000,000
7	1998	68,000,000
8	1999	71,000,000
9	2000	75,000,000
10	2001	80,000,000
11	2002	93,000,000
12	2003	99,000,000
13	2004	103,000,000
14	2005	108,000,000
15	2006	113,000,000
16	2007	119,000,000
17	2008	126,000,000
18	2009	132,000,000
19	2010	139,000,000
20	2011	146,000,000
21	2012	153,000,000
22	2013	161,000,000
23	2014	170,000,000
24	2015	179,000,000
25	2016	189,000,000

1	2017	199,000,000
2	2018	210,000,000
3	2019	221,000,000
4	2020	233,000,000
5	2021	246,000,000
6	2022	260,000,000
7	2023	275,000,000
8	2024	275,000,000
9	2025	275,000,000
10	2026	279,000,000
11	2027	292,000,000
12	2028	307,000,000
13	2029	322,000,000
14	2030	338,000,000
15	2031	350,000,000
16	2032	350,000,000

17 and
18 each fiscal year
19 thereafter that bonds
20 are outstanding under
21 Section 13.2 of the
22 Metropolitan Pier and
23 Exposition Authority Act,
24 but not after fiscal year 2060.

25 Beginning July 20, 1993 and in each month of each fiscal
26 year thereafter, one-eighth of the amount requested in the

1 certificate of the Chairman of the Metropolitan Pier and
2 Exposition Authority for that fiscal year, less the amount
3 deposited into the McCormick Place Expansion Project Fund by
4 the State Treasurer in the respective month under subsection
5 (g) of Section 13 of the Metropolitan Pier and Exposition
6 Authority Act, plus cumulative deficiencies in the deposits
7 required under this Section for previous months and years,
8 shall be deposited into the McCormick Place Expansion Project
9 Fund, until the full amount requested for the fiscal year, but
10 not in excess of the amount specified above as "Total Deposit",
11 has been deposited.

12 Subject to payment of amounts into the Capital Projects
13 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois
14 Fund, and the McCormick Place Expansion Project Fund pursuant
15 to the preceding paragraphs or in any amendments thereto
16 hereafter enacted, the Department shall each month deposit into
17 the Aviation Fuel Sales Tax Refund Fund an amount estimated by
18 the Department to be required for refunds of the 80% portion of
19 the tax on aviation fuel under this Act.

20 Subject to payment of amounts into the Build Illinois Fund
21 and the McCormick Place Expansion Project Fund pursuant to the
22 preceding paragraphs or in any amendments thereto hereafter
23 enacted, beginning July 1, 1993 and ending on September 30,
24 2013, the Department shall each month pay into the Illinois Tax
25 Increment Fund 0.27% of 80% of the net revenue realized for the
26 preceding month from the 6.25% general rate on the selling

1 price of tangible personal property.

2 Subject to payment of amounts into the Build Illinois Fund
3 and the McCormick Place Expansion Project Fund pursuant to the
4 preceding paragraphs or in any amendments thereto hereafter
5 enacted, beginning with the receipt of the first report of
6 taxes paid by an eligible business and continuing for a 25-year
7 period, the Department shall each month pay into the Energy
8 Infrastructure Fund 80% of the net revenue realized from the
9 6.25% general rate on the selling price of Illinois-mined coal
10 that was sold to an eligible business. For purposes of this
11 paragraph, the term "eligible business" means a new electric
12 generating facility certified pursuant to Section 605-332 of
13 the Department of Commerce and Economic Opportunity Law of the
14 Civil Administrative Code of Illinois.

15 Subject to payment of amounts into the Build Illinois Fund,
16 the McCormick Place Expansion Project Fund, the Illinois Tax
17 Increment Fund, and the Energy Infrastructure Fund pursuant to
18 the preceding paragraphs or in any amendments to this Section
19 hereafter enacted, beginning on the first day of the first
20 calendar month to occur on or after the effective date of this
21 amendatory Act of the 98th General Assembly, each month, from
22 the collections made under Section 9 of the Use Tax Act,
23 Section 9 of the Service Use Tax Act, Section 9 of the Service
24 Occupation Tax Act, and Section 3 of the Retailers' Occupation
25 Tax Act, the Department shall pay into the Tax Compliance and
26 Administration Fund, to be used, subject to appropriation, to

1 fund additional auditors and compliance personnel at the
2 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
3 the cash receipts collected during the preceding fiscal year by
4 the Audit Bureau of the Department under the Use Tax Act, the
5 Service Use Tax Act, the Service Occupation Tax Act, the
6 Retailers' Occupation Tax Act, and associated local occupation
7 and use taxes administered by the Department (except the amount
8 collected on aviation fuel sold on or after December 1, 2017).

9 Of the remainder of the moneys received by the Department
10 pursuant to this Act, 75% thereof shall be paid into the
11 General Revenue Fund of the State Treasury and 25% shall be
12 reserved in a special account and used only for the transfer to
13 the Common School Fund as part of the monthly transfer from the
14 General Revenue Fund in accordance with Section 8a of the State
15 Finance Act.

16 As soon as possible after the first day of each month, upon
17 certification of the Department of Revenue, the Comptroller
18 shall order transferred and the Treasurer shall transfer from
19 the General Revenue Fund to the Motor Fuel Tax Fund an amount
20 equal to 1.7% of 80% of the net revenue realized under this Act
21 for the second preceding month. Beginning April 1, 2000, this
22 transfer is no longer required and shall not be made.

23 Net revenue realized for a month shall be the revenue
24 collected by the State pursuant to this Act, less the amount
25 paid out during that month as refunds to taxpayers for
26 overpayment of liability.

1 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
2 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;
3 98-1098, eff. 8-26-14; 99-352, eff. 8-12-15; 99-858, eff.
4 8-19-16.)

5 (35 ILCS 110/17) (from Ch. 120, par. 439.47)

6 Sec. 17. If it shall appear that an amount of tax or
7 penalty or interest has been paid in error hereunder to the
8 Department by a purchaser, as distinguished from the
9 serviceman, whether such amount be paid through a mistake of
10 fact or an error of law, such purchaser may file a claim for
11 credit or refund with the Department. If it shall appear that
12 an amount of tax or penalty or interest has been paid in error
13 to the Department hereunder by a serviceman who is required or
14 authorized to collect and remit the Service Use Tax, whether
15 such amount be paid through a mistake of fact or an error of
16 law, such serviceman may file a claim for credit or refund with
17 the Department, provided that no credit shall be allowed or
18 refund made for any amount paid by any such serviceman unless
19 it shall appear that he bore the burden of such amount and did
20 not shift the burden thereof to anyone else (as in the case of
21 a duplicated tax payment which the serviceman made to the
22 Department and did not collect from anyone else), or unless it
23 shall appear that he or his legal representative has
24 unconditionally repaid such amount to his vendee (1) who bore
25 the burden thereof and has not shifted such burden directly or

1 indirectly in any manner whatsoever; (2) who, if he has shifted
2 such burden, has repaid unconditionally such amount to his own
3 vendee, and (3) who is not entitled to receive any
4 reimbursement therefor from any other source than from his
5 vendor, nor to be relieved of such burden in any other manner
6 whatsoever. If it shall appear that an amount of tax has been
7 paid in error hereunder by the purchaser to a serviceman, who
8 retained such tax as reimbursement for his tax liability on the
9 same sale of service under the Service Occupation Tax Act, and
10 who paid such tax as required by the Service Occupation Tax
11 Act, whether such amount be paid through a mistake of fact or
12 an error of law, the procedure for recovering such tax shall be
13 that prescribed in Sections 17, 18, 19 and 20 of the Service
14 Occupation Tax Act.

15 Any credit or refund that is allowed under this Section
16 shall bear interest at the rate and in the manner specified in
17 the Uniform Penalty and Interest Act.

18 Any claim filed hereunder shall be filed upon a form
19 prescribed and furnished by the Department. The claim shall be
20 signed by the claimant (or by the claimant's legal
21 representative if the claimant shall have died or become a
22 person under legal disability), or by a duly authorized agent
23 of the claimant or his or her legal representative.

24 A claim for credit or refund shall be considered to have
25 been filed with the Department on the date upon which it is
26 received by the Department. Upon receipt of any claim for

1 credit or refund filed under this Act, any officer or employee
2 of the Department, authorized in writing by the Director of
3 Revenue to acknowledge receipt of such claims on behalf of the
4 Department, shall execute on behalf of the Department, and
5 shall deliver or mail to the claimant or his duly authorized
6 agent, a written receipt, acknowledging that the claim has been
7 filed with the Department, describing the claim in sufficient
8 detail to identify it and stating the date upon which the claim
9 was received by the Department. Such written receipt shall be
10 prima facie evidence that the Department received the claim
11 described in such receipt and shall be prima facie evidence of
12 the date when such claim was received by the Department. In the
13 absence of such a written receipt, the records of the
14 Department as to when the claim was received by the Department,
15 or as to whether or not the claim was received at all by the
16 Department, shall be deemed to be prima facie correct upon
17 these questions in the event of any dispute between the
18 claimant (or his or her legal representative) and the
19 Department concerning these questions.

20 In case the Department determines that the claimant is
21 entitled to a refund, such refund shall be made only from the
22 Aviation Fuel Sales Tax Refund Fund or from such appropriation
23 as may be available for that purpose, as appropriate. If it
24 appears unlikely that the amount available ~~appropriated~~ would
25 permit everyone having a claim allowed during the period
26 covered by such appropriation or from the Aviation Fuel Sales

1 Tax Refund Fund, as appropriate, to elect to receive a cash
2 refund, the Department, by rule or regulation, shall provide
3 for the payment of refunds in hardship cases and shall define
4 what types of cases qualify as hardship cases.

5 (Source: P.A. 87-205.)

6 Section 20. The Service Occupation Tax Act is amended by
7 changing Sections 9 and 17 as follows:

8 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

9 Sec. 9. Each serviceman required or authorized to collect
10 the tax herein imposed shall pay to the Department the amount
11 of such tax at the time when he is required to file his return
12 for the period during which such tax was collectible, less a
13 discount of 2.1% prior to January 1, 1990, and 1.75% on and
14 after January 1, 1990, or \$5 per calendar year, whichever is
15 greater, which is allowed to reimburse the serviceman for
16 expenses incurred in collecting the tax, keeping records,
17 preparing and filing returns, remitting the tax and supplying
18 data to the Department on request. The discount under this
19 Section is not allowed for taxes paid on aviation fuel that are
20 deposited into the State Aviation Program Fund under this Act.

21 The Department may disallow the discount for servicemen whose
22 certificate of registration is revoked at the time the return
23 is filed, but only if the Department's decision to revoke the
24 certificate of registration has become final.

1 Where such tangible personal property is sold under a
2 conditional sales contract, or under any other form of sale
3 wherein the payment of the principal sum, or a part thereof, is
4 extended beyond the close of the period for which the return is
5 filed, the serviceman, in collecting the tax may collect, for
6 each tax return period, only the tax applicable to the part of
7 the selling price actually received during such tax return
8 period.

9 Except as provided hereinafter in this Section, on or
10 before the twentieth day of each calendar month, such
11 serviceman shall file a return for the preceding calendar month
12 in accordance with reasonable rules and regulations to be
13 promulgated by the Department of Revenue. Such return shall be
14 filed on a form prescribed by the Department and shall contain
15 such information as the Department may reasonably require.

16 The Department may require returns to be filed on a
17 quarterly basis. If so required, a return for each calendar
18 quarter shall be filed on or before the twentieth day of the
19 calendar month following the end of such calendar quarter. The
20 taxpayer shall also file a return with the Department for each
21 of the first two months of each calendar quarter, on or before
22 the twentieth day of the following calendar month, stating:

- 23 1. The name of the seller;
- 24 2. The address of the principal place of business from
25 which he engages in business as a serviceman in this State;
- 26 3. The total amount of taxable receipts received by him

1 during the preceding calendar month, including receipts
2 from charge and time sales, but less all deductions allowed
3 by law;

4 4. The amount of credit provided in Section 2d of this
5 Act;

6 5. The amount of tax due;

7 5-5. The signature of the taxpayer; and

8 6. Such other reasonable information as the Department
9 may require.

10 Beginning on January 1, 2018, each serviceman required or
11 authorized to collect the tax herein imposed on aviation fuel
12 acquired as an incident to the purchase of a service in this
13 State during the preceding calendar month shall, instead of
14 reporting and paying tax as otherwise required by this Section,
15 file an aviation fuel tax return with the Department on or
16 before the twentieth day of each calendar month. The
17 requirements related to the return shall be as otherwise
18 provided in this Section. Notwithstanding any other provisions
19 of this Act to the contrary, servicemen transferring aviation
20 fuel incident to sales of service shall file all aviation fuel
21 tax returns and shall make all aviation fuel tax payments by
22 electronic means in the manner and form required by the
23 Department. For purposes of this paragraph, "aviation fuel"
24 means a product that is intended for use or offered for sale as
25 fuel for an aircraft.

26 If a taxpayer fails to sign a return within 30 days after

1 the proper notice and demand for signature by the Department,
2 the return shall be considered valid and any amount shown to be
3 due on the return shall be deemed assessed.

4 Prior to October 1, 2003, and on and after September 1,
5 2004 a serviceman may accept a Manufacturer's Purchase Credit
6 certification from a purchaser in satisfaction of Service Use
7 Tax as provided in Section 3-70 of the Service Use Tax Act if
8 the purchaser provides the appropriate documentation as
9 required by Section 3-70 of the Service Use Tax Act. A
10 Manufacturer's Purchase Credit certification, accepted prior
11 to October 1, 2003 or on or after September 1, 2004 by a
12 serviceman as provided in Section 3-70 of the Service Use Tax
13 Act, may be used by that serviceman to satisfy Service
14 Occupation Tax liability in the amount claimed in the
15 certification, not to exceed 6.25% of the receipts subject to
16 tax from a qualifying purchase. A Manufacturer's Purchase
17 Credit reported on any original or amended return filed under
18 this Act after October 20, 2003 for reporting periods prior to
19 September 1, 2004 shall be disallowed. Manufacturer's Purchase
20 Credit reported on annual returns due on or after January 1,
21 2005 will be disallowed for periods prior to September 1, 2004.
22 No Manufacturer's Purchase Credit may be used after September
23 30, 2003 through August 31, 2004 to satisfy any tax liability
24 imposed under this Act, including any audit liability.

25 If the serviceman's average monthly tax liability to the
26 Department does not exceed \$200, the Department may authorize

1 his returns to be filed on a quarter annual basis, with the
2 return for January, February and March of a given year being
3 due by April 20 of such year; with the return for April, May
4 and June of a given year being due by July 20 of such year; with
5 the return for July, August and September of a given year being
6 due by October 20 of such year, and with the return for
7 October, November and December of a given year being due by
8 January 20 of the following year.

9 If the serviceman's average monthly tax liability to the
10 Department does not exceed \$50, the Department may authorize
11 his returns to be filed on an annual basis, with the return for
12 a given year being due by January 20 of the following year.

13 Such quarter annual and annual returns, as to form and
14 substance, shall be subject to the same requirements as monthly
15 returns.

16 Notwithstanding any other provision in this Act concerning
17 the time within which a serviceman may file his return, in the
18 case of any serviceman who ceases to engage in a kind of
19 business which makes him responsible for filing returns under
20 this Act, such serviceman shall file a final return under this
21 Act with the Department not more than 1 month after
22 discontinuing such business.

23 Beginning October 1, 1993, a taxpayer who has an average
24 monthly tax liability of \$150,000 or more shall make all
25 payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 1994, a taxpayer who has

1 an average monthly tax liability of \$100,000 or more shall make
2 all payments required by rules of the Department by electronic
3 funds transfer. Beginning October 1, 1995, a taxpayer who has
4 an average monthly tax liability of \$50,000 or more shall make
5 all payments required by rules of the Department by electronic
6 funds transfer. Beginning October 1, 2000, a taxpayer who has
7 an annual tax liability of \$200,000 or more shall make all
8 payments required by rules of the Department by electronic
9 funds transfer. The term "annual tax liability" shall be the
10 sum of the taxpayer's liabilities under this Act, and under all
11 other State and local occupation and use tax laws administered
12 by the Department, for the immediately preceding calendar year.
13 The term "average monthly tax liability" means the sum of the
14 taxpayer's liabilities under this Act, and under all other
15 State and local occupation and use tax laws administered by the
16 Department, for the immediately preceding calendar year
17 divided by 12. Beginning on October 1, 2002, a taxpayer who has
18 a tax liability in the amount set forth in subsection (b) of
19 Section 2505-210 of the Department of Revenue Law shall make
20 all payments required by rules of the Department by electronic
21 funds transfer.

22 Before August 1 of each year beginning in 1993, the
23 Department shall notify all taxpayers required to make payments
24 by electronic funds transfer. All taxpayers required to make
25 payments by electronic funds transfer shall make those payments
26 for a minimum of one year beginning on October 1.

1 Any taxpayer not required to make payments by electronic
2 funds transfer may make payments by electronic funds transfer
3 with the permission of the Department.

4 All taxpayers required to make payment by electronic funds
5 transfer and any taxpayers authorized to voluntarily make
6 payments by electronic funds transfer shall make those payments
7 in the manner authorized by the Department.

8 The Department shall adopt such rules as are necessary to
9 effectuate a program of electronic funds transfer and the
10 requirements of this Section.

11 Where a serviceman collects the tax with respect to the
12 selling price of tangible personal property which he sells and
13 the purchaser thereafter returns such tangible personal
14 property and the serviceman refunds the selling price thereof
15 to the purchaser, such serviceman shall also refund, to the
16 purchaser, the tax so collected from the purchaser. When filing
17 his return for the period in which he refunds such tax to the
18 purchaser, the serviceman may deduct the amount of the tax so
19 refunded by him to the purchaser from any other Service
20 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or
21 Use Tax which such serviceman may be required to pay or remit
22 to the Department, as shown by such return, provided that the
23 amount of the tax to be deducted shall previously have been
24 remitted to the Department by such serviceman. If the
25 serviceman shall not previously have remitted the amount of
26 such tax to the Department, he shall be entitled to no

1 deduction hereunder upon refunding such tax to the purchaser.

2 If experience indicates such action to be practicable, the
3 Department may prescribe and furnish a combination or joint
4 return which will enable servicemen, who are required to file
5 returns hereunder and also under the Retailers' Occupation Tax
6 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
7 the return information required by all said Acts on the one
8 form.

9 Where the serviceman has more than one business registered
10 with the Department under separate registrations hereunder,
11 such serviceman shall file separate returns for each registered
12 business.

13 Beginning January 1, 1990, each month the Department shall
14 pay into the Local Government Tax Fund the revenue realized for
15 the preceding month from the 1% tax on sales of food for human
16 consumption which is to be consumed off the premises where it
17 is sold (other than alcoholic beverages, soft drinks and food
18 which has been prepared for immediate consumption) and
19 prescription and nonprescription medicines, drugs, medical
20 appliances, products classified as Class III medical devices by
21 the United States Food and Drug Administration that are used
22 for cancer treatment pursuant to a prescription, as well as any
23 accessories and components related to those devices, and
24 insulin, urine testing materials, syringes and needles used by
25 diabetics.

26 Beginning January 1, 1990, each month the Department shall

1 pay into the County and Mass Transit District Fund 4% of the
2 revenue realized for the preceding month from the 6.25% general
3 rate on sales of tangible personal property other than aviation
4 fuel sold on or after December 1, 2017. This exception for
5 aviation fuel only applies for so long as the revenue use
6 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
7 binding on the State.

8 For aviation fuel sold on or after December 1, 2017, each
9 month the Department shall pay into the State Aviation Program
10 Fund 4% of the net revenue realized for the preceding month
11 from the 6.25% general rate on the selling price of aviation
12 fuel, less an amount estimated by the Department to be required
13 for refunds of the 4% portion of the tax on aviation fuel under
14 this Act, which amount shall be deposited into the Aviation
15 Fuel Sales Tax Refund Fund. The Department shall only pay
16 moneys into the State Aviation Program Fund and the Aviation
17 Fuel Sales Tax Refund Fund under this Act for so long as the
18 revenue use requirements of 49 U.S.C. §47107(b) and 49 U.S.C.
19 §47133 are binding on the State.

20 Beginning August 1, 2000, each month the Department shall
21 pay into the County and Mass Transit District Fund 20% of the
22 net revenue realized for the preceding month from the 1.25%
23 rate on the selling price of motor fuel and gasohol.

24 Beginning January 1, 1990, each month the Department shall
25 pay into the Local Government Tax Fund 16% of the revenue
26 realized for the preceding month from the 6.25% general rate on

1 transfers of tangible personal property other than aviation
2 fuel sold on or after December 1, 2017. This exception for
3 aviation fuel only applies for so long as the revenue use
4 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
5 binding on the State.

6 For aviation fuel sold on or after December 1, 2017, each
7 month the Department shall pay into the State Aviation Program
8 Fund 16% of the net revenue realized for the preceding month
9 from the 6.25% general rate on the selling price of aviation
10 fuel, less an amount estimated by the Department to be required
11 for refunds of the 16% portion of the tax on aviation fuel
12 under this Act, which amount shall be deposited into the
13 Aviation Fuel Sales Tax Refund Fund. The Department shall only
14 pay moneys into the State Aviation Program Fund and the
15 Aviation Fuel Sales Tax Refund Fund under this Act for so long
16 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
17 U.S.C. §47133 are binding on the State.

18 Beginning August 1, 2000, each month the Department shall
19 pay into the Local Government Tax Fund 80% of the net revenue
20 realized for the preceding month from the 1.25% rate on the
21 selling price of motor fuel and gasohol.

22 Beginning October 1, 2009, each month the Department shall
23 pay into the Capital Projects Fund an amount that is equal to
24 an amount estimated by the Department to represent 80% of the
25 net revenue realized for the preceding month from the sale of
26 candy, grooming and hygiene products, and soft drinks that had

1 been taxed at a rate of 1% prior to September 1, 2009 but that
2 are now taxed at 6.25%.

3 Beginning July 1, 2013, each month the Department shall pay
4 into the Underground Storage Tank Fund from the proceeds
5 collected under this Act, the Use Tax Act, the Service Use Tax
6 Act, and the Retailers' Occupation Tax Act an amount equal to
7 the average monthly deficit in the Underground Storage Tank
8 Fund during the prior year, as certified annually by the
9 Illinois Environmental Protection Agency, but the total
10 payment into the Underground Storage Tank Fund under this Act,
11 the Use Tax Act, the Service Use Tax Act, and the Retailers'
12 Occupation Tax Act shall not exceed \$18,000,000 in any State
13 fiscal year. As used in this paragraph, the "average monthly
14 deficit" shall be equal to the difference between the average
15 monthly claims for payment by the fund and the average monthly
16 revenues deposited into the fund, excluding payments made
17 pursuant to this paragraph.

18 Beginning July 1, 2015, of the remainder of the moneys
19 received by the Department under the Use Tax Act, the Service
20 Use Tax Act, this Act, and the Retailers' Occupation Tax Act,
21 each month the Department shall deposit \$500,000 into the State
22 Crime Laboratory Fund.

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, (a) 1.75% thereof shall be paid into the
25 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
26 and after July 1, 1989, 3.8% thereof shall be paid into the

1 Build Illinois Fund; provided, however, that if in any fiscal
2 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
3 may be, of the moneys received by the Department and required
4 to be paid into the Build Illinois Fund pursuant to Section 3
5 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
6 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
7 Service Occupation Tax Act, such Acts being hereinafter called
8 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
9 may be, of moneys being hereinafter called the "Tax Act
10 Amount", and (2) the amount transferred to the Build Illinois
11 Fund from the State and Local Sales Tax Reform Fund shall be
12 less than the Annual Specified Amount (as defined in Section 3
13 of the Retailers' Occupation Tax Act), an amount equal to the
14 difference shall be immediately paid into the Build Illinois
15 Fund from other moneys received by the Department pursuant to
16 the Tax Acts; and further provided, that if on the last
17 business day of any month the sum of (1) the Tax Act Amount
18 required to be deposited into the Build Illinois Account in the
19 Build Illinois Fund during such month and (2) the amount
20 transferred during such month to the Build Illinois Fund from
21 the State and Local Sales Tax Reform Fund shall have been less
22 than 1/12 of the Annual Specified Amount, an amount equal to
23 the difference shall be immediately paid into the Build
24 Illinois Fund from other moneys received by the Department
25 pursuant to the Tax Acts; and, further provided, that in no
26 event shall the payments required under the preceding proviso

1 result in aggregate payments into the Build Illinois Fund
2 pursuant to this clause (b) for any fiscal year in excess of
3 the greater of (i) the Tax Act Amount or (ii) the Annual
4 Specified Amount for such fiscal year; and, further provided,
5 that the amounts payable into the Build Illinois Fund under
6 this clause (b) shall be payable only until such time as the
7 aggregate amount on deposit under each trust indenture securing
8 Bonds issued and outstanding pursuant to the Build Illinois
9 Bond Act is sufficient, taking into account any future
10 investment income, to fully provide, in accordance with such
11 indenture, for the defeasance of or the payment of the
12 principal of, premium, if any, and interest on the Bonds
13 secured by such indenture and on any Bonds expected to be
14 issued thereafter and all fees and costs payable with respect
15 thereto, all as certified by the Director of the Bureau of the
16 Budget (now Governor's Office of Management and Budget). If on
17 the last business day of any month in which Bonds are
18 outstanding pursuant to the Build Illinois Bond Act, the
19 aggregate of the moneys deposited in the Build Illinois Bond
20 Account in the Build Illinois Fund in such month shall be less
21 than the amount required to be transferred in such month from
22 the Build Illinois Bond Account to the Build Illinois Bond
23 Retirement and Interest Fund pursuant to Section 13 of the
24 Build Illinois Bond Act, an amount equal to such deficiency
25 shall be immediately paid from other moneys received by the
26 Department pursuant to the Tax Acts to the Build Illinois Fund;

1 provided, however, that any amounts paid to the Build Illinois
 2 Fund in any fiscal year pursuant to this sentence shall be
 3 deemed to constitute payments pursuant to clause (b) of the
 4 preceding sentence and shall reduce the amount otherwise
 5 payable for such fiscal year pursuant to clause (b) of the
 6 preceding sentence. The moneys received by the Department
 7 pursuant to this Act and required to be deposited into the
 8 Build Illinois Fund are subject to the pledge, claim and charge
 9 set forth in Section 12 of the Build Illinois Bond Act.

10 Subject to payment of amounts into the Build Illinois Fund
 11 as provided in the preceding paragraph or in any amendment
 12 thereto hereafter enacted, the following specified monthly
 13 installment of the amount requested in the certificate of the
 14 Chairman of the Metropolitan Pier and Exposition Authority
 15 provided under Section 8.25f of the State Finance Act, but not
 16 in excess of the sums designated as "Total Deposit", shall be
 17 deposited in the aggregate from collections under Section 9 of
 18 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 19 9 of the Service Occupation Tax Act, and Section 3 of the
 20 Retailers' Occupation Tax Act into the McCormick Place
 21 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
23	1993	\$0
24	1994	53,000,000
25	1995	58,000,000

1	1996	61,000,000
2	1997	64,000,000
3	1998	68,000,000
4	1999	71,000,000
5	2000	75,000,000
6	2001	80,000,000
7	2002	93,000,000
8	2003	99,000,000
9	2004	103,000,000
10	2005	108,000,000
11	2006	113,000,000
12	2007	119,000,000
13	2008	126,000,000
14	2009	132,000,000
15	2010	139,000,000
16	2011	146,000,000
17	2012	153,000,000
18	2013	161,000,000
19	2014	170,000,000
20	2015	179,000,000
21	2016	189,000,000
22	2017	199,000,000
23	2018	210,000,000
24	2019	221,000,000
25	2020	233,000,000
26	2021	246,000,000

1	2022	260,000,000
2	2023	275,000,000
3	2024	275,000,000
4	2025	275,000,000
5	2026	279,000,000
6	2027	292,000,000
7	2028	307,000,000
8	2029	322,000,000
9	2030	338,000,000
10	2031	350,000,000
11	2032	350,000,000

12 and
13 each fiscal year
14 thereafter that bonds
15 are outstanding under
16 Section 13.2 of the
17 Metropolitan Pier and
18 Exposition Authority Act,
19 but not after fiscal year 2060.

20 Beginning July 20, 1993 and in each month of each fiscal
21 year thereafter, one-eighth of the amount requested in the
22 certificate of the Chairman of the Metropolitan Pier and
23 Exposition Authority for that fiscal year, less the amount
24 deposited into the McCormick Place Expansion Project Fund by
25 the State Treasurer in the respective month under subsection
26 (g) of Section 13 of the Metropolitan Pier and Exposition

1 Authority Act, plus cumulative deficiencies in the deposits
2 required under this Section for previous months and years,
3 shall be deposited into the McCormick Place Expansion Project
4 Fund, until the full amount requested for the fiscal year, but
5 not in excess of the amount specified above as "Total Deposit",
6 has been deposited.

7 Subject to payment of amounts into the Capital Projects
8 Fund, the Build Illinois Fund, and the McCormick Place
9 Expansion Project Fund pursuant to the preceding paragraphs or
10 in any amendments thereto hereafter enacted, the Department
11 shall each month deposit into the Aviation Fuel Sales Tax
12 Refund Fund an amount estimated by the Department to be
13 required for refunds of the 80% portion of the tax on aviation
14 fuel under this Act.

15 Subject to payment of amounts into the Build Illinois Fund
16 and the McCormick Place Expansion Project Fund pursuant to the
17 preceding paragraphs or in any amendments thereto hereafter
18 enacted, beginning July 1, 1993 and ending on September 30,
19 2013, the Department shall each month pay into the Illinois Tax
20 Increment Fund 0.27% of 80% of the net revenue realized for the
21 preceding month from the 6.25% general rate on the selling
22 price of tangible personal property.

23 Subject to payment of amounts into the Build Illinois Fund
24 and the McCormick Place Expansion Project Fund pursuant to the
25 preceding paragraphs or in any amendments thereto hereafter
26 enacted, beginning with the receipt of the first report of

1 taxes paid by an eligible business and continuing for a 25-year
2 period, the Department shall each month pay into the Energy
3 Infrastructure Fund 80% of the net revenue realized from the
4 6.25% general rate on the selling price of Illinois-mined coal
5 that was sold to an eligible business. For purposes of this
6 paragraph, the term "eligible business" means a new electric
7 generating facility certified pursuant to Section 605-332 of
8 the Department of Commerce and Economic Opportunity Law of the
9 Civil Administrative Code of Illinois.

10 Subject to payment of amounts into the Build Illinois Fund,
11 the McCormick Place Expansion Project Fund, the Illinois Tax
12 Increment Fund, and the Energy Infrastructure Fund pursuant to
13 the preceding paragraphs or in any amendments to this Section
14 hereafter enacted, beginning on the first day of the first
15 calendar month to occur on or after the effective date of this
16 amendatory Act of the 98th General Assembly, each month, from
17 the collections made under Section 9 of the Use Tax Act,
18 Section 9 of the Service Use Tax Act, Section 9 of the Service
19 Occupation Tax Act, and Section 3 of the Retailers' Occupation
20 Tax Act, the Department shall pay into the Tax Compliance and
21 Administration Fund, to be used, subject to appropriation, to
22 fund additional auditors and compliance personnel at the
23 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
24 the cash receipts collected during the preceding fiscal year by
25 the Audit Bureau of the Department under the Use Tax Act, the
26 Service Use Tax Act, the Service Occupation Tax Act, the

1 Retailers' Occupation Tax Act, and associated local occupation
2 and use taxes administered by the Department (except the amount
3 collected on aviation fuel sold on or after December 1, 2017).

4 Of the remainder of the moneys received by the Department
5 pursuant to this Act, 75% shall be paid into the General
6 Revenue Fund of the State Treasury and 25% shall be reserved in
7 a special account and used only for the transfer to the Common
8 School Fund as part of the monthly transfer from the General
9 Revenue Fund in accordance with Section 8a of the State Finance
10 Act.

11 The Department may, upon separate written notice to a
12 taxpayer, require the taxpayer to prepare and file with the
13 Department on a form prescribed by the Department within not
14 less than 60 days after receipt of the notice an annual
15 information return for the tax year specified in the notice.
16 Such annual return to the Department shall include a statement
17 of gross receipts as shown by the taxpayer's last Federal
18 income tax return. If the total receipts of the business as
19 reported in the Federal income tax return do not agree with the
20 gross receipts reported to the Department of Revenue for the
21 same period, the taxpayer shall attach to his annual return a
22 schedule showing a reconciliation of the 2 amounts and the
23 reasons for the difference. The taxpayer's annual return to the
24 Department shall also disclose the cost of goods sold by the
25 taxpayer during the year covered by such return, opening and
26 closing inventories of such goods for such year, cost of goods

1 used from stock or taken from stock and given away by the
2 taxpayer during such year, pay roll information of the
3 taxpayer's business during such year and any additional
4 reasonable information which the Department deems would be
5 helpful in determining the accuracy of the monthly, quarterly
6 or annual returns filed by such taxpayer as hereinbefore
7 provided for in this Section.

8 If the annual information return required by this Section
9 is not filed when and as required, the taxpayer shall be liable
10 as follows:

11 (i) Until January 1, 1994, the taxpayer shall be liable
12 for a penalty equal to 1/6 of 1% of the tax due from such
13 taxpayer under this Act during the period to be covered by
14 the annual return for each month or fraction of a month
15 until such return is filed as required, the penalty to be
16 assessed and collected in the same manner as any other
17 penalty provided for in this Act.

18 (ii) On and after January 1, 1994, the taxpayer shall
19 be liable for a penalty as described in Section 3-4 of the
20 Uniform Penalty and Interest Act.

21 The chief executive officer, proprietor, owner or highest
22 ranking manager shall sign the annual return to certify the
23 accuracy of the information contained therein. Any person who
24 willfully signs the annual return containing false or
25 inaccurate information shall be guilty of perjury and punished
26 accordingly. The annual return form prescribed by the

1 Department shall include a warning that the person signing the
2 return may be liable for perjury.

3 The foregoing portion of this Section concerning the filing
4 of an annual information return shall not apply to a serviceman
5 who is not required to file an income tax return with the
6 United States Government.

7 As soon as possible after the first day of each month, upon
8 certification of the Department of Revenue, the Comptroller
9 shall order transferred and the Treasurer shall transfer from
10 the General Revenue Fund to the Motor Fuel Tax Fund an amount
11 equal to 1.7% of 80% of the net revenue realized under this Act
12 for the second preceding month. Beginning April 1, 2000, this
13 transfer is no longer required and shall not be made.

14 Net revenue realized for a month shall be the revenue
15 collected by the State pursuant to this Act, less the amount
16 paid out during that month as refunds to taxpayers for
17 overpayment of liability.

18 For greater simplicity of administration, it shall be
19 permissible for manufacturers, importers and wholesalers whose
20 products are sold by numerous servicemen in Illinois, and who
21 wish to do so, to assume the responsibility for accounting and
22 paying to the Department all tax accruing under this Act with
23 respect to such sales, if the servicemen who are affected do
24 not make written objection to the Department to this
25 arrangement.

26 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;

1 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;
2 98-1098, eff. 8-26-14; 99-352, eff. 8-12-15; 99-858, eff.
3 8-19-16.)

4 (35 ILCS 115/17) (from Ch. 120, par. 439.117)

5 Sec. 17. If it shall appear that an amount of tax or
6 penalty or interest has been paid in error hereunder directly
7 to the Department by a serviceman, whether such amount be paid
8 through a mistake of fact or an error of law, such serviceman
9 may file a claim for credit or refund with the Department. If
10 it shall appear that an amount of tax or penalty or interest
11 has been paid in error to the Department hereunder by a
12 supplier who is required or authorized to collect and remit the
13 Service Occupation Tax, whether such amount be paid through a
14 mistake of fact or an error of law, such supplier may file a
15 claim for credit or refund with the Department, provided that
16 no credit shall be allowed nor any refund made for any amount
17 paid by any such supplier unless it shall appear that he bore
18 the burden of such amount and did not shift the burden thereof
19 to anyone else (as in the case of a duplicated tax payment
20 which the supplier made to the Department and did not collect
21 from anyone else), or unless it shall appear that he or his
22 legal representative has unconditionally repaid such amount to
23 his vendee (1) who bore the burden thereof and has not shifted
24 such burden directly or indirectly in any manner whatsoever;
25 (2) who, if he has shifted such burden, has repaid

1 unconditionally such amount to his own vendee, and (3) who is
2 not entitled to receive any reimbursement therefor from any
3 other source than from his supplier, nor to be relieved of such
4 burden in any other manner whatsoever.

5 Any credit or refund that is allowed under this Section
6 shall bear interest at the rate and in the manner specified in
7 the Uniform Penalty and Interest Act.

8 Any claim filed hereunder shall be filed upon a form
9 prescribed and furnished by the Department. The claim shall be
10 signed by the claimant (or by the claimant's legal
11 representative if the claimant shall have died or become a
12 person under legal disability), or by a duly authorized agent
13 of the claimant or his or her legal representative.

14 A claim for credit or refund shall be considered to have
15 been filed with the Department on the date upon which it is
16 received by the Department. Upon receipt of any claim for
17 credit or refund filed under this Act, any officer or employee
18 of the Department, authorized in writing by the Director of
19 Revenue to acknowledge receipt of such claims on behalf of the
20 Department, shall execute on behalf of the Department, and
21 shall deliver or mail to the claimant or his or her duly
22 authorized agent, a written receipt, acknowledging that the
23 claim has been filed with the Department, describing the claim
24 in sufficient detail to identify it and stating the date upon
25 which the claim was received by the Department. Such written
26 receipt shall be prima facie evidence that the Department

1 received the claim described in such receipt and shall be prima
2 facie evidence of the date when such claim was received by the
3 Department. In the absence of such a written receipt, the
4 records of the Department as to when the claim was received by
5 the Department, or as to whether or not the claim was received
6 at all by the Department, shall be deemed to be prima facie
7 correct upon these questions in the event of any dispute
8 between the claimant (or his legal representative) and the
9 Department concerning these questions.

10 In case the Department determines that the claimant is
11 entitled to a refund, such refund shall be made only from the
12 Aviation Fuel Sales Tax Refund Fund or from such appropriation
13 as may be available for that purpose, as appropriate. If it
14 appears unlikely that the amount available ~~appropriated~~ would
15 permit everyone having a claim allowed during the period
16 covered by such appropriation or from the Aviation Fuel Sales
17 Tax Refund Fund, as appropriate, to elect to receive a cash
18 refund, the Department, by rule or regulation, shall provide
19 for the payment of refunds in hardship cases and shall define
20 what types of cases qualify as hardship cases.

21 (Source: P.A. 87-205.)

22 Section 25. The Retailers' Occupation Tax Act is amended by
23 changing Sections 3, 6, and 11 as follows:

24 (35 ILCS 120/3) (from Ch. 120, par. 442)

1 Sec. 3. Except as provided in this Section, on or before
2 the twentieth day of each calendar month, every person engaged
3 in the business of selling tangible personal property at retail
4 in this State during the preceding calendar month shall file a
5 return with the Department, stating:

6 1. The name of the seller;

7 2. His residence address and the address of his
8 principal place of business and the address of the
9 principal place of business (if that is a different
10 address) from which he engages in the business of selling
11 tangible personal property at retail in this State;

12 3. Total amount of receipts received by him during the
13 preceding calendar month or quarter, as the case may be,
14 from sales of tangible personal property, and from services
15 furnished, by him during such preceding calendar month or
16 quarter;

17 4. Total amount received by him during the preceding
18 calendar month or quarter on charge and time sales of
19 tangible personal property, and from services furnished,
20 by him prior to the month or quarter for which the return
21 is filed;

22 5. Deductions allowed by law;

23 6. Gross receipts which were received by him during the
24 preceding calendar month or quarter and upon the basis of
25 which the tax is imposed;

26 7. The amount of credit provided in Section 2d of this

1 Act;

2 8. The amount of tax due;

3 9. The signature of the taxpayer; and

4 10. Such other reasonable information as the
5 Department may require.

6 If a taxpayer fails to sign a return within 30 days after
7 the proper notice and demand for signature by the Department,
8 the return shall be considered valid and any amount shown to be
9 due on the return shall be deemed assessed.

10 Each return shall be accompanied by the statement of
11 prepaid tax issued pursuant to Section 2e for which credit is
12 claimed.

13 Prior to October 1, 2003, and on and after September 1,
14 2004 a retailer may accept a Manufacturer's Purchase Credit
15 certification from a purchaser in satisfaction of Use Tax as
16 provided in Section 3-85 of the Use Tax Act if the purchaser
17 provides the appropriate documentation as required by Section
18 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
19 certification, accepted by a retailer prior to October 1, 2003
20 and on and after September 1, 2004 as provided in Section 3-85
21 of the Use Tax Act, may be used by that retailer to satisfy
22 Retailers' Occupation Tax liability in the amount claimed in
23 the certification, not to exceed 6.25% of the receipts subject
24 to tax from a qualifying purchase. A Manufacturer's Purchase
25 Credit reported on any original or amended return filed under
26 this Act after October 20, 2003 for reporting periods prior to

1 September 1, 2004 shall be disallowed. Manufacturer's
2 Purchaser Credit reported on annual returns due on or after
3 January 1, 2005 will be disallowed for periods prior to
4 September 1, 2004. No Manufacturer's Purchase Credit may be
5 used after September 30, 2003 through August 31, 2004 to
6 satisfy any tax liability imposed under this Act, including any
7 audit liability.

8 The Department may require returns to be filed on a
9 quarterly basis. If so required, a return for each calendar
10 quarter shall be filed on or before the twentieth day of the
11 calendar month following the end of such calendar quarter. The
12 taxpayer shall also file a return with the Department for each
13 of the first two months of each calendar quarter, on or before
14 the twentieth day of the following calendar month, stating:

15 1. The name of the seller;

16 2. The address of the principal place of business from
17 which he engages in the business of selling tangible
18 personal property at retail in this State;

19 3. The total amount of taxable receipts received by him
20 during the preceding calendar month from sales of tangible
21 personal property by him during such preceding calendar
22 month, including receipts from charge and time sales, but
23 less all deductions allowed by law;

24 4. The amount of credit provided in Section 2d of this
25 Act;

26 5. The amount of tax due; and

1 6. Such other reasonable information as the Department
2 may require.

3 Beginning on January 1, 2018, every person engaged in the
4 business of selling aviation fuel at retail in this State
5 during the preceding calendar month shall, instead of reporting
6 and paying tax as otherwise required by this Section, file an
7 aviation fuel tax return with the Department on or before the
8 twentieth day of each calendar month. The requirements related
9 to the return shall be as otherwise provided in this Section.
10 Notwithstanding any other provisions of this Act to the
11 contrary, retailers selling aviation fuel shall file all
12 aviation fuel tax returns and shall make all aviation fuel tax
13 payments by electronic means in the manner and form required by
14 the Department. For purposes of this paragraph, "aviation fuel"
15 means a product that is intended for use or offered for sale as
16 fuel for an aircraft.

17 Beginning on October 1, 2003, any person who is not a
18 licensed distributor, importing distributor, or manufacturer,
19 as defined in the Liquor Control Act of 1934, but is engaged in
20 the business of selling, at retail, alcoholic liquor shall file
21 a statement with the Department of Revenue, in a format and at
22 a time prescribed by the Department, showing the total amount
23 paid for alcoholic liquor purchased during the preceding month
24 and such other information as is reasonably required by the
25 Department. The Department may adopt rules to require that this
26 statement be filed in an electronic or telephonic format. Such

1 rules may provide for exceptions from the filing requirements
2 of this paragraph. For the purposes of this paragraph, the term
3 "alcoholic liquor" shall have the meaning prescribed in the
4 Liquor Control Act of 1934.

5 Beginning on October 1, 2003, every distributor, importing
6 distributor, and manufacturer of alcoholic liquor as defined in
7 the Liquor Control Act of 1934, shall file a statement with the
8 Department of Revenue, no later than the 10th day of the month
9 for the preceding month during which transactions occurred, by
10 electronic means, showing the total amount of gross receipts
11 from the sale of alcoholic liquor sold or distributed during
12 the preceding month to purchasers; identifying the purchaser to
13 whom it was sold or distributed; the purchaser's tax
14 registration number; and such other information reasonably
15 required by the Department. A distributor, importing
16 distributor, or manufacturer of alcoholic liquor must
17 personally deliver, mail, or provide by electronic means to
18 each retailer listed on the monthly statement a report
19 containing a cumulative total of that distributor's, importing
20 distributor's, or manufacturer's total sales of alcoholic
21 liquor to that retailer no later than the 10th day of the month
22 for the preceding month during which the transaction occurred.
23 The distributor, importing distributor, or manufacturer shall
24 notify the retailer as to the method by which the distributor,
25 importing distributor, or manufacturer will provide the sales
26 information. If the retailer is unable to receive the sales

1 information by electronic means, the distributor, importing
2 distributor, or manufacturer shall furnish the sales
3 information by personal delivery or by mail. For purposes of
4 this paragraph, the term "electronic means" includes, but is
5 not limited to, the use of a secure Internet website, e-mail,
6 or facsimile.

7 If a total amount of less than \$1 is payable, refundable or
8 creditable, such amount shall be disregarded if it is less than
9 50 cents and shall be increased to \$1 if it is 50 cents or more.

10 Beginning October 1, 1993, a taxpayer who has an average
11 monthly tax liability of \$150,000 or more shall make all
12 payments required by rules of the Department by electronic
13 funds transfer. Beginning October 1, 1994, a taxpayer who has
14 an average monthly tax liability of \$100,000 or more shall make
15 all payments required by rules of the Department by electronic
16 funds transfer. Beginning October 1, 1995, a taxpayer who has
17 an average monthly tax liability of \$50,000 or more shall make
18 all payments required by rules of the Department by electronic
19 funds transfer. Beginning October 1, 2000, a taxpayer who has
20 an annual tax liability of \$200,000 or more shall make all
21 payments required by rules of the Department by electronic
22 funds transfer. The term "annual tax liability" shall be the
23 sum of the taxpayer's liabilities under this Act, and under all
24 other State and local occupation and use tax laws administered
25 by the Department, for the immediately preceding calendar year.
26 The term "average monthly tax liability" shall be the sum of

1 the taxpayer's liabilities under this Act, and under all other
2 State and local occupation and use tax laws administered by the
3 Department, for the immediately preceding calendar year
4 divided by 12. Beginning on October 1, 2002, a taxpayer who has
5 a tax liability in the amount set forth in subsection (b) of
6 Section 2505-210 of the Department of Revenue Law shall make
7 all payments required by rules of the Department by electronic
8 funds transfer.

9 Before August 1 of each year beginning in 1993, the
10 Department shall notify all taxpayers required to make payments
11 by electronic funds transfer. All taxpayers required to make
12 payments by electronic funds transfer shall make those payments
13 for a minimum of one year beginning on October 1.

14 Any taxpayer not required to make payments by electronic
15 funds transfer may make payments by electronic funds transfer
16 with the permission of the Department.

17 All taxpayers required to make payment by electronic funds
18 transfer and any taxpayers authorized to voluntarily make
19 payments by electronic funds transfer shall make those payments
20 in the manner authorized by the Department.

21 The Department shall adopt such rules as are necessary to
22 effectuate a program of electronic funds transfer and the
23 requirements of this Section.

24 Any amount which is required to be shown or reported on any
25 return or other document under this Act shall, if such amount
26 is not a whole-dollar amount, be increased to the nearest

1 whole-dollar amount in any case where the fractional part of a
2 dollar is 50 cents or more, and decreased to the nearest
3 whole-dollar amount where the fractional part of a dollar is
4 less than 50 cents.

5 If the retailer is otherwise required to file a monthly
6 return and if the retailer's average monthly tax liability to
7 the Department does not exceed \$200, the Department may
8 authorize his returns to be filed on a quarter annual basis,
9 with the return for January, February and March of a given year
10 being due by April 20 of such year; with the return for April,
11 May and June of a given year being due by July 20 of such year;
12 with the return for July, August and September of a given year
13 being due by October 20 of such year, and with the return for
14 October, November and December of a given year being due by
15 January 20 of the following year.

16 If the retailer is otherwise required to file a monthly or
17 quarterly return and if the retailer's average monthly tax
18 liability with the Department does not exceed \$50, the
19 Department may authorize his returns to be filed on an annual
20 basis, with the return for a given year being due by January 20
21 of the following year.

22 Such quarter annual and annual returns, as to form and
23 substance, shall be subject to the same requirements as monthly
24 returns.

25 Notwithstanding any other provision in this Act concerning
26 the time within which a retailer may file his return, in the

1 case of any retailer who ceases to engage in a kind of business
2 which makes him responsible for filing returns under this Act,
3 such retailer shall file a final return under this Act with the
4 Department not more than one month after discontinuing such
5 business.

6 Where the same person has more than one business registered
7 with the Department under separate registrations under this
8 Act, such person may not file each return that is due as a
9 single return covering all such registered businesses, but
10 shall file separate returns for each such registered business.

11 In addition, with respect to motor vehicles, watercraft,
12 aircraft, and trailers that are required to be registered with
13 an agency of this State, every retailer selling this kind of
14 tangible personal property shall file, with the Department,
15 upon a form to be prescribed and supplied by the Department, a
16 separate return for each such item of tangible personal
17 property which the retailer sells, except that if, in the same
18 transaction, (i) a retailer of aircraft, watercraft, motor
19 vehicles or trailers transfers more than one aircraft,
20 watercraft, motor vehicle or trailer to another aircraft,
21 watercraft, motor vehicle retailer or trailer retailer for the
22 purpose of resale or (ii) a retailer of aircraft, watercraft,
23 motor vehicles, or trailers transfers more than one aircraft,
24 watercraft, motor vehicle, or trailer to a purchaser for use as
25 a qualifying rolling stock as provided in Section 2-5 of this
26 Act, then that seller may report the transfer of all aircraft,

1 watercraft, motor vehicles or trailers involved in that
2 transaction to the Department on the same uniform
3 invoice-transaction reporting return form. For purposes of
4 this Section, "watercraft" means a Class 2, Class 3, or Class 4
5 watercraft as defined in Section 3-2 of the Boat Registration
6 and Safety Act, a personal watercraft, or any boat equipped
7 with an inboard motor.

8 Any retailer who sells only motor vehicles, watercraft,
9 aircraft, or trailers that are required to be registered with
10 an agency of this State, so that all retailers' occupation tax
11 liability is required to be reported, and is reported, on such
12 transaction reporting returns and who is not otherwise required
13 to file monthly or quarterly returns, need not file monthly or
14 quarterly returns. However, those retailers shall be required
15 to file returns on an annual basis.

16 The transaction reporting return, in the case of motor
17 vehicles or trailers that are required to be registered with an
18 agency of this State, shall be the same document as the Uniform
19 Invoice referred to in Section 5-402 of The Illinois Vehicle
20 Code and must show the name and address of the seller; the name
21 and address of the purchaser; the amount of the selling price
22 including the amount allowed by the retailer for traded-in
23 property, if any; the amount allowed by the retailer for the
24 traded-in tangible personal property, if any, to the extent to
25 which Section 1 of this Act allows an exemption for the value
26 of traded-in property; the balance payable after deducting such

1 trade-in allowance from the total selling price; the amount of
2 tax due from the retailer with respect to such transaction; the
3 amount of tax collected from the purchaser by the retailer on
4 such transaction (or satisfactory evidence that such tax is not
5 due in that particular instance, if that is claimed to be the
6 fact); the place and date of the sale; a sufficient
7 identification of the property sold; such other information as
8 is required in Section 5-402 of The Illinois Vehicle Code, and
9 such other information as the Department may reasonably
10 require.

11 The transaction reporting return in the case of watercraft
12 or aircraft must show the name and address of the seller; the
13 name and address of the purchaser; the amount of the selling
14 price including the amount allowed by the retailer for
15 traded-in property, if any; the amount allowed by the retailer
16 for the traded-in tangible personal property, if any, to the
17 extent to which Section 1 of this Act allows an exemption for
18 the value of traded-in property; the balance payable after
19 deducting such trade-in allowance from the total selling price;
20 the amount of tax due from the retailer with respect to such
21 transaction; the amount of tax collected from the purchaser by
22 the retailer on such transaction (or satisfactory evidence that
23 such tax is not due in that particular instance, if that is
24 claimed to be the fact); the place and date of the sale, a
25 sufficient identification of the property sold, and such other
26 information as the Department may reasonably require.

1 Such transaction reporting return shall be filed not later
2 than 20 days after the day of delivery of the item that is
3 being sold, but may be filed by the retailer at any time sooner
4 than that if he chooses to do so. The transaction reporting
5 return and tax remittance or proof of exemption from the
6 Illinois use tax may be transmitted to the Department by way of
7 the State agency with which, or State officer with whom the
8 tangible personal property must be titled or registered (if
9 titling or registration is required) if the Department and such
10 agency or State officer determine that this procedure will
11 expedite the processing of applications for title or
12 registration.

13 With each such transaction reporting return, the retailer
14 shall remit the proper amount of tax due (or shall submit
15 satisfactory evidence that the sale is not taxable if that is
16 the case), to the Department or its agents, whereupon the
17 Department shall issue, in the purchaser's name, a use tax
18 receipt (or a certificate of exemption if the Department is
19 satisfied that the particular sale is tax exempt) which such
20 purchaser may submit to the agency with which, or State officer
21 with whom, he must title or register the tangible personal
22 property that is involved (if titling or registration is
23 required) in support of such purchaser's application for an
24 Illinois certificate or other evidence of title or registration
25 to such tangible personal property.

26 No retailer's failure or refusal to remit tax under this

1 Act precludes a user, who has paid the proper tax to the
2 retailer, from obtaining his certificate of title or other
3 evidence of title or registration (if titling or registration
4 is required) upon satisfying the Department that such user has
5 paid the proper tax (if tax is due) to the retailer. The
6 Department shall adopt appropriate rules to carry out the
7 mandate of this paragraph.

8 If the user who would otherwise pay tax to the retailer
9 wants the transaction reporting return filed and the payment of
10 the tax or proof of exemption made to the Department before the
11 retailer is willing to take these actions and such user has not
12 paid the tax to the retailer, such user may certify to the fact
13 of such delay by the retailer and may (upon the Department
14 being satisfied of the truth of such certification) transmit
15 the information required by the transaction reporting return
16 and the remittance for tax or proof of exemption directly to
17 the Department and obtain his tax receipt or exemption
18 determination, in which event the transaction reporting return
19 and tax remittance (if a tax payment was required) shall be
20 credited by the Department to the proper retailer's account
21 with the Department, but without the 2.1% or 1.75% discount
22 provided for in this Section being allowed. When the user pays
23 the tax directly to the Department, he shall pay the tax in the
24 same amount and in the same form in which it would be remitted
25 if the tax had been remitted to the Department by the retailer.

26 Refunds made by the seller during the preceding return

1 period to purchasers, on account of tangible personal property
2 returned to the seller, shall be allowed as a deduction under
3 subdivision 5 of his monthly or quarterly return, as the case
4 may be, in case the seller had theretofore included the
5 receipts from the sale of such tangible personal property in a
6 return filed by him and had paid the tax imposed by this Act
7 with respect to such receipts.

8 Where the seller is a corporation, the return filed on
9 behalf of such corporation shall be signed by the president,
10 vice-president, secretary or treasurer or by the properly
11 accredited agent of such corporation.

12 Where the seller is a limited liability company, the return
13 filed on behalf of the limited liability company shall be
14 signed by a manager, member, or properly accredited agent of
15 the limited liability company.

16 Except as provided in this Section, the retailer filing the
17 return under this Section shall, at the time of filing such
18 return, pay to the Department the amount of tax imposed by this
19 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
20 on and after January 1, 1990, or \$5 per calendar year,
21 whichever is greater, which is allowed to reimburse the
22 retailer for the expenses incurred in keeping records,
23 preparing and filing returns, remitting the tax and supplying
24 data to the Department on request. The discount under this
25 Section is not allowed for taxes paid on aviation fuel that are
26 deposited into the State Aviation Program Fund under this Act.

1 Any prepayment made pursuant to Section 2d of this Act shall be
2 included in the amount on which such 2.1% or 1.75% discount is
3 computed. In the case of retailers who report and pay the tax
4 on a transaction by transaction basis, as provided in this
5 Section, such discount shall be taken with each such tax
6 remittance instead of when such retailer files his periodic
7 return. The Department may disallow the discount for retailers
8 whose certificate of registration is revoked at the time the
9 return is filed, but only if the Department's decision to
10 revoke the certificate of registration has become final.

11 Before October 1, 2000, if the taxpayer's average monthly
12 tax liability to the Department under this Act, the Use Tax
13 Act, the Service Occupation Tax Act, and the Service Use Tax
14 Act, excluding any liability for prepaid sales tax to be
15 remitted in accordance with Section 2d of this Act, was \$10,000
16 or more during the preceding 4 complete calendar quarters, he
17 shall file a return with the Department each month by the 20th
18 day of the month next following the month during which such tax
19 liability is incurred and shall make payments to the Department
20 on or before the 7th, 15th, 22nd and last day of the month
21 during which such liability is incurred. On and after October
22 1, 2000, if the taxpayer's average monthly tax liability to the
23 Department under this Act, the Use Tax Act, the Service
24 Occupation Tax Act, and the Service Use Tax Act, excluding any
25 liability for prepaid sales tax to be remitted in accordance
26 with Section 2d of this Act, was \$20,000 or more during the

1 preceding 4 complete calendar quarters, he shall file a return
2 with the Department each month by the 20th day of the month
3 next following the month during which such tax liability is
4 incurred and shall make payment to the Department on or before
5 the 7th, 15th, 22nd and last day of the month during which such
6 liability is incurred. If the month during which such tax
7 liability is incurred began prior to January 1, 1985, each
8 payment shall be in an amount equal to 1/4 of the taxpayer's
9 actual liability for the month or an amount set by the
10 Department not to exceed 1/4 of the average monthly liability
11 of the taxpayer to the Department for the preceding 4 complete
12 calendar quarters (excluding the month of highest liability and
13 the month of lowest liability in such 4 quarter period). If the
14 month during which such tax liability is incurred begins on or
15 after January 1, 1985 and prior to January 1, 1987, each
16 payment shall be in an amount equal to 22.5% of the taxpayer's
17 actual liability for the month or 27.5% of the taxpayer's
18 liability for the same calendar month of the preceding year. If
19 the month during which such tax liability is incurred begins on
20 or after January 1, 1987 and prior to January 1, 1988, each
21 payment shall be in an amount equal to 22.5% of the taxpayer's
22 actual liability for the month or 26.25% of the taxpayer's
23 liability for the same calendar month of the preceding year. If
24 the month during which such tax liability is incurred begins on
25 or after January 1, 1988, and prior to January 1, 1989, or
26 begins on or after January 1, 1996, each payment shall be in an

1 amount equal to 22.5% of the taxpayer's actual liability for
2 the month or 25% of the taxpayer's liability for the same
3 calendar month of the preceding year. If the month during which
4 such tax liability is incurred begins on or after January 1,
5 1989, and prior to January 1, 1996, each payment shall be in an
6 amount equal to 22.5% of the taxpayer's actual liability for
7 the month or 25% of the taxpayer's liability for the same
8 calendar month of the preceding year or 100% of the taxpayer's
9 actual liability for the quarter monthly reporting period. The
10 amount of such quarter monthly payments shall be credited
11 against the final tax liability of the taxpayer's return for
12 that month. Before October 1, 2000, once applicable, the
13 requirement of the making of quarter monthly payments to the
14 Department by taxpayers having an average monthly tax liability
15 of \$10,000 or more as determined in the manner provided above
16 shall continue until such taxpayer's average monthly liability
17 to the Department during the preceding 4 complete calendar
18 quarters (excluding the month of highest liability and the
19 month of lowest liability) is less than \$9,000, or until such
20 taxpayer's average monthly liability to the Department as
21 computed for each calendar quarter of the 4 preceding complete
22 calendar quarter period is less than \$10,000. However, if a
23 taxpayer can show the Department that a substantial change in
24 the taxpayer's business has occurred which causes the taxpayer
25 to anticipate that his average monthly tax liability for the
26 reasonably foreseeable future will fall below the \$10,000

1 threshold stated above, then such taxpayer may petition the
2 Department for a change in such taxpayer's reporting status. On
3 and after October 1, 2000, once applicable, the requirement of
4 the making of quarter monthly payments to the Department by
5 taxpayers having an average monthly tax liability of \$20,000 or
6 more as determined in the manner provided above shall continue
7 until such taxpayer's average monthly liability to the
8 Department during the preceding 4 complete calendar quarters
9 (excluding the month of highest liability and the month of
10 lowest liability) is less than \$19,000 or until such taxpayer's
11 average monthly liability to the Department as computed for
12 each calendar quarter of the 4 preceding complete calendar
13 quarter period is less than \$20,000. However, if a taxpayer can
14 show the Department that a substantial change in the taxpayer's
15 business has occurred which causes the taxpayer to anticipate
16 that his average monthly tax liability for the reasonably
17 foreseeable future will fall below the \$20,000 threshold stated
18 above, then such taxpayer may petition the Department for a
19 change in such taxpayer's reporting status. The Department
20 shall change such taxpayer's reporting status unless it finds
21 that such change is seasonal in nature and not likely to be
22 long term. If any such quarter monthly payment is not paid at
23 the time or in the amount required by this Section, then the
24 taxpayer shall be liable for penalties and interest on the
25 difference between the minimum amount due as a payment and the
26 amount of such quarter monthly payment actually and timely

1 paid, except insofar as the taxpayer has previously made
2 payments for that month to the Department in excess of the
3 minimum payments previously due as provided in this Section.
4 The Department shall make reasonable rules and regulations to
5 govern the quarter monthly payment amount and quarter monthly
6 payment dates for taxpayers who file on other than a calendar
7 monthly basis.

8 The provisions of this paragraph apply before October 1,
9 2001. Without regard to whether a taxpayer is required to make
10 quarter monthly payments as specified above, any taxpayer who
11 is required by Section 2d of this Act to collect and remit
12 prepaid taxes and has collected prepaid taxes which average in
13 excess of \$25,000 per month during the preceding 2 complete
14 calendar quarters, shall file a return with the Department as
15 required by Section 2f and shall make payments to the
16 Department on or before the 7th, 15th, 22nd and last day of the
17 month during which such liability is incurred. If the month
18 during which such tax liability is incurred began prior to
19 September 1, 1985 (the effective date of Public Act 84-221)
20 ~~this amendatory Act of 1985~~, each payment shall be in an amount
21 not less than 22.5% of the taxpayer's actual liability under
22 Section 2d. If the month during which such tax liability is
23 incurred begins on or after January 1, 1986, each payment shall
24 be in an amount equal to 22.5% of the taxpayer's actual
25 liability for the month or 27.5% of the taxpayer's liability
26 for the same calendar month of the preceding calendar year. If

1 the month during which such tax liability is incurred begins on
2 or after January 1, 1987, each payment shall be in an amount
3 equal to 22.5% of the taxpayer's actual liability for the month
4 or 26.25% of the taxpayer's liability for the same calendar
5 month of the preceding year. The amount of such quarter monthly
6 payments shall be credited against the final tax liability of
7 the taxpayer's return for that month filed under this Section
8 or Section 2f, as the case may be. Once applicable, the
9 requirement of the making of quarter monthly payments to the
10 Department pursuant to this paragraph shall continue until such
11 taxpayer's average monthly prepaid tax collections during the
12 preceding 2 complete calendar quarters is \$25,000 or less. If
13 any such quarter monthly payment is not paid at the time or in
14 the amount required, the taxpayer shall be liable for penalties
15 and interest on such difference, except insofar as the taxpayer
16 has previously made payments for that month in excess of the
17 minimum payments previously due.

18 The provisions of this paragraph apply on and after October
19 1, 2001. Without regard to whether a taxpayer is required to
20 make quarter monthly payments as specified above, any taxpayer
21 who is required by Section 2d of this Act to collect and remit
22 prepaid taxes and has collected prepaid taxes that average in
23 excess of \$20,000 per month during the preceding 4 complete
24 calendar quarters shall file a return with the Department as
25 required by Section 2f and shall make payments to the
26 Department on or before the 7th, 15th, 22nd and last day of the

1 month during which the liability is incurred. Each payment
2 shall be in an amount equal to 22.5% of the taxpayer's actual
3 liability for the month or 25% of the taxpayer's liability for
4 the same calendar month of the preceding year. The amount of
5 the quarter monthly payments shall be credited against the
6 final tax liability of the taxpayer's return for that month
7 filed under this Section or Section 2f, as the case may be.
8 Once applicable, the requirement of the making of quarter
9 monthly payments to the Department pursuant to this paragraph
10 shall continue until the taxpayer's average monthly prepaid tax
11 collections during the preceding 4 complete calendar quarters
12 (excluding the month of highest liability and the month of
13 lowest liability) is less than \$19,000 or until such taxpayer's
14 average monthly liability to the Department as computed for
15 each calendar quarter of the 4 preceding complete calendar
16 quarters is less than \$20,000. If any such quarter monthly
17 payment is not paid at the time or in the amount required, the
18 taxpayer shall be liable for penalties and interest on such
19 difference, except insofar as the taxpayer has previously made
20 payments for that month in excess of the minimum payments
21 previously due.

22 If any payment provided for in this Section exceeds the
23 taxpayer's liabilities under this Act, the Use Tax Act, the
24 Service Occupation Tax Act and the Service Use Tax Act, as
25 shown on an original monthly return, the Department shall, if
26 requested by the taxpayer, issue to the taxpayer a credit

1 memorandum no later than 30 days after the date of payment. The
2 credit evidenced by such credit memorandum may be assigned by
3 the taxpayer to a similar taxpayer under this Act, the Use Tax
4 Act, the Service Occupation Tax Act or the Service Use Tax Act,
5 in accordance with reasonable rules and regulations to be
6 prescribed by the Department. If no such request is made, the
7 taxpayer may credit such excess payment against tax liability
8 subsequently to be remitted to the Department under this Act,
9 the Use Tax Act, the Service Occupation Tax Act or the Service
10 Use Tax Act, in accordance with reasonable rules and
11 regulations prescribed by the Department. If the Department
12 subsequently determined that all or any part of the credit
13 taken was not actually due to the taxpayer, the taxpayer's 2.1%
14 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
15 of the difference between the credit taken and that actually
16 due, and that taxpayer shall be liable for penalties and
17 interest on such difference.

18 If a retailer of motor fuel is entitled to a credit under
19 Section 2d of this Act which exceeds the taxpayer's liability
20 to the Department under this Act for the month which the
21 taxpayer is filing a return, the Department shall issue the
22 taxpayer a credit memorandum for the excess.

23 Beginning January 1, 1990, each month the Department shall
24 pay into the Local Government Tax Fund, a special fund in the
25 State treasury which is hereby created, the net revenue
26 realized for the preceding month from the 1% tax on sales of

1 food for human consumption which is to be consumed off the
2 premises where it is sold (other than alcoholic beverages, soft
3 drinks and food which has been prepared for immediate
4 consumption) and prescription and nonprescription medicines,
5 drugs, medical appliances, products classified as Class III
6 medical devices by the United States Food and Drug
7 Administration that are used for cancer treatment pursuant to a
8 prescription, as well as any accessories and components related
9 to those devices, and insulin, urine testing materials,
10 syringes and needles used by diabetics.

11 Beginning January 1, 1990, each month the Department shall
12 pay into the County and Mass Transit District Fund, a special
13 fund in the State treasury which is hereby created, 4% of the
14 net revenue realized for the preceding month from the 6.25%
15 general rate other than aviation fuel sold on or after December
16 1, 2017. This exception for aviation fuel only applies for so
17 long as the revenue use requirements of 49 U.S.C. §47107(b) and
18 49 U.S.C. §47133 are binding on the State.

19 For aviation fuel sold on or after December 1, 2017, each
20 month the Department shall pay into the State Aviation Program
21 Fund 4% of the net revenue realized for the preceding month
22 from the 6.25% general rate on the selling price of aviation
23 fuel, less an amount estimated by the Department to be required
24 for refunds of the 4% portion of the tax on aviation fuel under
25 this Act, which amount shall be deposited into the Aviation
26 fuel Sales Tax Refund Fund. The Department shall only pay

1 moneys into the State Aviation Program Fund and the Aviation
2 Fuel Sales Tax Refund Fund under this Act for so long as the
3 revenue use requirements of 49 U.S.C. §47107(b) and 49 U.S.C.
4 §47133 are binding on the State.

5 Beginning August 1, 2000, each month the Department shall
6 pay into the County and Mass Transit District Fund 20% of the
7 net revenue realized for the preceding month from the 1.25%
8 rate on the selling price of motor fuel and gasohol. Beginning
9 September 1, 2010, each month the Department shall pay into the
10 County and Mass Transit District Fund 20% of the net revenue
11 realized for the preceding month from the 1.25% rate on the
12 selling price of sales tax holiday items.

13 Beginning January 1, 1990, each month the Department shall
14 pay into the Local Government Tax Fund 16% of the net revenue
15 realized for the preceding month from the 6.25% general rate on
16 the selling price of tangible personal property other than
17 aviation fuel sold on or after December 1, 2017. This exception
18 for aviation fuel only applies for so long as the revenue use
19 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
20 binding on the State.

21 For aviation fuel sold on or after December 1, 2017, each
22 month the Department shall pay into the State Aviation Program
23 Fund 16% of the net revenue realized for the preceding month
24 from the 6.25% general rate on the selling price of aviation
25 fuel, less an amount estimated by the Department to be required
26 for refunds of the 16% portion of the tax on aviation fuel

1 under this Act, which amount shall be deposited into the
2 Aviation fuel Sales Tax Refund Fund. The Department shall only
3 pay moneys into the State Aviation Program Fund and the
4 Aviation Fuel Sales Tax Refund Fund under this Act for so long
5 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
6 U.S.C. §47133 are binding on the State.

7 Beginning August 1, 2000, each month the Department shall
8 pay into the Local Government Tax Fund 80% of the net revenue
9 realized for the preceding month from the 1.25% rate on the
10 selling price of motor fuel and gasohol. Beginning September 1,
11 2010, each month the Department shall pay into the Local
12 Government Tax Fund 80% of the net revenue realized for the
13 preceding month from the 1.25% rate on the selling price of
14 sales tax holiday items.

15 Beginning October 1, 2009, each month the Department shall
16 pay into the Capital Projects Fund an amount that is equal to
17 an amount estimated by the Department to represent 80% of the
18 net revenue realized for the preceding month from the sale of
19 candy, grooming and hygiene products, and soft drinks that had
20 been taxed at a rate of 1% prior to September 1, 2009 but that
21 are now taxed at 6.25%.

22 Beginning July 1, 2011, each month the Department shall pay
23 into the Clean Air Act Permit Fund 80% of the net revenue
24 realized for the preceding month from the 6.25% general rate on
25 the selling price of sorbents used in Illinois in the process
26 of sorbent injection as used to comply with the Environmental

1 Protection Act or the federal Clean Air Act, but the total
2 payment into the Clean Air Act Permit Fund under this Act and
3 the Use Tax Act shall not exceed \$2,000,000 in any fiscal year.

4 Beginning July 1, 2013, each month the Department shall pay
5 into the Underground Storage Tank Fund from the proceeds
6 collected under this Act, the Use Tax Act, the Service Use Tax
7 Act, and the Service Occupation Tax Act an amount equal to the
8 average monthly deficit in the Underground Storage Tank Fund
9 during the prior year, as certified annually by the Illinois
10 Environmental Protection Agency, but the total payment into the
11 Underground Storage Tank Fund under this Act, the Use Tax Act,
12 the Service Use Tax Act, and the Service Occupation Tax Act
13 shall not exceed \$18,000,000 in any State fiscal year. As used
14 in this paragraph, the "average monthly deficit" shall be equal
15 to the difference between the average monthly claims for
16 payment by the fund and the average monthly revenues deposited
17 into the fund, excluding payments made pursuant to this
18 paragraph.

19 Beginning July 1, 2015, of the remainder of the moneys
20 received by the Department under the Use Tax Act, the Service
21 Use Tax Act, the Service Occupation Tax Act, and this Act, each
22 month the Department shall deposit \$500,000 into the State
23 Crime Laboratory Fund.

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, (a) 1.75% thereof shall be paid into the
26 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on

1 and after July 1, 1989, 3.8% thereof shall be paid into the
2 Build Illinois Fund; provided, however, that if in any fiscal
3 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
4 may be, of the moneys received by the Department and required
5 to be paid into the Build Illinois Fund pursuant to this Act,
6 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
7 Act, and Section 9 of the Service Occupation Tax Act, such Acts
8 being hereinafter called the "Tax Acts" and such aggregate of
9 2.2% or 3.8%, as the case may be, of moneys being hereinafter
10 called the "Tax Act Amount", and (2) the amount transferred to
11 the Build Illinois Fund from the State and Local Sales Tax
12 Reform Fund shall be less than the Annual Specified Amount (as
13 hereinafter defined), an amount equal to the difference shall
14 be immediately paid into the Build Illinois Fund from other
15 moneys received by the Department pursuant to the Tax Acts; the
16 "Annual Specified Amount" means the amounts specified below for
17 fiscal years 1986 through 1993:

18	Fiscal Year	Annual Specified Amount
19	1986	\$54,800,000
20	1987	\$76,650,000
21	1988	\$80,480,000
22	1989	\$88,510,000
23	1990	\$115,330,000
24	1991	\$145,470,000
25	1992	\$182,730,000
26	1993	\$206,520,000;

1 and means the Certified Annual Debt Service Requirement (as
2 defined in Section 13 of the Build Illinois Bond Act) or the
3 Tax Act Amount, whichever is greater, for fiscal year 1994 and
4 each fiscal year thereafter; and further provided, that if on
5 the last business day of any month the sum of (1) the Tax Act
6 Amount required to be deposited into the Build Illinois Bond
7 Account in the Build Illinois Fund during such month and (2)
8 the amount transferred to the Build Illinois Fund from the
9 State and Local Sales Tax Reform Fund shall have been less than
10 1/12 of the Annual Specified Amount, an amount equal to the
11 difference shall be immediately paid into the Build Illinois
12 Fund from other moneys received by the Department pursuant to
13 the Tax Acts; and, further provided, that in no event shall the
14 payments required under the preceding proviso result in
15 aggregate payments into the Build Illinois Fund pursuant to
16 this clause (b) for any fiscal year in excess of the greater of
17 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
18 such fiscal year. The amounts payable into the Build Illinois
19 Fund under clause (b) of the first sentence in this paragraph
20 shall be payable only until such time as the aggregate amount
21 on deposit under each trust indenture securing Bonds issued and
22 outstanding pursuant to the Build Illinois Bond Act is
23 sufficient, taking into account any future investment income,
24 to fully provide, in accordance with such indenture, for the
25 defeasance of or the payment of the principal of, premium, if
26 any, and interest on the Bonds secured by such indenture and on

1 any Bonds expected to be issued thereafter and all fees and
2 costs payable with respect thereto, all as certified by the
3 Director of the Bureau of the Budget (now Governor's Office of
4 Management and Budget). If on the last business day of any
5 month in which Bonds are outstanding pursuant to the Build
6 Illinois Bond Act, the aggregate of moneys deposited in the
7 Build Illinois Bond Account in the Build Illinois Fund in such
8 month shall be less than the amount required to be transferred
9 in such month from the Build Illinois Bond Account to the Build
10 Illinois Bond Retirement and Interest Fund pursuant to Section
11 13 of the Build Illinois Bond Act, an amount equal to such
12 deficiency shall be immediately paid from other moneys received
13 by the Department pursuant to the Tax Acts to the Build
14 Illinois Fund; provided, however, that any amounts paid to the
15 Build Illinois Fund in any fiscal year pursuant to this
16 sentence shall be deemed to constitute payments pursuant to
17 clause (b) of the first sentence of this paragraph and shall
18 reduce the amount otherwise payable for such fiscal year
19 pursuant to that clause (b). The moneys received by the
20 Department pursuant to this Act and required to be deposited
21 into the Build Illinois Fund are subject to the pledge, claim
22 and charge set forth in Section 12 of the Build Illinois Bond
23 Act.

24 Subject to payment of amounts into the Build Illinois Fund
25 as provided in the preceding paragraph or in any amendment
26 thereto hereafter enacted, the following specified monthly

1 installment of the amount requested in the certificate of the
2 Chairman of the Metropolitan Pier and Exposition Authority
3 provided under Section 8.25f of the State Finance Act, but not
4 in excess of sums designated as "Total Deposit", shall be
5 deposited in the aggregate from collections under Section 9 of
6 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
7 9 of the Service Occupation Tax Act, and Section 3 of the
8 Retailers' Occupation Tax Act into the McCormick Place
9 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
11	1993	\$0
12	1994	53,000,000
13	1995	58,000,000
14	1996	61,000,000
15	1997	64,000,000
16	1998	68,000,000
17	1999	71,000,000
18	2000	75,000,000
19	2001	80,000,000
20	2002	93,000,000
21	2003	99,000,000
22	2004	103,000,000
23	2005	108,000,000
24	2006	113,000,000
25	2007	119,000,000

1	2008	126,000,000
2	2009	132,000,000
3	2010	139,000,000
4	2011	146,000,000
5	2012	153,000,000
6	2013	161,000,000
7	2014	170,000,000
8	2015	179,000,000
9	2016	189,000,000
10	2017	199,000,000
11	2018	210,000,000
12	2019	221,000,000
13	2020	233,000,000
14	2021	246,000,000
15	2022	260,000,000
16	2023	275,000,000
17	2024	275,000,000
18	2025	275,000,000
19	2026	279,000,000
20	2027	292,000,000
21	2028	307,000,000
22	2029	322,000,000
23	2030	338,000,000
24	2031	350,000,000
25	2032	350,000,000
26	and	

1 each fiscal year
2 thereafter that bonds
3 are outstanding under
4 Section 13.2 of the
5 Metropolitan Pier and
6 Exposition Authority Act,
7 but not after fiscal year 2060.

8 Beginning July 20, 1993 and in each month of each fiscal
9 year thereafter, one-eighth of the amount requested in the
10 certificate of the Chairman of the Metropolitan Pier and
11 Exposition Authority for that fiscal year, less the amount
12 deposited into the McCormick Place Expansion Project Fund by
13 the State Treasurer in the respective month under subsection
14 (g) of Section 13 of the Metropolitan Pier and Exposition
15 Authority Act, plus cumulative deficiencies in the deposits
16 required under this Section for previous months and years,
17 shall be deposited into the McCormick Place Expansion Project
18 Fund, until the full amount requested for the fiscal year, but
19 not in excess of the amount specified above as "Total Deposit",
20 has been deposited.

21 Subject to payment of amounts into the Capital Projects
22 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois
23 Fund, and the McCormick Place Expansion Project Fund pursuant
24 to the preceding paragraphs or in any amendments thereto
25 hereafter enacted, the Department shall each month deposit into
26 the Aviation Fuel Sales Tax Refund Fund an amount estimated by

1 the Department to be required for refunds of the 80% portion of
2 the tax on aviation fuel under this Act.

3 Subject to payment of amounts into the Build Illinois Fund
4 and the McCormick Place Expansion Project Fund pursuant to the
5 preceding paragraphs or in any amendments thereto hereafter
6 enacted, beginning July 1, 1993 and ending on September 30,
7 2013, the Department shall each month pay into the Illinois Tax
8 Increment Fund 0.27% of 80% of the net revenue realized for the
9 preceding month from the 6.25% general rate on the selling
10 price of tangible personal property.

11 Subject to payment of amounts into the Build Illinois Fund
12 and the McCormick Place Expansion Project Fund pursuant to the
13 preceding paragraphs or in any amendments thereto hereafter
14 enacted, beginning with the receipt of the first report of
15 taxes paid by an eligible business and continuing for a 25-year
16 period, the Department shall each month pay into the Energy
17 Infrastructure Fund 80% of the net revenue realized from the
18 6.25% general rate on the selling price of Illinois-mined coal
19 that was sold to an eligible business. For purposes of this
20 paragraph, the term "eligible business" means a new electric
21 generating facility certified pursuant to Section 605-332 of
22 the Department of Commerce and Economic Opportunity Law of the
23 Civil Administrative Code of Illinois.

24 Subject to payment of amounts into the Build Illinois Fund,
25 the McCormick Place Expansion Project Fund, the Illinois Tax
26 Increment Fund, and the Energy Infrastructure Fund pursuant to

1 the preceding paragraphs or in any amendments to this Section
2 hereafter enacted, beginning on the first day of the first
3 calendar month to occur on or after August 26, 2014 (the
4 effective date of Public Act 98-1098) ~~this amendatory Act of~~
5 ~~the 98th General Assembly~~, each month, from the collections
6 made under Section 9 of the Use Tax Act, Section 9 of the
7 Service Use Tax Act, Section 9 of the Service Occupation Tax
8 Act, and Section 3 of the Retailers' Occupation Tax Act, the
9 Department shall pay into the Tax Compliance and Administration
10 Fund, to be used, subject to appropriation, to fund additional
11 auditors and compliance personnel at the Department of Revenue,
12 an amount equal to 1/12 of 5% of 80% of the cash receipts
13 collected during the preceding fiscal year by the Audit Bureau
14 of the Department under the Use Tax Act, the Service Use Tax
15 Act, the Service Occupation Tax Act, the Retailers' Occupation
16 Tax Act, and associated local occupation and use taxes
17 administered by the Department (except the amount collected on
18 aviation fuel sold on or after December 1, 2017).

19 Of the remainder of the moneys received by the Department
20 pursuant to this Act, 75% thereof shall be paid into the State
21 Treasury and 25% shall be reserved in a special account and
22 used only for the transfer to the Common School Fund as part of
23 the monthly transfer from the General Revenue Fund in
24 accordance with Section 8a of the State Finance Act.

25 The Department may, upon separate written notice to a
26 taxpayer, require the taxpayer to prepare and file with the

1 Department on a form prescribed by the Department within not
2 less than 60 days after receipt of the notice an annual
3 information return for the tax year specified in the notice.
4 Such annual return to the Department shall include a statement
5 of gross receipts as shown by the retailer's last Federal
6 income tax return. If the total receipts of the business as
7 reported in the Federal income tax return do not agree with the
8 gross receipts reported to the Department of Revenue for the
9 same period, the retailer shall attach to his annual return a
10 schedule showing a reconciliation of the 2 amounts and the
11 reasons for the difference. The retailer's annual return to the
12 Department shall also disclose the cost of goods sold by the
13 retailer during the year covered by such return, opening and
14 closing inventories of such goods for such year, costs of goods
15 used from stock or taken from stock and given away by the
16 retailer during such year, payroll information of the
17 retailer's business during such year and any additional
18 reasonable information which the Department deems would be
19 helpful in determining the accuracy of the monthly, quarterly
20 or annual returns filed by such retailer as provided for in
21 this Section.

22 If the annual information return required by this Section
23 is not filed when and as required, the taxpayer shall be liable
24 as follows:

25 (i) Until January 1, 1994, the taxpayer shall be liable
26 for a penalty equal to 1/6 of 1% of the tax due from such

1 taxpayer under this Act during the period to be covered by
2 the annual return for each month or fraction of a month
3 until such return is filed as required, the penalty to be
4 assessed and collected in the same manner as any other
5 penalty provided for in this Act.

6 (ii) On and after January 1, 1994, the taxpayer shall
7 be liable for a penalty as described in Section 3-4 of the
8 Uniform Penalty and Interest Act.

9 The chief executive officer, proprietor, owner or highest
10 ranking manager shall sign the annual return to certify the
11 accuracy of the information contained therein. Any person who
12 willfully signs the annual return containing false or
13 inaccurate information shall be guilty of perjury and punished
14 accordingly. The annual return form prescribed by the
15 Department shall include a warning that the person signing the
16 return may be liable for perjury.

17 The provisions of this Section concerning the filing of an
18 annual information return do not apply to a retailer who is not
19 required to file an income tax return with the United States
20 Government.

21 As soon as possible after the first day of each month, upon
22 certification of the Department of Revenue, the Comptroller
23 shall order transferred and the Treasurer shall transfer from
24 the General Revenue Fund to the Motor Fuel Tax Fund an amount
25 equal to 1.7% of 80% of the net revenue realized under this Act
26 for the second preceding month. Beginning April 1, 2000, this

1 transfer is no longer required and shall not be made.

2 Net revenue realized for a month shall be the revenue
3 collected by the State pursuant to this Act, less the amount
4 paid out during that month as refunds to taxpayers for
5 overpayment of liability.

6 For greater simplicity of administration, manufacturers,
7 importers and wholesalers whose products are sold at retail in
8 Illinois by numerous retailers, and who wish to do so, may
9 assume the responsibility for accounting and paying to the
10 Department all tax accruing under this Act with respect to such
11 sales, if the retailers who are affected do not make written
12 objection to the Department to this arrangement.

13 Any person who promotes, organizes, provides retail
14 selling space for concessionaires or other types of sellers at
15 the Illinois State Fair, DuQuoin State Fair, county fairs,
16 local fairs, art shows, flea markets and similar exhibitions or
17 events, including any transient merchant as defined by Section
18 2 of the Transient Merchant Act of 1987, is required to file a
19 report with the Department providing the name of the merchant's
20 business, the name of the person or persons engaged in
21 merchant's business, the permanent address and Illinois
22 Retailers Occupation Tax Registration Number of the merchant,
23 the dates and location of the event and other reasonable
24 information that the Department may require. The report must be
25 filed not later than the 20th day of the month next following
26 the month during which the event with retail sales was held.

1 Any person who fails to file a report required by this Section
2 commits a business offense and is subject to a fine not to
3 exceed \$250.

4 Any person engaged in the business of selling tangible
5 personal property at retail as a concessionaire or other type
6 of seller at the Illinois State Fair, county fairs, art shows,
7 flea markets and similar exhibitions or events, or any
8 transient merchants, as defined by Section 2 of the Transient
9 Merchant Act of 1987, may be required to make a daily report of
10 the amount of such sales to the Department and to make a daily
11 payment of the full amount of tax due. The Department shall
12 impose this requirement when it finds that there is a
13 significant risk of loss of revenue to the State at such an
14 exhibition or event. Such a finding shall be based on evidence
15 that a substantial number of concessionaires or other sellers
16 who are not residents of Illinois will be engaging in the
17 business of selling tangible personal property at retail at the
18 exhibition or event, or other evidence of a significant risk of
19 loss of revenue to the State. The Department shall notify
20 concessionaires and other sellers affected by the imposition of
21 this requirement. In the absence of notification by the
22 Department, the concessionaires and other sellers shall file
23 their returns as otherwise required in this Section.

24 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
25 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.
26 8-26-14; 99-352, eff. 8-12-15; 99-858, eff. 8-19-16; 99-933,

1 eff. 1-27-17; revised 2-3-17.)

2 (35 ILCS 120/6) (from Ch. 120, par. 445)

3 Sec. 6. Credit memorandum or refund. If it appears, after
4 claim therefor filed with the Department, that an amount of tax
5 or penalty or interest has been paid which was not due under
6 this Act, whether as the result of a mistake of fact or an
7 error of law, except as hereinafter provided, then the
8 Department shall issue a credit memorandum or refund to the
9 person who made the erroneous payment or, if that person died
10 or became a person under legal disability, to his or her legal
11 representative, as such. For purposes of this Section, the tax
12 is deemed to be erroneously paid by a retailer when the
13 manufacturer of a motor vehicle sold by the retailer accepts
14 the return of that automobile and refunds to the purchaser the
15 selling price of that vehicle as provided in the New Vehicle
16 Buyer Protection Act. When a motor vehicle is returned for a
17 refund of the purchase price under the New Vehicle Buyer
18 Protection Act, the Department shall issue a credit memorandum
19 or a refund for the amount of tax paid by the retailer under
20 this Act attributable to the initial sale of that vehicle.
21 Claims submitted by the retailer are subject to the same
22 restrictions and procedures provided for in this Act. If it is
23 determined that the Department should issue a credit memorandum
24 or refund, the Department may first apply the amount thereof
25 against any tax or penalty or interest due or to become due

1 under this Act or under the Use Tax Act, the Service Occupation
2 Tax Act, the Service Use Tax Act, any local occupation or use
3 tax administered by the Department, Section 4 of the Water
4 Commission Act of 1985, subsections (b), (c) and (d) of Section
5 5.01 of the Local Mass Transit District Act, or subsections
6 (e), (f) and (g) of Section 4.03 of the Regional Transportation
7 Authority Act, from the person who made the erroneous payment.
8 If no tax or penalty or interest is due and no proceeding is
9 pending to determine whether such person is indebted to the
10 Department for tax or penalty or interest, the credit
11 memorandum or refund shall be issued to the claimant; or (in
12 the case of a credit memorandum) the credit memorandum may be
13 assigned and set over by the lawful holder thereof, subject to
14 reasonable rules of the Department, to any other person who is
15 subject to this Act, the Use Tax Act, the Service Occupation
16 Tax Act, the Service Use Tax Act, any local occupation or use
17 tax administered by the Department, Section 4 of the Water
18 Commission Act of 1985, subsections (b), (c) and (d) of Section
19 5.01 of the Local Mass Transit District Act, or subsections
20 (e), (f) and (g) of Section 4.03 of the Regional Transportation
21 Authority Act, and the amount thereof applied by the Department
22 against any tax or penalty or interest due or to become due
23 under this Act or under the Use Tax Act, the Service Occupation
24 Tax Act, the Service Use Tax Act, any local occupation or use
25 tax administered by the Department, Section 4 of the Water
26 Commission Act of 1985, subsections (b), (c) and (d) of Section

1 5.01 of the Local Mass Transit District Act, or subsections
2 (e), (f) and (g) of Section 4.03 of the Regional Transportation
3 Authority Act, from such assignee. However, as to any claim for
4 credit or refund filed with the Department on and after each
5 January 1 and July 1 no amount of tax or penalty or interest
6 erroneously paid (either in total or partial liquidation of a
7 tax or penalty or amount of interest under this Act) more than
8 3 years prior to such January 1 and July 1, respectively, shall
9 be credited or refunded, except that if both the Department and
10 the taxpayer have agreed to an extension of time to issue a
11 notice of tax liability as provided in Section 4 of this Act,
12 such claim may be filed at any time prior to the expiration of
13 the period agreed upon.

14 No claim may be allowed for any amount paid to the
15 Department, whether paid voluntarily or involuntarily, if paid
16 in total or partial liquidation of an assessment which had
17 become final before the claim for credit or refund to recover
18 the amount so paid is filed with the Department, or if paid in
19 total or partial liquidation of a judgment or order of court.
20 No credit may be allowed or refund made for any amount paid by
21 or collected from any claimant unless it appears (a) that the
22 claimant bore the burden of such amount and has not been
23 relieved thereof nor reimbursed therefor and has not shifted
24 such burden directly or indirectly through inclusion of such
25 amount in the price of the tangible personal property sold by
26 him or her or in any manner whatsoever; and that no

1 understanding or agreement, written or oral, exists whereby he
2 or she or his or her legal representative may be relieved of
3 the burden of such amount, be reimbursed therefor or may shift
4 the burden thereof; or (b) that he or she or his or her legal
5 representative has repaid unconditionally such amount to his or
6 her vendee (1) who bore the burden thereof and has not shifted
7 such burden directly or indirectly, in any manner whatsoever;
8 (2) who, if he or she has shifted such burden, has repaid
9 unconditionally such amount to his own vendee; and (3) who is
10 not entitled to receive any reimbursement therefor from any
11 other source than from his or her vendor, nor to be relieved of
12 such burden in any manner whatsoever. No credit may be allowed
13 or refund made for any amount paid by or collected from any
14 claimant unless it appears that the claimant has
15 unconditionally repaid, to the purchaser, any amount collected
16 from the purchaser and retained by the claimant with respect to
17 the same transaction under the Use Tax Act.

18 Any credit or refund that is allowed under this Section
19 shall bear interest at the rate and in the manner specified in
20 the Uniform Penalty and Interest Act.

21 In case the Department determines that the claimant is
22 entitled to a refund, such refund shall be made only from the
23 Aviation Fuel Sales Tax Refund Fund or from such appropriation
24 as may be available for that purpose, as appropriate. If it
25 appears unlikely that the amount available ~~appropriated~~ would
26 permit everyone having a claim allowed during the period

1 covered by such appropriation or from the Aviation Fuel Sales
2 Tax Refund Fund, as appropriate, to elect to receive a cash
3 refund, the Department, by rule or regulation, shall provide
4 for the payment of refunds in hardship cases and shall define
5 what types of cases qualify as hardship cases.

6 If a retailer who has failed to pay retailers' occupation
7 tax on gross receipts from retail sales is required by the
8 Department to pay such tax, such retailer, without filing any
9 formal claim with the Department, shall be allowed to take
10 credit against such retailers' occupation tax liability to the
11 extent, if any, to which such retailer has paid an amount
12 equivalent to retailers' occupation tax or has paid use tax in
13 error to his or her vendor or vendors of the same tangible
14 personal property which such retailer bought for resale and did
15 not first use before selling it, and no penalty or interest
16 shall be charged to such retailer on the amount of such credit.
17 However, when such credit is allowed to the retailer by the
18 Department, the vendor is precluded from refunding any of that
19 tax to the retailer and filing a claim for credit or refund
20 with respect thereto with the Department. The provisions of
21 this amendatory Act shall be applied retroactively, regardless
22 of the date of the transaction.

23 (Source: P.A. 91-901, eff. 1-1-01.)

24 (35 ILCS 120/11) (from Ch. 120, par. 450)

25 Sec. 11. All information received by the Department from

1 returns filed under this Act, or from any investigation
2 conducted under this Act, shall be confidential, except for
3 official purposes, and any person who divulges any such
4 information in any manner, except in accordance with a proper
5 judicial order or as otherwise provided by law, shall be guilty
6 of a Class B misdemeanor with a fine not to exceed \$7,500.

7 Nothing in this Act prevents the Director of Revenue from
8 publishing or making available to the public the names and
9 addresses of persons filing returns under this Act, or
10 reasonable statistics concerning the operation of the tax by
11 grouping the contents of returns so the information in any
12 individual return is not disclosed.

13 Nothing in this Act prevents the Director of Revenue from
14 divulging to the United States Government or the government of
15 any other state, or any officer or agency thereof, for
16 exclusively official purposes, information received by the
17 Department in administering this Act, provided that such other
18 governmental agency agrees to divulge requested tax
19 information to the Department.

20 The Department's furnishing of information derived from a
21 taxpayer's return or from an investigation conducted under this
22 Act to the surety on a taxpayer's bond that has been furnished
23 to the Department under this Act, either to provide notice to
24 such surety of its potential liability under the bond or, in
25 order to support the Department's demand for payment from such
26 surety under the bond, is an official purpose within the

1 meaning of this Section.

2 The furnishing upon request of information obtained by the
3 Department from returns filed under this Act or investigations
4 conducted under this Act to the Illinois Liquor Control
5 Commission for official use is deemed to be an official purpose
6 within the meaning of this Section.

7 Notice to a surety of potential liability shall not be
8 given unless the taxpayer has first been notified, not less
9 than 10 days prior thereto, of the Department's intent to so
10 notify the surety.

11 The furnishing upon request of the Auditor General, or his
12 authorized agents, for official use, of returns filed and
13 information related thereto under this Act is deemed to be an
14 official purpose within the meaning of this Section.

15 Where an appeal or a protest has been filed on behalf of a
16 taxpayer, the furnishing upon request of the attorney for the
17 taxpayer of returns filed by the taxpayer and information
18 related thereto under this Act is deemed to be an official
19 purpose within the meaning of this Section.

20 The furnishing of financial information to a municipality
21 or county, upon request of the chief executive officer thereof,
22 is an official purpose within the meaning of this Section,
23 provided the municipality or county agrees in writing to the
24 requirements of this Section. Information provided to
25 municipalities and counties under this paragraph shall be
26 limited to: (1) the business name; (2) the business address;

1 (3) the standard classification number assigned to the
2 business; (4) net revenue distributed to the requesting
3 municipality or county that is directly related to the
4 requesting municipality's or county's local share of the
5 proceeds under the Use Tax Act, the Service Use Tax Act, the
6 Service Occupation Tax Act, and the Retailers' Occupation Tax
7 Act distributed from the Local Government Tax Fund, and, if
8 applicable, any locally imposed retailers' occupation tax or
9 service occupation tax; and (5) a listing of all businesses
10 within the requesting municipality or county by account
11 identification number and address. On and after July 1, 2015,
12 the furnishing of financial information to municipalities and
13 counties under this paragraph may be by electronic means.

14 Information so provided shall be subject to all
15 confidentiality provisions of this Section. The written
16 agreement shall provide for reciprocity, limitations on
17 access, disclosure, and procedures for requesting information.

18 The Department may make available to the Board of Trustees
19 of any Metro East Mass Transit District information contained
20 on transaction reporting returns required to be filed under
21 Section 3 of this Act that report sales made within the
22 boundary of the taxing authority of that Metro East Mass
23 Transit District, as provided in Section 5.01 of the Local Mass
24 Transit District Act. The disclosure shall be made pursuant to
25 a written agreement between the Department and the Board of
26 Trustees of a Metro East Mass Transit District, which is an

1 official purpose within the meaning of this Section. The
2 written agreement between the Department and the Board of
3 Trustees of a Metro East Mass Transit District shall provide
4 for reciprocity, limitations on access, disclosure, and
5 procedures for requesting information. Information so provided
6 shall be subject to all confidentiality provisions of this
7 Section.

8 The Director may make available to any State agency,
9 including the Illinois Supreme Court, which licenses persons to
10 engage in any occupation, information that a person licensed by
11 such agency has failed to file returns under this Act or pay
12 the tax, penalty and interest shown therein, or has failed to
13 pay any final assessment of tax, penalty or interest due under
14 this Act. The Director may make available to any State agency,
15 including the Illinois Supreme Court, information regarding
16 whether a bidder, contractor, or an affiliate of a bidder or
17 contractor has failed to collect and remit Illinois Use tax on
18 sales into Illinois, or any tax under this Act or pay the tax,
19 penalty, and interest shown therein, or has failed to pay any
20 final assessment of tax, penalty, or interest due under this
21 Act, for the limited purpose of enforcing bidder and contractor
22 certifications. The Director may make available to units of
23 local government and school districts that require bidder and
24 contractor certifications, as set forth in Sections 50-11 and
25 50-12 of the Illinois Procurement Code, information regarding
26 whether a bidder, contractor, or an affiliate of a bidder or

1 contractor has failed to collect and remit Illinois Use tax on
2 sales into Illinois, file returns under this Act, or pay the
3 tax, penalty, and interest shown therein, or has failed to pay
4 any final assessment of tax, penalty, or interest due under
5 this Act, for the limited purpose of enforcing bidder and
6 contractor certifications. For purposes of this Section, the
7 term "affiliate" means any entity that (1) directly,
8 indirectly, or constructively controls another entity, (2) is
9 directly, indirectly, or constructively controlled by another
10 entity, or (3) is subject to the control of a common entity.
11 For purposes of this Section, an entity controls another entity
12 if it owns, directly or individually, more than 10% of the
13 voting securities of that entity. As used in this Section, the
14 term "voting security" means a security that (1) confers upon
15 the holder the right to vote for the election of members of the
16 board of directors or similar governing body of the business or
17 (2) is convertible into, or entitles the holder to receive upon
18 its exercise, a security that confers such a right to vote. A
19 general partnership interest is a voting security.

20 The Director may make available to any State agency,
21 including the Illinois Supreme Court, units of local
22 government, and school districts, information regarding
23 whether a bidder or contractor is an affiliate of a person who
24 is not collecting and remitting Illinois Use taxes for the
25 limited purpose of enforcing bidder and contractor
26 certifications.

1 The Director may also make available to the Secretary of
2 State information that a limited liability company, which has
3 filed articles of organization with the Secretary of State, or
4 corporation which has been issued a certificate of
5 incorporation by the Secretary of State has failed to file
6 returns under this Act or pay the tax, penalty and interest
7 shown therein, or has failed to pay any final assessment of
8 tax, penalty or interest due under this Act. An assessment is
9 final when all proceedings in court for review of such
10 assessment have terminated or the time for the taking thereof
11 has expired without such proceedings being instituted.

12 The Director shall make available for public inspection in
13 the Department's principal office and for publication, at cost,
14 administrative decisions issued on or after January 1, 1995.
15 These decisions are to be made available in a manner so that
16 the following taxpayer information is not disclosed:

17 (1) The names, addresses, and identification numbers
18 of the taxpayer, related entities, and employees.

19 (2) At the sole discretion of the Director, trade
20 secrets or other confidential information identified as
21 such by the taxpayer, no later than 30 days after receipt
22 of an administrative decision, by such means as the
23 Department shall provide by rule.

24 The Director shall determine the appropriate extent of the
25 deletions allowed in paragraph (2). In the event the taxpayer
26 does not submit deletions, the Director shall make only the

1 deletions specified in paragraph (1).

2 The Director shall make available for public inspection and
3 publication an administrative decision within 180 days after
4 the issuance of the administrative decision. The term
5 "administrative decision" has the same meaning as defined in
6 Section 3-101 of Article III of the Code of Civil Procedure.
7 Costs collected under this Section shall be paid into the Tax
8 Compliance and Administration Fund.

9 Nothing contained in this Act shall prevent the Director
10 from divulging information to any person pursuant to a request
11 or authorization made by the taxpayer or by an authorized
12 representative of the taxpayer.

13 The furnishing of information obtained by the Department
14 from returns filed under this amendatory Act of the 100th
15 General Assembly to the Department of Transportation for
16 purposes of compliance with this amendatory Act of the 100th
17 General Assembly regarding aviation fuel is deemed to be an
18 official purpose within the meaning of this Section.

19 (Source: P.A. 98-1058, eff. 1-1-15; 99-517, eff. 6-30-16.)

20 Section 30. The Motor Fuel Tax Law is amended by changing
21 Sections 2, 2b, and 8a as follows:

22 (35 ILCS 505/2) (from Ch. 120, par. 418)

23 Sec. 2. A tax is imposed on the privilege of operating
24 motor vehicles upon the public highways and recreational-type

1 watercraft upon the waters of this State.

2 (a) Prior to August 1, 1989, the tax is imposed at the rate
3 of 13 cents per gallon on all motor fuel used in motor vehicles
4 operating on the public highways and recreational type
5 watercraft operating upon the waters of this State. Beginning
6 on August 1, 1989 and until January 1, 1990, the rate of the
7 tax imposed in this paragraph shall be 16 cents per gallon.
8 Beginning January 1, 1990, the rate of tax imposed in this
9 paragraph shall be 19 cents per gallon.

10 (b) The tax on the privilege of operating motor vehicles
11 which use diesel fuel shall be the rate according to paragraph
12 (a) plus an additional 2 1/2 cents per gallon. "Diesel fuel" is
13 defined as any product intended for use or offered for sale as
14 a fuel for engines in which the fuel is injected into the
15 combustion chamber and ignited by pressure without electric
16 spark.

17 (c) A tax is imposed upon the privilege of engaging in the
18 business of selling motor fuel as a retailer or reseller on all
19 motor fuel used in motor vehicles operating on the public
20 highways and recreational type watercraft operating upon the
21 waters of this State: (1) at the rate of 3 cents per gallon on
22 motor fuel owned or possessed by such retailer or reseller at
23 12:01 a.m. on August 1, 1989; and (2) at the rate of 3 cents per
24 gallon on motor fuel owned or possessed by such retailer or
25 reseller at 12:01 A.M. on January 1, 1990.

26 Retailers and resellers who are subject to this additional

1 tax shall be required to inventory such motor fuel and pay this
2 additional tax in a manner prescribed by the Department of
3 Revenue.

4 The tax imposed in this paragraph (c) shall be in addition
5 to all other taxes imposed by the State of Illinois or any unit
6 of local government in this State.

7 (d) Except as provided in Section 2a, the collection of a
8 tax based on gallonage of gasoline used for the propulsion of
9 any aircraft is prohibited on and after October 1, 1979, and
10 the collection of a tax based on gallonage of special fuel used
11 for the propulsion of any aircraft is prohibited on and after
12 December 1, 2017.

13 (e) The collection of a tax, based on gallonage of all
14 products commonly or commercially known or sold as 1-K
15 kerosene, regardless of its classification or uses, is
16 prohibited (i) on and after July 1, 1992 until December 31,
17 1999, except when the 1-K kerosene is either: (1) delivered
18 into bulk storage facilities of a bulk user, or (2) delivered
19 directly into the fuel supply tanks of motor vehicles and (ii)
20 on and after January 1, 2000. Beginning on January 1, 2000, the
21 collection of a tax, based on gallonage of all products
22 commonly or commercially known or sold as 1-K kerosene,
23 regardless of its classification or uses, is prohibited except
24 when the 1-K kerosene is delivered directly into a storage tank
25 that is located at a facility that has withdrawal facilities
26 that are readily accessible to and are capable of dispensing

1 1-K kerosene into the fuel supply tanks of motor vehicles. For
2 purposes of this subsection (e), a facility is considered to
3 have withdrawal facilities that are not "readily accessible to
4 and capable of dispensing 1-K kerosene into the fuel supply
5 tanks of motor vehicles" only if the 1-K kerosene is delivered
6 from: (i) a dispenser hose that is short enough so that it will
7 not reach the fuel supply tank of a motor vehicle or (ii) a
8 dispenser that is enclosed by a fence or other physical barrier
9 so that a vehicle cannot pull alongside the dispenser to permit
10 fueling.

11 Any person who sells or uses 1-K kerosene for use in motor
12 vehicles upon which the tax imposed by this Law has not been
13 paid shall be liable for any tax due on the sales or use of 1-K
14 kerosene.

15 (Source: P.A. 96-1384, eff. 7-29-10.)

16 (35 ILCS 505/2b) (from Ch. 120, par. 418b)

17 Sec. 2b. In addition to the tax collection and reporting
18 responsibilities imposed elsewhere in this Act, a person who is
19 required to pay the tax imposed by Section 2a of this Act shall
20 pay the tax to the Department by return showing all fuel
21 purchased, acquired or received and sold, distributed or used
22 during the preceding calendar month including losses of fuel as
23 the result of evaporation or shrinkage due to temperature
24 variations, and such other reasonable information as the
25 Department may require. Losses of fuel as the result of

1 evaporation or shrinkage due to temperature variations may not
2 exceed 1% of the total gallons in storage at the beginning of
3 the month, plus the receipts of gallonage during the month,
4 minus the gallonage remaining in storage at the end of the
5 month. Any loss reported that is in excess of this amount shall
6 be subject to the tax imposed by Section 2a of this Law. On and
7 after July 1, 2001, for each 6-month period January through
8 June, net losses of fuel (for each category of fuel that is
9 required to be reported on a return) as the result of
10 evaporation or shrinkage due to temperature variations may not
11 exceed 1% of the total gallons in storage at the beginning of
12 each January, plus the receipts of gallonage each January
13 through June, minus the gallonage remaining in storage at the
14 end of each June. On and after July 1, 2001, for each 6-month
15 period July through December, net losses of fuel (for each
16 category of fuel that is required to be reported on a return)
17 as the result of evaporation or shrinkage due to temperature
18 variations may not exceed 1% of the total gallons in storage at
19 the beginning of each July, plus the receipts of gallonage each
20 July through December, minus the gallonage remaining in storage
21 at the end of each December. Any net loss reported that is in
22 excess of this amount shall be subject to the tax imposed by
23 Section 2a of this Law. For purposes of this Section, "net
24 loss" means the number of gallons gained through temperature
25 variations minus the number of gallons lost through temperature
26 variations or evaporation for each of the respective 6-month

1 periods.

2 The return shall be prescribed by the Department and shall
3 be filed between the 1st and 20th days of each calendar month.
4 The Department may, in its discretion, combine the returns
5 filed under this Section, Section 5, and Section 5a of this
6 Act. The return must be accompanied by appropriate
7 computer-generated magnetic media supporting schedule data in
8 the format required by the Department, unless, as provided by
9 rule, the Department grants an exception upon petition of a
10 taxpayer. If the return is filed timely, the seller shall take
11 a discount of 2% through June 30, 2003 and 1.75% thereafter
12 which is allowed to reimburse the seller for the expenses
13 incurred in keeping records, preparing and filing returns,
14 collecting and remitting the tax and supplying data to the
15 Department on request. The discount, however, shall be
16 applicable only to the amount of payment which accompanies a
17 return that is filed timely in accordance with this Section.
18 The discount under this Section is not allowed for taxes paid
19 on aviation fuel that are deposited into the State Aviation
20 Program Fund under this Act.

21 Beginning on January 1, 2018, each person who is required
22 to pay the tax imposed under Section 2a of this Act on aviation
23 fuel sold or used in this State during the preceding calendar
24 month shall, instead of reporting and paying tax on aviation
25 fuel as otherwise required by this Section, report and pay such
26 tax on a separate aviation fuel tax return, on or before the

1 twentieth day of each calendar month. The requirements related
2 to the return shall be as otherwise provided in this Section.
3 Notwithstanding any other provisions of this Act to the
4 contrary, a person required to pay the tax imposed by Section
5 2a of this Act on aviation fuel shall file all aviation fuel
6 tax returns and shall make all aviation fuel tax payments by
7 electronic means in the manner and form required by the
8 Department. For purposes of this paragraph, "aviation fuel"
9 means a product that is intended for use or offered for sale as
10 fuel for an aircraft.

11 (Source: P.A. 92-30, eff. 7-1-01; 93-32, eff. 6-20-03.)

12 (35 ILCS 505/8a) (from Ch. 120, par. 424a)

13 Sec. 8a. All money received by the Department under Section
14 2a of this Act, except money received from taxes on aviation
15 fuel sold or used on or after December 1, 2017, shall be
16 deposited in the Underground Storage Tank Fund created by
17 Section 57.11 of the Environmental Protection Act, as now or
18 hereafter amended. All money received by the Department under
19 Section 2a of this Act for aviation fuel sold or used on or
20 after December 1, 2017, shall be deposited into the State
21 Aviation Program Fund. This exception for aviation fuel only
22 applies for so long as the revenue use requirements of 49
23 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the State.
24 For purposes of this section, "aviation fuel" means a product
25 that is intended for use or offered for sale as fuel for an

1 aircraft.

2 (Source: P.A. 88-496.)

3 Section 35. The Innovation Development and Economy Act is
4 amended by changing Sections 10 and 31 as follows:

5 (50 ILCS 470/10)

6 Sec. 10. Definitions. As used in this Act, the following
7 words and phrases shall have the following meanings unless a
8 different meaning clearly appears from the context:

9 "Base year" means the calendar year immediately prior to
10 the calendar year in which the STAR bond district is
11 established.

12 "Commence work" means the manifest commencement of actual
13 operations on the development site, such as, erecting a
14 building, general on-site and off-site grading and utility
15 installations, commencing design and construction
16 documentation, ordering lead-time materials, excavating the
17 ground to lay a foundation or a basement, or work of like
18 description which a reasonable person would recognize as being
19 done with the intention and purpose to continue work until the
20 project is completed.

21 "County" means the county in which a proposed STAR bond
22 district is located.

23 "De minimis" means an amount less than 15% of the land area
24 within a STAR bond district.

1 "Department of Revenue" means the Department of Revenue of
2 the State of Illinois.

3 "Destination user" means an owner, operator, licensee,
4 co-developer, subdeveloper, or tenant (i) that operates a
5 business within a STAR bond district that is a retail store
6 having at least 150,000 square feet of sales floor area; (ii)
7 that at the time of opening does not have another Illinois
8 location within a 70 mile radius; (iii) that has an annual
9 average of not less than 30% of customers who travel from at
10 least 75 miles away or from out-of-state, as demonstrated by
11 data from a comparable existing store or stores, or, if there
12 is no comparable existing store, as demonstrated by an economic
13 analysis that shows that the proposed retailer will have an
14 annual average of not less than 30% of customers who travel
15 from at least 75 miles away or from out-of-state; and (iv) that
16 makes an initial capital investment, including project costs
17 and other direct costs, of not less than \$30,000,000 for such
18 retail store.

19 "Destination hotel" means a hotel (as that term is defined
20 in Section 2 of the Hotel Operators' Occupation Tax Act)
21 complex having at least 150 guest rooms and which also includes
22 a venue for entertainment attractions, rides, or other
23 activities oriented toward the entertainment and amusement of
24 its guests and other patrons.

25 "Developer" means any individual, corporation, trust,
26 estate, partnership, limited liability partnership, limited

1 liability company, or other entity. The term does not include a
2 not-for-profit entity, political subdivision, or other agency
3 or instrumentality of the State.

4 "Director" means the Director of Revenue, who shall consult
5 with the Director of Commerce and Economic Opportunity in any
6 approvals or decisions required by the Director under this Act.

7 "Economic impact study" means a study conducted by an
8 independent economist to project the financial benefit of the
9 proposed STAR bond project to the local, regional, and State
10 economies, consider the proposed adverse impacts on similar
11 projects and businesses, as well as municipalities within the
12 projected market area, and draw conclusions about the net
13 effect of the proposed STAR bond project on the local,
14 regional, and State economies. A copy of the economic impact
15 study shall be provided to the Director for review.

16 "Eligible area" means any improved or vacant area that (i)
17 is contiguous and is not, in the aggregate, less than 250 acres
18 nor more than 500 acres which must include only parcels of real
19 property directly and substantially benefited by the proposed
20 STAR bond district plan, (ii) is adjacent to a federal
21 interstate highway, (iii) is within one mile of 2 State
22 highways, (iv) is within one mile of an entertainment user, or
23 a major or minor league sports stadium or other similar
24 entertainment venue that had an initial capital investment of
25 at least \$20,000,000, and (v) includes land that was previously
26 surface or strip mined. The area may be bisected by streets,

1 highways, roads, alleys, railways, bike paths, streams,
2 rivers, and other waterways and still be deemed contiguous. In
3 addition, in order to constitute an eligible area one of the
4 following requirements must be satisfied and all of which are
5 subject to the review and approval of the Director as provided
6 in subsection (d) of Section 15:

7 (a) the governing body of the political subdivision
8 shall have determined that the area meets the requirements
9 of a "blighted area" as defined under the Tax Increment
10 Allocation Redevelopment Act; or

11 (b) the governing body of the political subdivision
12 shall have determined that the area is a blighted area as
13 determined under the provisions of Section 11-74.3-5 of the
14 Illinois Municipal Code; or

15 (c) the governing body of the political subdivision
16 shall make the following findings:

17 (i) that the vacant portions of the area have
18 remained vacant for at least one year, or that any
19 building located on a vacant portion of the property
20 was demolished within the last year and that the
21 building would have qualified under item (ii) of this
22 subsection;

23 (ii) if portions of the area are currently
24 developed, that the use, condition, and character of
25 the buildings on the property are not consistent with
26 the purposes set forth in Section 5;

1 (iii) that the STAR bond district is expected to
2 create or retain job opportunities within the
3 political subdivision;

4 (iv) that the STAR bond district will serve to
5 further the development of adjacent areas;

6 (v) that without the availability of STAR bonds,
7 the projects described in the STAR bond district plan
8 would not be possible;

9 (vi) that the master developer meets high
10 standards of creditworthiness and financial strength
11 as demonstrated by one or more of the following: (i)
12 corporate debenture ratings of BBB or higher by
13 Standard & Poor's Corporation or Baa or higher by
14 Moody's Investors Service, Inc.; (ii) a letter from a
15 financial institution with assets of \$10,000,000 or
16 more attesting to the financial strength of the master
17 developer; or (iii) specific evidence of equity
18 financing for not less than 10% of the estimated total
19 STAR bond project costs;

20 (vii) that the STAR bond district will strengthen
21 the commercial sector of the political subdivision;

22 (viii) that the STAR bond district will enhance the
23 tax base of the political subdivision; and

24 (ix) that the formation of a STAR bond district is
25 in the best interest of the political subdivision.

26 "Entertainment user" means an owner, operator, licensee,

1 co-developer, subdeveloper, or tenant that operates a business
2 within a STAR bond district that has a primary use of providing
3 a venue for entertainment attractions, rides, or other
4 activities oriented toward the entertainment and amusement of
5 its patrons, occupies at least 20 acres of land in the STAR
6 bond district, and makes an initial capital investment,
7 including project costs and other direct and indirect costs, of
8 not less than \$25,000,000 for that venue.

9 "Feasibility study" means a feasibility study as defined in
10 subsection (b) of Section 20.

11 "Infrastructure" means the public improvements and private
12 improvements that serve the public purposes set forth in
13 Section 5 of this Act and that benefit the STAR bond district
14 or any STAR bond projects, including, but not limited to,
15 streets, drives and driveways, traffic and directional signs
16 and signals, parking lots and parking facilities,
17 interchanges, highways, sidewalks, bridges, underpasses and
18 overpasses, bike and walking trails, sanitary storm sewers and
19 lift stations, drainage conduits, channels, levees, canals,
20 storm water detention and retention facilities, utilities and
21 utility connections, water mains and extensions, and street and
22 parking lot lighting and connections.

23 "Local sales taxes" means any locally imposed taxes
24 received by a municipality, county, or other local governmental
25 entity arising from sales by retailers and servicemen within a
26 STAR bond district, including business district sales taxes and

1 STAR bond occupation taxes, and that portion of the net revenue
2 realized under the Retailers' Occupation Tax Act, the Use Tax
3 Act, the Service Use Tax Act, and the Service Occupation Tax
4 Act from transactions at places of business located within a
5 STAR bond district that is deposited into the Local Government
6 Tax Fund and the County and Mass Transit District Fund. For the
7 purpose of this Act, "local sales taxes" does not include (i)
8 any taxes authorized pursuant to the Local Mass Transit
9 District Act or the Metro-East Park and Recreation District Act
10 for so long as the applicable taxing district does not impose a
11 tax on real property, (ii) county school facility occupation
12 taxes imposed pursuant to Section 5-1006.7 of the Counties
13 Code, or (iii) any taxes authorized under the Flood Prevention
14 District Act.

15 "Local sales tax increment" means, except as otherwise
16 provided in this Section, with respect to local sales taxes
17 administered by the Illinois Department of Revenue, (i) all of
18 the local sales tax paid by destination users, destination
19 hotels, and entertainment users that is in excess of the local
20 sales tax paid by destination users, destination hotels, and
21 entertainment users for the same month in the base year, as
22 determined by the Illinois Department of Revenue, (ii) in the
23 case of a municipality forming a STAR bond district that is
24 wholly within the corporate boundaries of the municipality and
25 in the case of a municipality and county forming a STAR bond
26 district that is only partially within such municipality, that

1 portion of the local sales tax paid by taxpayers that are not
2 destination users, destination hotels, or entertainment users
3 that is in excess of the local sales tax paid by taxpayers that
4 are not destination users, destination hotels, or
5 entertainment users for the same month in the base year, as
6 determined by the Illinois Department of Revenue, and (iii) in
7 the case of a county in which a STAR bond district is formed
8 that is wholly within a municipality, that portion of the local
9 sales tax paid by taxpayers that are not destination users,
10 destination hotels, or entertainment users that is in excess of
11 the local sales tax paid by taxpayers that are not destination
12 users, destination hotels, or entertainment users for the same
13 month in the base year, as determined by the Illinois
14 Department of Revenue, but only if the corporate authorities of
15 the county adopts an ordinance, and files a copy with the
16 Department within the same time frames as required for STAR
17 bond occupation taxes under Section 31, that designates the
18 taxes referenced in this clause (iii) as part of the local
19 sales tax increment under this Act. "Local sales tax increment"
20 means, with respect to local sales taxes administered by a
21 municipality, county, or other unit of local government, that
22 portion of the local sales tax that is in excess of the local
23 sales tax for the same month in the base year, as determined by
24 the respective municipality, county, or other unit of local
25 government. If any portion of local sales taxes are, at the
26 time of formation of a STAR bond district, already subject to

1 tax increment financing under the Tax Increment Allocation
2 Redevelopment Act, then the local sales tax increment for such
3 portion shall be frozen at the base year established in
4 accordance with this Act, and all future incremental increases
5 shall be included in the "local sales tax increment" under this
6 Act. Any party otherwise entitled to receipt of incremental
7 local sales tax revenues through an existing tax increment
8 financing district shall be entitled to continue to receive
9 such revenues up to the amount frozen in the base year. Nothing
10 in this Act shall affect the prior qualification of existing
11 redevelopment project costs incurred that are eligible for
12 reimbursement under the Tax Increment Allocation Redevelopment
13 Act. In such event, prior to approving a STAR bond district,
14 the political subdivision forming the STAR bond district shall
15 take such action as is necessary, including amending the
16 existing tax increment financing district redevelopment plan,
17 to carry out the provisions of this Act. The Illinois
18 Department of Revenue shall allocate the local sales tax
19 increment only if the local sales tax is administered by the
20 Department. "Local sales tax increment" does not include taxes
21 and penalties collected on aviation fuel, as defined in Section
22 3 of the Retailers' Occupation Tax, sold on or after December
23 1, 2017.

24 "Market study" means a study to determine the ability of
25 the proposed STAR bond project to gain market share locally and
26 regionally and to remain profitable past the term of repayment

1 of STAR bonds.

2 "Master developer" means a developer cooperating with a
3 political subdivision to plan, develop, and implement a STAR
4 bond project plan for a STAR bond district. Subject to the
5 limitations of Section 25, the master developer may work with
6 and transfer certain development rights to other developers for
7 the purpose of implementing STAR bond project plans and
8 achieving the purposes of this Act. A master developer for a
9 STAR bond district shall be appointed by a political
10 subdivision in the resolution establishing the STAR bond
11 district, and the master developer must, at the time of
12 appointment, own or have control of, through purchase
13 agreements, option contracts, or other means, not less than 50%
14 of the acreage within the STAR bond district and the master
15 developer or its affiliate must have ownership or control on
16 June 1, 2010.

17 "Master development agreement" means an agreement between
18 the master developer and the political subdivision to govern a
19 STAR bond district and any STAR bond projects.

20 "Municipality" means the city, village, or incorporated
21 town in which a proposed STAR bond district is located.

22 "Pledged STAR revenues" means those sales tax and revenues
23 and other sources of funds pledged to pay debt service on STAR
24 bonds or to pay project costs pursuant to Section 30.
25 Notwithstanding any provision to the contrary, the following
26 revenues shall not constitute pledged STAR revenues or be

1 available to pay principal and interest on STAR bonds: any
2 State sales tax increment or local sales tax increment from a
3 retail entity initiating operations in a STAR bond district
4 while terminating operations at another Illinois location
5 within 25 miles of the STAR bond district. For purposes of this
6 paragraph, "terminating operations" means a closing of a retail
7 operation that is directly related to the opening of the same
8 operation or like retail entity owned or operated by more than
9 50% of the original ownership in a STAR bond district within
10 one year before or after initiating operations in the STAR bond
11 district, but it does not mean closing an operation for reasons
12 beyond the control of the retail entity, as documented by the
13 retail entity, subject to a reasonable finding by the
14 municipality (or county if such retail operation is not located
15 within a municipality) in which the terminated operations were
16 located that the closed location contained inadequate space,
17 had become economically obsolete, or was no longer a viable
18 location for the retailer or serviceman.

19 "Political subdivision" means a municipality or county
20 which undertakes to establish a STAR bond district pursuant to
21 the provisions of this Act.

22 "Project costs" means and includes the sum total of all
23 costs incurred or estimated to be incurred on or following the
24 date of establishment of a STAR bond district that are
25 reasonable or necessary to implement a STAR bond district plan
26 or any STAR bond project plans, or both, including costs

1 incurred for public improvements and private improvements that
2 serve the public purposes set forth in Section 5 of this Act.
3 Such costs include without limitation the following:

4 (a) costs of studies, surveys, development of plans and
5 specifications, formation, implementation, and
6 administration of a STAR bond district, STAR bond district
7 plan, any STAR bond projects, or any STAR bond project
8 plans, including, but not limited to, staff and
9 professional service costs for architectural, engineering,
10 legal, financial, planning, or other services, provided
11 however that no charges for professional services may be
12 based on a percentage of the tax increment collected and no
13 contracts for professional services, excluding
14 architectural and engineering services, may be entered
15 into if the terms of the contract extend beyond a period of
16 3 years;

17 (b) property assembly costs, including, but not
18 limited to, acquisition of land and other real property or
19 rights or interests therein, located within the boundaries
20 of a STAR bond district, demolition of buildings, site
21 preparation, site improvements that serve as an engineered
22 barrier addressing ground level or below ground
23 environmental contamination, including, but not limited
24 to, parking lots and other concrete or asphalt barriers,
25 the clearing and grading of land, and importing additional
26 soil and fill materials, or removal of soil and fill

1 materials from the site;

2 (c) subject to paragraph (d), costs of buildings and
3 other vertical improvements that are located within the
4 boundaries of a STAR bond district and owned by a political
5 subdivision or other public entity, including without
6 limitation police and fire stations, educational
7 facilities, and public restrooms and rest areas;

8 (c-1) costs of buildings and other vertical
9 improvements that are located within the boundaries of a
10 STAR bond district and owned by a destination user or
11 destination hotel; except that only 2 destination users in
12 a STAR bond district and one destination hotel are eligible
13 to include the cost of those vertical improvements as
14 project costs;

15 (c-5) costs of buildings; rides and attractions, which
16 include carousels, slides, roller coasters, displays,
17 models, towers, works of art, and similar theme and
18 amusement park improvements; and other vertical
19 improvements that are located within the boundaries of a
20 STAR bond district and owned by an entertainment user;
21 except that only one entertainment user in a STAR bond
22 district is eligible to include the cost of those vertical
23 improvements as project costs;

24 (d) costs of the design and construction of
25 infrastructure and public works located within the
26 boundaries of a STAR bond district that are reasonable or

1 necessary to implement a STAR bond district plan or any
2 STAR bond project plans, or both, except that project costs
3 shall not include the cost of constructing a new municipal
4 public building principally used to provide offices,
5 storage space, or conference facilities or vehicle
6 storage, maintenance, or repair for administrative, public
7 safety, or public works personnel and that is not intended
8 to replace an existing public building unless the political
9 subdivision makes a reasonable determination in a STAR bond
10 district plan or any STAR bond project plans, supported by
11 information that provides the basis for that
12 determination, that the new municipal building is required
13 to meet an increase in the need for public safety purposes
14 anticipated to result from the implementation of the STAR
15 bond district plan or any STAR bond project plans;

16 (e) costs of the design and construction of the
17 following improvements located outside the boundaries of a
18 STAR bond district, provided that the costs are essential
19 to further the purpose and development of a STAR bond
20 district plan and either (i) part of and connected to
21 sewer, water, or utility service lines that physically
22 connect to the STAR bond district or (ii) significant
23 improvements for adjacent offsite highways, streets,
24 roadways, and interchanges that are approved by the
25 Illinois Department of Transportation. No other cost of
26 infrastructure and public works improvements located

1 outside the boundaries of a STAR bond district may be
2 deemed project costs;

3 (f) costs of job training and retraining projects,
4 including the cost of "welfare to work" programs
5 implemented by businesses located within a STAR bond
6 district;

7 (g) financing costs, including, but not limited to, all
8 necessary and incidental expenses related to the issuance
9 of obligations and which may include payment of interest on
10 any obligations issued hereunder including interest
11 accruing during the estimated period of construction of any
12 improvements in a STAR bond district or any STAR bond
13 projects for which such obligations are issued and for not
14 exceeding 36 months thereafter and including reasonable
15 reserves related thereto;

16 (h) to the extent the political subdivision by written
17 agreement accepts and approves the same, all or a portion
18 of a taxing district's capital costs resulting from a STAR
19 bond district or STAR bond projects necessarily incurred or
20 to be incurred within a taxing district in furtherance of
21 the objectives of a STAR bond district plan or STAR bond
22 project plans;

23 (i) interest cost incurred by a developer for project
24 costs related to the acquisition, formation,
25 implementation, development, construction, and
26 administration of a STAR bond district, STAR bond district

1 plan, STAR bond projects, or any STAR bond project plans
2 provided that:

3 (i) payment of such costs in any one year may not
4 exceed 30% of the annual interest costs incurred by the
5 developer with regard to the STAR bond district or any
6 STAR bond projects during that year; and

7 (ii) the total of such interest payments paid
8 pursuant to this Act may not exceed 30% of the total
9 cost paid or incurred by the developer for a STAR bond
10 district or STAR bond projects, plus project costs,
11 excluding any property assembly costs incurred by a
12 political subdivision pursuant to this Act;

13 (j) costs of common areas located within the boundaries
14 of a STAR bond district;

15 (k) costs of landscaping and plantings, retaining
16 walls and fences, man-made lakes and ponds, shelters,
17 benches, lighting, and similar amenities located within
18 the boundaries of a STAR bond district;

19 (l) costs of mounted building signs, site monument, and
20 pylon signs located within the boundaries of a STAR bond
21 district; or

22 (m) if included in the STAR bond district plan and
23 approved in writing by the Director, salaries or a portion
24 of salaries for local government employees to the extent
25 the same are directly attributable to the work of such
26 employees on the establishment and management of a STAR

1 bond district or any STAR bond projects.

2 Except as specified in items (a) through (m), "project
3 costs" shall not include:

4 (i) the cost of construction of buildings that are
5 privately owned or owned by a municipality and leased to a
6 developer or retail user for non-entertainment retail
7 uses;

8 (ii) moving expenses for employees of the businesses
9 locating within the STAR bond district;

10 (iii) property taxes for property located in the STAR
11 bond district;

12 (iv) lobbying costs; and

13 (v) general overhead or administrative costs of the
14 political subdivision that would still have been incurred
15 by the political subdivision if the political subdivision
16 had not established a STAR bond district.

17 "Project development agreement" means any one or more
18 agreements, including any amendments thereto, between a master
19 developer and any co-developer or subdeveloper in connection
20 with a STAR bond project, which project development agreement
21 may include the political subdivision as a party.

22 "Projected market area" means any area within the State in
23 which a STAR bond district or STAR bond project is projected to
24 have a significant fiscal or market impact as determined by the
25 Director.

26 "Resolution" means a resolution, order, ordinance, or

1 other appropriate form of legislative action of a political
2 subdivision or other applicable public entity approved by a
3 vote of a majority of a quorum at a meeting of the governing
4 body of the political subdivision or applicable public entity.

5 "STAR bond" means a sales tax and revenue bond, note, or
6 other obligation payable from pledged STAR revenues and issued
7 by a political subdivision, the proceeds of which shall be used
8 only to pay project costs as defined in this Act.

9 "STAR bond district" means the specific area declared to be
10 an eligible area as determined by the political subdivision,
11 and approved by the Director, in which the political
12 subdivision may develop one or more STAR bond projects.

13 "STAR bond district plan" means the preliminary or
14 conceptual plan that generally identifies the proposed STAR
15 bond project areas and identifies in a general manner the
16 buildings, facilities, and improvements to be constructed or
17 improved in each STAR bond project area.

18 "STAR bond project" means a project within a STAR bond
19 district which is approved pursuant to Section 20.

20 "STAR bond project area" means the geographic area within a
21 STAR bond district in which there may be one or more STAR bond
22 projects.

23 "STAR bond project plan" means the written plan adopted by
24 a political subdivision for the development of a STAR bond
25 project in a STAR bond district; the plan may include, but is
26 not limited to, (i) project costs incurred prior to the date of

1 the STAR bond project plan and estimated future STAR bond
2 project costs, (ii) proposed sources of funds to pay those
3 costs, (iii) the nature and estimated term of any obligations
4 to be issued by the political subdivision to pay those costs,
5 (iv) the most recent equalized assessed valuation of the STAR
6 bond project area, (v) an estimate of the equalized assessed
7 valuation of the STAR bond district or applicable project area
8 after completion of a STAR bond project, (vi) a general
9 description of the types of any known or proposed developers,
10 users, or tenants of the STAR bond project or projects included
11 in the plan, (vii) a general description of the type,
12 structure, and character of the property or facilities to be
13 developed or improved, (viii) a description of the general land
14 uses to apply to the STAR bond project, and (ix) a general
15 description or an estimate of the type, class, and number of
16 employees to be employed in the operation of the STAR bond
17 project.

18 "State sales tax" means all of the net revenue realized
19 under the Retailers' Occupation Tax Act, the Use Tax Act, the
20 Service Use Tax Act, and the Service Occupation Tax Act from
21 transactions at places of business located within a STAR bond
22 district, excluding that portion of the net revenue realized
23 under the Retailers' Occupation Tax Act, the Use Tax Act, the
24 Service Use Tax Act, and the Service Occupation Tax Act from
25 transactions at places of business located within a STAR bond
26 district that is deposited into the Local Government Tax Fund

1 and the County and Mass Transit District Fund.

2 "State sales tax increment" means (i) 100% of that portion
3 of the State sales tax that is in excess of the State sales tax
4 for the same month in the base year, as determined by the
5 Department of Revenue, from transactions at up to 2 destination
6 users, one destination hotel, and one entertainment user
7 located within a STAR bond district, which destination users,
8 destination hotel, and entertainment user shall be designated
9 by the master developer and approved by the political
10 subdivision and the Director in conjunction with the applicable
11 STAR bond project approval, and (ii) 25% of that portion of the
12 State sales tax that is in excess of the State sales tax for
13 the same month in the base year, as determined by the
14 Department of Revenue, from all other transactions within a
15 STAR bond district. If any portion of State sales taxes are, at
16 the time of formation of a STAR bond district, already subject
17 to tax increment financing under the Tax Increment Allocation
18 Redevelopment Act, then the State sales tax increment for such
19 portion shall be frozen at the base year established in
20 accordance with this Act, and all future incremental increases
21 shall be included in the State sales tax increment under this
22 Act. Any party otherwise entitled to receipt of incremental
23 State sales tax revenues through an existing tax increment
24 financing district shall be entitled to continue to receive
25 such revenues up to the amount frozen in the base year. Nothing
26 in this Act shall affect the prior qualification of existing

1 redevelopment project costs incurred that are eligible for
2 reimbursement under the Tax Increment Allocation Redevelopment
3 Act. In such event, prior to approving a STAR bond district,
4 the political subdivision forming the STAR bond district shall
5 take such action as is necessary, including amending the
6 existing tax increment financing district redevelopment plan,
7 to carry out the provisions of this Act.

8 "Substantial change" means a change wherein the proposed
9 STAR bond project plan differs substantially in size, scope, or
10 use from the approved STAR bond district plan or STAR bond
11 project plan.

12 "Taxpayer" means an individual, partnership, corporation,
13 limited liability company, trust, estate, or other entity that
14 is subject to the Illinois Income Tax Act.

15 "Total development costs" means the aggregate public and
16 private investment in a STAR bond district, including project
17 costs and other direct and indirect costs related to the
18 development of the STAR bond district.

19 "Traditional retail use" means the operation of a business
20 that derives at least 90% of its annual gross revenue from
21 sales at retail, as that phrase is defined by Section 1 of the
22 Retailers' Occupation Tax Act, but does not include the
23 operations of destination users, entertainment users,
24 restaurants, hotels, retail uses within hotels, or any other
25 non-retail uses.

26 "Vacant" means that portion of the land in a proposed STAR

1 bond district that is not occupied by a building, facility, or
2 other vertical improvement.

3 (Source: P.A. 99-642, eff. 7-28-16.)

4 (50 ILCS 470/31)

5 Sec. 31. STAR bond occupation taxes.

6 (a) If the corporate authorities of a political subdivision
7 have established a STAR bond district and have elected to
8 impose a tax by ordinance pursuant to subsection (b) or (c) of
9 this Section, each year after the date of the adoption of the
10 ordinance and until all STAR bond project costs and all
11 political subdivision obligations financing the STAR bond
12 project costs, if any, have been paid in accordance with the
13 STAR bond project plans, but in no event longer than the
14 maximum maturity date of the last of the STAR bonds issued for
15 projects in the STAR bond district, all amounts generated by
16 the retailers' occupation tax and service occupation tax shall
17 be collected and the tax shall be enforced by the Department of
18 Revenue in the same manner as all retailers' occupation taxes
19 and service occupation taxes imposed in the political
20 subdivision imposing the tax. The corporate authorities of the
21 political subdivision shall deposit the proceeds of the taxes
22 imposed under subsections (b) and (c) into either (i) a special
23 fund held by the corporate authorities of the political
24 subdivision called the STAR Bonds Tax Allocation Fund for the
25 purpose of paying STAR bond project costs and obligations

1 incurred in the payment of those costs if such taxes are
2 designated as pledged STAR revenues by resolution or ordinance
3 of the political subdivision or (ii) the political
4 subdivision's general corporate fund if such taxes are not
5 designated as pledged STAR revenues by resolution or ordinance.

6 The tax imposed under this Section by a municipality may be
7 imposed only on the portion of a STAR bond district that is
8 within the boundaries of the municipality. For any part of a
9 STAR bond district that lies outside of the boundaries of that
10 municipality, the municipality in which the other part of the
11 STAR bond district lies (or the county, in cases where a
12 portion of the STAR bond district lies in the unincorporated
13 area of a county) is authorized to impose the tax under this
14 Section on that part of the STAR bond district.

15 (b) The corporate authorities of a political subdivision
16 that has established a STAR bond district under this Act may,
17 by ordinance or resolution, impose a STAR Bond Retailers'
18 Occupation Tax upon all persons engaged in the business of
19 selling tangible personal property, other than an item of
20 tangible personal property titled or registered with an agency
21 of this State's government, at retail in the STAR bond district
22 at a rate not to exceed 1% of the gross receipts from the sales
23 made in the course of that business, to be imposed only in
24 0.25% increments. The tax may not be imposed on food for human
25 consumption that is to be consumed off the premises where it is
26 sold (other than alcoholic beverages, soft drinks, and food

1 that has been prepared for immediate consumption),
2 prescription and nonprescription medicines, drugs, medical
3 appliances, modifications to a motor vehicle for the purpose of
4 rendering it usable by a person with a disability, and insulin,
5 urine testing materials, syringes, and needles used by
6 diabetics, for human use. Beginning December 1, 2017, this tax
7 is not imposed on sales of aviation fuel unless the tax revenue
8 is expended for airport-related purposes. If the District does
9 not have an airport-related purpose to which aviation fuel tax
10 revenue is dedicated, then aviation fuel is excluded from the
11 tax. The municipality must comply with the certification
12 requirements for airport-related purposes under Section
13 8-11-22 of the Illinois Municipal Code. For purposes of this
14 Act, "airport-related purposes" has the meaning ascribed in
15 Section 6z-20.2 of the State Finance Act. This exclusion for
16 aviation fuel only applies for so long as the revenue use
17 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
18 binding on the District.

19 The tax imposed under this subsection and all civil
20 penalties that may be assessed as an incident thereof shall be
21 collected and enforced by the Department of Revenue. The
22 certificate of registration that is issued by the Department to
23 a retailer under the Retailers' Occupation Tax Act shall permit
24 the retailer to engage in a business that is taxable under any
25 ordinance or resolution enacted pursuant to this subsection
26 without registering separately with the Department under such

1 ordinance or resolution or under this subsection. The
2 Department of Revenue shall have full power to administer and
3 enforce this subsection, to collect all taxes and penalties due
4 under this subsection in the manner hereinafter provided, and
5 to determine all rights to credit memoranda arising on account
6 of the erroneous payment of tax or penalty under this
7 subsection. In the administration of, and compliance with, this
8 subsection, the Department and persons who are subject to this
9 subsection shall have the same rights, remedies, privileges,
10 immunities, powers, and duties, and be subject to the same
11 conditions, restrictions, limitations, penalties, exclusions,
12 exemptions, and definitions of terms and employ the same modes
13 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
14 through 2-65 (in respect to all provisions therein other than
15 the State rate of tax), 2c through 2h, 3 (except as to the
16 disposition of taxes and penalties collected, and except that
17 the retailer's discount is not allowed for taxes paid on
18 aviation fuel that are deposited into the Local Government
19 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j,
20 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
21 Retailers' Occupation Tax Act and all provisions of the Uniform
22 Penalty and Interest Act, as fully as if those provisions were
23 set forth herein.

24 If a tax is imposed under this subsection (b), a tax shall
25 also be imposed under subsection (c) of this Section.

26 (c) If a tax has been imposed under subsection (b), a STAR

1 Bond Service Occupation Tax shall also be imposed upon all
2 persons engaged, in the STAR bond district, in the business of
3 making sales of service, who, as an incident to making those
4 sales of service, transfer tangible personal property within
5 the STAR bond district, either in the form of tangible personal
6 property or in the form of real estate as an incident to a sale
7 of service. The tax shall be imposed at the same rate as the
8 tax imposed in subsection (b) and shall not exceed 1% of the
9 selling price of tangible personal property so transferred
10 within the STAR bond district, to be imposed only in 0.25%
11 increments. The tax may not be imposed on food for human
12 consumption that is to be consumed off the premises where it is
13 sold (other than alcoholic beverages, soft drinks, and food
14 that has been prepared for immediate consumption),
15 prescription and nonprescription medicines, drugs, medical
16 appliances, modifications to a motor vehicle for the purpose of
17 rendering it usable by a person with a disability, and insulin,
18 urine testing materials, syringes, and needles used by
19 diabetics, for human use. Beginning December 1, 2017, this tax
20 is not imposed on sales of aviation fuel unless the tax revenue
21 is expended for airport-related purposes. If the District does
22 not have an airport-related purpose to which aviation fuel tax
23 revenue is dedicated, then aviation fuel is excluded from the
24 tax. The municipality must comply with the certification
25 requirements for airport-related purposes under Section
26 8-11-22 of the Illinois Municipal Code. For purposes of this

1 Act, "airport-related purposes" has the meaning ascribed in
2 Section 6z-20.2 of the State Finance Act. This exclusion for
3 aviation fuel only applies for so long as the revenue use
4 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
5 binding on the District.

6 The tax imposed under this subsection and all civil
7 penalties that may be assessed as an incident thereof shall be
8 collected and enforced by the Department of Revenue. The
9 certificate of registration that is issued by the Department to
10 a retailer under the Retailers' Occupation Tax Act or under the
11 Service Occupation Tax Act shall permit the registrant to
12 engage in a business that is taxable under any ordinance or
13 resolution enacted pursuant to this subsection without
14 registering separately with the Department under that
15 ordinance or resolution or under this subsection. The
16 Department of Revenue shall have full power to administer and
17 enforce this subsection, to collect all taxes and penalties due
18 under this subsection, to dispose of taxes and penalties so
19 collected in the manner hereinafter provided, and to determine
20 all rights to credit memoranda arising on account of the
21 erroneous payment of tax or penalty under this subsection. In
22 the administration of, and compliance with this subsection, the
23 Department and persons who are subject to this subsection shall
24 have the same rights, remedies, privileges, immunities,
25 powers, and duties, and be subject to the same conditions,
26 restrictions, limitations, penalties, exclusions, exemptions,

1 and definitions of terms and employ the same modes of procedure
2 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50
3 (in respect to all provisions therein other than the State rate
4 of tax), 4 (except that the reference to the State shall be to
5 the STAR bond district), 5, 7, 8 (except that the jurisdiction
6 to which the tax shall be a debt to the extent indicated in
7 that Section 8 shall be the political subdivision), 9 (except
8 as to the disposition of taxes and penalties collected, and
9 except that the returned merchandise credit for this tax may
10 not be taken against any State tax, and except that the
11 retailer's discount is not allowed for taxes paid on aviation
12 fuel that are deposited into the Local Government Aviation
13 Trust Fund), 10, 11, 12 (except the reference therein to
14 Section 2b of the Retailers' Occupation Tax Act), 13 (except
15 that any reference to the State shall mean the political
16 subdivision), the first paragraph of Section 15, and Sections
17 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all
18 provisions of the Uniform Penalty and Interest Act, as fully as
19 if those provisions were set forth herein.

20 If a tax is imposed under this subsection (c), a tax shall
21 also be imposed under subsection (b) of this Section.

22 (d) Persons subject to any tax imposed under this Section
23 may reimburse themselves for their seller's tax liability under
24 this Section by separately stating the tax as an additional
25 charge, which charge may be stated in combination, in a single
26 amount, with State taxes that sellers are required to collect

1 under the Use Tax Act, in accordance with such bracket
2 schedules as the Department may prescribe.

3 Whenever the Department determines that a refund should be
4 made under this Section to a claimant instead of issuing a
5 credit memorandum, the Department shall notify the State
6 Comptroller, who shall cause the order to be drawn for the
7 amount specified and to the person named in the notification
8 from the Department. The refund shall be paid by the State
9 Treasurer out of the STAR Bond Retailers' Occupation Tax Fund.

10 Except as otherwise provided in this paragraph, the ~~The~~
11 Department shall immediately pay over to the State Treasurer,
12 ex officio, as trustee, all taxes, penalties, and interest
13 collected under this Section for deposit into the STAR Bond
14 Retailers' Occupation Tax Fund. Taxes and penalties collected
15 on aviation fuel sold on or after December 1, 2017, shall be
16 immediately paid over by the Department to the State Treasurer,
17 ex officio, as trustee, for deposit into the Local Government
18 Aviation Trust Fund. The Department shall only pay moneys into
19 the State Aviation Program Fund under this Act for so long as
20 the revenue use requirements of 49 U.S.C. §47107(b) and 49
21 U.S.C. §47133 are binding on the District. On or before the
22 25th day of each calendar month, the Department shall prepare
23 and certify to the Comptroller the disbursement of stated sums
24 of money to named political subdivisions from the STAR Bond
25 Retailers' Occupation Tax Fund, the political subdivisions to
26 be those from which retailers have paid taxes or penalties

1 under this Section to the Department during the second
2 preceding calendar month. The amount to be paid to each
3 political subdivision shall be the amount (not including credit
4 memoranda and not including taxes and penalties collected on
5 aviation fuel sold on or after December 1, 2017) collected
6 under this Section during the second preceding calendar month
7 by the Department plus an amount the Department determines is
8 necessary to offset any amounts that were erroneously paid to a
9 different taxing body, and not including an amount equal to the
10 amount of refunds made during the second preceding calendar
11 month by the Department, less 3% of that amount, which shall be
12 deposited into the Tax Compliance and Administration Fund and
13 shall be used by the Department, subject to appropriation, to
14 cover the costs of the Department in administering and
15 enforcing the provisions of this Section, on behalf of such
16 political subdivision, and not including any amount that the
17 Department determines is necessary to offset any amounts that
18 were payable to a different taxing body but were erroneously
19 paid to the political subdivision. Within 10 days after receipt
20 by the Comptroller of the disbursement certification to the
21 political subdivisions provided for in this Section to be given
22 to the Comptroller by the Department, the Comptroller shall
23 cause the orders to be drawn for the respective amounts in
24 accordance with the directions contained in the certification.
25 The proceeds of the tax paid to political subdivisions under
26 this Section shall be deposited into either (i) the STAR Bonds

1 Tax Allocation Fund by the political subdivision if the
2 political subdivision has designated them as pledged STAR
3 revenues by resolution or ordinance or (ii) the political
4 subdivision's general corporate fund if the political
5 subdivision has not designated them as pledged STAR revenues.

6 An ordinance or resolution imposing or discontinuing the
7 tax under this Section or effecting a change in the rate
8 thereof shall either (i) be adopted and a certified copy
9 thereof filed with the Department on or before the first day of
10 April, whereupon the Department, if all other requirements of
11 this Section are met, shall proceed to administer and enforce
12 this Section as of the first day of July next following the
13 adoption and filing; or (ii) be adopted and a certified copy
14 thereof filed with the Department on or before the first day of
15 October, whereupon, if all other requirements of this Section
16 are met, the Department shall proceed to administer and enforce
17 this Section as of the first day of January next following the
18 adoption and filing.

19 The Department of Revenue shall not administer or enforce
20 an ordinance imposing, discontinuing, or changing the rate of
21 the tax under this Section until the political subdivision also
22 provides, in the manner prescribed by the Department, the
23 boundaries of the STAR bond district and each address in the
24 STAR bond district in such a way that the Department can
25 determine by its address whether a business is located in the
26 STAR bond district. The political subdivision must provide this

1 boundary and address information to the Department on or before
2 April 1 for administration and enforcement of the tax under
3 this Section by the Department beginning on the following July
4 1 and on or before October 1 for administration and enforcement
5 of the tax under this Section by the Department beginning on
6 the following January 1. The Department of Revenue shall not
7 administer or enforce any change made to the boundaries of a
8 STAR bond district or any address change, addition, or deletion
9 until the political subdivision reports the boundary change or
10 address change, addition, or deletion to the Department in the
11 manner prescribed by the Department. The political subdivision
12 must provide this boundary change or address change, addition,
13 or deletion information to the Department on or before April 1
14 for administration and enforcement by the Department of the
15 change, addition, or deletion beginning on the following July 1
16 and on or before October 1 for administration and enforcement
17 by the Department of the change, addition, or deletion
18 beginning on the following January 1. The retailers in the STAR
19 bond district shall be responsible for charging the tax imposed
20 under this Section. If a retailer is incorrectly included or
21 excluded from the list of those required to collect the tax
22 under this Section, both the Department of Revenue and the
23 retailer shall be held harmless if they reasonably relied on
24 information provided by the political subdivision.

25 A political subdivision that imposes the tax under this
26 Section must submit to the Department of Revenue any other

1 information as the Department may require that is necessary for
2 the administration and enforcement of the tax.

3 When certifying the amount of a monthly disbursement to a
4 political subdivision under this Section, the Department shall
5 increase or decrease the amount by an amount necessary to
6 offset any misallocation of previous disbursements. The offset
7 amount shall be the amount erroneously disbursed within the
8 previous 6 months from the time a misallocation is discovered.

9 Nothing in this Section shall be construed to authorize the
10 political subdivision to impose a tax upon the privilege of
11 engaging in any business which under the Constitution of the
12 United States may not be made the subject of taxation by this
13 State.

14 (e) When STAR bond project costs, including, without
15 limitation, all political subdivision obligations financing
16 STAR bond project costs, have been paid, any surplus funds then
17 remaining in the STAR Bonds Tax Allocation Fund shall be
18 distributed to the treasurer of the political subdivision for
19 deposit into the political subdivision's general corporate
20 fund. Upon payment of all STAR bond project costs and
21 retirement of obligations, but in no event later than the
22 maximum maturity date of the last of the STAR bonds issued in
23 the STAR bond district, the political subdivision shall adopt
24 an ordinance immediately rescinding the taxes imposed pursuant
25 to this Section and file a certified copy of the ordinance with
26 the Department in the form and manner as described in this

1 Section.

2 (Source: P.A. 99-143, eff. 7-27-15.)

3 Section 40. The Counties Code is amended by changing
4 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, 5-1008.5, 5-1009,
5 and 5-1035.1 and by adding Section 5-1184 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 is a home rule unit may impose a tax upon
9 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.
22 Beginning December 1, 2017, this tax is not imposed on sales of
23 aviation fuel unless the tax revenue is expended for
24 airport-related purposes. If the County does not have an

1 airport-related purpose to which it dedicates aviation fuel tax
2 revenue, then aviation fuel is excluded from the tax. The
3 County must comply with the certification requirements for
4 airport-related purposes under Section 5-1184. For purposes of
5 this Act, "airport-related purposes" has the meaning ascribed
6 in Section 6z-20.2 of the State Finance Act. This exclusion for
7 aviation fuel only applies for so long as the revenue use
8 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
9 binding on the County. The changes made to this Section by this
10 amendatory Act of the 100th General Assembly are a denial and
11 limitation of home rule powers and functions under subsection
12 (g) of Section 6 of Article VII of the Illinois Constitution.

13 The tax imposed by a home rule county pursuant to this Section
14 and all civil penalties that may be assessed as an incident
15 thereof shall be collected and enforced by the State Department
16 of Revenue. The certificate of registration that is issued by
17 the Department to a retailer under the Retailers' Occupation
18 Tax Act shall permit the retailer to engage in a business that
19 is taxable under any ordinance or resolution enacted pursuant
20 to this Section without registering separately with the
21 Department under such ordinance or resolution or under this
22 Section. The Department shall have full power to administer and
23 enforce this Section; to collect all taxes and penalties due
24 hereunder; to dispose of taxes and penalties so collected in
25 the manner hereinafter provided; and to determine all rights to
26 credit memoranda arising on account of the erroneous payment of

1 tax or penalty hereunder. In the administration of, and
2 compliance with, this Section, the Department and persons who
3 are subject to this Section shall have the same rights,
4 remedies, privileges, immunities, powers and duties, and be
5 subject to the same conditions, restrictions, limitations,
6 penalties and definitions of terms, and employ the same modes
7 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
8 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
9 provisions therein other than the State rate of tax), 4, 5, 5a,
10 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
11 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
12 and Section 3-7 of the Uniform Penalty and Interest Act, as
13 fully as if those provisions were set forth herein.

14 No tax may be imposed by a home rule county pursuant to
15 this Section unless the county also imposes a tax at the same
16 rate pursuant to Section 5-1007.

17 Persons subject to any tax imposed pursuant to the
18 authority granted in this Section may reimburse themselves for
19 their seller's tax liability hereunder by separately stating
20 such tax as an additional charge, which charge may be stated in
21 combination, in a single amount, with State tax which sellers
22 are required to collect under the Use Tax Act, pursuant to such
23 bracket schedules as the Department may prescribe.

24 Whenever the Department determines that a refund should be
25 made under this Section to a claimant instead of issuing a
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the order to be drawn for the
2 amount specified and to the person named in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the home rule county retailers' occupation tax
5 fund.

6 Except as otherwise provided in this paragraph, the ~~The~~
7 Department shall forthwith pay over to the State Treasurer, ex
8 officio, as trustee, all taxes and penalties collected
9 hereunder for deposit into the Home Rule County Retailers'
10 Occupation Tax Fund. Taxes and penalties collected on aviation
11 fuel sold on or after December 1, 2017, shall be immediately
12 paid over by the Department to the State Treasurer, ex officio,
13 as trustee, for deposit into the Local Government Aviation
14 Trust Fund. The Department shall only pay moneys into the Local
15 Government Aviation Trust Fund under this Act for so long as
16 the revenue use requirements of 49 U.S.C. §47107(b) and 49
17 U.S.C. §47133 are binding on the County..

18 As soon as possible after the first day of each month,
19 beginning January 1, 2011, upon certification of the Department
20 of Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
22 local sales tax increment, as defined in the Innovation
23 Development and Economy Act, collected under this Section
24 during the second preceding calendar month for sales within a
25 STAR bond district.

26 After the monthly transfer to the STAR Bonds Revenue Fund,

1 on or before the 25th day of each calendar month, the
2 Department shall prepare and certify to the Comptroller the
3 disbursement of stated sums of money to named counties, the
4 counties to be those from which retailers have paid taxes or
5 penalties hereunder to the Department during the second
6 preceding calendar month. The amount to be paid to each county
7 shall be the amount (not including credit memoranda and not
8 including taxes and penalties collected on aviation fuel sold
9 on or after December 1, 2017) collected hereunder during the
10 second preceding calendar month by the Department plus an
11 amount the Department determines is necessary to offset any
12 amounts that were erroneously paid to a different taxing body,
13 and not including an amount equal to the amount of refunds made
14 during the second preceding calendar month by the Department on
15 behalf of such county, and not including any amount which the
16 Department determines is necessary to offset any amounts which
17 were payable to a different taxing body but were erroneously
18 paid to the county, and not including any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt, by the Comptroller, of the disbursement
21 certification to the counties provided for in this Section to
22 be given to the Comptroller by the Department, the Comptroller
23 shall cause the orders to be drawn for the respective amounts
24 in accordance with the directions contained in the
25 certification.

26 In addition to the disbursement required by the preceding

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

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

24 Nothing in this Section shall be construed to authorize a
25 county to impose a tax upon the privilege of engaging in any
26 business which under the Constitution of the United States may

1 not be made the subject of taxation by this State.

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

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

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

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

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

15 (55 ILCS 5/5-1006.5)

16 Sec. 5-1006.5. Special County Retailers' Occupation Tax
17 For Public Safety, Public Facilities, or Transportation.

18 (a) The county board of any county may impose a tax upon
19 all persons engaged in the business of selling tangible
20 personal property, other than personal property titled or
21 registered with an agency of this State's government, at retail
22 in the county on the gross receipts from the sales made in the
23 course of business to provide revenue to be used exclusively
24 for public safety, public facility, or transportation purposes
25 in that county (except as otherwise provided in this Section),

1 if a proposition for the tax has been submitted to the electors
2 of that county and approved by a majority of those voting on
3 the question. If imposed, this tax shall be imposed only in
4 one-quarter percent increments. By resolution, the county
5 board may order the proposition to be submitted at any
6 election. If the tax is imposed for transportation purposes for
7 expenditures for public highways or as authorized under the
8 Illinois Highway Code, the county board must publish notice of
9 the existence of its long-range highway transportation plan as
10 required or described in Section 5-301 of the Illinois Highway
11 Code and must make the plan publicly available prior to
12 approval of the ordinance or resolution imposing the tax. If
13 the tax is imposed for transportation purposes for expenditures
14 for passenger rail transportation, the county board must
15 publish notice of the existence of its long-range passenger
16 rail transportation plan and must make the plan publicly
17 available prior to approval of the ordinance or resolution
18 imposing the tax.

19 If a tax is imposed for public facilities purposes, then
20 the name of the project may be included in the proposition at
21 the discretion of the county board as determined in the
22 enabling resolution. For example, the "XXX Nursing Home" or the
23 "YYY Museum".

24 The county clerk shall certify the question to the proper
25 election authority, who shall submit the proposition at an
26 election in accordance with the general election law.

1 (1) The proposition for public safety purposes shall be
2 in substantially the following form:

3 "To pay for public safety purposes, shall (name of
4 county) be authorized to impose an increase on its share of
5 local sales taxes by (insert rate)?"

6 As additional information on the ballot below the
7 question shall appear the following:

8 "This would mean that a consumer would pay an
9 additional (insert amount) in sales tax for every \$100 of
10 tangible personal property bought at retail."

11 The county board may also opt to establish a sunset
12 provision at which time the additional sales tax would
13 cease being collected, if not terminated earlier by a vote
14 of the county board. If the county board votes to include a
15 sunset provision, the proposition for public safety
16 purposes shall be in substantially the following form:

17 "To pay for public safety purposes, shall (name of
18 county) be authorized to impose an increase on its share of
19 local sales taxes by (insert rate) for a period not to
20 exceed (insert number of years)?"

21 As additional information on the ballot below the
22 question shall appear the following:

23 "This would mean that a consumer would pay an
24 additional (insert amount) in sales tax for every \$100 of
25 tangible personal property bought at retail. If imposed,
26 the additional tax would cease being collected at the end

1 of (insert number of years), if not terminated earlier by a
2 vote of the county board."

3 For the purposes of the paragraph, "public safety
4 purposes" means crime prevention, detention, fire
5 fighting, police, medical, ambulance, or other emergency
6 services.

7 Votes shall be recorded as "Yes" or "No".

8 Beginning on the January 1 or July 1, whichever is
9 first, that occurs not less than 30 days after May 31, 2015
10 (the effective date of Public Act 99-4), Adams County may
11 impose a public safety retailers' occupation tax and
12 service occupation tax at the rate of 0.25%, as provided in
13 the referendum approved by the voters on April 7, 2015,
14 notwithstanding the omission of the additional information
15 that is otherwise required to be printed on the ballot
16 below the question pursuant to this item (1).

17 (2) The proposition for transportation purposes shall
18 be in substantially the following form:

19 "To pay for improvements to roads and other
20 transportation purposes, shall (name of county) be
21 authorized to impose an increase on its share of local
22 sales taxes by (insert rate)?"

23 As additional information on the ballot below the
24 question shall appear the following:

25 "This would mean that a consumer would pay an
26 additional (insert amount) in sales tax for every \$100 of

1 tangible personal property bought at retail."

2 The county board may also opt to establish a sunset
3 provision at which time the additional sales tax would
4 cease being collected, if not terminated earlier by a vote
5 of the county board. If the county board votes to include a
6 sunset provision, the proposition for transportation
7 purposes shall be in substantially the following form:

8 "To pay for road improvements and other transportation
9 purposes, shall (name of county) be authorized to impose an
10 increase on its share of local sales taxes by (insert rate)
11 for a period not to exceed (insert number of years)?"

12 As additional information on the ballot below the
13 question shall appear the following:

14 "This would mean that a consumer would pay an
15 additional (insert amount) in sales tax for every \$100 of
16 tangible personal property bought at retail. If imposed,
17 the additional tax would cease being collected at the end
18 of (insert number of years), if not terminated earlier by a
19 vote of the county board."

20 For the purposes of this paragraph, transportation
21 purposes means construction, maintenance, operation, and
22 improvement of public highways, any other purpose for which
23 a county may expend funds under the Illinois Highway Code,
24 and passenger rail transportation.

25 The votes shall be recorded as "Yes" or "No".

26 (3) The proposition for public facilities purposes

1 shall be in substantially the following form:

2 "To pay for public facilities purposes, shall (name of
3 county) be authorized to impose an increase on its share of
4 local sales taxes by (insert rate)?"

5 As additional information on the ballot below the
6 question shall appear the following:

7 "This would mean that a consumer would pay an
8 additional (insert amount) in sales tax for every \$100 of
9 tangible personal property bought at retail."

10 The county board may also opt to establish a sunset
11 provision at which time the additional sales tax would
12 cease being collected, if not terminated earlier by a vote
13 of the county board. If the county board votes to include a
14 sunset provision, the proposition for public facilities
15 purposes shall be in substantially the following form:

16 "To pay for public facilities purposes, shall (name of
17 county) be authorized to impose an increase on its share of
18 local sales taxes by (insert rate) for a period not to
19 exceed (insert number of years)?"

20 As additional information on the ballot below the
21 question shall appear the following:

22 "This would mean that a consumer would pay an
23 additional (insert amount) in sales tax for every \$100 of
24 tangible personal property bought at retail. If imposed,
25 the additional tax would cease being collected at the end
26 of (insert number of years), if not terminated earlier by a

1 vote of the county board."

2 For purposes of this Section, "public facilities
3 purposes" means the acquisition, development,
4 construction, reconstruction, rehabilitation, improvement,
5 financing, architectural planning, and installation of
6 capital facilities consisting of buildings, structures,
7 and durable equipment and for the acquisition and
8 improvement of real property and interest in real property
9 required, or expected to be required, in connection with
10 the public facilities, for use by the county for the
11 furnishing of governmental services to its citizens,
12 including but not limited to museums and nursing homes.

13 The votes shall be recorded as "Yes" or "No".

14 If a majority of the electors voting on the proposition
15 vote in favor of it, the county may impose the tax. A county
16 may not submit more than one proposition authorized by this
17 Section to the electors at any one time.

18 This additional tax may not be imposed on the sales of food
19 for human consumption that is to be consumed off the premises
20 where it is sold (other than alcoholic beverages, soft drinks,
21 and food which has been prepared for immediate consumption) and
22 prescription and non-prescription medicines, drugs, medical
23 appliances and insulin, urine testing materials, syringes, and
24 needles used by diabetics. Beginning December 1, 2017, this tax
25 is not imposed on sales of aviation fuel unless the tax revenue
26 is expended for airport-related purposes. If the County does

1 not have an airport-related purpose to which it dedicates
2 aviation fuel tax revenue, then aviation fuel is excluded from
3 the tax. The County must comply with the certification
4 requirements for airport-related purposes under Section
5 5-1184. For purposes of this Act, "airport-related purposes"
6 has the meaning ascribed in Section 6z-20.2 of the State
7 Finance Act. This exclusion for aviation fuel only applies for
8 so long as the revenue use requirements of 49 U.S.C. §47107(b)
9 and 49 U.S.C. §47133 are binding on the County. The tax imposed
10 by a county under this Section and all civil penalties that may
11 be assessed as an incident of the tax shall be collected and
12 enforced by the Illinois Department of Revenue and deposited
13 into a special fund created for that purpose. The certificate
14 of registration that is issued by the Department to a retailer
15 under the Retailers' Occupation Tax Act shall permit the
16 retailer to engage in a business that is taxable without
17 registering separately with the Department under an ordinance
18 or resolution under this Section. The Department has full power
19 to administer and enforce this Section, to collect all taxes
20 and penalties due under this Section, to dispose of taxes and
21 penalties so collected in the manner provided in this Section,
22 and to determine all rights to credit memoranda arising on
23 account of the erroneous payment of a tax or penalty under this
24 Section. In the administration of and compliance with this
25 Section, the Department and persons who are subject to this
26 Section shall (i) have the same rights, remedies, privileges,

1 immunities, powers, and duties, (ii) be subject to the same
2 conditions, restrictions, limitations, penalties, and
3 definitions of terms, and (iii) employ the same modes of
4 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,
5 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-70 (in respect to all
6 provisions contained in those Sections other than the State
7 rate of tax), 2a, 2b, 2c, 3 (except provisions relating to
8 transaction returns and quarter monthly payments, and except
9 that the retailer's discount is not allowed for taxes paid on
10 aviation fuel that are deposited into the Local Government
11 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
12 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
13 of the Retailers' Occupation Tax Act and Section 3-7 of the
14 Uniform Penalty and Interest Act as if those provisions were
15 set forth in this Section.

16 Persons subject to any tax imposed under the authority
17 granted in this Section may reimburse themselves for their
18 sellers' tax liability by separately stating the tax as an
19 additional charge, which charge may be stated in combination,
20 in a single amount, with State tax which sellers are required
21 to collect under the Use Tax Act, pursuant to such bracketed
22 schedules as the Department may prescribe.

23 Whenever the Department determines that a refund should be
24 made under this Section to a claimant instead of issuing a
25 credit memorandum, the Department shall notify the State
26 Comptroller, who shall cause the order to be drawn for the

1 amount specified and to the person named in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the County Public Safety or Transportation
4 Retailers' Occupation Tax Fund.

5 (b) If a tax has been imposed under subsection (a), a
6 service occupation tax shall also be imposed at the same rate
7 upon all persons engaged, in the county, in the business of
8 making sales of service, who, as an incident to making those
9 sales of service, transfer tangible personal property within
10 the county as an incident to a sale of service. This tax may
11 not be imposed on sales of food for human consumption that is
12 to be consumed off the premises where it is sold (other than
13 alcoholic beverages, soft drinks, and food prepared for
14 immediate consumption) and prescription and non-prescription
15 medicines, drugs, medical appliances and insulin, urine
16 testing materials, syringes, and needles used by diabetics.
17 Beginning December 1, 2017, this tax is not imposed on sales of
18 aviation fuel unless the tax revenue is expended for
19 airport-related purposes. If the County does not have an
20 airport-related purpose to which it dedicates aviation fuel tax
21 revenue, then aviation fuel is excluded from the tax. The
22 County must comply with the certification requirements for
23 airport-related purposes under Section 5-1184. For purposes of
24 this Act, "airport-related purposes" has the meaning ascribed
25 in Section 6z-20.2 of the State Finance Act. This exclusion for
26 aviation fuel only applies for so long as the revenue use

1 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
2 binding on the County. The tax imposed under this subsection
3 and all civil penalties that may be assessed as an incident
4 thereof shall be collected and enforced by the Department of
5 Revenue. The Department has full power to administer and
6 enforce this subsection; to collect all taxes and penalties due
7 hereunder; to dispose of taxes and penalties so collected in
8 the manner hereinafter provided; and to determine all rights to
9 credit memoranda arising on account of the erroneous payment of
10 tax or penalty hereunder. In the administration of, and
11 compliance with this subsection, the Department and persons who
12 are subject to this paragraph shall (i) have the same rights,
13 remedies, privileges, immunities, powers, and duties, (ii) be
14 subject to the same conditions, restrictions, limitations,
15 penalties, exclusions, exemptions, and definitions of terms,
16 and (iii) employ the same modes of procedure as are prescribed
17 in Sections 2 (except that the reference to State in the
18 definition of supplier maintaining a place of business in this
19 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in
20 respect to all provisions therein other than the State rate of
21 tax), 4 (except that the reference to the State shall be to the
22 county), 5, 7, 8 (except that the jurisdiction to which the tax
23 shall be a debt to the extent indicated in that Section 8 shall
24 be the county), 9 (except as to the disposition of taxes and
25 penalties collected, and except that the retailer's discount is
26 not allowed for taxes paid on aviation fuel that are deposited

1 into the Local Government Aviation Trust Fund), 10, 11, 12
2 (except the reference therein to Section 2b of the Retailers'
3 Occupation Tax Act), 13 (except that any reference to the State
4 shall mean the county), Section 15, 16, 17, 18, 19 and 20 of
5 the Service Occupation Tax Act and Section 3-7 of the Uniform
6 Penalty and Interest Act, as fully as if those provisions were
7 set forth herein.

8 Persons subject to any tax imposed under the authority
9 granted in this subsection may reimburse themselves for their
10 serviceman's tax liability by separately stating the tax as an
11 additional charge, which charge may be stated in combination,
12 in a single amount, with State tax that servicemen are
13 authorized to collect under the Service Use Tax Act, in
14 accordance with such bracket schedules as the Department may
15 prescribe.

16 Whenever the Department determines that a refund should be
17 made under this subsection to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the warrant to be drawn for the
20 amount specified, and to the person named, in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of the County Public Safety or Transportation
23 Retailers' Occupation Fund.

24 Nothing in this subsection shall be construed to authorize
25 the county to impose a tax upon the privilege of engaging in
26 any business which under the Constitution of the United States

1 may not be made the subject of taxation by the State.

2 (c) Except as otherwise provided in this paragraph, the ~~The~~
3 Department shall immediately pay over to the State Treasurer,
4 ex officio, as trustee, all taxes and penalties collected under
5 this Section to be deposited into the County Public Safety or
6 Transportation Retailers' Occupation Tax Fund, which shall be
7 an unappropriated trust fund held outside of the State
8 treasury. Taxes and penalties collected on aviation fuel sold
9 on or after December 1, 2017, shall be immediately paid over by
10 the Department to the State Treasurer, ex officio, as trustee,
11 for deposit into the Local Government Aviation Trust Fund. The
12 Department shall only pay moneys into the Local Government
13 Aviation Trust Fund under this Act for so long as the revenue
14 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
15 are binding on the County.

16 As soon as possible after the first day of each month,
17 beginning January 1, 2011, upon certification of the Department
18 of Revenue, the Comptroller shall order transferred, and the
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
20 local sales tax increment, as defined in the Innovation
21 Development and Economy Act, collected under this Section
22 during the second preceding calendar month for sales within a
23 STAR bond district.

24 After the monthly transfer to the STAR Bonds Revenue Fund,
25 on or before the 25th day of each calendar month, the
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to the counties from which
2 retailers have paid taxes or penalties to the Department during
3 the second preceding calendar month. The amount to be paid to
4 each county, and deposited by the county into its special fund
5 created for the purposes of this Section, shall be the amount
6 (not including credit memoranda and not including taxes and
7 penalties collected on aviation fuel sold on or after December
8 1, 2017) collected under this Section during the second
9 preceding calendar month by the Department plus an amount the
10 Department determines is necessary to offset any amounts that
11 were erroneously paid to a different taxing body, and not
12 including (i) an amount equal to the amount of refunds made
13 during the second preceding calendar month by the Department on
14 behalf of the county, (ii) any amount that the Department
15 determines is necessary to offset any amounts that were payable
16 to a different taxing body but were erroneously paid to the
17 county, and (iii) any amounts that are transferred to the STAR
18 Bonds Revenue Fund. Within 10 days after receipt by the
19 Comptroller of the disbursement certification to the counties
20 provided for in this Section to be given to the Comptroller by
21 the Department, the Comptroller shall cause the orders to be
22 drawn for the respective amounts in accordance with directions
23 contained in the certification.

24 In addition to the disbursement required by the preceding
25 paragraph, an allocation shall be made in March of each year to
26 each county that received more than \$500,000 in disbursements

1 under the preceding paragraph in the preceding calendar year.
2 The allocation shall be in an amount equal to the average
3 monthly distribution made to each such county under the
4 preceding paragraph during the preceding calendar year
5 (excluding the 2 months of highest receipts). The distribution
6 made in March of each year subsequent to the year in which an
7 allocation was made pursuant to this paragraph and the
8 preceding paragraph shall be reduced by the amount allocated
9 and disbursed under this paragraph in the preceding calendar
10 year. The Department shall prepare and certify to the
11 Comptroller for disbursement the allocations made in
12 accordance with this paragraph.

13 A county may direct, by ordinance, that all or a portion of
14 the taxes and penalties collected under the Special County
15 Retailers' Occupation Tax For Public Safety or Transportation
16 be deposited into the Transportation Development Partnership
17 Trust Fund.

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

1 (e) Nothing in this Section shall be construed to authorize
2 a county to impose a tax upon the privilege of engaging in any
3 business that under the Constitution of the United States may
4 not be made the subject of taxation by this State.

5 (e-5) If a county imposes a tax under this Section, the
6 county board may, by ordinance, discontinue or lower the rate
7 of the tax. If the county board lowers the tax rate or
8 discontinues the tax, a referendum must be held in accordance
9 with subsection (a) of this Section in order to increase the
10 rate of the tax or to reimpose the discontinued tax.

11 (f) Beginning April 1, 1998 and through December 31, 2013,
12 the results of any election authorizing a proposition to impose
13 a tax under this Section or effecting a change in the rate of
14 tax, or any ordinance lowering the rate or discontinuing the
15 tax, shall be certified by the county clerk and filed with the
16 Illinois Department of Revenue either (i) on or before the
17 first day of April, whereupon the Department shall proceed to
18 administer and enforce the tax as of the first day of July next
19 following the filing; or (ii) on or before the first day of
20 October, whereupon the Department shall proceed to administer
21 and enforce the tax as of the first day of January next
22 following the filing.

23 Beginning January 1, 2014, the results of any election
24 authorizing a proposition to impose a tax under this Section or
25 effecting an increase in the rate of tax, along with the
26 ordinance adopted to impose the tax or increase the rate of the

1 tax, or any ordinance adopted to lower the rate or discontinue
2 the tax, shall be certified by the county clerk and filed with
3 the Illinois Department of Revenue either (i) on or before the
4 first day of May, whereupon the Department shall proceed to
5 administer and enforce the tax as of the first day of July next
6 following the adoption and filing; or (ii) on or before the
7 first day of October, whereupon the Department shall proceed to
8 administer and enforce the tax as of the first day of January
9 next following the adoption and filing.

10 (g) When certifying the amount of a monthly disbursement to
11 a county under this Section, the Department shall increase or
12 decrease the amounts by an amount necessary to offset any
13 miscalculation of previous disbursements. The offset amount
14 shall be the amount erroneously disbursed within the previous 6
15 months from the time a miscalculation is discovered.

16 (h) This Section may be cited as the "Special County
17 Occupation Tax For Public Safety, Public Facilities, or
18 Transportation Law".

19 (i) For purposes of this Section, "public safety" includes,
20 but is not limited to, crime prevention, detention, fire
21 fighting, police, medical, ambulance, or other emergency
22 services. The county may share tax proceeds received under this
23 Section for public safety purposes, including proceeds
24 received before August 4, 2009 (the effective date of Public
25 Act 96-124), with any fire protection district located in the
26 county. For the purposes of this Section, "transportation"

1 includes, but is not limited to, the construction, maintenance,
2 operation, and improvement of public highways, any other
3 purpose for which a county may expend funds under the Illinois
4 Highway Code, and passenger rail transportation. For the
5 purposes of this Section, "public facilities purposes"
6 includes, but is not limited to, the acquisition, development,
7 construction, reconstruction, rehabilitation, improvement,
8 financing, architectural planning, and installation of capital
9 facilities consisting of buildings, structures, and durable
10 equipment and for the acquisition and improvement of real
11 property and interest in real property required, or expected to
12 be required, in connection with the public facilities, for use
13 by the county for the furnishing of governmental services to
14 its citizens, including but not limited to museums and nursing
15 homes.

16 (j) The Department may promulgate rules to implement Public
17 Act 95-1002 only to the extent necessary to apply the existing
18 rules for the Special County Retailers' Occupation Tax for
19 Public Safety to this new purpose for public facilities.

20 (Source: P.A. 98-584, eff. 8-27-13; 99-4, eff. 5-31-15; 99-217,
21 eff. 7-31-15; 99-642, eff. 7-28-16.)

22 (55 ILCS 5/5-1006.7)

23 Sec. 5-1006.7. School facility occupation taxes.

24 (a) In any county, a tax shall be imposed upon all persons
25 engaged in the business of selling tangible personal property,

1 other than personal property titled or registered with an
2 agency of this State's government, at retail in the county on
3 the gross receipts from the sales made in the course of
4 business to provide revenue to be used exclusively for school
5 facility purposes (except as otherwise provided in this
6 Section) if a proposition for the tax has been submitted to the
7 electors of that county and approved by a majority of those
8 voting on the question as provided in subsection (c). The tax
9 under this Section shall be imposed only in one-quarter percent
10 increments and may not exceed 1%.

11 This additional tax may not be imposed on the sale of food
12 for human consumption that is to be consumed off the premises
13 where it is sold (other than alcoholic beverages, soft drinks,
14 and food that has been prepared for immediate consumption) and
15 prescription and non-prescription medicines, drugs, medical
16 appliances and insulin, urine testing materials, syringes and
17 needles used by diabetics. Beginning December 1, 2017, this tax
18 is not imposed on sales of aviation fuel unless the tax revenue
19 is expended for airport-related purposes. If the County does
20 not have an airport-related purpose to which it dedicates
21 aviation fuel tax revenue, then aviation fuel is excluded from
22 the tax. The County must comply with the certification
23 requirements for airport-related purposes under Section
24 5-1184. For purposes of this Act, "airport-related purposes"
25 has the meaning ascribed in Section 6z-20.2 of the State
26 Finance Act. This exclusion for aviation fuel only applies for

1 so long as the revenue use requirements of 49 U.S.C. §47107(b)
2 and 49 U.S.C. §47133 are binding on the County. The Department
3 of Revenue has full power to administer and enforce this
4 subsection, to collect all taxes and penalties due under this
5 subsection, to dispose of taxes and penalties so collected in
6 the manner provided in this subsection, and to determine all
7 rights to credit memoranda arising on account of the erroneous
8 payment of a tax or penalty under this subsection. The
9 Department shall deposit all taxes and penalties collected
10 under this subsection into a special fund created for that
11 purpose.

12 In the administration of and compliance with this
13 subsection, the Department and persons who are subject to this
14 subsection (i) have the same rights, remedies, privileges,
15 immunities, powers, and duties, (ii) are subject to the same
16 conditions, restrictions, limitations, penalties, and
17 definitions of terms, and (iii) shall employ the same modes of
18 procedure as are set forth in Sections 1 through 10, 2 through
19 2-70 (in respect to all provisions contained in those Sections
20 other than the State rate of tax), 2a through 2h, 3 (except as
21 to the disposition of taxes and penalties collected, and except
22 that the retailer's discount is not allowed for taxes paid on
23 aviation fuel that are deposited into the Local Government
24 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
25 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
26 of the Retailers' Occupation Tax Act and all provisions of the

1 Uniform Penalty and Interest Act as if those provisions were
2 set forth in this subsection.

3 The certificate of registration that is issued by the
4 Department to a retailer under the Retailers' Occupation Tax
5 Act permits the retailer to engage in a business that is
6 taxable without registering separately with the Department
7 under an ordinance or resolution under this subsection.

8 Persons subject to any tax imposed under the authority
9 granted in this subsection may reimburse themselves for their
10 seller's tax liability by separately stating that tax as an
11 additional charge, which may be stated in combination, in a
12 single amount, with State tax that sellers are required to
13 collect under the Use Tax Act, pursuant to any bracketed
14 schedules set forth by the Department.

15 (b) If a tax has been imposed under subsection (a), then a
16 service occupation tax must also be imposed at the same rate
17 upon all persons engaged, in the county, in the business of
18 making sales of service, who, as an incident to making those
19 sales of service, transfer tangible personal property within
20 the county as an incident to a sale of service.

21 This tax may not be imposed on sales of food for human
22 consumption that is to be consumed off the premises where it is
23 sold (other than alcoholic beverages, soft drinks, and food
24 prepared for immediate consumption) and prescription and
25 non-prescription medicines, drugs, medical appliances and
26 insulin, urine testing materials, syringes, and needles used by

1 diabetics. Beginning December 1, 2017, this tax is not imposed
2 on sales of aviation fuel unless the tax revenue is expended
3 for airport-related purposes. If the County does not have an
4 airport-related purpose to which it dedicates aviation fuel tax
5 revenue, then aviation fuel is excluded from the tax. The
6 County must comply with the certification requirements for
7 airport-related purposes under Section 5-1184. For purposes of
8 this Act, "airport-related purposes" has the meaning ascribed
9 in Section 6z-20.2 of the State Finance Act. This exclusion for
10 aviation fuel only applies for so long as the revenue use
11 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
12 binding on the County.

13 The tax imposed under this subsection and all civil
14 penalties that may be assessed as an incident thereof shall be
15 collected and enforced by the Department and deposited into a
16 special fund created for that purpose. The Department has full
17 power to administer and enforce this subsection, to collect all
18 taxes and penalties due under this subsection, to dispose of
19 taxes and penalties so collected in the manner provided in this
20 subsection, and to determine all rights to credit memoranda
21 arising on account of the erroneous payment of a tax or penalty
22 under this subsection.

23 In the administration of and compliance with this
24 subsection, the Department and persons who are subject to this
25 subsection shall (i) have the same rights, remedies,
26 privileges, immunities, powers and duties, (ii) be subject to

1 the same conditions, restrictions, limitations, penalties and
2 definition of terms, and (iii) employ the same modes of
3 procedure as are set forth in Sections 2 (except that that
4 reference to State in the definition of supplier maintaining a
5 place of business in this State means the county), 2a through
6 2d, 3 through 3-50 (in respect to all provisions contained in
7 those Sections other than the State rate of tax), 4 (except
8 that the reference to the State shall be to the county), 5, 7,
9 8 (except that the jurisdiction to which the tax is a debt to
10 the extent indicated in that Section 8 is the county), 9
11 (except as to the disposition of taxes and penalties collected,
12 and except that the retailer's discount is not allowed for
13 taxes paid on aviation fuel that are deposited into the Local
14 Government Aviation Trust Fund), 10, 11, 12 (except the
15 reference therein to Section 2b of the Retailers' Occupation
16 Tax Act), 13 (except that any reference to the State means the
17 county), Section 15, 16, 17, 18, 19, and 20 of the Service
18 Occupation Tax Act and all provisions of the Uniform Penalty
19 and Interest Act, as fully as if those provisions were set
20 forth herein.

21 Persons subject to any tax imposed under the authority
22 granted in this subsection may reimburse themselves for their
23 serviceman's tax liability by separately stating the tax as an
24 additional charge, which may be stated in combination, in a
25 single amount, with State tax that servicemen are authorized to
26 collect under the Service Use Tax Act, pursuant to any

1 bracketed schedules set forth by the Department.

2 (c) The tax under this Section may not be imposed until the
3 question of imposing the tax has been submitted to the electors
4 of the county at a regular election and approved by a majority
5 of the electors voting on the question. For all regular
6 elections held prior to August 23, 2011 (the effective date of
7 Public Act 97-542), upon a resolution by the county board or a
8 resolution by school district boards that represent at least
9 51% of the student enrollment within the county, the county
10 board must certify the question to the proper election
11 authority in accordance with the Election Code.

12 For all regular elections held prior to August 23, 2011
13 (the effective date of Public Act 97-542), the election
14 authority must submit the question in substantially the
15 following form:

16 Shall (name of county) be authorized to impose a
17 retailers' occupation tax and a service occupation tax
18 (commonly referred to as a "sales tax") at a rate of
19 (insert rate) to be used exclusively for school facility
20 purposes?

21 The election authority must record the votes as "Yes" or "No".

22 If a majority of the electors voting on the question vote
23 in the affirmative, then the county may, thereafter, impose the
24 tax.

25 For all regular elections held on or after August 23, 2011
26 (the effective date of Public Act 97-542), the regional

1 superintendent of schools for the county must, upon receipt of
2 a resolution or resolutions of school district boards that
3 represent more than 50% of the student enrollment within the
4 county, certify the question to the proper election authority
5 for submission to the electors of the county at the next
6 regular election at which the question lawfully may be
7 submitted to the electors, all in accordance with the Election
8 Code.

9 For all regular elections held on or after August 23, 2011
10 (the effective date of Public Act 97-542), the election
11 authority must submit the question in substantially the
12 following form:

13 Shall a retailers' occupation tax and a service
14 occupation tax (commonly referred to as a "sales tax") be
15 imposed in (name of county) at a rate of (insert rate) to
16 be used exclusively for school facility purposes?

17 The election authority must record the votes as "Yes" or "No".

18 If a majority of the electors voting on the question vote
19 in the affirmative, then the tax shall be imposed at the rate
20 set forth in the question.

21 For the purposes of this subsection (c), "enrollment" means
22 the head count of the students residing in the county on the
23 last school day of September of each year, which must be
24 reported on the Illinois State Board of Education Public School
25 Fall Enrollment/Housing Report.

26 (d) Except as otherwise provided, the ~~The~~ Department shall

1 immediately pay over to the State Treasurer, ex officio, as
2 trustee, all taxes and penalties collected under this Section
3 to be deposited into the School Facility Occupation Tax Fund,
4 which shall be an unappropriated trust fund held outside the
5 State treasury. Taxes and penalties collected on aviation fuel
6 sold on or after December 1, 2017, shall be immediately paid
7 over by the Department to the State Treasurer, ex officio, as
8 trustee, for deposit into the Local Government Aviation Trust
9 Fund. The Department shall only pay moneys into the Local
10 Government Aviation Trust Fund under this Act for so long as
11 the revenue use requirements of 49 U.S.C. §47107(b) and 49
12 U.S.C. §47133 are binding on the County.

13 On or before the 25th day of each calendar month, the
14 Department shall prepare and certify to the Comptroller the
15 disbursement of stated sums of money to the regional
16 superintendents of schools in counties from which retailers or
17 servicemen have paid taxes or penalties to the Department
18 during the second preceding calendar month. The amount to be
19 paid to each regional superintendent of schools and disbursed
20 to him or her in accordance with Section 3-14.31 of the School
21 Code, is equal to the amount (not including credit memoranda
22 and not including taxes and penalties collected on aviation
23 fuel sold on or after December 1, 2017) collected from the
24 county under this Section during the second preceding calendar
25 month by the Department, (i) less 2% of that amount (except the
26 amount collected on aviation fuel sold on or after December 1,

1 2017), which shall be deposited into the Tax Compliance and
2 Administration Fund and shall be used by the Department,
3 subject to appropriation, to cover the costs of the Department
4 in administering and enforcing the provisions of this Section,
5 on behalf of the county, (ii) plus an amount that the
6 Department determines is necessary to offset any amounts that
7 were erroneously paid to a different taxing body; (iii) less an
8 amount equal to the amount of refunds made during the second
9 preceding calendar month by the Department on behalf of the
10 county; and (iv) less any amount that the Department determines
11 is necessary to offset any amounts that were payable to a
12 different taxing body but were erroneously paid to the county.
13 When certifying the amount of a monthly disbursement to a
14 regional superintendent of schools under this Section, the
15 Department shall increase or decrease the amounts by an amount
16 necessary to offset any miscalculation of previous
17 disbursements within the previous 6 months from the time a
18 miscalculation is discovered.

19 Within 10 days after receipt by the Comptroller from the
20 Department of the disbursement certification to the regional
21 superintendents of the schools provided for in this Section,
22 the Comptroller shall cause the orders to be drawn for the
23 respective amounts in accordance with directions contained in
24 the certification.

25 If the Department determines that a refund should be made
26 under this Section to a claimant instead of issuing a credit

1 memorandum, then the Department shall notify the Comptroller,
2 who shall cause the order to be drawn for the amount specified
3 and to the person named in the notification from the
4 Department. The refund shall be paid by the Treasurer out of
5 the School Facility Occupation Tax Fund.

6 (e) For the purposes of determining the local governmental
7 unit whose tax is applicable, a retail sale by a producer of
8 coal or another mineral mined in Illinois is a sale at retail
9 at the place where the coal or other mineral mined in Illinois
10 is extracted from the earth. This subsection does not apply to
11 coal or another mineral when it is delivered or shipped by the
12 seller to the purchaser at a point outside Illinois so that the
13 sale is exempt under the United States Constitution as a sale
14 in interstate or foreign commerce.

15 (f) Nothing in this Section may be construed to authorize a
16 tax to be imposed upon the privilege of engaging in any
17 business that under the Constitution of the United States may
18 not be made the subject of taxation by this State.

19 (g) If a county board imposes a tax under this Section
20 pursuant to a referendum held before August 23, 2011 (the
21 effective date of Public Act 97-542) at a rate below the rate
22 set forth in the question approved by a majority of electors of
23 that county voting on the question as provided in subsection
24 (c), then the county board may, by ordinance, increase the rate
25 of the tax up to the rate set forth in the question approved by
26 a majority of electors of that county voting on the question as

1 provided in subsection (c). If a county board imposes a tax
2 under this Section pursuant to a referendum held before August
3 23, 2011 (the effective date of Public Act 97-542), then the
4 board may, by ordinance, discontinue or reduce the rate of the
5 tax. If a tax is imposed under this Section pursuant to a
6 referendum held on or after August 23, 2011 (the effective date
7 of Public Act 97-542), then the county board may reduce or
8 discontinue the tax, but only in accordance with subsection
9 (h-5) of this Section. If, however, a school board issues bonds
10 that are secured by the proceeds of the tax under this Section,
11 then the county board may not reduce the tax rate or
12 discontinue the tax if that rate reduction or discontinuance
13 would adversely affect the school board's ability to pay the
14 principal and interest on those bonds as they become due or
15 necessitate the extension of additional property taxes to pay
16 the principal and interest on those bonds. If the county board
17 reduces the tax rate or discontinues the tax, then a referendum
18 must be held in accordance with subsection (c) of this Section
19 in order to increase the rate of the tax or to reimpose the
20 discontinued tax.

21 Until January 1, 2014, the results of any election that
22 imposes, reduces, or discontinues a tax under this Section must
23 be certified by the election authority, and any ordinance that
24 increases or lowers the rate or discontinues the tax must be
25 certified by the county clerk and, in each case, filed with the
26 Illinois Department of Revenue either (i) on or before the

1 first day of April, whereupon the Department shall proceed to
2 administer and enforce the tax or change in the rate as of the
3 first day of July next following the filing; or (ii) on or
4 before the first day of October, whereupon the Department shall
5 proceed to administer and enforce the tax or change in the rate
6 as of the first day of January next following the filing.

7 Beginning January 1, 2014, the results of any election that
8 imposes, reduces, or discontinues a tax under this Section must
9 be certified by the election authority, and any ordinance that
10 increases or lowers the rate or discontinues the tax must be
11 certified by the county clerk and, in each case, filed with the
12 Illinois Department of Revenue either (i) on or before the
13 first day of May, whereupon the Department shall proceed to
14 administer and enforce the tax or change in the rate as of the
15 first day of July next following the filing; or (ii) on or
16 before the first day of October, whereupon the Department shall
17 proceed to administer and enforce the tax or change in the rate
18 as of the first day of January next following the filing.

19 (h) For purposes of this Section, "school facility
20 purposes" means (i) the acquisition, development,
21 construction, reconstruction, rehabilitation, improvement,
22 financing, architectural planning, and installation of capital
23 facilities consisting of buildings, structures, and durable
24 equipment and for the acquisition and improvement of real
25 property and interest in real property required, or expected to
26 be required, in connection with the capital facilities and (ii)

1 the payment of bonds or other obligations heretofore or
2 hereafter issued, including bonds or other obligations
3 heretofore or hereafter issued to refund or to continue to
4 refund bonds or other obligations issued, for school facility
5 purposes, provided that the taxes levied to pay those bonds are
6 abated by the amount of the taxes imposed under this Section
7 that are used to pay those bonds. "School-facility purposes"
8 also includes fire prevention, safety, energy conservation,
9 accessibility, school security, and specified repair purposes
10 set forth under Section 17-2.11 of the School Code.

11 (h-5) A county board in a county where a tax has been
12 imposed under this Section pursuant to a referendum held on or
13 after August 23, 2011 (the effective date of Public Act 97-542)
14 may, by ordinance or resolution, submit to the voters of the
15 county the question of reducing or discontinuing the tax. In
16 the ordinance or resolution, the county board shall certify the
17 question to the proper election authority in accordance with
18 the Election Code. The election authority must submit the
19 question in substantially the following form:

20 Shall the school facility retailers' occupation tax
21 and service occupation tax (commonly referred to as the
22 "school facility sales tax") currently imposed in (name of
23 county) at a rate of (insert rate) be (reduced to (insert
24 rate)) (discontinued)?

25 If a majority of the electors voting on the question vote in
26 the affirmative, then, subject to the provisions of subsection

1 (g) of this Section, the tax shall be reduced or discontinued
2 as set forth in the question.

3 (i) This Section does not apply to Cook County.

4 (j) This Section may be cited as the County School Facility
5 Occupation Tax Law.

6 (Source: P.A. 98-584, eff. 8-27-13; 99-143, eff. 7-27-15;
7 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

8 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

9 Sec. 5-1007. Home Rule County Service Occupation Tax Law.
10 The corporate authorities of a home rule county may impose a
11 tax upon all persons engaged, in such county, in the business
12 of making sales of service at the same rate of tax imposed
13 pursuant to Section 5-1006 of the selling price of all tangible
14 personal property transferred by such servicemen either in the
15 form of tangible personal property or in the form of real
16 estate as an incident to a sale of service. If imposed, such
17 tax shall only be imposed in 1/4% increments. On and after
18 September 1, 1991, this additional tax may not be imposed on
19 the sales of food for human consumption which is to be consumed
20 off the premises where it is sold (other than alcoholic
21 beverages, soft drinks and food which has been prepared for
22 immediate consumption) and prescription and nonprescription
23 medicines, drugs, medical appliances and insulin, urine
24 testing materials, syringes and needles used by diabetics.
25 Beginning December 1, 2017, this tax is not imposed on sales of

1 aviation fuel unless the tax revenue is expended for
2 airport-related purposes. If the County does not have an
3 airport-related purpose to which it dedicates aviation fuel tax
4 revenue, then aviation fuel is excluded from the tax. The
5 County must comply with the certification requirements for
6 airport-related purposes under Section 5-1184. For purposes of
7 this Act, "airport-related purposes" has the meaning ascribed
8 in Section 6z-20.2 of the State Finance Act. This exclusion for
9 aviation fuel only applies for so long as the revenue use
10 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
11 binding on the County. The changes made to this Section by this
12 amendatory Act of the 100th General Assembly are a denial and
13 limitation of home rule powers and functions under subsection
14 (g) of Section 6 of Article VII of the Illinois Constitution.
15 The tax imposed by a home rule county pursuant to this Section
16 and all civil penalties that may be assessed as an incident
17 thereof shall be collected and enforced by the State Department
18 of Revenue. The certificate of registration which is issued by
19 the Department to a retailer under the Retailers' Occupation
20 Tax Act or under the Service Occupation Tax Act shall permit
21 such registrant to engage in a business which is taxable under
22 any ordinance or resolution enacted pursuant to this Section
23 without registering separately with the Department under such
24 ordinance or resolution or under this Section. The Department
25 shall have full power to administer and enforce this Section;
26 to collect all taxes and penalties due hereunder; to dispose of

1 taxes and penalties so collected in the manner hereinafter
2 provided; and to determine all rights to credit memoranda
3 arising on account of the erroneous payment of tax or penalty
4 hereunder. In the administration of, and compliance with, this
5 Section the Department and persons who are subject to this
6 Section shall have the same rights, remedies, privileges,
7 immunities, powers and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties and
9 definitions of terms, and employ the same modes of procedure,
10 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
11 respect to all provisions therein other than the State rate of
12 tax), 4 (except that the reference to the State shall be to the
13 taxing county), 5, 7, 8 (except that the jurisdiction to which
14 the tax shall be a debt to the extent indicated in that Section
15 8 shall be the taxing county), 9 (except as to the disposition
16 of taxes and penalties collected, and except that the returned
17 merchandise credit for this county tax may not be taken against
18 any State tax, and except that the retailer's discount is not
19 allowed for taxes paid on aviation fuel that are deposited into
20 the Local Government Aviation Trust Fund), 10, 11, 12 (except
21 the reference therein to Section 2b of the Retailers'
22 Occupation Tax Act), 13 (except that any reference to the State
23 shall mean the taxing county), the first paragraph of Section
24 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
25 Section 3-7 of the Uniform Penalty and Interest Act, as fully
26 as if those provisions were set forth herein.

1 No tax may be imposed by a home rule county pursuant to
2 this Section unless such county also imposes a tax at the same
3 rate pursuant to Section 5-1006.

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

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

19 Except as otherwise provided in this paragraph, the ~~The~~
20 Department shall forthwith pay over to the State Treasurer,
21 ex-officio, as trustee, all taxes and penalties collected
22 hereunder for deposit into the Home Rule County Retailers'
23 Occupation Tax Fund. Taxes and penalties collected on aviation
24 fuel sold on or after December 1, 2017, shall be immediately
25 paid over by the Department to the State Treasurer, ex officio,
26 as trustee, for deposit into the Local Government Aviation

1 Trust Fund. The Department shall only pay moneys into the Local
2 Government Aviation Trust Fund under this Act for so long as
3 the revenue use requirements of 49 U.S.C. §47107(b) and 49
4 U.S.C. §47133 are binding on the County.

5 As soon as possible after the first day of each month,
6 beginning January 1, 2011, upon certification of the Department
7 of Revenue, the Comptroller shall order transferred, and the
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
9 local sales tax increment, as defined in the Innovation
10 Development and Economy Act, collected under this Section
11 during the second preceding calendar month for sales within a
12 STAR bond district.

13 After the monthly transfer to the STAR Bonds Revenue Fund,
14 on or before the 25th day of each calendar month, the
15 Department shall prepare and certify to the Comptroller the
16 disbursement of stated sums of money to named counties, the
17 counties to be those from which suppliers and servicemen have
18 paid taxes or penalties hereunder to the Department during the
19 second preceding calendar month. The amount to be paid to each
20 county shall be the amount (not including credit memoranda and
21 not including taxes and penalties collected on aviation fuel
22 sold on or after December 1, 2017) collected hereunder during
23 the second preceding calendar month by the Department, and not
24 including an amount equal to the amount of refunds made during
25 the second preceding calendar month by the Department on behalf
26 of such county, and not including any amounts that are

1 transferred to the STAR Bonds Revenue Fund. Within 10 days
2 after receipt, by the Comptroller, of the disbursement
3 certification to the counties provided for in this Section to
4 be given to the Comptroller by the Department, the Comptroller
5 shall cause the orders to be drawn for the respective amounts
6 in accordance with the directions contained in such
7 certification.

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

22 Nothing in this Section shall be construed to authorize a
23 county to impose a tax upon the privilege of engaging in any
24 business which under the Constitution of the United States may
25 not be made the subject of taxation by this State.

26 An ordinance or resolution imposing or discontinuing a tax

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

1 day of October, whereupon the Department shall proceed to
2 administer and enforce this Section as of the first day of
3 January next following the adoption and filing.

4 This Section shall be known and may be cited as the Home
5 Rule County Service Occupation Tax Law.

6 (Source: P.A. 96-939, eff. 6-24-10.)

7 (55 ILCS 5/5-1008.5)

8 Sec. 5-1008.5. Use and occupation taxes.

9 (a) The Rock Island County Board may adopt a resolution
10 that authorizes a referendum on the question of whether the
11 county shall be authorized to impose a retailers' occupation
12 tax, a service occupation tax, and a use tax at a rate of 1/4 of
13 1% on behalf of the economic development activities of Rock
14 Island County and communities located within the county. The
15 county board shall certify the question to the proper election
16 authorities who shall submit the question to the voters of the
17 county at the next regularly scheduled election in accordance
18 with the general election law. The question shall be in
19 substantially the following form:

20 Shall Rock Island County be authorized to impose a
21 retailers' occupation tax, a service occupation tax, and a
22 use tax at the rate of 1/4 of 1% for the sole purpose of
23 economic development activities, including creation and
24 retention of job opportunities, support of affordable
25 housing opportunities, and enhancement of quality of life

1 improvements?

2 Votes shall be recorded as "yes" or "no". If a majority of
3 all votes cast on the proposition are in favor of the
4 proposition, the county is authorized to impose the tax.

5 (b) The county shall impose the retailers' occupation tax
6 upon all persons engaged in the business of selling tangible
7 personal property at retail in the county, at the rate approved
8 by referendum, on the gross receipts from the sales made in the
9 course of those businesses within the county. This additional
10 tax may not be imposed on the sale of food for human
11 consumption that is to be consumed off the premises where it is
12 sold (other than alcoholic beverages, soft drinks, and food
13 that has been prepared for immediate consumption) and
14 prescription and non-prescription medicines, drugs, medical
15 appliances and insulin, urine testing materials, syringes, and
16 needles used by diabetics. Beginning December 1, 2017, this tax
17 is not imposed on sales of aviation fuel unless the tax revenue
18 is expended for airport-related purposes. If the County does
19 not have an airport-related purpose to which it dedicates
20 aviation fuel tax revenue, then aviation fuel is excluded from
21 the tax. The County must comply with the certification
22 requirements for airport-related purposes under Section
23 5-1184. For purposes of this Act, "airport-related purposes"
24 has the meaning ascribed in Section 6z-20.2 of the State
25 Finance Act. This exclusion for aviation fuel only applies for
26 so long as the revenue use requirements of 49 U.S.C. §47107(b)

1 and 49 U.S.C. §47133 are binding on the County. The tax imposed
2 under this Section and all civil penalties that may be assessed
3 as an incident of the tax shall be collected and enforced by
4 the Department of Revenue. The Department has full power to
5 administer and enforce this Section; to collect all taxes and
6 penalties so collected in the manner provided in this Section;
7 and to determine all rights to credit memoranda arising on
8 account of the erroneous payment of tax or penalty under this
9 Section. In the administration of, and compliance with, this
10 Section, the Department and persons who are subject to this
11 Section shall (i) have the same rights, remedies, privileges,
12 immunities, powers and duties, (ii) be subject to the same
13 conditions, restrictions, limitations, penalties, exclusions,
14 exemptions, and definitions of terms, and (iii) employ the same
15 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
16 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in
17 respect to all provisions other than the State rate of tax),
18 2-15 through 2-70, 2a, 2b, 2c, 3 (except as to the disposition
19 of taxes and penalties collected and provisions related to
20 quarter monthly payments, and except that the retailer's
21 discount is not allowed for taxes paid on aviation fuel that
22 are deposited into the Local Government Aviation Trust Fund),
23 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,
24 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
25 Tax Act and Section 3-7 of the Uniform Penalty and Interest
26 Act, as fully as if those provisions were set forth in this

1 subsection.

2 Persons subject to any tax imposed under this subsection
3 may reimburse themselves for their seller's tax liability by
4 separately stating the tax as an additional charge, which
5 charge may be stated in combination, in a single amount, with
6 State taxes that sellers are required to collect, in accordance
7 with bracket schedules prescribed by the Department.

8 Whenever the Department determines that a refund should be
9 made under this subsection to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the warrant to be drawn for the
12 amount specified, and to the person named, in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of the tax fund referenced under paragraph (g) of
15 this Section.

16 If a tax is imposed under this subsection (b), a tax shall
17 also be imposed at the same rate under subsections (c) and (d)
18 of this Section.

19 For the purpose of determining whether a tax authorized
20 under this Section is applicable, a retail sale, by a producer
21 of coal or another mineral mined in Illinois, is a sale at
22 retail at the place where the coal or other mineral mined in
23 Illinois is extracted from the earth. This paragraph does not
24 apply to coal or another mineral when it is delivered or
25 shipped by the seller to the purchaser at a point outside
26 Illinois so that the sale is exempt under the federal

1 Constitution as a sale in interstate or foreign commerce.

2 Nothing in this Section shall be construed to authorize the
3 county to impose a tax upon the privilege of engaging in any
4 business that under the Constitution of the United States may
5 not be made the subject of taxation by this State.

6 (c) If a tax has been imposed under subsection (b), a
7 service occupation tax shall also be imposed at the same rate
8 upon all persons engaged, in the county, in the business of
9 making sales of service, who, as an incident to making those
10 sales of service, transfer tangible personal property within
11 the county as an incident to a sale of service. This additional
12 tax may not be imposed on the sale of food for human
13 consumption that is to be consumed off the premises where it is
14 sold (other than alcoholic beverages, soft drinks, and food
15 that has been prepared for immediate consumption) and
16 prescription and non-prescription medicines, drugs, medical
17 appliances and insulin, urine testing materials, syringes, and
18 needles used by diabetics. Beginning December 1, 2017, this tax
19 is not imposed on sales of aviation fuel unless the tax revenue
20 is expended for airport-related purposes. If the County does
21 not have an airport-related purpose to which it dedicates
22 aviation fuel tax revenue, then aviation fuel is excluded from
23 the tax. The County must comply with the certification
24 requirements for airport-related purposes under Section
25 5-1184. For purposes of this Act, "airport-related purposes"
26 has the meaning ascribed in Section 6z-20.2 of the State

1 Finance Act. This exclusion for aviation fuel only applies for
2 so long as the revenue use requirements of 49 U.S.C. §47107(b)
3 and 49 U.S.C. §47133 are binding on the County. The tax imposed
4 under this subsection and all civil penalties that may be
5 assessed as an incident of the tax shall be collected and
6 enforced by the Department of Revenue. The Department has full
7 power to administer and enforce this paragraph; to collect all
8 taxes and penalties due under this Section; to dispose of taxes
9 and penalties so collected in the manner provided in this
10 Section; and to determine all rights to credit memoranda
11 arising on account of the erroneous payment of tax or penalty
12 under this Section. In the administration of, and compliance
13 with this paragraph, the Department and persons who are subject
14 to this paragraph shall (i) have the same rights, remedies,
15 privileges, immunities, powers, and duties, (ii) be subject to
16 the same conditions, restrictions, limitations, penalties,
17 exclusions, exemptions, and definitions of terms, and (iii)
18 employ the same modes of procedure as are prescribed in
19 Sections 2 (except that the reference to State in the
20 definition of supplier maintaining a place of business in this
21 State shall mean the county), 2a, 2b, 3 through 3-55 (in
22 respect to all provisions other than the State rate of tax), 4
23 (except that the reference to the State shall be to the
24 county), 5, 7, 8 (except that the jurisdiction to which the tax
25 shall be a debt to the extent indicated in that Section 8 shall
26 be the county), 9 (except as to the disposition of taxes and

1 penalties collected, and except that the returned merchandise
2 credit for this tax may not be taken against any State tax, and
3 except that the retailer's discount is not allowed for taxes
4 paid on aviation fuel that are deposited into the Local
5 Government Aviation Trust Fund), 11, 12 (except the reference
6 to Section 2b of the Retailers' Occupation Tax Act), 13 (except
7 that any reference to the State shall mean the county), 15, 16,
8 17, 18, 19 and 20 of the Service Occupation Tax Act and Section
9 3-7 of the Uniform Penalty and Interest Act, as fully as if
10 those provisions were set forth in this subsection.

11 Persons subject to any tax imposed under the authority
12 granted in this subsection may reimburse themselves for their
13 serviceman's tax liability by separately stating the tax as an
14 additional charge, which charge may be stated in combination,
15 in a single amount, with State tax that servicemen are
16 authorized to collect under the Service Use Tax Act, in
17 accordance with bracket schedules prescribed by the
18 Department.

19 Whenever the Department determines that a refund should be
20 made under this subsection to a claimant instead of issuing a
21 credit memorandum, the Department shall notify the State
22 Comptroller, who shall cause the warrant to be drawn for the
23 amount specified, and to the person named, in the notification
24 from the Department. The refund shall be paid by the State
25 Treasurer out of the tax fund referenced under paragraph (g) of
26 this Section.

1 Nothing in this paragraph shall be construed to authorize
2 the county to impose a tax upon the privilege of engaging in
3 any business that under the Constitution of the United States
4 may not be made the subject of taxation by the State.

5 (d) If a tax has been imposed under subsection (b), a use
6 tax shall also be imposed at the same rate upon the privilege
7 of using, in the county, any item of tangible personal property
8 that is purchased outside the county at retail from a retailer,
9 and that is titled or registered at a location within the
10 county with an agency of this State's government. This
11 additional tax may not be imposed on the sale of food for human
12 consumption that is to be consumed off the premises where it is
13 sold (other than alcoholic beverages, soft drinks, and food
14 that has been prepared for immediate consumption) and
15 prescription and non-prescription medicines, drugs, medical
16 appliances and insulin, urine testing materials, syringes, and
17 needles used by diabetics. "Selling price" is defined as in the
18 Use Tax Act. The tax shall be collected from persons whose
19 Illinois address for titling or registration purposes is given
20 as being in the county. The tax shall be collected by the
21 Department of Revenue for the county. The tax must be paid to
22 the State, or an exemption determination must be obtained from
23 the Department of Revenue, before the title or certificate of
24 registration for the property may be issued. The tax or proof
25 of exemption may be transmitted to the Department by way of the
26 State agency with which, or the State officer with whom, the

1 tangible personal property must be titled or registered if the
2 Department and the State agency or State officer determine that
3 this procedure will expedite the processing of applications for
4 title or registration.

5 The Department has full power to administer and enforce
6 this paragraph; to collect all taxes, penalties, and interest
7 due under this Section; to dispose of taxes, penalties, and
8 interest so collected in the manner provided in this Section;
9 and to determine all rights to credit memoranda or refunds
10 arising on account of the erroneous payment of tax, penalty, or
11 interest under this Section. In the administration of, and
12 compliance with, this subsection, the Department and persons
13 who are subject to this paragraph shall (i) have the same
14 rights, remedies, privileges, immunities, powers, and duties,
15 (ii) be subject to the same conditions, restrictions,
16 limitations, penalties, exclusions, exemptions, and
17 definitions of terms, and (iii) employ the same modes of
18 procedure as are prescribed in Sections 2 (except the
19 definition of "retailer maintaining a place of business in this
20 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
21 7, 8 (except that the jurisdiction to which the tax shall be a
22 debt to the extent indicated in that Section 8 shall be the
23 county), 9 (except provisions relating to quarter monthly
24 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
25 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
26 Interest Act, that are not inconsistent with this paragraph, as

1 fully as if those provisions were set forth in this subsection.

2 Whenever the Department determines that a refund should be
3 made under this subsection to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the order to be drawn for the
6 amount specified, and to the person named, in the notification
7 from the Department. The refund shall be paid by the State
8 Treasurer out of the tax fund referenced under paragraph (g) of
9 this Section.

10 (e) A certificate of registration issued by the State
11 Department of Revenue to a retailer under the Retailers'
12 Occupation Tax Act or under the Service Occupation Tax Act
13 shall permit the registrant to engage in a business that is
14 taxed under the tax imposed under paragraphs (b), (c), or (d)
15 of this Section and no additional registration shall be
16 required. A certificate issued under the Use Tax Act or the
17 Service Use Tax Act shall be applicable with regard to any tax
18 imposed under paragraph (c) of this Section.

19 (f) The results of any election authorizing a proposition
20 to impose a tax under this Section or effecting a change in the
21 rate of tax shall be certified by the proper election
22 authorities and filed with the Illinois Department on or before
23 the first day of October. In addition, an ordinance imposing,
24 discontinuing, or effecting a change in the rate of tax under
25 this Section shall be adopted and a certified copy of the
26 ordinance filed with the Department on or before the first day

1 of October. After proper receipt of the certifications, the
2 Department shall proceed to administer and enforce this Section
3 as of the first day of January next following the adoption and
4 filing.

5 (g) Except as otherwise provided in paragraph (g-2), the
6 ~~The~~ Department of Revenue shall, upon collecting any taxes and
7 penalties as provided in this Section, pay the taxes and
8 penalties over to the State Treasurer as trustee for the
9 county. The taxes and penalties shall be held in a trust fund
10 outside the State Treasury. On or before the 25th day of each
11 calendar month, the Department of Revenue shall prepare and
12 certify to the Comptroller of the State of Illinois the amount
13 to be paid to the county, which shall be the balance in the
14 fund, less any amount determined by the Department to be
15 necessary for the payment of refunds. Within 10 days after
16 receipt by the Comptroller of the certification of the amount
17 to be paid to the county, the Comptroller shall cause an order
18 to be drawn for payment for the amount in accordance with the
19 directions contained in the certification. Amounts received
20 from the tax imposed under this Section shall be used only for
21 the economic development activities of the county and
22 communities located within the county.

23 (g-2) Taxes and penalties collected on aviation fuel sold
24 on or after December 1, 2017, shall be immediately paid over by
25 the Department to the State Treasurer, ex officio, as trustee,
26 for deposit into the Local Government Aviation Trust Fund. The

1 Department shall only pay moneys into the Local Government
2 Aviation Trust Fund under this Act for so long as the revenue
3 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
4 are binding on the County.

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

11 (i) This Section may be cited as the Rock Island County Use
12 and Occupation Tax Law.

13 (Source: P.A. 90-415, eff. 8-15-97.)

14 (55 ILCS 5/5-1009) (from Ch. 34, par. 5-1009)

15 Sec. 5-1009. Limitation on home rule powers. Except as
16 provided in Sections 5-1006, 5-1006.5, 5-1007 and 5-1008, on
17 and after September 1, 1990, no home rule county has the
18 authority to impose, pursuant to its home rule authority, a
19 retailer's occupation tax, service occupation tax, use tax,
20 sales tax or other tax on the use, sale or purchase of tangible
21 personal property based on the gross receipts from such sales
22 or the selling or purchase price of said tangible personal
23 property. Notwithstanding the foregoing, this Section does not
24 preempt any home rule imposed tax such as the following: (1) a
25 tax on alcoholic beverages, whether based on gross receipts,

1 volume sold or any other measurement; (2) a tax based on the
2 number of units of cigarettes or tobacco products; (3) a tax,
3 however measured, based on the use of a hotel or motel room or
4 similar facility; (4) a tax, however measured, on the sale or
5 transfer of real property; (5) a tax, however measured, on
6 lease receipts; (6) a tax on food prepared for immediate
7 consumption and on alcoholic beverages sold by a business which
8 provides for on premise consumption of said food or alcoholic
9 beverages; or (7) other taxes not based on the selling or
10 purchase price or gross receipts from the use, sale or purchase
11 of tangible personal property. This Section does not preempt a
12 home rule county from imposing a tax, however measured, on the
13 use, for consideration, of a parking lot, garage, or other
14 parking facility.

15 On and after December 1, 2017, no home rule county has the
16 authority to impose, pursuant to its home rule authority, a
17 tax, however measured, on sales of aviation fuel, as defined in
18 Section 3 of the Retailers' Occupation Tax Act, unless the tax
19 revenue is expended for airport-related purposes. For purposes
20 of this Section, "airport-related purposes" has the meaning
21 ascribed in Section 6z-20.2 of the State Finance Act. Aviation
22 fuel shall be excluded from tax only for so long as the revenue
23 use requirements of 49 U.S.C. §47017 (b) and 49 U.S.C. §47133
24 are binding on the County.

25 This Section is a limitation, pursuant to subsection (g) of
26 Section 6 of Article VII of the Illinois Constitution, on the

1 power of home rule units to tax. The changes made to this
2 Section by this amendatory Act of the 100th General Assembly
3 are a denial and limitation of home rule powers and functions
4 under subsection (g) of Section 6 of Article VII of the
5 Illinois Constitution.

6 (Source: P.A. 97-1168, eff. 3-8-13; 97-1169, eff. 3-8-13.)

7 (55 ILCS 5/5-1035.1) (from Ch. 34, par. 5-1035.1)

8 Sec. 5-1035.1. County Motor Fuel Tax Law. The county board
9 of the counties of DuPage, Kane and McHenry may, by an
10 ordinance or resolution adopted by an affirmative vote of a
11 majority of the members elected or appointed to the county
12 board, impose a tax upon all persons engaged in the county in
13 the business of selling motor fuel, as now or hereafter defined
14 in the Motor Fuel Tax Law, at retail for the operation of motor
15 vehicles upon public highways or for the operation of
16 recreational watercraft upon waterways. The collection of a tax
17 under this Section based on gallonage of gasoline used for the
18 propulsion of any aircraft is prohibited, and the collection of
19 a tax based on gallonage of special fuel used for the
20 propulsion of any aircraft is prohibited on and after December
21 1, 2017. Kane County may exempt diesel fuel from the tax
22 imposed pursuant to this Section. The tax may be imposed, in
23 half-cent increments, at a rate not exceeding 4 cents per
24 gallon of motor fuel sold at retail within the county for the
25 purpose of use or consumption and not for the purpose of

1 resale. The proceeds from the tax shall be used by the county
2 solely for the purpose of operating, constructing and improving
3 public highways and waterways, and acquiring real property and
4 right-of-ways for public highways and waterways within the
5 county imposing the tax.

6 A tax imposed pursuant to this Section, and all civil
7 penalties that may be assessed as an incident thereof, shall be
8 administered, collected and enforced by the Illinois
9 Department of Revenue in the same manner as the tax imposed
10 under the Retailers' Occupation Tax Act, as now or hereafter
11 amended, insofar as may be practicable; except that in the
12 event of a conflict with the provisions of this Section, this
13 Section shall control. The Department of Revenue shall have
14 full power: to administer and enforce this Section; to collect
15 all taxes and penalties due hereunder; to dispose of taxes and
16 penalties so collected in the manner hereinafter provided; and
17 to determine all rights to credit memoranda arising on account
18 of the erroneous payment of tax or penalty hereunder.

19 Whenever the Department determines that a refund shall be
20 made under this Section to a claimant instead of issuing a
21 credit memorandum, the Department shall notify the State
22 Comptroller, who shall cause the order to be drawn for the
23 amount specified, and to the person named, in the notification
24 from the Department. The refund shall be paid by the State
25 Treasurer out of the County Option Motor Fuel Tax Fund.

26 The Department shall forthwith pay over to the State

1 Treasurer, ex-officio, as trustee, all taxes and penalties
2 collected hereunder, which shall be deposited into the County
3 Option Motor Fuel Tax Fund, a special fund in the State
4 Treasury which is hereby created. On or before the 25th day of
5 each calendar month, the Department shall prepare and certify
6 to the State Comptroller the disbursement of stated sums of
7 money to named counties for which taxpayers 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 from retailers within the county during the second
12 preceding calendar month by the Department, but not including
13 an amount equal to the amount of refunds made during the second
14 preceding calendar month by the Department on behalf of the
15 county; less 2% of the balance, which sum shall be retained by
16 the State Treasurer to cover the costs incurred by the
17 Department in administering and enforcing the provisions of
18 this Section. The Department, at the time of each monthly
19 disbursement to the counties, shall prepare and certify to the
20 Comptroller the amount so retained by the State Treasurer,
21 which shall be transferred into the Tax Compliance and
22 Administration Fund.

23 A county may direct, by ordinance, that all or a portion of
24 the taxes and penalties collected under the County Option Motor
25 Fuel Tax shall be deposited into the Transportation Development
26 Partnership Trust Fund.

1 Nothing in this Section shall be construed to authorize a
2 county to impose a tax upon the privilege of engaging in any
3 business which under the Constitution of the United States may
4 not be made the subject of taxation by this State.

5 An ordinance or resolution imposing a tax hereunder or
6 effecting a change in the rate thereof shall be effective on
7 the first day of the second calendar month next following the
8 month in which the ordinance or resolution is adopted and a
9 certified copy thereof is filed with the Department of Revenue,
10 whereupon the Department of Revenue shall proceed to administer
11 and enforce this Section on behalf of the county as of the
12 effective date of the ordinance or resolution. Upon a change in
13 rate of a tax levied hereunder, or upon the discontinuance of
14 the tax, the county board of the county shall, on or not later
15 than 5 days after the effective date of the ordinance or
16 resolution discontinuing the tax or effecting a change in rate,
17 transmit to the Department of Revenue a certified copy of the
18 ordinance or resolution effecting the change or
19 discontinuance.

20 This Section shall be known and may be cited as the County
21 Motor Fuel Tax Law.

22 (Source: P.A. 98-1049, eff. 8-25-14.)

23 (55 ILCS 5/5-1184 new)

24 Sec. 5-1184. Certification for airport-related purposes.
25 On or before September 1, 2017, and on or before each April 1

1 and October 1 thereafter, each county must certify to the
2 Illinois Department of Transportation, in the form and manner
3 required by the Department, whether the county has an
4 airport-related purpose, which would allow any Retailers'
5 Occupation Tax and Service Occupation Tax imposed by the county
6 to include tax on aviation fuel. On or before October 1, 2017,
7 and on or before each May 1 and November 1 thereafter, the
8 Department of Transportation shall provide to the Department of
9 Revenue, a list of units of local government which have
10 certified to the Department of Transportation that they have
11 airport-related purposes, which would allow any Retailers'
12 Occupation Tax and Service Occupation Tax imposed by the units
13 of local government to include tax on aviation fuel. All
14 disputes regarding whether or not a unit of local government
15 has an airport-related purpose shall be resolved by the
16 Illinois Department of Transportation.

17 Section 45. The Illinois Municipal Code is amended by
18 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,
19 8-11-1.7, 8-11-5, 8-11-6a, and 11-74.3-6 and by adding Section
20 8-11-22 as follows:

21 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

22 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
23 Act. The corporate authorities of a home rule municipality may
24 impose a tax upon all persons engaged in the business of

1 selling tangible personal property, other than an item of
2 tangible personal property titled or registered with an agency
3 of this State's government, at retail in the municipality on
4 the gross receipts from these sales made in the course of such
5 business. If imposed, the tax shall only be imposed in 1/4%
6 increments. On and after September 1, 1991, this additional tax
7 may not be imposed on the sales of food for human consumption
8 that is to be consumed off the premises where it is sold (other
9 than alcoholic beverages, soft drinks and food that has been
10 prepared for immediate consumption) and prescription and
11 nonprescription medicines, drugs, medical appliances and
12 insulin, urine testing materials, syringes and needles used by
13 diabetics. Beginning December 1, 2017, this tax is not imposed
14 on sales of aviation fuel unless the tax revenue is expended
15 for airport-related purposes. If a municipality does not have
16 an airport-related purpose to which it dedicates aviation fuel
17 tax revenue, then aviation fuel is excluded from the tax. Each
18 municipality must comply with the certification requirements
19 for airport-related purposes under Section 8-11-22. For
20 purposes of this Act, "airport-related purposes" has the
21 meaning ascribed in Section 6z-20.2 of the State Finance Act.
22 This exclusion for aviation fuel only applies for so long as
23 the revenue use requirements of 49 U.S.C. §47107(b) and 49
24 U.S.C. §47133 are binding on the municipality. The changes made
25 to this Section by this amendatory Act of the 100th General
26 Assembly are a denial and limitation of home rule powers and

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

1 the retailer's discount is not allowed for taxes paid on
2 aviation fuel that are deposited into the Local Government
3 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
4 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
5 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
6 Penalty and Interest Act, as fully as if those provisions were
7 set forth herein.

8 No tax may be imposed by a home rule municipality under
9 this Section unless the municipality also imposes a tax at the
10 same rate under Section 8-11-5 of this Act.

11 Persons subject to any tax imposed under the authority
12 granted in this Section may reimburse themselves for their
13 seller's tax liability hereunder by separately stating that tax
14 as an additional charge, which charge may be stated in
15 combination, in a single amount, with State tax which sellers
16 are required to collect under the Use Tax Act, pursuant to such
17 bracket schedules as the Department may prescribe.

18 Whenever the Department determines that a refund should be
19 made under this Section to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the order to be drawn for the
22 amount specified and to the person named in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of the home rule municipal retailers' occupation
25 tax fund.

26 Except as otherwise provided in this paragraph, the ~~The~~

1 Department shall immediately pay over to the State Treasurer,
2 ex officio, as trustee, all taxes and penalties collected
3 hereunder for deposit into the Home Rule Municipal Retailers'
4 Occupation Tax Fund. Taxes and penalties collected on aviation
5 fuel sold on or after December 1, 2017, shall be immediately
6 paid over by the Department to the State Treasurer, ex officio,
7 as trustee, for deposit into the Local Government Aviation
8 Trust Fund. The Department shall only pay moneys into the Local
9 Government Aviation Trust Fund under this Act for so long as
10 the revenue use requirements of 49 U.S.C. §47107(b) and 49
11 U.S.C. §47133 are binding on the State..

12 As soon as possible after the first day of each month,
13 beginning January 1, 2011, upon certification of the Department
14 of Revenue, the Comptroller shall order transferred, and the
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
16 local sales tax increment, as defined in the Innovation
17 Development and Economy Act, collected under this Section
18 during the second preceding calendar month for sales within a
19 STAR bond district.

20 After the monthly transfer to the STAR Bonds Revenue Fund,
21 on or before the 25th day of each calendar month, the
22 Department shall prepare and certify to the Comptroller the
23 disbursement of stated sums of money to named municipalities,
24 the municipalities to be those from which retailers have paid
25 taxes or penalties hereunder to the Department during the
26 second preceding calendar month. The amount to be paid to each

1 municipality shall be the amount (not including credit
2 memoranda and not including taxes and penalties collected on
3 aviation fuel sold on or after December 1, 2017) collected
4 hereunder during the second preceding calendar month by the
5 Department plus an amount the Department determines is
6 necessary to offset any amounts that were erroneously paid to a
7 different taxing body, and not including an amount equal to the
8 amount of refunds made during the second preceding calendar
9 month by the Department on behalf of such municipality, and not
10 including any amount that the Department determines is
11 necessary to offset any amounts that were payable to a
12 different taxing body but were erroneously paid to the
13 municipality, and not including any amounts that are
14 transferred to the STAR Bonds Revenue Fund. Within 10 days
15 after receipt by the Comptroller of the disbursement
16 certification to the municipalities provided for in this
17 Section to be given to the Comptroller by the Department, the
18 Comptroller shall cause the orders to be drawn for the
19 respective amounts in accordance with the directions contained
20 in the certification.

21 In addition to the disbursement required by the preceding
22 paragraph and in order to mitigate delays caused by
23 distribution procedures, an allocation shall, if requested, be
24 made within 10 days after January 14, 1991, and in November of
25 1991 and each year thereafter, to each municipality that
26 received more than \$500,000 during the preceding fiscal year,

1 (July 1 through June 30) whether collected by the municipality
2 or disbursed by the Department as required by this Section.
3 Within 10 days after January 14, 1991, participating
4 municipalities shall notify the Department in writing of their
5 intent to participate. In addition, for the initial
6 distribution, participating municipalities shall certify to
7 the Department the amounts collected by the municipality for
8 each month under its home rule occupation and service
9 occupation tax during the period July 1, 1989 through June 30,
10 1990. The allocation within 10 days after January 14, 1991,
11 shall be in an amount equal to the monthly average of these
12 amounts, excluding the 2 months of highest receipts. The
13 monthly average for the period of July 1, 1990 through June 30,
14 1991 will be determined as follows: the amounts collected by
15 the municipality under its home rule occupation and service
16 occupation tax during the period of July 1, 1990 through
17 September 30, 1990, plus amounts collected by the Department
18 and paid to such municipality through June 30, 1991, excluding
19 the 2 months of highest receipts. The monthly average for each
20 subsequent period of July 1 through June 30 shall be an amount
21 equal to the monthly distribution made to each such
22 municipality under the preceding paragraph during this period,
23 excluding the 2 months of highest receipts. The distribution
24 made in November 1991 and each year thereafter under this
25 paragraph and the preceding paragraph shall be reduced by the
26 amount allocated and disbursed under this paragraph in the

1 preceding period of July 1 through June 30. The Department
2 shall prepare and certify to the Comptroller for disbursement
3 the allocations made in accordance with this paragraph.

4 For the purpose of determining the local governmental unit
5 whose tax is applicable, a retail sale by a producer of coal or
6 other mineral mined in Illinois is a sale at retail at the
7 place where the coal or other mineral mined in Illinois is
8 extracted from the earth. This paragraph does not apply to coal
9 or other mineral when it is delivered or shipped by the seller
10 to the purchaser at a point outside Illinois so that the sale
11 is exempt under the United States Constitution as a sale in
12 interstate or foreign commerce.

13 Nothing in this Section shall be construed to authorize a
14 municipality to impose a tax upon the privilege of engaging in
15 any business which under the Constitution of the United States
16 may not be made the subject of taxation by this State.

17 An ordinance or resolution imposing or discontinuing a tax
18 hereunder or effecting a change in the rate thereof shall be
19 adopted and a certified copy thereof filed with the Department
20 on or before the first day of June, whereupon the Department
21 shall proceed to administer and enforce this Section as of the
22 first day of September next following the adoption and filing.
23 Beginning January 1, 1992, an ordinance or resolution imposing
24 or discontinuing the tax hereunder or effecting a change in the
25 rate thereof shall be adopted and a certified copy thereof
26 filed with the Department on or before the first day of July,

1 whereupon the Department shall proceed to administer and
2 enforce this Section as of the first day of October next
3 following such adoption and filing. Beginning January 1, 1993,
4 an ordinance or resolution imposing or discontinuing the tax
5 hereunder or effecting a change in the rate thereof shall be
6 adopted and a certified copy thereof filed with the Department
7 on or before the first day of October, whereupon the Department
8 shall proceed to administer and enforce this Section as of the
9 first day of January next following the adoption and filing.
10 However, a municipality located in a county with a population
11 in excess of 3,000,000 that elected to become a home rule unit
12 at the general primary election in 1994 may adopt an ordinance
13 or resolution imposing the tax under this Section and file a
14 certified copy of the ordinance or resolution with the
15 Department on or before July 1, 1994. The Department shall then
16 proceed to administer and enforce this Section as of October 1,
17 1994. Beginning April 1, 1998, an ordinance or resolution
18 imposing or discontinuing the tax hereunder or effecting a
19 change in the rate thereof shall either (i) be adopted and a
20 certified copy thereof filed with the Department on or before
21 the first day of April, whereupon the Department shall proceed
22 to administer and enforce this Section as of the first day of
23 July next following the adoption and filing; or (ii) be adopted
24 and a certified copy thereof filed with the Department on or
25 before the first day of October, whereupon the Department shall
26 proceed to administer and enforce this Section as of the first

1 day of January next following the adoption and filing.

2 When certifying the amount of a monthly disbursement to a
3 municipality under this Section, the Department shall increase
4 or decrease the amount by an amount necessary to offset any
5 misallocation of previous disbursements. The offset amount
6 shall be the amount erroneously disbursed within the previous 6
7 months from the time a misallocation is discovered.

8 Any unobligated balance remaining in the Municipal
9 Retailers' Occupation Tax Fund on December 31, 1989, which fund
10 was abolished by Public Act 85-1135, and all receipts of
11 municipal tax as a result of audits of liability periods prior
12 to January 1, 1990, shall be paid into the Local Government Tax
13 Fund for distribution as provided by this Section prior to the
14 enactment of Public Act 85-1135. All receipts of municipal tax
15 as a result of an assessment not arising from an audit, for
16 liability periods prior to January 1, 1990, shall be paid into
17 the Local Government Tax Fund for distribution before July 1,
18 1990, as provided by this Section prior to the enactment of
19 Public Act 85-1135; and on and after July 1, 1990, all such
20 receipts shall be distributed as provided in Section 6z-18 of
21 the State Finance Act.

22 As used in this Section, "municipal" and "municipality"
23 means a city, village or incorporated town, including an
24 incorporated town that has superseded a civil township.

25 This Section shall be known and may be cited as the Home
26 Rule Municipal Retailers' Occupation Tax Act.

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

2 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

3 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
4 Occupation Tax Act. The corporate authorities of a non-home
5 rule municipality may impose a tax upon all persons engaged in
6 the business of selling tangible personal property, other than
7 on an item of tangible personal property which is titled and
8 registered by an agency of this State's Government, at retail
9 in the municipality for expenditure on public infrastructure or
10 for property tax relief or both as defined in Section 8-11-1.2
11 if approved by referendum as provided in Section 8-11-1.1, of
12 the gross receipts from such sales made in the course of such
13 business. If the tax is approved by referendum on or after July
14 14, 2010 (the effective date of Public Act 96-1057), the
15 corporate authorities of a non-home rule municipality may,
16 until December 31, 2020, use the proceeds of the tax for
17 expenditure on municipal operations, in addition to or in lieu
18 of any expenditure on public infrastructure or for property tax
19 relief. The tax imposed may not be more than 1% and may be
20 imposed only in 1/4% increments. The tax may not be imposed on
21 the sale of food for human consumption that is to be consumed
22 off the premises where it is sold (other than alcoholic
23 beverages, soft drinks, and food that has been prepared for
24 immediate consumption) and prescription and nonprescription
25 medicines, drugs, medical appliances, and insulin, urine

1 testing materials, syringes, and needles used by diabetics.
2 Beginning December 1, 2017, this tax is not imposed on sales of
3 aviation fuel unless the tax revenue is expended for
4 airport-related purposes. If a municipality does not have an
5 airport-related purpose to which it dedicates aviation fuel tax
6 revenue, then aviation fuel is excluded from the tax. Each
7 municipality must comply with the certification requirements
8 for airport-related purposes under Section 8-11-22. For
9 purposes of this Act, "airport-related purposes" has the
10 meaning ascribed in Section 6z-20.2 of the State Finance Act.
11 This exclusion for aviation fuel only applies for so long as
12 the revenue use requirements of 49 U.S.C. §47107(b) and 49
13 U.S.C. §47133 are binding on the municipality. The tax imposed
14 by a municipality pursuant to this Section and all civil
15 penalties that may be assessed as an incident thereof shall be
16 collected and enforced by the State Department of Revenue. The
17 certificate of registration which is issued by the Department
18 to a retailer under the Retailers' Occupation Tax Act shall
19 permit such retailer to engage in a business which is taxable
20 under any ordinance or resolution enacted pursuant to this
21 Section without registering separately with the Department
22 under such ordinance or resolution or under this Section. The
23 Department shall have full power to administer and enforce this
24 Section; to collect all taxes and penalties due hereunder; to
25 dispose of taxes and penalties so collected in the manner
26 hereinafter provided, and to determine all rights to credit

1 memoranda, arising on account of the erroneous payment of tax
2 or penalty hereunder. In the administration of, and compliance
3 with, this Section, the Department and persons who are subject
4 to this Section shall have the same rights, remedies,
5 privileges, immunities, powers and duties, and be subject to
6 the same conditions, restrictions, limitations, penalties and
7 definitions of terms, and employ the same modes of procedure,
8 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
9 2 through 2-65 (in respect to all provisions therein other than
10 the State rate of tax), 2c, 3 (except as to the disposition of
11 taxes and penalties collected, and except that the retailer's
12 discount is not allowed for taxes paid on aviation fuel that
13 are deposited into the Local Government Aviation Trust Fund),
14 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b,
15 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation
16 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
17 as fully as if those provisions were set forth herein.

18 No municipality may impose a tax under this Section unless
19 the municipality also imposes a tax at the same rate under
20 Section 8-11-1.4 of this Code.

21 Persons subject to any tax imposed pursuant to the
22 authority granted in this Section may reimburse themselves for
23 their seller's tax liability hereunder by separately stating
24 such tax as an additional charge, which charge may be stated in
25 combination, in a single amount, with State tax which sellers
26 are required to collect under the Use Tax Act, pursuant to such

1 bracket schedules as the Department may prescribe.

2 Whenever the Department determines that a refund should be
3 made under this Section to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the order to be drawn for the
6 amount specified, and to the person named, in such notification
7 from the Department. Such refund shall be paid by the State
8 Treasurer out of the non-home rule municipal retailers'
9 occupation tax fund.

10 Except as otherwise provided, the ~~The~~ Department shall
11 forthwith pay over to the State Treasurer, ex officio, as
12 trustee, all taxes and penalties collected hereunder for
13 deposit into the Non-Home Rule Municipal Retailers' Occupation
14 Tax Fund. Taxes and penalties collected on aviation fuel sold
15 on or after December 1, 2017, shall be immediately paid over by
16 the Department to the State Treasurer, ex officio, as trustee,
17 for deposit into the Local Government Aviation Trust Fund. The
18 Department shall only pay moneys into the Local Government
19 Aviation Trust Fund under this Act for so long as the revenue
20 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
21 are binding on the municipality.

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

1 Development and Economy Act, collected under this Section
2 during the second preceding calendar month for sales within a
3 STAR bond district.

4 After the monthly transfer to the STAR Bonds Revenue Fund,
5 on or before the 25th day of each calendar month, the
6 Department shall prepare and certify to the Comptroller the
7 disbursement of stated sums of money to named municipalities,
8 the municipalities to be those from which retailers have paid
9 taxes or penalties hereunder to the Department during the
10 second preceding calendar month. The amount to be paid to each
11 municipality shall be the amount (not including credit
12 memoranda and not including taxes and penalties collected on
13 aviation fuel sold on or after December 1, 2017) collected
14 hereunder during the second preceding calendar month by the
15 Department plus an amount the Department determines is
16 necessary to offset any amounts which were erroneously paid to
17 a different taxing body, and not including an amount equal to
18 the amount of refunds made during the second preceding calendar
19 month by the Department on behalf of such municipality, and not
20 including any amount which the Department determines is
21 necessary to offset any amounts which were payable to a
22 different taxing body but were erroneously paid to the
23 municipality, and not including any amounts that are
24 transferred to the STAR Bonds Revenue Fund. Within 10 days
25 after receipt, by the Comptroller, of the disbursement
26 certification to the municipalities, provided for in this

1 Section to be given to the Comptroller by the Department, the
2 Comptroller shall cause the orders to be drawn for the
3 respective amounts in accordance with the directions contained
4 in such certification.

5 For the purpose of determining the local governmental unit
6 whose tax is applicable, a retail sale, by a producer of coal
7 or other mineral mined in Illinois, is a sale at retail at the
8 place where the coal or other mineral mined in Illinois is
9 extracted from the earth. This paragraph does not apply to coal
10 or other mineral when it is delivered or shipped by the seller
11 to the purchaser at a point outside Illinois so that the sale
12 is exempt under the Federal Constitution as a sale in
13 interstate or foreign commerce.

14 Nothing in this Section shall be construed to authorize a
15 municipality to impose a tax upon the privilege of engaging in
16 any business which under the constitution of the United States
17 may not be made the subject of taxation by this State.

18 When certifying the amount of a monthly disbursement to a
19 municipality under this Section, the Department shall increase
20 or decrease such amount by an amount necessary to offset any
21 misallocation of previous disbursements. The offset amount
22 shall be the amount erroneously disbursed within the previous 6
23 months from the time a misallocation is discovered.

24 The Department of Revenue shall implement this amendatory
25 Act of the 91st General Assembly so as to collect the tax on
26 and after January 1, 2002.

1 As used in this Section, "municipal" and "municipality"
2 means a city, village or incorporated town, including an
3 incorporated town which has superseded a civil township.

4 This Section shall be known and may be cited as the
5 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

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

7 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

8 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
9 Tax Act. The corporate authorities of a non-home rule
10 municipality may impose a tax upon all persons engaged, in such
11 municipality, in the business of making sales of service for
12 expenditure on public infrastructure or for property tax relief
13 or both as defined in Section 8-11-1.2 if approved by
14 referendum as provided in Section 8-11-1.1, of the selling
15 price of all tangible personal property transferred by such
16 servicemen either in the form of tangible personal property or
17 in the form of real estate as an incident to a sale of service.
18 If the tax is approved by referendum on or after July 14, 2010
19 (the effective date of Public Act 96-1057), the corporate
20 authorities of a non-home rule municipality may, until December
21 31, 2020, use the proceeds of the tax for expenditure on
22 municipal operations, in addition to or in lieu of any
23 expenditure on public infrastructure or for property tax
24 relief. The tax imposed may not be more than 1% and may be
25 imposed only in 1/4% increments. The tax may not be imposed on

1 the sale of food for human consumption that is to be consumed
2 off the premises where it is sold (other than alcoholic
3 beverages, soft drinks, and food that has been prepared for
4 immediate consumption) and prescription and nonprescription
5 medicines, drugs, medical appliances, and insulin, urine
6 testing materials, syringes, and needles used by diabetics.
7 Beginning December 1, 2017, this tax is not imposed on sales of
8 aviation fuel unless the tax revenue is expended for
9 airport-related purposes. If a municipality does not have an
10 airport-related purpose to which it dedicates aviation fuel tax
11 revenue, then aviation fuel is excluded from the tax. Each
12 municipality must comply with the certification requirements
13 for airport-related purposes under Section 8-11-22. For
14 purposes of this Act, "airport-related purposes" has the
15 meaning ascribed in Section 6z-20.2 of the State Finance Act.
16 This exclusion for aviation fuel only applies for so long as
17 the revenue use requirements of 49 U.S.C. §47107(b) and 49
18 U.S.C. §47133 are binding on the municipality. The tax imposed
19 by a municipality pursuant to this Section and all civil
20 penalties that may be assessed as an incident thereof shall be
21 collected and enforced by the State Department of Revenue. The
22 certificate of registration which is issued by the Department
23 to a retailer under the Retailers' Occupation Tax Act or under
24 the Service Occupation Tax Act shall permit such registrant to
25 engage in a business which is taxable under any ordinance or
26 resolution enacted pursuant to this Section without

1 registering separately with the Department under such
2 ordinance or resolution or under this Section. The Department
3 shall have full power to administer and enforce this Section;
4 to collect all taxes and penalties due hereunder; to dispose of
5 taxes and penalties so collected in the manner hereinafter
6 provided, and to determine all rights to credit memoranda
7 arising on account of the erroneous payment of tax or penalty
8 hereunder. In the administration of, and compliance with, this
9 Section the Department and persons who are subject to this
10 Section shall have the same rights, remedies, privileges,
11 immunities, powers and duties, and be subject to the same
12 conditions, restrictions, limitations, penalties and
13 definitions of terms, and employ the same modes of procedure,
14 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
15 respect to all provisions therein other than the State rate of
16 tax), 4 (except that the reference to the State shall be to the
17 taxing municipality), 5, 7, 8 (except that the jurisdiction to
18 which the tax shall be a debt to the extent indicated in that
19 Section 8 shall be the taxing municipality), 9 (except as to
20 the disposition of taxes and penalties collected, and except
21 that the returned merchandise credit for this municipal tax may
22 not be taken against any State tax, and except that the
23 retailer's discount is not allowed for taxes paid on aviation
24 fuel that are deposited into the Local Government Aviation
25 Trust Fund), 10, 11, 12 (except the reference therein to
26 Section 2b of the Retailers' Occupation Tax Act), 13 (except

1 that any reference to the State shall mean the taxing
2 municipality), the first paragraph of Section 15, 16, 17, 18,
3 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
4 the Uniform Penalty and Interest Act, as fully as if those
5 provisions were set forth herein.

6 No municipality may impose a tax under this Section unless
7 the municipality also imposes a tax at the same rate under
8 Section 8-11-1.3 of this Code.

9 Persons subject to any tax imposed pursuant to the
10 authority granted in this Section may reimburse themselves for
11 their serviceman's tax liability hereunder by separately
12 stating such tax as an additional charge, which charge may be
13 stated in combination, in a single amount, with State tax which
14 servicemen are authorized to collect under the Service Use Tax
15 Act, pursuant to such bracket schedules as the Department may
16 prescribe.

17 Whenever the Department determines that a refund should be
18 made under this Section to a claimant instead of issuing credit
19 memorandum, the Department shall notify the State Comptroller,
20 who shall cause the order to be drawn for the amount specified,
21 and to the person named, in such notification from the
22 Department. Such refund shall be paid by the State Treasurer
23 out of the municipal retailers' occupation tax fund.

24 Except as otherwise provided in this paragraph, the ~~The~~
25 Department shall forthwith pay over to the State Treasurer, ex
26 officio, as trustee, all taxes and penalties collected

1 hereunder for deposit into the municipal retailers' occupation
2 tax fund. Taxes and penalties collected on aviation fuel sold
3 on or after December 1, 2017, shall be immediately paid over by
4 the Department to the State Treasurer, ex officio, as trustee,
5 for deposit into the Local Government Aviation Trust Fund. The
6 Department shall only pay moneys into the Local Government
7 Aviation Trust Fund under this Act for so long as the revenue
8 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
9 are binding on the municipality..

10 As soon as possible after the first day of each month,
11 beginning January 1, 2011, upon certification of the Department
12 of Revenue, the Comptroller shall order transferred, and the
13 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
14 local sales tax increment, as defined in the Innovation
15 Development and Economy Act, collected under this Section
16 during the second preceding calendar month for sales within a
17 STAR bond district.

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to named municipalities,
22 the municipalities to be those from which suppliers and
23 servicemen have paid taxes or penalties hereunder to the
24 Department during the second preceding calendar month. The
25 amount to be paid to each municipality shall be the amount (not
26 including credit memoranda and not including taxes and

1 penalties collected on aviation fuel sold on or after December
2 1, 2017) collected hereunder during the second preceding
3 calendar month by the Department, and not including an amount
4 equal to the amount of refunds made during the second preceding
5 calendar month by the Department on behalf of such
6 municipality, and not including any amounts that are
7 transferred to the STAR Bonds Revenue Fund. Within 10 days
8 after receipt, by the Comptroller, of the disbursement
9 certification to the municipalities and the General Revenue
10 Fund, provided for in this Section to be given to the
11 Comptroller by the Department, the Comptroller shall cause the
12 orders to be drawn for the respective amounts in accordance
13 with the directions contained in such certification.

14 The Department of Revenue shall implement this amendatory
15 Act of the 91st General Assembly so as to collect the tax on
16 and after January 1, 2002.

17 Nothing in this Section shall be construed to authorize a
18 municipality to impose a tax upon the privilege of engaging in
19 any business which under the constitution of the United States
20 may not be made the subject of taxation by this State.

21 As used in this Section, "municipal" or "municipality"
22 means or refers to a city, village or incorporated town,
23 including an incorporated town which has superseded a civil
24 township.

25 This Section shall be known and may be cited as the
26 "Non-Home Rule Municipal Service Occupation Tax Act".

1 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;
2 97-333, eff. 8-12-11; 97-837, eff. 7-20-12.)

3 (65 ILCS 5/8-11-1.6)

4 Sec. 8-11-1.6. Non-home rule municipal retailers
5 occupation tax; municipalities between 20,000 and 25,000. The
6 corporate authorities of a non-home rule municipality with a
7 population of more than 20,000 but less than 25,000 that has,
8 prior to January 1, 1987, established a Redevelopment Project
9 Area that has been certified as a State Sales Tax Boundary and
10 has issued bonds or otherwise incurred indebtedness to pay for
11 costs in excess of \$5,000,000, which is secured in part by a
12 tax increment allocation fund, in accordance with the
13 provisions of Division 11-74.4 of this Code may, by passage of
14 an ordinance, impose a tax upon all persons engaged in the
15 business of selling tangible personal property, other than on
16 an item of tangible personal property that is titled and
17 registered by an agency of this State's Government, at retail
18 in the municipality. This tax may not be imposed on the sales
19 of food for human consumption that is to be consumed off the
20 premises where it is sold (other than alcoholic beverages, soft
21 drinks, and food that has been prepared for immediate
22 consumption) and prescription and nonprescription medicines,
23 drugs, medical appliances and insulin, urine testing
24 materials, syringes, and needles used by diabetics. Beginning
25 December 1, 2017, this tax is not imposed on sales of aviation

1 fuel unless the tax revenue is expended for airport-related
2 purposes. If a municipality does not have an airport-related
3 purpose to which it dedicates aviation fuel tax revenue, then
4 aviation fuel is excluded from the tax. Each municipality must
5 comply with the certification requirements for airport-related
6 purposes under Section 8-11-22. For purposes of this Act,
7 "airport-related purposes" has the meaning ascribed in Section
8 6z-20.2 of the State Finance Act. This exclusion for aviation
9 fuel only applies for so long as the revenue use requirements
10 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the
11 municipality. If imposed, the tax shall only be imposed in .25%
12 increments of the gross receipts from such sales made in the
13 course of business. Any tax imposed by a municipality under
14 this Section and all civil penalties that may be assessed as an
15 incident thereof shall be collected and enforced by the State
16 Department of Revenue. An ordinance imposing a tax hereunder or
17 effecting a change in the rate thereof shall be adopted and a
18 certified copy thereof filed with the Department on or before
19 the first day of October, whereupon the Department shall
20 proceed to administer and enforce this Section as of the first
21 day of January next following such adoption and filing. The
22 certificate of registration that is issued by the Department to
23 a retailer under the Retailers' Occupation Tax Act shall permit
24 the retailer to engage in a business that is taxable under any
25 ordinance or resolution enacted under this Section without
26 registering separately with the Department under the ordinance

1 or resolution or under this Section. The Department shall have
2 full power to administer and enforce this Section, to collect
3 all taxes and penalties due hereunder, to dispose of taxes and
4 penalties so collected in the manner hereinafter provided, and
5 to determine all rights to credit memoranda, arising on account
6 of the erroneous payment of tax or penalty hereunder. In the
7 administration of, and compliance with this Section, the
8 Department and persons who are subject to this Section shall
9 have the same rights, remedies, privileges, immunities,
10 powers, and duties, and be subject to the same conditions,
11 restrictions, limitations, penalties, and definitions of
12 terms, and employ the same modes of procedure, as are
13 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2
14 through 2-65 (in respect to all provisions therein other than
15 the State rate of tax), 2c, 3 (except as to the disposition of
16 taxes and penalties collected, and except that the retailer's
17 discount is not allowed for taxes paid on aviation fuel that
18 are deposited into the Local Government Aviation Trust Fund),
19 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b,
20 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation
21 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
22 as fully as if those provisions were set forth herein.

23 A tax may not be imposed by a municipality under this
24 Section unless the municipality also imposes a tax at the same
25 rate under Section 8-11-1.7 of this Act.

26 Persons subject to any tax imposed under the authority

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

7 Whenever the Department determines that a refund should be
8 made under this Section to a claimant, instead of issuing a
9 credit memorandum, the Department shall notify the State
10 Comptroller, who shall cause the order to be drawn for the
11 amount specified, and to the person named in the notification
12 from the Department. The refund shall be paid by the State
13 Treasurer out of the Non-Home Rule Municipal Retailers'
14 Occupation Tax Fund, which is hereby created.

15 Except as otherwise provided in this paragraph, the ~~The~~
16 Department shall forthwith pay over to the State Treasurer, ex
17 officio, as trustee, all taxes and penalties collected
18 hereunder for deposit into the Non-Home Rule Municipal
19 Retailers' Occupation Tax Fund. Taxes and penalties collected
20 on aviation fuel sold on or after December 1, 2017, shall be
21 immediately paid over by the Department to the State Treasurer,
22 ex officio, as trustee, for deposit into the Local Government
23 Aviation Trust Fund. The Department shall only pay moneys into
24 the Local Government Aviation Trust Fund under this Act for so
25 long as the revenue use requirements of 49 U.S.C. §47107(b) and
26 49 U.S.C. §47133 are binding on the municipality.

1 As soon as possible after the first day of each month,
2 beginning January 1, 2011, upon certification of the Department
3 of Revenue, the Comptroller shall order transferred, and the
4 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
5 local sales tax increment, as defined in the Innovation
6 Development and Economy Act, collected under this Section
7 during the second preceding calendar month for sales within a
8 STAR bond district.

9 After the monthly transfer to the STAR Bonds Revenue Fund,
10 on or before the 25th day of each calendar month, the
11 Department shall prepare and certify to the Comptroller the
12 disbursement of stated sums of money to named municipalities,
13 the municipalities to be those from which retailers have paid
14 taxes or penalties hereunder to the Department during the
15 second preceding calendar month. The amount to be paid to each
16 municipality shall be the amount (not including credit
17 memoranda and not including taxes and penalties collected on
18 aviation fuel sold on or after December 1, 2017) collected
19 hereunder during the second preceding calendar month by the
20 Department plus an amount the Department determines is
21 necessary to offset any amounts that were erroneously paid to a
22 different taxing body, and not including an amount equal to the
23 amount of refunds made during the second preceding calendar
24 month by the Department on behalf of the municipality, and not
25 including any amount that the Department determines is
26 necessary to offset any amounts that were payable to a

1 different taxing body but were erroneously paid to the
2 municipality, and not including any amounts that are
3 transferred to the STAR Bonds Revenue Fund. Within 10 days
4 after receipt by the Comptroller of the disbursement
5 certification to the municipalities provided for in this
6 Section to be given to the Comptroller by the Department, the
7 Comptroller shall cause the orders to be drawn for the
8 respective amounts in accordance with the directions contained
9 in the certification.

10 For the purpose of determining the local governmental unit
11 whose tax is applicable, a retail sale by a producer of coal or
12 other mineral mined in Illinois is a sale at retail at the
13 place where the coal or other mineral mined in Illinois is
14 extracted from the earth. This paragraph does not apply to coal
15 or other mineral when it is delivered or shipped by the seller
16 to the purchaser at a point outside Illinois so that the sale
17 is exempt under the federal Constitution as a sale in
18 interstate or foreign commerce.

19 Nothing in this Section shall be construed to authorize a
20 municipality to impose a tax upon the privilege of engaging in
21 any business which under the constitution of the United States
22 may not be made the subject of taxation by this State.

23 When certifying the amount of a monthly disbursement to a
24 municipality under this Section, the Department shall increase
25 or decrease the amount by an amount necessary to offset any
26 misallocation of previous disbursements. The offset amount

1 shall be the amount erroneously disbursed within the previous 6
2 months from the time a misallocation is discovered.

3 As used in this Section, "municipal" and "municipality"
4 means a city, village, or incorporated town, including an
5 incorporated town that has superseded a civil township.

6 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

7 (65 ILCS 5/8-11-1.7)

8 Sec. 8-11-1.7. Non-home rule municipal service occupation
9 tax; municipalities between 20,000 and 25,000. The corporate
10 authorities of a non-home rule municipality with a population
11 of more than 20,000 but less than 25,000 as determined by the
12 last preceding decennial census that has, prior to January 1,
13 1987, established a Redevelopment Project Area that has been
14 certified as a State Sales Tax Boundary and has issued bonds or
15 otherwise incurred indebtedness to pay for costs in excess of
16 \$5,000,000, which is secured in part by a tax increment
17 allocation fund, in accordance with the provisions of Division
18 11-74.4 of this Code may, by passage of an ordinance, impose a
19 tax upon all persons engaged in the municipality in the
20 business of making sales of service. If imposed, the tax shall
21 only be imposed in .25% increments of the selling price of all
22 tangible personal property transferred by such servicemen
23 either in the form of tangible personal property or in the form
24 of real estate as an incident to a sale of service. This tax
25 may not be imposed on the sales of food for human consumption

1 that is to be consumed off the premises where it is sold (other
2 than alcoholic beverages, soft drinks, and food that has been
3 prepared for immediate consumption) and prescription and
4 nonprescription medicines, drugs, medical appliances and
5 insulin, urine testing materials, syringes, and needles used by
6 diabetics. Beginning December 1, 2017, this tax is not imposed
7 on sales of aviation fuel unless the tax revenue is expended
8 for airport-related purposes. If a municipality does not have
9 an airport-related purpose to which it dedicates aviation fuel
10 tax revenue, then aviation fuel is excluded from the tax. Each
11 municipality must comply with the certification requirements
12 for airport-related purposes under Section 8-11-22. For
13 purposes of this Act, "airport-related purposes" has the
14 meaning ascribed in Section 6z-20.2 of the State Finance Act.
15 This exclusion for aviation fuel only applies for so long as
16 the revenue use requirements of 49 U.S.C. §47107(b) and 49
17 U.S.C. §47133 are binding on the municipality. The tax imposed
18 by a municipality under this Sec. and all civil penalties that
19 may be assessed as an incident thereof shall be collected and
20 enforced by the State Department of Revenue. An ordinance
21 imposing a tax hereunder or effecting a change in the rate
22 thereof shall be adopted and a certified copy thereof filed
23 with the Department on or before the first day of October,
24 whereupon the Department shall proceed to administer and
25 enforce this Section as of the first day of January next
26 following such adoption and filing. The certificate of

1 registration that is issued by the Department to a retailer
2 under the Retailers' Occupation Tax Act or under the Service
3 Occupation Tax Act shall permit the registrant to engage in a
4 business that is taxable under any ordinance or resolution
5 enacted under this Section without registering separately with
6 the Department under the ordinance or resolution or under this
7 Section. The Department shall have full power to administer and
8 enforce this Section, to collect all taxes and penalties due
9 hereunder, to dispose of taxes and penalties so collected in a
10 manner hereinafter provided, and to determine all rights to
11 credit memoranda arising on account of the erroneous payment of
12 tax or penalty hereunder. In the administration of and
13 compliance with this Section, the Department and persons who
14 are subject to this Section shall have the same rights,
15 remedies, privileges, immunities, powers, and duties, and be
16 subject to the same conditions, restrictions, limitations,
17 penalties and definitions of terms, and employ the same modes
18 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3
19 through 3-50 (in respect to all provisions therein other than
20 the State rate of tax), 4 (except that the reference to the
21 State shall be to the taxing municipality), 5, 7, 8 (except
22 that the jurisdiction to which the tax shall be a debt to the
23 extent indicated in that Section 8 shall be the taxing
24 municipality), 9 (except as to the disposition of taxes and
25 penalties collected, and except that the returned merchandise
26 credit for this municipal tax may not be taken against any

1 State tax, and except that the retailer's discount is not
2 allowed for taxes paid on aviation fuel that are deposited into
3 the Local Government Aviation Trust Fund), 10, 11, 12, (except
4 the reference therein to Section 2b of the Retailers'
5 Occupation Tax Act), 13 (except that any reference to the State
6 shall mean the taxing municipality), the first paragraph of
7 Sections 15, 16, 17, 18, 19, and 20 of the Service Occupation
8 Tax Act and Section 3-7 of the Uniform Penalty and Interest
9 Act, as fully as if those provisions were set forth herein.

10 A tax may not be imposed by a municipality under this
11 Section unless the municipality also imposes a tax at the same
12 rate under Section 8-11-1.6 of this Act.

13 Person subject to any tax imposed under the authority
14 granted in this Section may reimburse themselves for their
15 servicemen's tax liability hereunder by separately stating the
16 tax as an additional charge, which charge may be stated in
17 combination, in a single amount, with State tax that servicemen
18 are authorized to collect under the Service Use Tax Act, under
19 such bracket schedules as the Department may prescribe.

20 Whenever the Department determines that a refund should be
21 made under this Section to a claimant instead of issuing credit
22 memorandum, the Department shall notify the State Comptroller,
23 who shall cause the order to be drawn for the amount specified,
24 and to the person named, in such notification from the
25 Department. The refund shall be paid by the State Treasurer out
26 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

1 Except as otherwise provided in this paragraph, the ~~The~~
2 Department shall forthwith pay over to the State Treasurer, ex
3 officio, as trustee, all taxes and penalties collected
4 hereunder for deposit into the Non-Home Rule Municipal
5 Retailers' Occupation Tax Fund. Taxes and penalties collected
6 on aviation fuel sold on or after December 1, 2017, shall be
7 immediately paid over by the Department to the State Treasurer,
8 ex officio, as trustee, for deposit into the Local Government
9 Aviation Trust Fund. The Department shall only pay moneys into
10 the Local Government Aviation Trust Fund under this Act for so
11 long as the revenue use requirements of 49 U.S.C. §47107(b) and
12 49 U.S.C. §47133 are binding on the Municipality.

13 As soon as possible after the first day of each month,
14 beginning January 1, 2011, upon certification of the Department
15 of Revenue, the Comptroller shall order transferred, and the
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
17 local sales tax increment, as defined in the Innovation
18 Development and Economy Act, collected under this Section
19 during the second preceding calendar month for sales within a
20 STAR bond district.

21 After the monthly transfer to the STAR Bonds Revenue Fund,
22 on or before the 25th day of each calendar month, the
23 Department shall prepare and certify to the Comptroller the
24 disbursement of stated sums of money to named municipalities,
25 the municipalities to be those from which suppliers and
26 servicemen have paid taxes or penalties hereunder to the

1 Department during the second preceding calendar month. The
2 amount to be paid to each municipality shall be the amount (not
3 including credit memoranda and not including taxes and
4 penalties collected on aviation fuel sold on or after December
5 1, 2017) collected hereunder during the second preceding
6 calendar month by the Department, and not including an amount
7 equal to the amount of refunds made during the second preceding
8 calendar month by the Department on behalf of such
9 municipality, and not including any amounts that are
10 transferred to the STAR Bonds Revenue Fund. Within 10 days
11 after receipt by the Comptroller of the disbursement
12 certification to the municipalities and the General Revenue
13 Fund, provided for in this Section to be given to the
14 Comptroller by the Department, the Comptroller shall cause the
15 orders to be drawn for the respective amounts in accordance
16 with the directions contained in the certification.

17 When certifying the amount of a monthly disbursement to a
18 municipality under this Section, the Department shall increase
19 or decrease the amount by an amount necessary to offset any
20 misallocation of previous disbursements. The offset amount
21 shall be the amount erroneously disbursed within the previous 6
22 months from the time a misallocation is discovered.

23 Nothing in this Section shall be construed to authorize a
24 municipality to impose a tax upon the privilege of engaging in
25 any business which under the constitution of the United States
26 may not be made the subject of taxation by this State.

1 (Source: P.A. 96-939, eff. 6-24-10; 97-813, eff. 7-13-12.)

2 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

3 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
4 Act. The corporate authorities of a home rule municipality may
5 impose a tax upon all persons engaged, in such municipality, in
6 the business of making sales of service at the same rate of tax
7 imposed pursuant to Section 8-11-1, of the selling price of all
8 tangible personal property transferred by such servicemen
9 either in the form of tangible personal property or in the form
10 of real estate as an incident to a sale of service. If imposed,
11 such tax shall only be imposed in 1/4% increments. On and after
12 September 1, 1991, this additional tax may not be imposed on
13 the sales of food for human consumption which is to be consumed
14 off the premises where it is sold (other than alcoholic
15 beverages, soft drinks and food which has been prepared for
16 immediate consumption) and prescription and nonprescription
17 medicines, drugs, medical appliances and insulin, urine
18 testing materials, syringes and needles used by diabetics.
19 Beginning December 1, 2017, this tax may not be imposed on
20 sales of aviation fuel unless the tax revenue is expended for
21 airport-related purposes. If a municipality does not have an
22 airport-related purpose to which it dedicates aviation fuel tax
23 revenue, then aviation fuel shall be excluded from tax. Each
24 municipality must comply with the certification requirements
25 for airport-related purposes under Section 8-11-22. For

1 purposes of this Act, "airport-related purposes" has the
2 meaning ascribed in Section 6z-20.2 of the State Finance Act.
3 This exception for aviation fuel only applies for so long as
4 the revenue use requirements of 49 U.S.C. §47107(b) and 49
5 U.S.C. §47133 are binding on the State. The changes made to
6 this Section by this amendatory Act of the 100th General
7 Assembly are a denial and limitation of home rule powers and
8 functions under subsection (g) of Section 6 of Article VII of
9 the Illinois Constitution. The tax imposed by a home rule
10 municipality pursuant to this Section and all civil penalties
11 that may be assessed as an incident thereof shall be collected
12 and enforced by the State Department of Revenue. The
13 certificate of registration which is issued by the Department
14 to a retailer under the Retailers' Occupation Tax Act or under
15 the Service Occupation Tax Act shall permit such registrant to
16 engage in a business which is taxable under any ordinance or
17 resolution enacted pursuant to this Section without
18 registering separately with the Department under such
19 ordinance or resolution or under this Section. The Department
20 shall have full power to administer and enforce this Section;
21 to collect all taxes and penalties due hereunder; to dispose of
22 taxes and penalties so collected in the manner hereinafter
23 provided, and to determine all rights to credit memoranda
24 arising on account of the erroneous payment of tax or penalty
25 hereunder. In the administration of, and compliance with, this
26 Section the Department and persons who are subject to this

1 Section shall have the same rights, remedies, privileges,
2 immunities, powers and duties, and be subject to the same
3 conditions, restrictions, limitations, penalties and
4 definitions of terms, and employ the same modes of procedure,
5 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
6 respect to all provisions therein other than the State rate of
7 tax), 4 (except that the reference to the State shall be to the
8 taxing municipality), 5, 7, 8 (except that the jurisdiction to
9 which the tax shall be a debt to the extent indicated in that
10 Section 8 shall be the taxing municipality), 9 (except as to
11 the disposition of taxes and penalties collected, and except
12 that the returned merchandise credit for this municipal tax may
13 not be taken against any State tax), 10, 11, 12 (except the
14 reference therein to Section 2b of the Retailers' Occupation
15 Tax Act), 13 (except that any reference to the State shall mean
16 the taxing municipality), the first paragraph of Section 15,
17 16, 17 (except that credit memoranda issued hereunder may not
18 be used to discharge any State tax liability), 18, 19 and 20 of
19 the Service Occupation Tax Act and Section 3-7 of the Uniform
20 Penalty and Interest Act, as fully as if those provisions were
21 set forth herein.

22 No tax may be imposed by a home rule municipality pursuant
23 to this Section unless such municipality also imposes a tax at
24 the same rate pursuant to Section 8-11-1 of this Act.

25 Persons subject to any tax imposed pursuant to the
26 authority granted in this Section may reimburse themselves for

1 their serviceman's tax liability hereunder by separately
2 stating such tax as an additional charge, which charge may be
3 stated in combination, in a single amount, with State tax which
4 servicemen are authorized to collect under the Service Use Tax
5 Act, pursuant to such bracket schedules as the Department may
6 prescribe.

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

14 Except as otherwise provided in this paragraph, the ~~The~~
15 Department shall forthwith pay over to the State Treasurer,
16 ex-officio, as trustee, all taxes and penalties collected
17 hereunder for deposit into the Home Rule Municipal Retailers'
18 Occupation Tax Fund. Taxes and penalties collected on aviation
19 fuel sold on or after December 1, 2017, shall be immediately
20 paid over by the Department to the State Treasurer, ex officio,
21 as trustee, for deposit into the Local Government Aviation
22 Trust Fund. The Department shall only pay moneys into the State
23 Aviation Program Fund under this Act for so long as the revenue
24 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
25 are binding on the municipality.

26 As soon as possible after the first day of each month,

1 beginning January 1, 2011, upon certification of the Department
2 of Revenue, the Comptroller shall order transferred, and the
3 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
4 local sales tax increment, as defined in the Innovation
5 Development and Economy Act, collected under this Section
6 during the second preceding calendar month for sales within a
7 STAR bond district.

8 After the monthly transfer to the STAR Bonds Revenue Fund,
9 on or before the 25th day of each calendar month, the
10 Department shall prepare and certify to the Comptroller the
11 disbursement of stated sums of money to named municipalities,
12 the municipalities to be those from which suppliers and
13 servicemen have paid taxes or penalties hereunder to the
14 Department during the second preceding calendar month. The
15 amount to be paid to each municipality shall be the amount (not
16 including credit memoranda and not including taxes and
17 penalties collected on aviation fuel sold on or after December
18 1, 2017) collected hereunder during the second preceding
19 calendar month by the Department, and not including an amount
20 equal to the amount of refunds made during the second preceding
21 calendar month by the Department on behalf of such
22 municipality, and not including any amounts that are
23 transferred to the STAR Bonds Revenue Fund. Within 10 days
24 after receipt, by the Comptroller, of the disbursement
25 certification to the municipalities, provided for in this
26 Section to be given to the Comptroller by the Department, the

1 Comptroller shall cause the orders to be drawn for the
2 respective amounts in accordance with the directions contained
3 in such certification.

4 In addition to the disbursement required by the preceding
5 paragraph and in order to mitigate delays caused by
6 distribution procedures, an allocation shall, if requested, be
7 made within 10 days after January 14, 1991, and in November of
8 1991 and each year thereafter, to each municipality that
9 received more than \$500,000 during the preceding fiscal year,
10 (July 1 through June 30) whether collected by the municipality
11 or disbursed by the Department as required by this Section.
12 Within 10 days after January 14, 1991, participating
13 municipalities shall notify the Department in writing of their
14 intent to participate. In addition, for the initial
15 distribution, participating municipalities shall certify to
16 the Department the amounts collected by the municipality for
17 each month under its home rule occupation and service
18 occupation tax during the period July 1, 1989 through June 30,
19 1990. The allocation within 10 days after January 14, 1991,
20 shall be in an amount equal to the monthly average of these
21 amounts, excluding the 2 months of highest receipts. Monthly
22 average for the period of July 1, 1990 through June 30, 1991
23 will be determined as follows: the amounts collected by the
24 municipality under its home rule occupation and service
25 occupation tax during the period of July 1, 1990 through
26 September 30, 1990, plus amounts collected by the Department

1 and paid to such municipality through June 30, 1991, excluding
2 the 2 months of highest receipts. The monthly average for each
3 subsequent period of July 1 through June 30 shall be an amount
4 equal to the monthly distribution made to each such
5 municipality under the preceding paragraph during this period,
6 excluding the 2 months of highest receipts. The distribution
7 made in November 1991 and each year thereafter under this
8 paragraph and the preceding paragraph shall be reduced by the
9 amount allocated and disbursed under this paragraph in the
10 preceding period of July 1 through June 30. The Department
11 shall prepare and certify to the Comptroller for disbursement
12 the allocations made in accordance with this paragraph.

13 Nothing in this Section shall be construed to authorize a
14 municipality to impose a tax upon the privilege of engaging in
15 any business which under the constitution of the United States
16 may not be made the subject of taxation by this State.

17 An ordinance or resolution imposing or discontinuing a tax
18 hereunder or effecting a change in the rate thereof shall be
19 adopted and a certified copy thereof filed with the Department
20 on or before the first day of June, whereupon the Department
21 shall proceed to administer and enforce this Section as of the
22 first day of September next following such adoption and filing.
23 Beginning January 1, 1992, an ordinance or resolution imposing
24 or discontinuing the tax hereunder or effecting a change in the
25 rate thereof shall be adopted and a certified copy thereof
26 filed with the Department on or before the first day of July,

1 whereupon the Department shall proceed to administer and
2 enforce this Section as of the first day of October next
3 following such adoption and filing. Beginning January 1, 1993,
4 an ordinance or resolution imposing or discontinuing the tax
5 hereunder or effecting a change in the rate thereof shall be
6 adopted and a certified copy thereof filed with the Department
7 on or before the first day of October, whereupon the Department
8 shall proceed to administer and enforce this Section as of the
9 first day of January next following such adoption and filing.
10 However, a municipality located in a county with a population
11 in excess of 3,000,000 that elected to become a home rule unit
12 at the general primary election in 1994 may adopt an ordinance
13 or resolution imposing the tax under this Section and file a
14 certified copy of the ordinance or resolution with the
15 Department on or before July 1, 1994. The Department shall then
16 proceed to administer and enforce this Section as of October 1,
17 1994. Beginning April 1, 1998, an ordinance or resolution
18 imposing or discontinuing the tax hereunder or effecting a
19 change in the rate thereof shall either (i) be adopted and a
20 certified copy thereof filed with the Department on or before
21 the first day of April, whereupon the Department shall proceed
22 to administer and enforce this Section as of the first day of
23 July next following the adoption and filing; or (ii) be adopted
24 and a certified copy thereof filed with the Department on or
25 before the first day of October, whereupon the Department shall
26 proceed to administer and enforce this Section as of the first

1 day of January next following the adoption and filing.

2 Any unobligated balance remaining in the Municipal
3 Retailers' Occupation Tax Fund on December 31, 1989, which fund
4 was abolished by Public Act 85-1135, and all receipts of
5 municipal tax as a result of audits of liability periods prior
6 to January 1, 1990, shall be paid into the Local Government Tax
7 Fund, for distribution as provided by this Section prior to the
8 enactment of Public Act 85-1135. All receipts of municipal tax
9 as a result of an assessment not arising from an audit, for
10 liability periods prior to January 1, 1990, shall be paid into
11 the Local Government Tax Fund for distribution before July 1,
12 1990, as provided by this Section prior to the enactment of
13 Public Act 85-1135, and on and after July 1, 1990, all such
14 receipts shall be distributed as provided in Section 6z-18 of
15 the State Finance Act.

16 As used in this Section, "municipal" and "municipality"
17 means a city, village or incorporated town, including an
18 incorporated town which has superseded a civil township.

19 This Section shall be known and may be cited as the Home
20 Rule Municipal Service Occupation Tax Act.

21 (Source: P.A. 96-939, eff. 6-24-10.)

22 (65 ILCS 5/8-11-6a) (from Ch. 24, par. 8-11-6a)

23 Sec. 8-11-6a. Home rule municipalities; preemption of
24 certain taxes. Except as provided in Sections 8-11-1, 8-11-5,
25 8-11-6, 8-11-6b, 8-11-6c, and 11-74.3-6 on and after September

1 1, 1990, no home rule municipality has the authority to impose,
2 pursuant to its home rule authority, a retailer's occupation
3 tax, service occupation tax, use tax, sales tax or other tax on
4 the use, sale or purchase of tangible personal property based
5 on the gross receipts from such sales or the selling or
6 purchase price of said tangible personal property.
7 Notwithstanding the foregoing, this Section does not preempt
8 any home rule imposed tax such as the following: (1) a tax on
9 alcoholic beverages, whether based on gross receipts, volume
10 sold or any other measurement; (2) a tax based on the number of
11 units of cigarettes or tobacco products (provided, however,
12 that a home rule municipality that has not imposed a tax based
13 on the number of units of cigarettes or tobacco products before
14 July 1, 1993, shall not impose such a tax after that date); (3)
15 a tax, however measured, based on the use of a hotel or motel
16 room or similar facility; (4) a tax, however measured, on the
17 sale or transfer of real property; (5) a tax, however measured,
18 on lease receipts; (6) a tax on food prepared for immediate
19 consumption and on alcoholic beverages sold by a business which
20 provides for on premise consumption of said food or alcoholic
21 beverages; or (7) other taxes not based on the selling or
22 purchase price or gross receipts from the use, sale or purchase
23 of tangible personal property. This Section does not preempt a
24 home rule municipality with a population of more than 2,000,000
25 from imposing a tax, however measured, on the use, for
26 consideration, of a parking lot, garage, or other parking

1 facility. This Section is not intended to affect any existing
2 tax on food and beverages prepared for immediate consumption on
3 the premises where the sale occurs, or any existing tax on
4 alcoholic beverages, or any existing tax imposed on the charge
5 for renting a hotel or motel room, which was in effect January
6 15, 1988, or any extension of the effective date of such an
7 existing tax by ordinance of the municipality imposing the tax,
8 which extension is hereby authorized, in any non-home rule
9 municipality in which the imposition of such a tax has been
10 upheld by judicial determination, nor is this Section intended
11 to preempt the authority granted by Public Act 85-1006. On and
12 after December 1, 2017, no home rule municipality has the
13 authority to impose, pursuant to its home rule authority, a
14 tax, however measured, on sales of aviation fuel, as defined in
15 Section 3 of the Retailers' Occupation Tax Act, unless the tax
16 revenue is expended for airport-related purposes. For purposes
17 of this Section, "airport-related purposes" has the meaning
18 ascribed in Section 6z-20.2 of the State Finance Act. Aviation
19 fuel shall be excluded from tax only for so long as the revenue
20 use requirements of 49 U.S.C. §47017 (b) and 49 U.S.C. §47133
21 are binding on the municipality. This Section is a limitation,
22 pursuant to subsection (g) of Section 6 of Article VII of the
23 Illinois Constitution, on the power of home rule units to tax.
24 The changes made to this Section by this amendatory Act of the
25 100th General Assembly are a denial and limitation of home rule
26 powers and functions under subsection (g) of Section 6 of

1 Article VII of the Illinois Constitution.

2 (Source: P.A. 97-1168, eff. 3-8-13; 97-1169, eff. 3-8-13.)

3 (65 ILCS 5/8-11-22 new)

4 Sec. 8-11-22. Certification for airport-related purposes.
5 On or before September 1, 2017, and on or before each April 1
6 and October 1 thereafter, each municipality (and District in
7 the case of business district operating within a municipality)
8 must certify to the Department of Transportation, in the form
9 and manner required by the Department, whether the municipality
10 has an airport-related purpose, which would allow any
11 Retailers' Occupation Tax and Service Occupation Tax imposed by
12 the municipality to include tax on aviation fuel. On or before
13 October 1, 2017, and on or before each May 1 and November 1
14 thereafter, the Department of Transportation shall provide to
15 the Department of Revenue, a list of units of local government
16 which have certified to the Department of Transportation that
17 they have airport-related purposes, which would allow any
18 Retailers' Occupation Tax and Service Occupation Tax imposed by
19 the unit of local government to include tax on aviation fuel.
20 All disputes regarding whether or not a unit of local
21 government has an airport-related purpose shall be resolved by
22 the Department of Transportation.

23 (65 ILCS 5/11-74.3-6)

24 Sec. 11-74.3-6. Business district revenue and obligations;

1 business district tax allocation fund.

2 (a) If the corporate authorities of a municipality have
3 approved a business district plan, have designated a business
4 district, and have elected to impose a tax by ordinance
5 pursuant to subsection (10) or (11) of Section 11-74.3-3, then
6 each year after the date of the approval of the ordinance but
7 terminating upon the date all business district project costs
8 and all obligations paying or reimbursing business district
9 project costs, if any, have been paid, but in no event later
10 than the dissolution date, all amounts generated by the
11 retailers' occupation tax and service occupation tax shall be
12 collected and the tax shall be enforced by the Department of
13 Revenue in the same manner as all retailers' occupation taxes
14 and service occupation taxes imposed in the municipality
15 imposing the tax and all amounts generated by the hotel
16 operators' occupation tax shall be collected and the tax shall
17 be enforced by the municipality in the same manner as all hotel
18 operators' occupation taxes imposed in the municipality
19 imposing the tax. The corporate authorities of the municipality
20 shall deposit the proceeds of the taxes imposed under
21 subsections (10) and (11) of Section 11-74.3-3 into a special
22 fund of the municipality called the "[Name of] Business
23 District Tax Allocation Fund" for the purpose of paying or
24 reimbursing business district project costs and obligations
25 incurred in the payment of those costs.

26 (b) The corporate authorities of a municipality that has

1 designated a business district under this Law may, by
2 ordinance, impose a Business District Retailers' Occupation
3 Tax upon all persons engaged in the business of selling
4 tangible personal property, other than an item of tangible
5 personal property titled or registered with an agency of this
6 State's government, at retail in the business district at a
7 rate not to exceed 1% of the gross receipts from the sales made
8 in the course of such business, to be imposed only in 0.25%
9 increments. The tax may not be imposed on food for human
10 consumption that is to be consumed off the premises where it is
11 sold (other than alcoholic beverages, soft drinks, and food
12 that has been prepared for immediate consumption),
13 prescription and nonprescription medicines, drugs, medical
14 appliances, modifications to a motor vehicle for the purpose of
15 rendering it usable by a person with a disability, and insulin,
16 urine testing materials, syringes, and needles used by
17 diabetics, for human use. Beginning December 1, 2017, this tax
18 is not imposed on sales of aviation fuel unless the tax revenue
19 is expended for airport-related purposes. If the District does
20 not have an airport-related purpose to which it dedicates
21 aviation fuel tax revenue, then aviation fuel is excluded from
22 the tax. Each municipality must comply with the certification
23 requirements for airport-related purposes under Section
24 8-11-22. For purposes of this Act, "airport-related purposes"
25 has the meaning ascribed in Section 6z-20.2 of the State
26 Finance Act. This exclusion for aviation fuel only applies for

1 so long as the revenue use requirements of 49 U.S.C. §47107(b)
2 and 49 U.S.C. §47133 are binding on the District.

3 The tax imposed under this subsection and all civil
4 penalties that may be assessed as an incident thereof shall be
5 collected and enforced by the Department of Revenue. The
6 certificate of registration that is issued by the Department to
7 a retailer under the Retailers' Occupation Tax Act shall permit
8 the retailer to engage in a business that is taxable under any
9 ordinance or resolution enacted pursuant to this subsection
10 without registering separately with the Department under such
11 ordinance or resolution or under this subsection. The
12 Department of Revenue shall have full power to administer and
13 enforce this subsection; to collect all taxes and penalties due
14 under this subsection in the manner hereinafter provided; and
15 to determine all rights to credit memoranda arising on account
16 of the erroneous payment of tax or penalty under this
17 subsection. In the administration of, and compliance with, this
18 subsection, the Department and persons who are subject to this
19 subsection shall have the same rights, remedies, privileges,
20 immunities, powers and duties, and be subject to the same
21 conditions, restrictions, limitations, penalties, exclusions,
22 exemptions, and definitions of terms and employ the same modes
23 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
24 through 2-65 (in respect to all provisions therein other than
25 the State rate of tax), 2c through 2h, 3 (except as to the
26 disposition of taxes and penalties collected, and except that

1 the retailer's discount is not allowed for taxes paid on
2 aviation fuel that are deposited into the Local Government
3 Aviation Trust Fund), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k,
4 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
5 Retailers' Occupation Tax Act and all provisions of the Uniform
6 Penalty and Interest Act, as fully as if those provisions were
7 set forth herein.

8 Persons subject to any tax imposed under this subsection
9 may reimburse themselves for their seller's tax liability under
10 this subsection by separately stating the tax as an additional
11 charge, which charge may be stated in combination, in a single
12 amount, with State taxes that sellers are required to collect
13 under the Use Tax Act, in accordance with such bracket
14 schedules as the Department may prescribe.

15 Whenever the Department determines that a refund should be
16 made under this subsection to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the order to be drawn for the
19 amount specified and to the person named in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the business district retailers' occupation
22 tax fund.

23 Except as otherwise provided in this paragraph, the ~~The~~
24 Department shall immediately pay over to the State Treasurer,
25 ex officio, as trustee, all taxes, penalties, and interest
26 collected under this subsection for deposit into the business

1 district retailers' occupation tax fund. Taxes and penalties
2 collected on aviation fuel sold on or after December 1, 2017,
3 shall be immediately paid over by the Department to the State
4 Treasurer, ex officio, as trustee, for deposit into the Local
5 Government Aviation Trust Fund. The Department shall only pay
6 moneys into the Local Government Aviation Trust Fund under this
7 Act for so long as the revenue use requirements of 49 U.S.C.
8 §47107(b) and 49 U.S.C. §47133 are binding on the District.

9 As soon as possible after the first day of each month,
10 beginning January 1, 2011, upon certification of the Department
11 of Revenue, the Comptroller shall order transferred, and the
12 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
13 local sales tax increment, as defined in the Innovation
14 Development and Economy Act, collected under this subsection
15 during the second preceding calendar month for sales within a
16 STAR bond district.

17 After the monthly transfer to the STAR Bonds Revenue Fund,
18 on or before the 25th day of each calendar month, the
19 Department shall prepare and certify to the Comptroller the
20 disbursement of stated sums of money to named municipalities
21 from the business district retailers' occupation tax fund, the
22 municipalities to be those from which retailers have paid taxes
23 or penalties under this subsection to the Department during the
24 second preceding calendar month. The amount to be paid to each
25 municipality shall be the amount (not including credit
26 memoranda and not including taxes and penalties collected on

1 aviation fuel sold on or after December 1, 2017) collected
2 under this subsection during the second preceding calendar
3 month by the Department plus an amount the Department
4 determines is necessary to offset any amounts that were
5 erroneously paid to a different taxing body, and not including
6 an amount equal to the amount of refunds made during the second
7 preceding calendar month by the Department, less 2% of that
8 amount (except the amount collected on aviation fuel sold on or
9 after December 1, 2017), which shall be deposited into the Tax
10 Compliance and Administration Fund and shall be used by the
11 Department, subject to appropriation, to cover the costs of the
12 Department in administering and enforcing the provisions of
13 this subsection, on behalf of such municipality, and not
14 including any amount that the Department determines is
15 necessary to offset any amounts that were payable to a
16 different taxing body but were erroneously paid to the
17 municipality, and not including any amounts that are
18 transferred to the STAR Bonds Revenue Fund. Within 10 days
19 after receipt by the Comptroller of the disbursement
20 certification to the municipalities provided for in this
21 subsection to be given to the Comptroller by the Department,
22 the Comptroller shall cause the orders to be drawn for the
23 respective amounts in accordance with the directions contained
24 in the certification. The proceeds of the tax paid to
25 municipalities under this subsection shall be deposited into
26 the Business District Tax Allocation Fund by the municipality.

1 An ordinance imposing or discontinuing the tax under this
2 subsection or effecting a change in the rate thereof shall
3 either (i) be adopted and a certified copy thereof filed with
4 the Department on or before the first day of April, whereupon
5 the Department, if all other requirements of this subsection
6 are met, shall proceed to administer and enforce this
7 subsection as of the first day of July next following the
8 adoption and filing; or (ii) be adopted and a certified copy
9 thereof filed with the Department on or before the first day of
10 October, whereupon, if all other requirements of this
11 subsection are met, the Department shall proceed to administer
12 and enforce this subsection as of the first day of January next
13 following the adoption and filing.

14 The Department of Revenue shall not administer or enforce
15 an ordinance imposing, discontinuing, or changing the rate of
16 the tax under this subsection, until the municipality also
17 provides, in the manner prescribed by the Department, the
18 boundaries of the business district and each address in the
19 business district in such a way that the Department can
20 determine by its address whether a business is located in the
21 business district. The municipality must provide this boundary
22 and address information to the Department on or before April 1
23 for administration and enforcement of the tax under this
24 subsection by the Department beginning on the following July 1
25 and on or before October 1 for administration and enforcement
26 of the tax under this subsection by the Department beginning on

1 the following January 1. The Department of Revenue shall not
2 administer or enforce any change made to the boundaries of a
3 business district or address change, addition, or deletion
4 until the municipality reports the boundary change or address
5 change, addition, or deletion to the Department in the manner
6 prescribed by the Department. The municipality must provide
7 this boundary change information or address change, addition,
8 or deletion to the Department on or before April 1 for
9 administration and enforcement by the Department of the change
10 beginning on the following July 1 and on or before October 1
11 for administration and enforcement by the Department of the
12 change beginning on the following January 1. The retailers in
13 the business district shall be responsible for charging the tax
14 imposed under this subsection. If a retailer is incorrectly
15 included or excluded from the list of those required to collect
16 the tax under this subsection, both the Department of Revenue
17 and the retailer shall be held harmless if they reasonably
18 relied on information provided by the municipality.

19 A municipality that imposes the tax under this subsection
20 must submit to the Department of Revenue any other information
21 as the Department may require for the administration and
22 enforcement of the tax.

23 When certifying the amount of a monthly disbursement to a
24 municipality under this subsection, the Department shall
25 increase or decrease the amount by an amount necessary to
26 offset any misallocation of previous disbursements. The offset

1 amount shall be the amount erroneously disbursed within the
2 previous 6 months from the time a misallocation is discovered.

3 Nothing in this subsection shall be construed to authorize
4 the municipality to impose a tax upon the privilege of engaging
5 in any business which under the Constitution of the United
6 States may not be made the subject of taxation by this State.

7 If a tax is imposed under this subsection (b), a tax shall
8 also be imposed under subsection (c) of this Section.

9 (c) If a tax has been imposed under subsection (b), a
10 Business District Service Occupation Tax shall also be imposed
11 upon all persons engaged, in the business district, in the
12 business of making sales of service, who, as an incident to
13 making those sales of service, transfer tangible personal
14 property within the business district, either in the form of
15 tangible personal property or in the form of real estate as an
16 incident to a sale of service. The tax shall be imposed at the
17 same rate as the tax imposed in subsection (b) and shall not
18 exceed 1% of the selling price of tangible personal property so
19 transferred within the business district, to be imposed only in
20 0.25% increments. The tax may not be imposed on food for human
21 consumption that is to be consumed off the premises where it is
22 sold (other than alcoholic beverages, soft drinks, and food
23 that has been prepared for immediate consumption),
24 prescription and nonprescription medicines, drugs, medical
25 appliances, modifications to a motor vehicle for the purpose of
26 rendering it usable by a person with a disability, and insulin,

1 urine testing materials, syringes, and needles used by
2 diabetics, for human use. Beginning December 1, 2017, this tax
3 is not imposed on sales of aviation fuel unless the tax revenue
4 is expended for airport-related purposes. If the District does
5 not have an airport-related purpose to which it dedicates
6 aviation fuel tax revenue, then aviation fuel is excluded from
7 the tax. Each municipality must comply with the certification
8 requirements for airport-related purposes under Section
9 8-11-22. For purposes of this Act, "airport-related purposes"
10 has the meaning ascribed in Section 6z-20.2 of the State
11 Finance Act. This exclusion for aviation fuel only applies for
12 so long as the revenue use requirements of 49 U.S.C. §47107(b)
13 and 49 U.S.C. §47133 are binding on the District.

14 The tax imposed under this subsection and all civil
15 penalties that may be assessed as an incident thereof shall be
16 collected and enforced by the Department of Revenue. The
17 certificate of registration which is issued by the Department
18 to a retailer under the Retailers' Occupation Tax Act or under
19 the Service Occupation Tax Act shall permit such registrant to
20 engage in a business which is taxable under any ordinance or
21 resolution enacted pursuant to this subsection without
22 registering separately with the Department under such
23 ordinance or resolution or under this subsection. The
24 Department of Revenue shall have full power to administer and
25 enforce this subsection; to collect all taxes and penalties due
26 under this subsection; to dispose of taxes and penalties so

1 collected in the manner hereinafter provided; and to determine
2 all rights to credit memoranda arising on account of the
3 erroneous payment of tax or penalty under this subsection. In
4 the administration of, and compliance with this subsection, the
5 Department and persons who are subject to this subsection shall
6 have the same rights, remedies, privileges, immunities, powers
7 and duties, and be subject to the same conditions,
8 restrictions, limitations, penalties, exclusions, exemptions,
9 and definitions of terms and employ the same modes of procedure
10 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50
11 (in respect to all provisions therein other than the State rate
12 of tax), 4 (except that the reference to the State shall be to
13 the business district), 5, 7, 8 (except that the jurisdiction
14 to which the tax shall be a debt to the extent indicated in
15 that Section 8 shall be the municipality), 9 (except as to the
16 disposition of taxes and penalties collected, and except that
17 the returned merchandise credit for this tax may not be taken
18 against any State tax, and except that the retailer's discount
19 is not allowed for taxes paid on aviation fuel that are
20 deposited into the Local Government Aviation Trust Fund), 10,
21 11, 12 (except the reference therein to Section 2b of the
22 Retailers' Occupation Tax Act), 13 (except that any reference
23 to the State shall mean the municipality), the first paragraph
24 of Section 15, and Sections 16, 17, 18, 19 and 20 of the
25 Service Occupation Tax Act and all provisions of the Uniform
26 Penalty and Interest Act, as fully as if those provisions were

1 set forth herein.

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

10 Whenever the Department determines that a refund should be
11 made under this subsection to a claimant instead of issuing
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 such notification
15 from the Department. Such refund shall be paid by the State
16 Treasurer out of the business district retailers' occupation
17 tax fund.

18 Except as otherwise provided in this paragraph, the ~~The~~
19 Department shall forthwith pay over to the State Treasurer,
20 ex-officio, as trustee, all taxes, penalties, and interest
21 collected under this subsection for deposit into the business
22 district retailers' occupation tax fund. Taxes and penalties
23 collected on aviation fuel sold on or after December 1, 2017,
24 shall be immediately paid over by the Department to the State
25 Treasurer, ex officio, as trustee, for deposit into the Local
26 Government Aviation Trust Fund. The Department shall only pay

1 moneys into the Local Government Aviation Trust Fund under this
2 Act for so long as the revenue use requirements of 49 U.S.C.
3 §47107(b) and 49 U.S.C. §47133 are binding on the District.

4 As soon as possible after the first day of each month,
5 beginning January 1, 2011, upon certification of the Department
6 of Revenue, the Comptroller shall order transferred, and the
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
8 local sales tax increment, as defined in the Innovation
9 Development and Economy Act, collected under this subsection
10 during the second preceding calendar month for sales within a
11 STAR bond district.

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on or before the 25th day of each calendar month, the
14 Department shall prepare and certify to the Comptroller the
15 disbursement of stated sums of money to named municipalities
16 from the business district retailers' occupation tax fund, the
17 municipalities to be those from which suppliers and servicemen
18 have paid taxes or penalties under this subsection to the
19 Department during the second preceding calendar month. The
20 amount to be paid to each municipality shall be the amount (not
21 including credit memoranda and not including taxes and
22 penalties collected on aviation fuel sold on or after December
23 1, 2017) collected under this subsection during the second
24 preceding calendar month by the Department, less 2% of that
25 amount (except the amount collected on aviation fuel sold on or
26 after December 1, 2017), which shall be deposited into the Tax

1 Compliance and Administration Fund and shall be used by the
2 Department, subject to appropriation, to cover the costs of the
3 Department in administering and enforcing the provisions of
4 this subsection, and not including an amount equal to the
5 amount of refunds made during the second preceding calendar
6 month by the Department on behalf of such municipality, and not
7 including any amounts that are transferred to the STAR Bonds
8 Revenue Fund. Within 10 days after receipt, by the Comptroller,
9 of the disbursement certification to the municipalities,
10 provided for in this subsection to be given to the Comptroller
11 by the Department, the Comptroller shall cause the orders to be
12 drawn for the respective amounts in accordance with the
13 directions contained in such certification. The proceeds of the
14 tax paid to municipalities under this subsection shall be
15 deposited into the Business District Tax Allocation Fund by the
16 municipality.

17 An ordinance imposing or discontinuing the tax under this
18 subsection or effecting a change in the rate thereof shall
19 either (i) be adopted and a certified copy thereof filed with
20 the Department on or before the first day of April, whereupon
21 the Department, if all other requirements of this subsection
22 are met, shall proceed to administer and enforce this
23 subsection as of the first day of July next following the
24 adoption and filing; or (ii) be adopted and a certified copy
25 thereof filed with the Department on or before the first day of
26 October, whereupon, if all other conditions of this subsection

1 are met, the Department shall proceed to administer and enforce
2 this subsection as of the first day of January next following
3 the adoption and filing.

4 The Department of Revenue shall not administer or enforce
5 an ordinance imposing, discontinuing, or changing the rate of
6 the tax under this subsection, until the municipality also
7 provides, in the manner prescribed by the Department, the
8 boundaries of the business district in such a way that the
9 Department can determine by its address whether a business is
10 located in the business district. The municipality must provide
11 this boundary and address information to the Department on or
12 before April 1 for administration and enforcement of the tax
13 under this subsection by the Department beginning on the
14 following July 1 and on or before October 1 for administration
15 and enforcement of the tax under this subsection by the
16 Department beginning on the following January 1. The Department
17 of Revenue shall not administer or enforce any change made to
18 the boundaries of a business district or address change,
19 addition, or deletion until the municipality reports the
20 boundary change or address change, addition, or deletion to the
21 Department in the manner prescribed by the Department. The
22 municipality must provide this boundary change information or
23 address change, addition, or deletion to the Department on or
24 before April 1 for administration and enforcement by the
25 Department of the change beginning on the following July 1 and
26 on or before October 1 for administration and enforcement by

1 the Department of the change beginning on the following January
2 1. The retailers in the business district shall be responsible
3 for charging the tax imposed under this subsection. If a
4 retailer is incorrectly included or excluded from the list of
5 those required to collect the tax under this subsection, both
6 the Department of Revenue and the retailer shall be held
7 harmless if they reasonably relied on information provided by
8 the municipality.

9 A municipality that imposes the tax under this subsection
10 must submit to the Department of Revenue any other information
11 as the Department may require for the administration and
12 enforcement of the tax.

13 Nothing in this subsection shall be construed to authorize
14 the municipality to impose a tax upon the privilege of engaging
15 in any business which under the Constitution of the United
16 States may not be made the subject of taxation by the State.

17 If a tax is imposed under this subsection (c), a tax shall
18 also be imposed under subsection (b) of this Section.

19 (d) By ordinance, a municipality that has designated a
20 business district under this Law may impose an occupation tax
21 upon all persons engaged in the business district in the
22 business of renting, leasing, or letting rooms in a hotel, as
23 defined in the Hotel Operators' Occupation Tax Act, at a rate
24 not to exceed 1% of the gross rental receipts from the renting,
25 leasing, or letting of hotel rooms within the business
26 district, to be imposed only in 0.25% increments, excluding,

1 however, from gross rental receipts the proceeds of renting,
2 leasing, or letting to permanent residents of a hotel, as
3 defined in the Hotel Operators' Occupation Tax Act, and
4 proceeds from the tax imposed under subsection (c) of Section
5 13 of the Metropolitan Pier and Exposition Authority Act.

6 The tax imposed by the municipality under this subsection
7 and all civil penalties that may be assessed as an incident to
8 that tax shall be collected and enforced by the municipality
9 imposing the tax. The municipality shall have full power to
10 administer and enforce this subsection, to collect all taxes
11 and penalties due under this subsection, to dispose of taxes
12 and penalties so collected in the manner provided in this
13 subsection, and to determine all rights to credit memoranda
14 arising on account of the erroneous payment of tax or penalty
15 under this subsection. In the administration of and compliance
16 with this subsection, the municipality and persons who are
17 subject to this subsection shall have the same rights,
18 remedies, privileges, immunities, powers, and duties, shall be
19 subject to the same conditions, restrictions, limitations,
20 penalties, and definitions of terms, and shall employ the same
21 modes of procedure as are employed with respect to a tax
22 adopted by the municipality under Section 8-3-14 of this Code.

23 Persons subject to any tax imposed under the authority
24 granted in this subsection may reimburse themselves for their
25 tax liability for that tax by separately stating that tax as an
26 additional charge, which charge may be stated in combination,

1 in a single amount, with State taxes imposed under the Hotel
2 Operators' Occupation Tax Act, and with any other tax.

3 Nothing in this subsection shall be construed to authorize
4 a municipality to impose a tax upon the privilege of engaging
5 in any business which under the Constitution of the United
6 States may not be made the subject of taxation by this State.

7 The proceeds of the tax imposed under this subsection shall
8 be deposited into the Business District Tax Allocation Fund.

9 (e) Obligations secured by the Business District Tax
10 Allocation Fund may be issued to provide for the payment or
11 reimbursement of business district project costs. Those
12 obligations, when so issued, shall be retired in the manner
13 provided in the ordinance authorizing the issuance of those
14 obligations by the receipts of taxes imposed pursuant to
15 subsections (10) and (11) of Section 11-74.3-3 and by other
16 revenue designated or pledged by the municipality. A
17 municipality may in the ordinance pledge, for any period of
18 time up to and including the dissolution date, all or any part
19 of the funds in and to be deposited in the Business District
20 Tax Allocation Fund to the payment of business district project
21 costs and obligations. Whenever a municipality pledges all of
22 the funds to the credit of a business district tax allocation
23 fund to secure obligations issued or to be issued to pay or
24 reimburse business district project costs, the municipality
25 may specifically provide that funds remaining to the credit of
26 such business district tax allocation fund after the payment of

1 such obligations shall be accounted for annually and shall be
2 deemed to be "surplus" funds, and such "surplus" funds shall be
3 expended by the municipality for any business district project
4 cost as approved in the business district plan. Whenever a
5 municipality pledges less than all of the monies to the credit
6 of a business district tax allocation fund to secure
7 obligations issued or to be issued to pay or reimburse business
8 district project costs, the municipality shall provide that
9 monies to the credit of the business district tax allocation
10 fund and not subject to such pledge or otherwise encumbered or
11 required for payment of contractual obligations for specific
12 business district project costs shall be calculated annually
13 and shall be deemed to be "surplus" funds, and such "surplus"
14 funds shall be expended by the municipality for any business
15 district project cost as approved in the business district
16 plan.

17 No obligation issued pursuant to this Law and secured by a
18 pledge of all or any portion of any revenues received or to be
19 received by the municipality from the imposition of taxes
20 pursuant to subsection (10) of Section 11-74.3-3, shall be
21 deemed to constitute an economic incentive agreement under
22 Section 8-11-20, notwithstanding the fact that such pledge
23 provides for the sharing, rebate, or payment of retailers'
24 occupation taxes or service occupation taxes imposed pursuant
25 to subsection (10) of Section 11-74.3-3 and received or to be
26 received by the municipality from the development or

1 redevelopment of properties in the business district.

2 Without limiting the foregoing in this Section, the
3 municipality may further secure obligations secured by the
4 business district tax allocation fund with a pledge, for a
5 period not greater than the term of the obligations and in any
6 case not longer than the dissolution date, of any part or any
7 combination of the following: (i) net revenues of all or part
8 of any business district project; (ii) taxes levied or imposed
9 by the municipality on any or all property in the municipality,
10 including, specifically, taxes levied or imposed by the
11 municipality in a special service area pursuant to the Special
12 Service Area Tax Law; (iii) the full faith and credit of the
13 municipality; (iv) a mortgage on part or all of the business
14 district project; or (v) any other taxes or anticipated
15 receipts that the municipality may lawfully pledge.

16 Such obligations may be issued in one or more series, bear
17 such date or dates, become due at such time or times as therein
18 provided, but in any case not later than (i) 20 years after the
19 date of issue or (ii) the dissolution date, whichever is
20 earlier, bear interest payable at such intervals and at such
21 rate or rates as set forth therein, except as may be limited by
22 applicable law, which rate or rates may be fixed or variable,
23 be in such denominations, be in such form, either coupon,
24 registered, or book-entry, carry such conversion, registration
25 and exchange privileges, be subject to defeasance upon such
26 terms, have such rank or priority, be executed in such manner,

1 be payable in such medium or payment at such place or places
2 within or without the State, make provision for a corporate
3 trustee within or without the State with respect to such
4 obligations, prescribe the rights, powers, and duties thereof
5 to be exercised for the benefit of the municipality and the
6 benefit of the owners of such obligations, provide for the
7 holding in trust, investment, and use of moneys, funds, and
8 accounts held under an ordinance, provide for assignment of and
9 direct payment of the moneys to pay such obligations or to be
10 deposited into such funds or accounts directly to such trustee,
11 be subject to such terms of redemption with or without premium,
12 and be sold at such price, all as the corporate authorities
13 shall determine. No referendum approval of the electors shall
14 be required as a condition to the issuance of obligations
15 pursuant to this Law except as provided in this Section.

16 In the event the municipality authorizes the issuance of
17 obligations pursuant to the authority of this Law secured by
18 the full faith and credit of the municipality, or pledges ad
19 valorem taxes pursuant to this subsection, which obligations
20 are other than obligations which may be issued under home rule
21 powers provided by Section 6 of Article VII of the Illinois
22 Constitution or which ad valorem taxes are other than ad
23 valorem taxes which may be pledged under home rule powers
24 provided by Section 6 of Article VII of the Illinois
25 Constitution or which are levied in a special service area
26 pursuant to the Special Service Area Tax Law, the ordinance

1 authorizing the issuance of those obligations or pledging those
2 taxes shall be published within 10 days after the ordinance has
3 been adopted, in a newspaper having a general circulation
4 within the municipality. The publication of the ordinance shall
5 be accompanied by a notice of (i) the specific number of voters
6 required to sign a petition requesting the question of the
7 issuance of the obligations or pledging such ad valorem taxes
8 to be submitted to the electors; (ii) the time within which the
9 petition must be filed; and (iii) the date of the prospective
10 referendum. The municipal clerk shall provide a petition form
11 to any individual requesting one.

12 If no petition is filed with the municipal clerk, as
13 hereinafter provided in this Section, within 21 days after the
14 publication of the ordinance, the ordinance shall be in effect.
15 However, if within that 21-day period a petition is filed with
16 the municipal clerk, signed by electors numbering not less than
17 15% of the number of electors voting for the mayor or president
18 at the last general municipal election, asking that the
19 question of issuing obligations using full faith and credit of
20 the municipality as security for the cost of paying or
21 reimbursing business district project costs, or of pledging
22 such ad valorem taxes for the payment of those obligations, or
23 both, be submitted to the electors of the municipality, the
24 municipality shall not be authorized to issue obligations of
25 the municipality using the full faith and credit of the
26 municipality as security or pledging such ad valorem taxes for

1 the payment of those obligations, or both, until the
2 proposition has been submitted to and approved by a majority of
3 the voters voting on the proposition at a regularly scheduled
4 election. The municipality shall certify the proposition to the
5 proper election authorities for submission in accordance with
6 the general election law.

7 The ordinance authorizing the obligations may provide that
8 the obligations shall contain a recital that they are issued
9 pursuant to this Law, which recital shall be conclusive
10 evidence of their validity and of the regularity of their
11 issuance.

12 In the event the municipality authorizes issuance of
13 obligations pursuant to this Law secured by the full faith and
14 credit of the municipality, the ordinance authorizing the
15 obligations may provide for the levy and collection of a direct
16 annual tax upon all taxable property within the municipality
17 sufficient to pay the principal thereof and interest thereon as
18 it matures, which levy may be in addition to and exclusive of
19 the maximum of all other taxes authorized to be levied by the
20 municipality, which levy, however, shall be abated to the
21 extent that monies from other sources are available for payment
22 of the obligations and the municipality certifies the amount of
23 those monies available to the county clerk.

24 A certified copy of the ordinance shall be filed with the
25 county clerk of each county in which any portion of the
26 municipality is situated, and shall constitute the authority

1 for the extension and collection of the taxes to be deposited
2 in the business district tax allocation fund.

3 A municipality may also issue its obligations to refund, in
4 whole or in part, obligations theretofore issued by the
5 municipality under the authority of this Law, whether at or
6 prior to maturity. However, the last maturity of the refunding
7 obligations shall not be expressed to mature later than the
8 dissolution date.

9 In the event a municipality issues obligations under home
10 rule powers or other legislative authority, the proceeds of
11 which are pledged to pay or reimburse business district project
12 costs, the municipality may, if it has followed the procedures
13 in conformance with this Law, retire those obligations from
14 funds in the business district tax allocation fund in amounts
15 and in such manner as if those obligations had been issued
16 pursuant to the provisions of this Law.

17 No obligations issued pursuant to this Law shall be
18 regarded as indebtedness of the municipality issuing those
19 obligations or any other taxing district for the purpose of any
20 limitation imposed by law.

21 Obligations issued pursuant to this Law shall not be
22 subject to the provisions of the Bond Authorization Act.

23 (f) When business district project costs, including,
24 without limitation, all obligations paying or reimbursing
25 business district project costs have been paid, any surplus
26 funds then remaining in the Business District Tax Allocation

1 Fund shall be distributed to the municipal treasurer for
2 deposit into the general corporate fund of the municipality.
3 Upon payment of all business district project costs and
4 retirement of all obligations paying or reimbursing business
5 district project costs, but in no event more than 23 years
6 after the date of adoption of the ordinance imposing taxes
7 pursuant to subsection (10) or (11) of Section 11-74.3-3, the
8 municipality shall adopt an ordinance immediately rescinding
9 the taxes imposed pursuant to subsection (10) or (11) of
10 Section 11-74.3-3.

11 (Source: P.A. 99-143, eff. 7-27-15.)

12 Section 50. The Civic Center Code is amended by changing
13 Section 245-12 as follows:

14 (70 ILCS 200/245-12)

15 Sec. 245-12. Use and occupation taxes.

16 (a) The Authority may adopt a resolution that authorizes a
17 referendum on the question of whether the Authority shall be
18 authorized to impose a retailers' occupation tax, a service
19 occupation tax, and a use tax in one-quarter percent increments
20 at a rate not to exceed 1%. The Authority shall certify the
21 question to the proper election authorities who shall submit
22 the question to the voters of the metropolitan area at the next
23 regularly scheduled election in accordance with the general
24 election law. The question shall be in substantially the

1 following form:

2 "Shall the Salem Civic Center Authority be authorized to
3 impose a retailers' occupation tax, a service occupation
4 tax, and a use tax at the rate of (rate) for the sole
5 purpose of obtaining funds for the support, construction,
6 maintenance, or financing of a facility of the Authority?"

7 Votes shall be recorded as "yes" or "no". If a majority of
8 all votes cast on the proposition are in favor of the
9 proposition, the Authority is authorized to impose the tax.

10 (b) The Authority shall impose the retailers' occupation
11 tax upon all persons engaged in the business of selling
12 tangible personal property at retail in the metropolitan area,
13 at the rate approved by referendum, on the gross receipts from
14 the sales made in the course of such business within the
15 metropolitan area. Beginning December 1, 2017, this tax is not
16 imposed on sales of aviation fuel unless the tax revenue is
17 expended for airport-related purposes. If the Authority does
18 not have an airport-related purpose to which it dedicates
19 aviation fuel tax revenue, then aviation fuel is excluded from
20 the tax. For purposes of this Act, "airport-related purposes"
21 has the meaning ascribed in Section 6z-20.2 of the State
22 Finance Act. This exclusion for aviation fuel only applies for
23 so long as the revenue use requirements of 49 U.S.C. §47107(b)
24 and 49 U.S.C. §47133 are binding on the Authority.

25 On or before September 1, 2017, and on or before each April
26 1 and October 1 thereafter, the Authority must certify to the

1 Department of Transportation, in the form and manner required
2 by the Department, whether the Authority has an airport-related
3 purpose, which would allow any Retailers' Occupation Tax and
4 Service Occupation Tax imposed by the Authority to include tax
5 on aviation fuel. On or before October 1, 2017, and on or
6 before each May 1 and November 1 thereafter, the Department of
7 Transportation shall provide to the Department of Revenue, a
8 list of units of local government which have certified to the
9 Department of Transportation that they have airport-related
10 purposes, which would allow any Retailers' Occupation Tax and
11 Service Occupation Tax imposed by the unit of local government
12 to include tax on aviation fuel. All disputes regarding whether
13 or not a unit of local government has an airport-related
14 purpose shall be resolved by the Department of Transportation.

15 The tax imposed under this Section and all civil penalties
16 that may be assessed as an incident thereof shall be collected
17 and enforced by the Department of Revenue. The Department has
18 full power to administer and enforce this Section; to collect
19 all taxes and penalties so collected in the manner provided in
20 this Section; and to determine all rights to credit memoranda
21 arising on account of the erroneous payment of tax or penalty
22 hereunder. In the administration of, and compliance with, this
23 Section, the Department and persons who are subject to this
24 Section shall (i) have the same rights, remedies, privileges,
25 immunities, powers and duties, (ii) be subject to the same
26 conditions, restrictions, limitations, penalties, exclusions,

1 exemptions, and definitions of terms, and (iii) employ the same
2 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
3 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in
4 respect to all provisions therein other than the State rate of
5 tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except as to the
6 disposition of taxes and penalties collected and provisions
7 related to quarter monthly payments, and except that the
8 retailer's discount is not allowed for taxes paid on aviation
9 fuel that are deposited into the Local Government Aviation
10 Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l,
11 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the
12 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
13 Penalty and Interest Act, as fully as if those provisions were
14 set forth in this subsection.

15 Persons subject to any tax imposed under this subsection
16 may reimburse themselves for their seller's tax liability by
17 separately stating the tax as an additional charge, which
18 charge may be stated in combination, in a single amount, with
19 State taxes that sellers are required to collect, in accordance
20 with such bracket schedules as the Department may prescribe.

21 Whenever the Department determines that a refund should be
22 made under this subsection to a claimant instead of issuing a
23 credit memorandum, the Department shall notify the State
24 Comptroller, who shall cause the warrant to be drawn for the
25 amount specified, and to the person named, in the notification
26 from the Department. The refund shall be paid by the State

1 Treasurer out of the tax fund referenced under paragraph (g) of
2 this Section.

3 If a tax is imposed under this subsection (b), a tax shall
4 also be imposed at the same rate under subsections (c) and (d)
5 of this Section.

6 For the purpose of determining whether a tax authorized
7 under this Section is applicable, a retail sale, by a producer
8 of coal or other mineral mined in Illinois, is a sale at retail
9 at the place where the coal or other mineral mined in Illinois
10 is extracted from the earth. This paragraph does not apply to
11 coal or other mineral when it is delivered or shipped by the
12 seller to the purchaser at a point outside Illinois so that the
13 sale is exempt under the Federal Constitution as a sale in
14 interstate or foreign commerce.

15 Nothing in this Section shall be construed to authorize the
16 Authority to impose a tax upon the privilege of engaging in any
17 business which under the Constitution of the United States may
18 not be made the subject of taxation by this State.

19 (c) If a tax has been imposed under subsection (b), a
20 service occupation tax shall also be imposed at the same rate
21 upon all persons engaged, in the metropolitan area, in the
22 business of making sales of service, who, as an incident to
23 making those sales of service, transfer tangible personal
24 property within the metropolitan area as an incident to a sale
25 of service. The tax imposed under this subsection and all civil
26 penalties that may be assessed as an incident thereof shall be

1 collected and enforced by the Department of Revenue.

2 Beginning December 1, 2017, this tax is not imposed on
3 sales of aviation fuel unless the tax revenue is expended for
4 airport-related purposes. If the Authority does not have an
5 airport-related purpose to which it dedicates aviation fuel tax
6 revenue, then aviation fuel is excluded from the tax. On or
7 before September 1, 2017, and on or before each April 1 and
8 October 1 thereafter, the Authority must certify to the
9 Department of Transportation, in the form and manner required
10 by the Department, whether the Authority has an airport-related
11 purpose, which would allow any Retailers' Occupation Tax and
12 Service Occupation Tax imposed by the Authority to include tax
13 on aviation fuel. On or before October 1, 2017, and on or
14 before each May 1 and November 1 thereafter, the Department of
15 Transportation shall provide to the Department of Revenue, a
16 list of units of local government which have certified to the
17 Department of Transportation that they have airport-related
18 purposes, which would allow any Retailers' Occupation Tax and
19 Service Occupation Tax imposed by the unit of local government
20 to include tax on aviation fuel. All disputes regarding whether
21 or not a unit of local government has an airport-related
22 purpose shall be resolved by the Department of Transportation.

23 The Department has full power to administer and enforce
24 this paragraph; to collect all taxes and penalties due
25 hereunder; to dispose of taxes and penalties so collected in
26 the manner hereinafter provided; and to determine all rights to

1 credit memoranda arising on account of the erroneous payment of
2 tax or penalty hereunder. In the administration of, and
3 compliance with this paragraph, the Department and persons who
4 are subject to this paragraph shall (i) have the same rights,
5 remedies, privileges, immunities, powers, and duties, (ii) be
6 subject to the same conditions, restrictions, limitations,
7 penalties, exclusions, exemptions, and definitions of terms,
8 and (iii) employ the same modes of procedure as are prescribed
9 in Sections 2 (except that the reference to State in the
10 definition of supplier maintaining a place of business in this
11 State shall mean the metropolitan area), 2a, 2b, 3 through 3-55
12 (in respect to all provisions therein other than the State rate
13 of tax), 4 (except that the reference to the State shall be to
14 the Authority), 5, 7, 8 (except that the jurisdiction to which
15 the tax shall be a debt to the extent indicated in that Section
16 8 shall be the Authority), 9 (except as to the disposition of
17 taxes and penalties collected, and except that the returned
18 merchandise credit for this tax may not be taken against any
19 State tax, and except that the retailer's discount is not
20 allowed for taxes paid on aviation fuel that are deposited into
21 the Local Government Aviation Trust Fund), 11, 12 (except the
22 reference therein to Section 2b of the Retailers' Occupation
23 Tax Act), 13 (except that any reference to the State shall mean
24 the Authority), 15, 16, 17, 18, 19 and 20 of the Service
25 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
26 Interest Act, as fully as if those provisions were set forth

1 herein.

2 Persons subject to any tax imposed under the authority
3 granted in this subsection may reimburse themselves for their
4 serviceman's tax liability by separately stating the tax as an
5 additional charge, which charge may be stated in combination,
6 in a single amount, with State tax that servicemen are
7 authorized to collect under the Service Use Tax Act, in
8 accordance with such bracket schedules as the Department may
9 prescribe.

10 Whenever the Department determines that a refund should be
11 made under this subsection to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the warrant 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 tax fund referenced under paragraph (g) of
17 this Section.

18 Nothing in this paragraph shall be construed to authorize
19 the Authority to impose a tax upon the privilege of engaging in
20 any business which under the Constitution of the United States
21 may not be made the subject of taxation by the State.

22 (d) If a tax has been imposed under subsection (b), a use
23 tax shall also be imposed at the same rate upon the privilege
24 of using, in the metropolitan area, any item of tangible
25 personal property that is purchased outside the metropolitan
26 area at retail from a retailer, and that is titled or

1 registered at a location within the metropolitan area with an
2 agency of this State's government. "Selling price" is defined
3 as in the Use Tax Act. The tax shall be collected from persons
4 whose Illinois address for titling or registration purposes is
5 given as being in the metropolitan area. The tax shall be
6 collected by the Department of Revenue for the Authority. The
7 tax must be paid to the State, or an exemption determination
8 must be obtained from the Department of Revenue, before the
9 title or certificate of registration for the property may be
10 issued. The tax or proof of exemption may be transmitted to the
11 Department by way of the State agency with which, or the State
12 officer with whom, the tangible personal property must be
13 titled or registered if the Department and the State agency or
14 State officer determine that this procedure will expedite the
15 processing of applications for title or registration.

16 The Department has full power to administer and enforce
17 this paragraph; to collect all taxes, penalties and interest
18 due hereunder; to dispose of taxes, penalties and interest so
19 collected in the manner hereinafter provided; and to determine
20 all rights to credit memoranda or refunds arising on account of
21 the erroneous payment of tax, penalty or interest hereunder. In
22 the administration of, and compliance with, this subsection,
23 the Department and persons who are subject to this paragraph
24 shall (i) have the same rights, remedies, privileges,
25 immunities, powers, and duties, (ii) be subject to the same
26 conditions, restrictions, limitations, penalties, exclusions,

1 exemptions, and definitions of terms, and (iii) employ the same
2 modes of procedure as are prescribed in Sections 2 (except the
3 definition of "retailer maintaining a place of business in this
4 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
5 7, 8 (except that the jurisdiction to which the tax shall be a
6 debt to the extent indicated in that Section 8 shall be the
7 Authority), 9 (except provisions relating to quarter monthly
8 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
9 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
10 Interest Act, that are not inconsistent with this paragraph, as
11 fully as if those provisions were set forth herein.

12 Whenever the Department determines that a refund should be
13 made under this subsection to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the order to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the tax fund referenced under paragraph (g) of
19 this Section.

20 (e) A certificate of registration issued by the State
21 Department of Revenue to a retailer under the Retailers'
22 Occupation Tax Act or under the Service Occupation Tax Act
23 shall permit the registrant to engage in a business that is
24 taxed under the tax imposed under paragraphs (b), (c), or (d)
25 of this Section and no additional registration shall be
26 required. A certificate issued under the Use Tax Act or the

1 Service Use Tax Act shall be applicable with regard to any tax
2 imposed under paragraph (c) of this Section.

3 (f) The results of any election authorizing a proposition
4 to impose a tax under this Section or effecting a change in the
5 rate of tax shall be certified by the proper election
6 authorities and filed with the Illinois Department on or before
7 the first day of April. In addition, an ordinance imposing,
8 discontinuing, or effecting a change in the rate of tax under
9 this Section shall be adopted and a certified copy thereof
10 filed with the Department on or before the first day of April.
11 After proper receipt of such certifications, the Department
12 shall proceed to administer and enforce this Section as of the
13 first day of July next following such adoption and filing.

14 (g) Except as otherwise provided, the ~~The~~ Department of
15 Revenue shall, upon collecting any taxes and penalties as
16 provided in this Section, pay the taxes and penalties over to
17 the State Treasurer as trustee for the Authority. The taxes and
18 penalties shall be held in a trust fund outside the State
19 Treasury. Taxes and penalties collected on aviation fuel sold
20 on or after December 1, 2017, shall be immediately paid over by
21 the Department to the State Treasurer, ex officio, as trustee,
22 for deposit into the Local Government Aviation Trust Fund. The
23 Department shall only pay moneys into the State Aviation
24 Program Fund under this Act for so long as the revenue use
25 requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are
26 binding on the District. On or before the 25th day of each

1 calendar month, the Department of Revenue shall prepare and
2 certify to the Comptroller of the State of Illinois the amount
3 to be paid to the Authority, which shall be the balance in the
4 fund, less any amount determined by the Department to be
5 necessary for the payment of refunds and not including taxes
6 and penalties collected on aviation fuel sold on or after
7 December 1, 2017. Within 10 days after receipt by the
8 Comptroller of the certification of the amount to be paid to
9 the Authority, the Comptroller shall cause an order to be drawn
10 for payment for the amount in accordance with the directions
11 contained in the certification. Amounts received from the tax
12 imposed under this Section shall be used only for the support,
13 construction, maintenance, or financing of a facility of the
14 Authority.

15 (h) When certifying the amount of a monthly disbursement to
16 the Authority under this Section, the Department shall increase
17 or decrease the amounts by an amount necessary to offset any
18 miscalculation of previous disbursements. The offset amount
19 shall be the amount erroneously disbursed within the previous 6
20 months from the time a miscalculation is discovered.

21 (i) This Section may be cited as the Salem Civic Center Use
22 and Occupation Tax Law.

23 (Source: P.A. 98-1098, eff. 8-26-14.)

24 Section 55. The Flood Prevention District Act is amended by
25 changing Section 25 as follows:

1 (70 ILCS 750/25)

2 Sec. 25. Flood prevention retailers' and service
3 occupation taxes.

4 (a) If the Board of Commissioners of a flood prevention
5 district determines that an emergency situation exists
6 regarding levee repair or flood prevention, and upon an
7 ordinance confirming the determination adopted by the
8 affirmative vote of a majority of the members of the county
9 board of the county in which the district is situated, the
10 county may impose a flood prevention retailers' occupation tax
11 upon all persons engaged in the business of selling tangible
12 personal property at retail within the territory of the
13 district to provide revenue to pay the costs of providing
14 emergency levee repair and flood prevention and to secure the
15 payment of bonds, notes, and other evidences of indebtedness
16 issued under this Act for a period not to exceed 25 years or as
17 required to repay the bonds, notes, and other evidences of
18 indebtedness issued under this Act. The tax rate shall be 0.25%
19 of the gross receipts from all taxable sales made in the course
20 of that business. Beginning December 1, 2017, this tax is not
21 imposed on sales of aviation fuel unless the tax revenue is
22 expended for airport-related purposes. If the District does not
23 have an airport-related purpose to which it dedicates aviation
24 fuel tax revenue, then aviation fuel is excluded from the tax.
25 The County must comply with the certification requirements for

1 airport-related purposes under Section 5-1184 of the Counties
2 Code.

3 For purposes of this Act, "airport-related purposes" has
4 the meaning ascribed in Section 6z-20.2 of the State Finance
5 Act. This exclusion for aviation fuel only applies for so long
6 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
7 U.S.C. §47133 are binding on the District.

8 The tax imposed under this Section and all civil penalties
9 that may be assessed as an incident thereof shall be collected
10 and enforced by the State Department of Revenue. The Department
11 shall have full power to administer and enforce this Section;
12 to collect all taxes and penalties so collected in the manner
13 hereinafter provided; and to determine all rights to credit
14 memoranda arising on account of the erroneous payment of tax or
15 penalty hereunder.

16 In the administration of and compliance with this
17 subsection, the Department and persons who are subject to this
18 subsection (i) have the same rights, remedies, privileges,
19 immunities, powers, and duties, (ii) are subject to the same
20 conditions, restrictions, limitations, penalties, and
21 definitions of terms, and (iii) shall employ the same modes of
22 procedure as are set forth in Sections 1 through 1o, 2 through
23 2-70 (in respect to all provisions contained in those Sections
24 other than the State rate of tax), 2a through 2h, 3 (except as
25 to the disposition of taxes and penalties collected, and except
26 that the retailer's discount is not allowed for taxes paid on

1 aviation fuel that are deposited into the Local Government
2 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
3 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the
4 Retailers' Occupation Tax Act and all provisions of the Uniform
5 Penalty and Interest Act as if those provisions were set forth
6 in this subsection.

7 Persons subject to any tax imposed under this Section may
8 reimburse themselves for their seller's tax liability
9 hereunder by separately stating the tax as an additional
10 charge, which charge may be stated in combination in a single
11 amount with State taxes that sellers are required to collect
12 under the Use Tax Act, under any bracket schedules the
13 Department may prescribe.

14 If a tax is imposed under this subsection (a), a tax shall
15 also be imposed under subsection (b) of this Section.

16 (b) If a tax has been imposed under subsection (a), a flood
17 prevention service occupation tax shall also be imposed upon
18 all persons engaged within the territory of the district in the
19 business of making sales of service, who, as an incident to
20 making the sales of service, transfer tangible personal
21 property, either in the form of tangible personal property or
22 in the form of real estate as an incident to a sale of service
23 to provide revenue to pay the costs of providing emergency
24 levee repair and flood prevention and to secure the payment of
25 bonds, notes, and other evidences of indebtedness issued under
26 this Act for a period not to exceed 25 years or as required to

1 repay the bonds, notes, and other evidences of indebtedness.
2 The tax rate shall be 0.25% of the selling price of all
3 tangible personal property transferred. Beginning December 1,
4 2017, this tax is not imposed on sales of aviation fuel unless
5 the tax revenue is expended for airport-related purposes. If
6 the District does not have an airport-related purpose to which
7 it dedicates aviation fuel tax revenue, then aviation fuel is
8 excluded from the tax. The County must comply with the
9 certification requirements for airport-related purposes under
10 Section 5-1184 of the Counties Code. For purposes of this Act,
11 "airport-related purposes" has the meaning ascribed in Section
12 6z-20.2 of the State Finance Act. This exclusion for aviation
13 fuel only applies for so long as the revenue use requirements
14 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the
15 District.

16 The tax imposed under this subsection and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 Department shall have full power to administer and enforce this
20 subsection; to collect all taxes and penalties due hereunder;
21 to dispose of taxes and penalties collected in the manner
22 hereinafter provided; and to determine all rights to credit
23 memoranda arising on account of the erroneous payment of tax or
24 penalty hereunder.

25 In the administration of and compliance with this
26 subsection, the Department and persons who are subject to this

1 subsection shall (i) have the same rights, remedies,
2 privileges, immunities, powers, and duties, (ii) be subject to
3 the same conditions, restrictions, limitations, penalties, and
4 definitions of terms, and (iii) employ the same modes of
5 procedure as are set forth in Sections 2 (except that the
6 reference to State in the definition of supplier maintaining a
7 place of business in this State means the district), 2a through
8 2d, 3 through 3-50 (in respect to all provisions contained in
9 those Sections other than the State rate of tax), 4 (except
10 that the reference to the State shall be to the district), 5,
11 7, 8 (except that the jurisdiction to which the tax is a debt
12 to the extent indicated in that Section 8 is the district), 9
13 (except as to the disposition of taxes and penalties collected,
14 and except that the retailer's discount is not allowed for
15 taxes paid on aviation fuel that are deposited into the Local
16 Government Aviation Trust Fund), 10, 11, 12 (except the
17 reference therein to Section 2b of the Retailers' Occupation
18 Tax Act), 13 (except that any reference to the State means the
19 district), Section 15, 16, 17, 18, 19, and 20 of the Service
20 Occupation Tax Act and all provisions of the Uniform Penalty
21 and Interest Act, as fully as if those provisions were set
22 forth herein.

23 Persons subject to any tax imposed under the authority
24 granted in this subsection may reimburse themselves for their
25 serviceman's tax liability hereunder by separately stating the
26 tax as an additional charge, that charge may be stated in

1 combination in a single amount with State tax that servicemen
2 are authorized to collect under the Service Use Tax Act, under
3 any bracket schedules the Department may prescribe.

4 (c) The taxes imposed in subsections (a) and (b) may not be
5 imposed on personal property titled or registered with an
6 agency of the State; food for human consumption that is to be
7 consumed off the premises where it is sold (other than
8 alcoholic beverages, soft drinks, and food that has been
9 prepared for immediate consumption); prescription and
10 non-prescription medicines, drugs, and medical appliances;
11 modifications to a motor vehicle for the purpose of rendering
12 it usable by a person with a disability; or insulin, urine
13 testing materials, and syringes and needles used by diabetics.

14 (d) Nothing in this Section shall be construed to authorize
15 the district to impose a tax upon the privilege of engaging in
16 any business that under the Constitution of the United States
17 may not be made the subject of taxation by the State.

18 (e) The certificate of registration that is issued by the
19 Department to a retailer under the Retailers' Occupation Tax
20 Act or a serviceman under the Service Occupation Tax Act
21 permits the retailer or serviceman to engage in a business that
22 is taxable without registering separately with the Department
23 under an ordinance or resolution under this Section.

24 (f) Except as otherwise provided, the ~~The~~ Department shall
25 immediately pay over to the State Treasurer, ex officio, as
26 trustee, all taxes and penalties collected under this Section

1 to be deposited into the Flood Prevention Occupation Tax Fund,
2 which shall be an unappropriated trust fund held outside the
3 State treasury. Taxes and penalties collected on aviation fuel
4 sold on or after December 1, 2017, shall be immediately paid
5 over by the Department to the State Treasurer, ex officio, as
6 trustee, for deposit into the Local Government Aviation Trust
7 Fund. The Department shall only pay moneys into the State
8 Aviation Program Fund under this Act for so long as the revenue
9 use requirements of 49 U.S.C. §47107(b) and 49 U.S.C. §47133
10 are binding on the District.

11 On or before the 25th day of each calendar month, the
12 Department shall prepare and certify to the Comptroller the
13 disbursement of stated sums of money to the counties from which
14 retailers or servicemen have paid taxes or penalties to the
15 Department during the second preceding calendar month. The
16 amount to be paid to each county is equal to the amount (not
17 including credit memoranda and not including taxes and
18 penalties collected on aviation fuel sold on or after December
19 1, 2017) collected from the county under this Section during
20 the second preceding calendar month by the Department, (i) less
21 2% of that amount (except the amount collected on aviation fuel
22 sold on or after December 1, 2017), which shall be deposited
23 into the Tax Compliance and Administration Fund and shall be
24 used by the Department in administering and enforcing the
25 provisions of this Section on behalf of the county, (ii) plus
26 an amount that the Department determines is necessary to offset

1 any amounts that were erroneously paid to a different taxing
2 body; (iii) less an amount equal to the amount of refunds made
3 during the second preceding calendar month by the Department on
4 behalf of the county; and (iv) less any amount that the
5 Department determines is necessary to offset any amounts that
6 were payable to a different taxing body but were erroneously
7 paid to the county. When certifying the amount of a monthly
8 disbursement to a county under this Section, the Department
9 shall increase or decrease the amounts by an amount necessary
10 to offset any miscalculation of previous disbursements within
11 the previous 6 months from the time a miscalculation is
12 discovered.

13 Within 10 days after receipt by the Comptroller from the
14 Department of the disbursement certification to the counties
15 provided for in this Section, the Comptroller shall cause the
16 orders to be drawn for the respective amounts in accordance
17 with directions contained in the certification.

18 If the Department determines that a refund should be made
19 under this Section to a claimant instead of issuing a credit
20 memorandum, then the Department shall notify the Comptroller,
21 who shall cause the order to be drawn for the amount specified
22 and to the person named in the notification from the
23 Department. The refund shall be paid by the Treasurer out of
24 the Flood Prevention Occupation Tax Fund.

25 (g) If a county imposes a tax under this Section, then the
26 county board shall, by ordinance, discontinue the tax upon the

1 payment of all indebtedness of the flood prevention district.
2 The tax shall not be discontinued until all indebtedness of the
3 District has been paid.

4 (h) Any ordinance imposing the tax under this Section, or
5 any ordinance that discontinues the tax, must be certified by
6 the county clerk and filed with the Illinois Department of
7 Revenue either (i) on or before the first day of April,
8 whereupon the Department shall proceed to administer and
9 enforce the tax or change in the rate as of the first day of
10 July next following the filing; or (ii) on or before the first
11 day of October, whereupon the Department shall proceed to
12 administer and enforce the tax or change in the rate as of the
13 first day of January next following the filing.

14 (j) County Flood Prevention Occupation Tax Fund. All
15 proceeds received by a county from a tax distribution under
16 this Section must be maintained in a special fund known as the
17 [name of county] flood prevention occupation tax fund. The
18 county shall, at the direction of the flood prevention
19 district, use moneys in the fund to pay the costs of providing
20 emergency levee repair and flood prevention and to pay bonds,
21 notes, and other evidences of indebtedness issued under this
22 Act.

23 (k) This Section may be cited as the Flood Prevention
24 Occupation Tax Law.

25 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;
26 99-642, eff. 7-28-16.)

1 Section 60. The Metro-East Park and Recreation District Act
2 is amended by changing Section 30 as follows:

3 (70 ILCS 1605/30)

4 Sec. 30. Taxes.

5 (a) The board shall impose a tax upon all persons engaged
6 in the business of selling tangible personal property, other
7 than personal property titled or registered with an agency of
8 this State's government, at retail in the District on the gross
9 receipts from the sales made in the course of business. This
10 tax shall be imposed only at the rate of one-tenth of one per
11 cent.

12 This additional tax may not be imposed on the sales of food
13 for human consumption that is to be consumed off the premises
14 where it is sold (other than alcoholic beverages, soft drinks,
15 and food which has been prepared for immediate consumption) and
16 prescription and non-prescription medicines, drugs, medical
17 appliances, and insulin, urine testing materials, syringes,
18 and needles used by diabetics. Beginning December 1, 2017, this
19 tax is not imposed on sales of aviation fuel unless the tax
20 revenue is expended for airport-related purposes. If the
21 District does not have an airport-related purpose to which it
22 dedicates aviation fuel tax revenue, then aviation fuel shall
23 be excluded from tax. For purposes of this Act,
24 "airport-related purposes" has the meaning ascribed in Section

1 6z-20.2 of the State Finance Act. This exception for aviation
2 fuel only applies for so long as the revenue use requirements
3 of 49 U.S.C. §47107(b) and 49 U.S.C. §47133 are binding on the
4 District.

5 On or before September 1, 2017, and on or before each April
6 1 and October 1 thereafter, the Board must certify to the
7 Department of Transportation, in the form and manner required
8 by the Department, whether the District has an airport-related
9 purpose, which would allow any Retailers' Occupation Tax and
10 Service Occupation Tax imposed by the District to include tax
11 on aviation fuel. On or before October 1, 2017, and on or
12 before each May 1 and November 1 thereafter, the Department of
13 Transportation shall provide to the Department of Revenue, a
14 list of units of local government which have certified to the
15 Department of Transportation that they have airport-related
16 purposes, which would allow any Retailers' Occupation Tax and
17 Service Occupation Tax imposed by the unit of local government
18 to include tax on aviation fuel. All disputes regarding whether
19 or not a unit of local government has an airport-related
20 purpose shall be resolved by the Department of Transportation.

21 The tax imposed by the Board under this Section and all
22 civil penalties that may be assessed as an incident of the tax
23 shall be collected and enforced by the Department of Revenue.
24 The certificate of registration that is issued by the
25 Department to a retailer under the Retailers' Occupation Tax
26 Act shall permit the retailer to engage in a business that is

1 taxable without registering separately with the Department
2 under an ordinance or resolution under this Section. The
3 Department has full power to administer and enforce this
4 Section, to collect all taxes and penalties due under this
5 Section, to dispose of taxes and penalties so collected in the
6 manner provided in this Section, and to determine all rights to
7 credit memoranda arising on account of the erroneous payment of
8 a tax or penalty under this Section. In the administration of
9 and compliance with this Section, the Department and persons
10 who are subject to this Section shall (i) have the same rights,
11 remedies, privileges, immunities, powers, and duties, (ii) be
12 subject to the same conditions, restrictions, limitations,
13 penalties, and definitions of terms, and (iii) employ the same
14 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
15 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect
16 to all provisions contained in those Sections other than the
17 State rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3
18 (except provisions relating to transaction returns and quarter
19 monthly payments, and except that the retailer's discount is
20 not allowed for taxes paid on aviation fuel that are deposited
21 into the Local Government Aviation Trust Fund), 4, 5, 5a, 5b,
22 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,
23 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
24 and the Uniform Penalty and Interest Act as if those provisions
25 were set forth in this Section.

26 Persons subject to any tax imposed under the authority

1 granted in this Section may reimburse themselves for their
2 sellers' tax liability by separately stating the tax as an
3 additional charge, which charge may be stated in combination,
4 in a single amount, with State tax which sellers are required
5 to collect under the Use Tax Act, pursuant to such bracketed
6 schedules as the Department may prescribe.

7 Whenever the Department determines that a refund should be
8 made under this Section to a claimant instead of issuing a
9 credit memorandum, the Department shall notify the State
10 Comptroller, who shall cause the order to be drawn for the
11 amount specified and to the person named in the notification
12 from the Department. The refund shall be paid by the State
13 Treasurer out of the State Metro-East Park and Recreation
14 District Fund.

15 (b) If a tax has been imposed under subsection (a), a
16 service occupation tax shall also be imposed at the same rate
17 upon all persons engaged, in the District, in the business of
18 making sales of service, who, as an incident to making those
19 sales of service, transfer tangible personal property within
20 the District as an incident to a sale of service. This tax may
21 not be imposed on sales of food for human consumption that is
22 to be consumed off the premises where it is sold (other than
23 alcoholic beverages, soft drinks, and food prepared for
24 immediate consumption) and prescription and non-prescription
25 medicines, drugs, medical appliances, and insulin, urine
26 testing materials, syringes, and needles used by diabetics.

1 Beginning December 1, 2017, this tax may not be imposed on
2 sales of aviation fuel unless the tax revenue is expended for
3 airport-related purposes. If the District does not have an
4 airport-related purpose to which it dedicates aviation fuel tax
5 revenue, then aviation fuel shall be excluded from tax. For
6 purposes of this Act, "airport-related purposes" has the
7 meaning ascribed in Section 6z-20.2 of the State Finance Act.
8 This exception for aviation fuel only applies for so long as
9 the revenue use requirements of 49 U.S.C. §47107(b) and 49
10 U.S.C. §47133 are binding on the District.

11 On or before September 1, 2017, and on or before each April
12 1 and October 1 thereafter, the Board must certify to the
13 Department of Transportation, in the form and manner required
14 by the Department, whether the District has an airport-related
15 purpose, which would allow any Retailers' Occupation Tax and
16 Service Occupation Tax imposed by the District to include tax
17 on aviation fuel. On or before October 1, 2017, and on or
18 before each May 1 and November 1 thereafter, the Department of
19 Transportation shall provide to the Department of Revenue, a
20 list of units of local government which have certified to the
21 Department of Transportation that they have airport-related
22 purposes, which would allow any Retailers' Occupation Tax and
23 Service Occupation Tax imposed by the unit of local government
24 to include tax on aviation fuel. All disputes regarding whether
25 or not a unit of local government has an airport-related
26 purpose shall be resolved by the Department of Transportation.

1 The tax imposed under this subsection and all civil
2 penalties that may be assessed as an incident thereof shall be
3 collected and enforced by the Department of Revenue. The
4 Department has full power to administer and enforce this
5 subsection; to collect all taxes and penalties due hereunder;
6 to dispose of taxes and penalties so collected in the manner
7 hereinafter provided; and to determine all rights to credit
8 memoranda arising on account of the erroneous payment of tax or
9 penalty hereunder. In the administration of, and compliance
10 with this subsection, the Department and persons who are
11 subject to this paragraph shall (i) have the same rights,
12 remedies, privileges, immunities, powers, and duties, (ii) be
13 subject to the same conditions, restrictions, limitations,
14 penalties, exclusions, exemptions, and definitions of terms,
15 and (iii) employ the same modes of procedure as are prescribed
16 in Sections 2 (except that the reference to State in the
17 definition of supplier maintaining a place of business in this
18 State shall mean the District), 2a, 2b, 2c, 3 through 3-50 (in
19 respect to all provisions therein other than the State rate of
20 tax), 4 (except that the reference to the State shall be to the
21 District), 5, 7, 8 (except that the jurisdiction to which the
22 tax shall be a debt to the extent indicated in that Section 8
23 shall be the District), 9 (except as to the disposition of
24 taxes and penalties collected, and except that the retailer's
25 discount is not allowed for taxes paid on aviation fuel that
26 are deposited into the Local Government Aviation Trust Fund),

1 10, 11, 12 (except the reference therein to Section 2b of the
2 Retailers' Occupation Tax Act), 13 (except that any reference
3 to the State shall mean the District), Sections 15, 16, 17, 18,
4 19 and 20 of the Service Occupation Tax Act and the Uniform
5 Penalty and Interest Act, as fully as if those provisions were
6 set forth herein.

7 Persons subject to any tax imposed under the authority
8 granted in this subsection may reimburse themselves for their
9 serviceman's tax liability by separately stating the tax as an
10 additional charge, which charge may be stated in combination,
11 in a single amount, with State tax that servicemen are
12 authorized to collect under the Service Use Tax Act, in
13 accordance with such bracket schedules as the Department may
14 prescribe.

15 Whenever the Department determines that a refund should be
16 made under this subsection to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the warrant to be drawn for the
19 amount specified, and to the person named, in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the State Metro-East Park and Recreation
22 District Fund.

23 Nothing in this subsection shall be construed to authorize
24 the board to impose a tax upon the privilege of engaging in any
25 business which under the Constitution of the United States may
26 not be made the subject of taxation by the State.

1 (c) Except as otherwise provided in this paragraph, the ~~The~~
2 Department shall immediately pay over to the State Treasurer,
3 ex officio, as trustee, all taxes and penalties collected under
4 this Section to be deposited into the State Metro-East Park and
5 Recreation District Fund, which shall be an unappropriated
6 trust fund held outside of the State treasury. Taxes and
7 penalties collected on aviation fuel sold on or after December
8 1, 2017, shall be immediately paid over by the Department to
9 the State Treasurer, ex officio, as trustee, for deposit into
10 the Local Government Aviation Trust Fund. The Department shall
11 only pay moneys into the State Aviation Program Fund under this
12 Act for so long as the revenue use requirements of 49 U.S.C.
13 §47107(b) and 49 U.S.C. §47133 are binding on the District.

14 As soon as possible after the first day of each month,
15 beginning January 1, 2011, upon certification of the Department
16 of Revenue, the Comptroller shall order transferred, and the
17 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
18 local sales tax increment, as defined in the Innovation
19 Development and Economy Act, collected under this Section
20 during the second preceding calendar month for sales within a
21 STAR bond district. The Department shall make this
22 certification only if the Metro East Park and Recreation
23 District imposes a tax on real property as provided in the
24 definition of "local sales taxes" under the Innovation
25 Development and Economy Act.

26 After the monthly transfer to the STAR Bonds Revenue Fund,

1 on or before the 25th day of each calendar month, the
2 Department shall prepare and certify to the Comptroller the
3 disbursement of stated sums of money pursuant to Section 35 of
4 this Act to the District from which retailers have paid taxes
5 or penalties to the Department during the second preceding
6 calendar month. The amount to be paid to the District shall be
7 the amount (not including credit memoranda and not including
8 taxes and penalties collected on aviation fuel sold on or after
9 December 1, 2017) collected under this Section during the
10 second preceding calendar month by the Department plus an
11 amount the Department determines is necessary to offset any
12 amounts that were erroneously paid to a different taxing body,
13 and not including (i) an amount equal to the amount of refunds
14 made during the second preceding calendar month by the
15 Department on behalf of the District, (ii) any amount that the
16 Department determines is necessary to offset any amounts that
17 were payable to a different taxing body but were erroneously
18 paid to the District, and (iii) any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt by the Comptroller of the disbursement
21 certification to the District provided for in this Section to
22 be given to the Comptroller by the Department, the Comptroller
23 shall cause the orders to be drawn for the respective amounts
24 in accordance with directions contained in the certification.

25 (d) For the purpose of determining whether a tax authorized
26 under this Section is applicable, a retail sale by a producer

1 of coal or another mineral mined in Illinois is a sale at
2 retail at the place where the coal or other mineral mined in
3 Illinois is extracted from the earth. This paragraph does not
4 apply to coal or another mineral when it is delivered or
5 shipped by the seller to the purchaser at a point outside
6 Illinois so that the sale is exempt under the United States
7 Constitution as a sale in interstate or foreign commerce.

8 (e) Nothing in this Section shall be construed to authorize
9 the board to impose a tax upon the privilege of engaging in any
10 business that under the Constitution of the United States may
11 not be made the subject of taxation by this State.

12 (f) An ordinance imposing a tax under this Section or an
13 ordinance extending the imposition of a tax to an additional
14 county or counties shall be certified by the board and filed
15 with the Department of Revenue either (i) on or before the
16 first day of April, whereupon the Department shall proceed to
17 administer and enforce the tax as of the first day of July next
18 following the filing; or (ii) on or before the first day of
19 October, whereupon the Department shall proceed to administer
20 and enforce the tax as of the first day of January next
21 following the filing.

22 (g) When certifying the amount of a monthly disbursement to
23 the District under this Section, the Department shall increase
24 or decrease the amounts by an amount necessary to offset any
25 misallocation of previous disbursements. The offset amount
26 shall be the amount erroneously disbursed within the previous 6

1 months from the time a misallocation is discovered.

2 (Source: P.A. 98-1098, eff. 8-26-14; 99-217, eff. 7-31-15.)

3 Section 65. The Local Mass Transit District Act is amended
4 by changing Section 5.01 as follows:

5 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

6 Sec. 5.01. Metro East Mass Transit District; use and
7 occupation taxes.

8 (a) The Board of Trustees of any Metro East Mass Transit
9 District may, by ordinance adopted with the concurrence of
10 two-thirds of the then trustees, impose throughout the District
11 any or all of the taxes and fees provided in this Section.
12 Except as otherwise provided, all ~~All~~ taxes and fees imposed
13 under this Section shall be used only for public mass
14 transportation systems, and the amount used to provide mass
15 transit service to unserved areas of the District shall be in
16 the same proportion to the total proceeds as the number of
17 persons residing in the unserved areas is to the total
18 population of the District. Except as otherwise provided in
19 this Act, taxes imposed under this Section and civil penalties
20 imposed incident thereto shall be collected and enforced by the
21 State Department of Revenue. The Department shall have the
22 power to administer and enforce the taxes and to determine all
23 rights for refunds for erroneous payments of the taxes.

24 (b) The Board may impose a Metro East Mass Transit District

1 Retailers' Occupation Tax upon all persons engaged in the
2 business of selling tangible personal property at retail in the
3 district at a rate of 1/4 of 1%, or as authorized under
4 subsection (d-5) of this Section, of the gross receipts from
5 the sales made in the course of such business within the
6 district, except that the rate of tax imposed under this
7 Section on sales of aviation fuel on or after December 1, 2017
8 shall be 0.25% in Madison County unless the Metro-East Mass
9 Transit District in Madison County has an "airport-related
10 purpose" and any additional amount authorized under subsection
11 (d-5) is expended for airport-related purposes. If there is no
12 airport-related purpose to which aviation fuel tax revenue is
13 dedicated, then aviation fuel is excluded from any future
14 increase in the tax. The rate in St. Clair County shall be
15 0.25% unless the Metro-East Mass Transit District in St. Clair
16 County has an "airport-related purpose" and the additional
17 0.50% of the 0.75% tax on aviation fuel imposed in that County
18 is expended for airport-related purposes. If there is no
19 airport-related purpose to which aviation fuel tax revenue is
20 dedicated, then aviation fuel is excluded from the tax.

21 On or before September 1, 2017, and on or before each April
22 1 and October 1 thereafter, each Metro-East Mass Transit
23 District and Madison and St. Clair Counties must certify to the
24 Department of Transportation, in the form and manner required
25 by the Department, whether they have an airport-related
26 purpose, which would allow any Retailers' Occupation Tax and

1 Service Occupation Tax imposed under this Act to include tax on
2 aviation fuel. On or before October 1, 2017, and on or before
3 each May 1 and November 1 thereafter, the Department of
4 Transportation shall provide to the Department of Revenue, a
5 list of units of local government which have certified to the
6 Department of Transportation that they have airport-related
7 purposes, which would allow any Retailers' Occupation Tax and
8 Service Occupation Tax imposed by the unit of local government
9 to include tax on aviation fuel. All disputes regarding whether
10 or not a unit of local government has an airport-related
11 purpose shall be resolved by the Department of Transportation.

12 For purposes of this Act, "airport-related purposes" has
13 the meaning ascribed in Section 6z-20.2 of the State Finance
14 Act. This exclusion for aviation fuel only applies for so long
15 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
16 U.S.C. §47133 are binding on the District.

17 The tax imposed under this Section and all civil penalties
18 that may be assessed as an incident thereof shall be collected
19 and enforced by the State Department of Revenue. The Department
20 shall have full power to administer and enforce this Section;
21 to collect all taxes and penalties so collected in the manner
22 hereinafter provided; and to determine all rights to credit
23 memoranda arising on account of the erroneous payment of tax or
24 penalty hereunder. In the administration of, and compliance
25 with, this Section, the Department and persons who are subject
26 to this Section shall have the same rights, remedies,

1 privileges, immunities, powers and duties, and be subject to
2 the same conditions, restrictions, limitations, penalties,
3 exclusions, exemptions and definitions of terms and employ the
4 same modes of procedure, as are prescribed in Sections 1, 1a,
5 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all
6 provisions therein other than the State rate of tax), 2c, 3
7 (except as to the disposition of taxes and penalties collected,
8 and except that the retailer's discount is not allowed for
9 taxes paid on aviation fuel that are deposited into the Local
10 Government Aviation Trust Fund), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g,
11 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13,
12 and 14 of the Retailers' Occupation Tax Act and Section 3-7 of
13 the Uniform Penalty and Interest Act, as fully as if those
14 provisions were set forth herein.

15 Persons subject to any tax imposed under the Section may
16 reimburse themselves for their seller's tax liability
17 hereunder by separately stating the tax as an additional
18 charge, which charge may be stated in combination, in a single
19 amount, with State taxes that sellers are required to collect
20 under the Use Tax Act, in accordance with such bracket
21 schedules as the Department may prescribe.

22 Whenever the Department determines that a refund should be
23 made under this Section to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the warrant to be drawn for the
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the Metro East Mass Transit District tax fund
3 established under paragraph (h) of this Section.

4 If a tax is imposed under this subsection (b), a tax shall
5 also be imposed under subsections (c) and (d) of this Section.

6 For the purpose of determining whether a tax authorized
7 under this Section is applicable, a retail sale, by a producer
8 of coal or other mineral mined in Illinois, is a sale at retail
9 at the place where the coal or other mineral mined in Illinois
10 is extracted from the earth. This paragraph does not apply to
11 coal or other mineral when it is delivered or shipped by the
12 seller to the purchaser at a point outside Illinois so that the
13 sale is exempt under the Federal Constitution as a sale in
14 interstate or foreign commerce.

15 No tax shall be imposed or collected under this subsection
16 on the sale of a motor vehicle in this State to a resident of
17 another state if that motor vehicle will not be titled in this
18 State.

19 Nothing in this Section shall be construed to authorize the
20 Metro East Mass Transit District to impose a tax upon the
21 privilege of engaging in any business which under the
22 Constitution of the United States may not be made the subject
23 of taxation by this State.

24 (c) If a tax has been imposed under subsection (b), a Metro
25 East Mass Transit District Service Occupation Tax shall also be
26 imposed upon all persons engaged, in the district, in the

1 business of making sales of service, who, as an incident to
2 making those sales of service, transfer tangible personal
3 property within the District, either in the form of tangible
4 personal property or in the form of real estate as an incident
5 to a sale of service. The tax rate shall be 1/4%, or as
6 authorized under subsection (d-5) of this Section, of the
7 selling price of tangible personal property so transferred
8 within the district, except that the rate of tax imposed in
9 these Counties under this Section on sales of aviation fuel on
10 or after December 1, 2017 shall be 0.25% in Madison County
11 unless the Metro-East Mass Transit District in Madison County
12 has an "airport-related purpose" and any additional amount
13 authorized under subsection (d-5) is expended for
14 airport-related purposes. If there is no airport-related
15 purpose to which aviation fuel tax revenue is dedicated, then
16 aviation fuel is excluded from any future increase in the tax.
17 The rate in St. Clair County shall be 0.25% unless the
18 Metro-East Mass Transit District in St. Clair County has an
19 "airport-related purpose" and the additional 0.50% of the 0.75%
20 tax on aviation fuel is expended for airport-related purposes.
21 If there is no airport-related purpose to which aviation fuel
22 tax revenue is dedicated, then aviation fuel is excluded from
23 the tax.

24 On or before September 1, 2017, and on or before each April
25 1 and October 1 thereafter, each Metro-East Mass Transit
26 District and Madison and St. Clair Counties must certify to the

1 Department of Transportation, in the form and manner required
2 by the Department, whether they have an airport-related
3 purpose, which would allow any Retailers' Occupation Tax and
4 Service Occupation Tax imposed under this Act to include tax on
5 aviation fuel. On or before October 1, 2017, and on or before
6 each May 1 and November 1 thereafter, the Department of
7 Transportation shall provide to the Department of Revenue, a
8 list of units of local government which have certified to the
9 Department of Transportation that they have airport-related
10 purposes, which would allow any Retailers' Occupation Tax and
11 Service Occupation Tax imposed by the unit of local government
12 to include tax on aviation fuel. All disputes regarding whether
13 or not a unit of local government has an airport-related
14 purpose shall be resolved by the Department of Transportation.

15 For purposes of this Act, "airport-related purposes" has
16 the meaning ascribed in Section 6z-20.2 of the State Finance
17 Act. This exclusion for aviation fuel only applies for so long
18 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
19 U.S.C. §47133 are binding on the District.

20 The tax imposed under this paragraph and all civil
21 penalties that may be assessed as an incident thereof shall be
22 collected and enforced by the State Department of Revenue. The
23 Department shall have full power to administer and enforce this
24 paragraph; to collect all taxes and penalties due hereunder; to
25 dispose of taxes and penalties so collected in the manner
26 hereinafter provided; and to determine all rights to credit

1 memoranda arising on account of the erroneous payment of tax or
2 penalty hereunder. In the administration of, and compliance
3 with this paragraph, the Department and persons who are subject
4 to this paragraph shall have the same rights, remedies,
5 privileges, immunities, powers and duties, and be subject to
6 the same conditions, restrictions, limitations, penalties,
7 exclusions, exemptions and definitions of terms and employ the
8 same modes of procedure as are prescribed in Sections 1a-1, 2
9 (except that the reference to State in the definition of
10 supplier maintaining a place of business in this State shall
11 mean the Authority), 2a, 3 through 3-50 (in respect to all
12 provisions therein other than the State rate of tax), 4 (except
13 that the reference to the State shall be to the Authority), 5,
14 7, 8 (except that the jurisdiction to which the tax shall be a
15 debt to the extent indicated in that Section 8 shall be the
16 District), 9 (except as to the disposition of taxes and
17 penalties collected, and except that the returned merchandise
18 credit for this tax may not be taken against any State tax, and
19 except that the retailer's discount is not allowed for taxes
20 paid on aviation fuel that are deposited into the Local
21 Government Aviation Trust Fund), 10, 11, 12 (except the
22 reference therein to Section 2b of the Retailers' Occupation
23 Tax Act), 13 (except that any reference to the State shall mean
24 the District), the first paragraph of Section 15, 16, 17, 18,
25 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
26 the Uniform Penalty and Interest Act, as fully as if those

1 provisions were set forth herein.

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

10 Whenever the Department determines that a refund should be
11 made under this paragraph to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the warrant 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 Metro East Mass Transit District tax fund
17 established under paragraph (h) of this Section.

18 Nothing in this paragraph shall be construed to authorize
19 the District to impose a tax upon the privilege of engaging in
20 any business which under the Constitution of the United States
21 may not be made the subject of taxation by the State.

22 (d) If a tax has been imposed under subsection (b), a Metro
23 East Mass Transit District Use Tax shall also be imposed upon
24 the privilege of using, in the district, any item of tangible
25 personal property that is purchased outside the district at
26 retail from a retailer, and that is titled or registered with

1 an agency of this State's government, at a rate of 1/4%, or as
2 authorized under subsection (d-5) of this Section, of the
3 selling price of the tangible personal property within the
4 District, as "selling price" is defined in the Use Tax Act. The
5 tax shall be collected from persons whose Illinois address for
6 titling or registration purposes is given as being in the
7 District. The tax shall be collected by the Department of
8 Revenue for the Metro East Mass Transit District. The tax must
9 be paid to the State, or an exemption determination must be
10 obtained from the Department of Revenue, before the title or
11 certificate of registration for the property may be issued. The
12 tax or proof of exemption may be transmitted to the Department
13 by way of the State agency with which, or the State officer
14 with whom, the tangible personal property must be titled or
15 registered if the Department and the State agency or State
16 officer determine that this procedure will expedite the
17 processing of applications for title or registration.

18 The Department shall have full power to administer and
19 enforce this paragraph; to collect all taxes, penalties and
20 interest due hereunder; to dispose of taxes, penalties and
21 interest so collected in the manner hereinafter provided; and
22 to determine all rights to credit memoranda or refunds arising
23 on account of the erroneous payment of tax, penalty or interest
24 hereunder. In the administration of, and compliance with, this
25 paragraph, the Department and persons who are subject to this
26 paragraph shall have the same rights, remedies, privileges,

1 immunities, powers and duties, and be subject to the same
2 conditions, restrictions, limitations, penalties, exclusions,
3 exemptions and definitions of terms and employ the same modes
4 of procedure, as are prescribed in Sections 2 (except the
5 definition of "retailer maintaining a place of business in this
6 State"), 3 through 3-80 (except provisions pertaining to the
7 State rate of tax, and except provisions concerning collection
8 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
9 19 (except the portions pertaining to claims by retailers and
10 except the last paragraph concerning refunds), 20, 21 and 22 of
11 the Use Tax Act and Section 3-7 of the Uniform Penalty and
12 Interest Act, that are not inconsistent with this paragraph, as
13 fully as if those provisions were set forth herein.

14 Whenever the Department determines that a refund should be
15 made under this paragraph to a claimant instead of issuing a
16 credit memorandum, the Department shall notify the State
17 Comptroller, who shall cause the order to be drawn for the
18 amount specified, and to the person named, in the notification
19 from the Department. The refund shall be paid by the State
20 Treasurer out of the Metro East Mass Transit District tax fund
21 established under paragraph (h) of this Section.

22 (d-5) (A) The county board of any county participating in
23 the Metro East Mass Transit District may authorize, by
24 ordinance, a referendum on the question of whether the tax
25 rates for the Metro East Mass Transit District Retailers'
26 Occupation Tax, the Metro East Mass Transit District Service

1 Occupation Tax, and the Metro East Mass Transit District Use
2 Tax for the District should be increased from 0.25% to 0.75%.
3 Upon adopting the ordinance, the county board shall certify the
4 proposition to the proper election officials who shall submit
5 the proposition to the voters of the District at the next
6 election, in accordance with the general election law.

7 The proposition shall be in substantially the following
8 form:

9 Shall the tax rates for the Metro East Mass Transit
10 District Retailers' Occupation Tax, the Metro East Mass
11 Transit District Service Occupation Tax, and the Metro East
12 Mass Transit District Use Tax be increased from 0.25% to
13 0.75%?

14 (B) Two thousand five hundred electors of any Metro East
15 Mass Transit District may petition the Chief Judge of the
16 Circuit Court, or any judge of that Circuit designated by the
17 Chief Judge, in which that District is located to cause to be
18 submitted to a vote of the electors the question whether the
19 tax rates for the Metro East Mass Transit District Retailers'
20 Occupation Tax, the Metro East Mass Transit District Service
21 Occupation Tax, and the Metro East Mass Transit District Use
22 Tax for the District should be increased from 0.25% to 0.75%.

23 Upon submission of such petition the court shall set a date
24 not less than 10 nor more than 30 days thereafter for a hearing
25 on the sufficiency thereof. Notice of the filing of such
26 petition and of such date shall be given in writing to the

1 District and the County Clerk at least 7 days before the date
2 of such hearing.

3 If such petition is found sufficient, the court shall enter
4 an order to submit that proposition at the next election, in
5 accordance with general election law.

6 The form of the petition shall be in substantially the
7 following form: To the Circuit Court of the County of (name of
8 county):

9 We, the undersigned electors of the (name of transit
10 district), respectfully petition your honor to submit to a
11 vote of the electors of (name of transit district) the
12 following proposition:

13 Shall the tax rates for the Metro East Mass Transit
14 District Retailers' Occupation Tax, the Metro East Mass
15 Transit District Service Occupation Tax, and the Metro East
16 Mass Transit District Use Tax be increased from 0.25% to
17 0.75%?

18 Name Address, with Street and Number.

19
20

21 (C) The votes shall be recorded as "YES" or "NO". If a
22 majority of all votes cast on the proposition are for the
23 increase in the tax rates, the Metro East Mass Transit District
24 shall begin imposing the increased rates in the District, and
25 the Department of Revenue shall begin collecting the increased
26 amounts, as provided under this Section. An ordinance imposing

1 or discontinuing a tax hereunder or effecting a change in the
2 rate thereof shall be adopted and a certified copy thereof
3 filed with the Department on or before the first day of
4 October, whereupon the Department shall proceed to administer
5 and enforce this Section as of the first day of January next
6 following the adoption and filing, or on or before the first
7 day of April, whereupon the Department shall proceed to
8 administer and enforce this Section as of the first day of July
9 next following the adoption and filing.

10 (D) If the voters have approved a referendum under this
11 subsection, before November 1, 1994, to increase the tax rate
12 under this subsection, the Metro East Mass Transit District
13 Board of Trustees may adopt by a majority vote an ordinance at
14 any time before January 1, 1995 that excludes from the rate
15 increase tangible personal property that is titled or
16 registered with an agency of this State's government. The
17 ordinance excluding titled or registered tangible personal
18 property from the rate increase must be filed with the
19 Department at least 15 days before its effective date. At any
20 time after adopting an ordinance excluding from the rate
21 increase tangible personal property that is titled or
22 registered with an agency of this State's government, the Metro
23 East Mass Transit District Board of Trustees may adopt an
24 ordinance applying the rate increase to that tangible personal
25 property. The ordinance shall be adopted, and a certified copy
26 of that ordinance shall be filed with the Department, on or

1 before October 1, whereupon the Department shall proceed to
2 administer and enforce the rate increase against tangible
3 personal property titled or registered with an agency of this
4 State's government as of the following January 1. After
5 December 31, 1995, any reimposed rate increase in effect under
6 this subsection shall no longer apply to tangible personal
7 property titled or registered with an agency of this State's
8 government. Beginning January 1, 1996, the Board of Trustees of
9 any Metro East Mass Transit District may never reimpose a
10 previously excluded tax rate increase on tangible personal
11 property titled or registered with an agency of this State's
12 government. After July 1, 2004, if the voters have approved a
13 referendum under this subsection to increase the tax rate under
14 this subsection, the Metro East Mass Transit District Board of
15 Trustees may adopt by a majority vote an ordinance that
16 excludes from the rate increase tangible personal property that
17 is titled or registered with an agency of this State's
18 government. The ordinance excluding titled or registered
19 tangible personal property from the rate increase shall be
20 adopted, and a certified copy of that ordinance shall be filed
21 with the Department on or before October 1, whereupon the
22 Department shall administer and enforce this exclusion from the
23 rate increase as of the following January 1, or on or before
24 April 1, whereupon the Department shall administer and enforce
25 this exclusion from the rate increase as of the following July
26 1. The Board of Trustees of any Metro East Mass Transit

1 District may never reimpose a previously excluded tax rate
2 increase on tangible personal property titled or registered
3 with an agency of this State's government.

4 (d-6) If the Board of Trustees of any Metro East Mass
5 Transit District has imposed a rate increase under subsection
6 (d-5) and filed an ordinance with the Department of Revenue
7 excluding titled property from the higher rate, then that Board
8 may, by ordinance adopted with the concurrence of two-thirds of
9 the then trustees, impose throughout the District a fee. The
10 fee on the excluded property shall not exceed \$20 per retail
11 transaction or an amount equal to the amount of tax excluded,
12 whichever is less, on tangible personal property that is titled
13 or registered with an agency of this State's government.
14 Beginning July 1, 2004, the fee shall apply only to titled
15 property that is subject to either the Metro East Mass Transit
16 District Retailers' Occupation Tax or the Metro East Mass
17 Transit District Service Occupation Tax. No fee shall be
18 imposed or collected under this subsection on the sale of a
19 motor vehicle in this State to a resident of another state if
20 that motor vehicle will not be titled in this State.

21 (d-7) Until June 30, 2004, if a fee has been imposed under
22 subsection (d-6), a fee shall also be imposed upon the
23 privilege of using, in the district, any item of tangible
24 personal property that is titled or registered with any agency
25 of this State's government, in an amount equal to the amount of
26 the fee imposed under subsection (d-6).

1 (d-7.1) Beginning July 1, 2004, any fee imposed by the
2 Board of Trustees of any Metro East Mass Transit District under
3 subsection (d-6) and all civil penalties that may be assessed
4 as an incident of the fees shall be collected and enforced by
5 the State Department of Revenue. Reference to "taxes" in this
6 Section shall be construed to apply to the administration,
7 payment, and remittance of all fees under this Section. For
8 purposes of any fee imposed under subsection (d-6), 4% of the
9 fee, penalty, and interest received by the Department in the
10 first 12 months that the fee is collected and enforced by the
11 Department and 2% of the fee, penalty, and interest following
12 the first 12 months (except the amount collected on aviation
13 fuel sold on or after December 1, 2017) shall be deposited into
14 the Tax Compliance and Administration Fund and shall be used by
15 the Department, subject to appropriation, to cover the costs of
16 the Department. No retailers' discount shall apply to any fee
17 imposed under subsection (d-6).

18 (d-8) No item of titled property shall be subject to both
19 the higher rate approved by referendum, as authorized under
20 subsection (d-5), and any fee imposed under subsection (d-6) or
21 (d-7).

22 (d-9) (Blank).

23 (d-10) (Blank).

24 (e) A certificate of registration issued by the State
25 Department of Revenue to a retailer under the Retailers'
26 Occupation Tax Act or under the Service Occupation Tax Act

1 shall permit the registrant to engage in a business that is
2 taxed under the tax imposed under paragraphs (b), (c) or (d) of
3 this Section and no additional registration shall be required
4 under the tax. A certificate issued under the Use Tax Act or
5 the Service Use Tax Act shall be applicable with regard to any
6 tax imposed under paragraph (c) of this Section.

7 (f) (Blank).

8 (g) Any ordinance imposing or discontinuing any tax under
9 this Section shall be adopted and a certified copy thereof
10 filed with the Department on or before June 1, whereupon the
11 Department of Revenue shall proceed to administer and enforce
12 this Section on behalf of the Metro East Mass Transit District
13 as of September 1 next following such adoption and filing.
14 Beginning January 1, 1992, an ordinance or resolution imposing
15 or discontinuing the tax hereunder shall be adopted and a
16 certified copy thereof filed with the Department on or before
17 the first day of July, whereupon the Department shall proceed
18 to administer and enforce this Section as of the first day of
19 October next following such adoption and filing. Beginning
20 January 1, 1993, except as provided in subsection (d-5) of this
21 Section, an ordinance or resolution imposing or discontinuing
22 the tax hereunder shall be adopted and a certified copy thereof
23 filed with the Department on or before the first day of
24 October, whereupon the Department shall proceed to administer
25 and enforce this Section as of the first day of January next
26 following such adoption and filing, or, beginning January 1,

1 2004, on or before the first day of April, whereupon the
2 Department shall proceed to administer and enforce this Section
3 as of the first day of July next following the adoption and
4 filing.

5 (h) Except as provided in subsection (d-7.1), the State
6 Department of Revenue shall, upon collecting any taxes as
7 provided in this Section, pay the taxes over to the State
8 Treasurer as trustee for the District. The taxes shall be held
9 in a trust fund outside the State Treasury. Taxes and penalties
10 collected in St. Clair Counties on aviation fuel sold on or
11 after December 1, 2017 from the 0.50% of the .75% rate shall be
12 immediately paid over by the Department to the State Treasurer,
13 ex officio, as trustee, for deposit into the Local Government
14 Aviation Trust Fund. The Department shall only pay moneys into
15 the Local Government Aviation Trust Fund under this Act for so
16 long as the revenue use requirements of 49 U.S.C. §47107(b) and
17 49 U.S.C. §47133 are binding on the District.

18 As soon as possible after the first day of each month,
19 beginning January 1, 2011, upon certification of the Department
20 of Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
22 local sales tax increment, as defined in the Innovation
23 Development and Economy Act, collected under this Section
24 during the second preceding calendar month for sales within a
25 STAR bond district. The Department shall make this
26 certification only if the local mass transit district imposes a

1 tax on real property as provided in the definition of "local
2 sales taxes" under the Innovation Development and Economy Act.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on or before the 25th day of each calendar month, the State
5 Department of Revenue shall prepare and certify to the
6 Comptroller of the State of Illinois the amount to be paid to
7 the District, which shall be the amount (not including credit
8 memoranda and not including taxes and penalties collected on
9 aviation fuel sold on or after December 1, 2017) collected
10 under this Section during the second preceding calendar month
11 by the Department plus an amount the Department determines is
12 necessary to offset any amounts that were erroneously paid to a
13 different taxing body, and not including any amount equal to
14 the amount of refunds made during the second preceding calendar
15 month by the Department on behalf of the District, and not
16 including any amount that the Department determines is
17 necessary to offset any amounts that were payable to a
18 different taxing body but were erroneously paid to the
19 District, and less any amounts that are transferred to the STAR
20 Bonds Revenue Fund. Within 10 days after receipt by the
21 Comptroller of the certification of the amount to be paid to
22 the District, the Comptroller shall cause an order to be drawn
23 for payment for the amount in accordance with the direction in
24 the certification.

25 (Source: P.A. 98-298, eff. 8-9-13; 99-217, eff. 7-31-15.)

1 Section 70. The Regional Transportation Authority Act is
2 amended by changing Sections 4.03 and 4.03.3 as follows:

3 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

4 Sec. 4.03. Taxes.

5 (a) In order to carry out any of the powers or purposes of
6 the Authority, the Board may by ordinance adopted with the
7 concurrence of 12 of the then Directors, impose throughout the
8 metropolitan region any or all of the taxes provided in this
9 Section. Except as otherwise provided in this Act, taxes
10 imposed under this Section and civil penalties imposed incident
11 thereto shall be collected and enforced by the State Department
12 of Revenue. The Department shall have the power to administer
13 and enforce the taxes and to determine all rights for refunds
14 for erroneous payments of the taxes. Nothing in Public Act
15 95-708 is intended to invalidate any taxes currently imposed by
16 the Authority. The increased vote requirements to impose a tax
17 shall only apply to actions taken after January 1, 2008 (the
18 effective date of Public Act 95-708).

19 (b) The Board may impose a public transportation tax upon
20 all persons engaged in the metropolitan region in the business
21 of selling at retail motor fuel for operation of motor vehicles
22 upon public highways. The tax shall be at a rate not to exceed
23 5% of the gross receipts from the sales of motor fuel in the
24 course of the business. As used in this Act, the term "motor
25 fuel" shall have the same meaning as in the Motor Fuel Tax Law.

1 The Board may provide for details of the tax. The provisions of
2 any tax shall conform, as closely as may be practicable, to the
3 provisions of the Municipal Retailers Occupation Tax Act,
4 including without limitation, conformity to penalties with
5 respect to the tax imposed and as to the powers of the State
6 Department of Revenue to promulgate and enforce rules and
7 regulations relating to the administration and enforcement of
8 the provisions of the tax imposed, except that reference in the
9 Act to any municipality shall refer to the Authority and the
10 tax shall be imposed only with regard to receipts from sales of
11 motor fuel in the metropolitan region, at rates as limited by
12 this Section.

13 (c) In connection with the tax imposed under paragraph (b)
14 of this Section the Board may impose a tax upon the privilege
15 of using in the metropolitan region motor fuel for the
16 operation of a motor vehicle upon public highways, the tax to
17 be at a rate not in excess of the rate of tax imposed under
18 paragraph (b) of this Section. The Board may provide for
19 details of the tax.

20 (d) The Board may impose a motor vehicle parking tax upon
21 the privilege of parking motor vehicles at off-street parking
22 facilities in the metropolitan region at which a fee is
23 charged, and may provide for reasonable classifications in and
24 exemptions to the tax, for administration and enforcement
25 thereof and for civil penalties and refunds thereunder and may
26 provide criminal penalties thereunder, the maximum penalties

1 not to exceed the maximum criminal penalties provided in the
2 Retailers' Occupation Tax Act. The Authority may collect and
3 enforce the tax itself or by contract with any unit of local
4 government. The State Department of Revenue shall have no
5 responsibility for the collection and enforcement unless the
6 Department agrees with the Authority to undertake the
7 collection and enforcement. As used in this paragraph, the term
8 "parking facility" means a parking area or structure having
9 parking spaces for more than 2 vehicles at which motor vehicles
10 are permitted to park in return for an hourly, daily, or other
11 periodic fee, whether publicly or privately owned, but does not
12 include parking spaces on a public street, the use of which is
13 regulated by parking meters.

14 (e) The Board may impose a Regional Transportation
15 Authority Retailers' Occupation Tax upon all persons engaged in
16 the business of selling tangible personal property at retail in
17 the metropolitan region. In Cook County the tax rate shall be
18 1.25% of the gross receipts from sales of food for human
19 consumption that is to be consumed off the premises where it is
20 sold (other than alcoholic beverages, soft drinks and food that
21 has been prepared for immediate consumption) and prescription
22 and nonprescription medicines, drugs, medical appliances and
23 insulin, urine testing materials, syringes and needles used by
24 diabetics, and 1% of the gross receipts from other taxable
25 sales made in the course of that business. In DuPage, Kane,
26 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%

1 of the gross receipts from all taxable sales made in the course
2 of that business except that the rate of tax imposed in these
3 Counties under this Section on sales of aviation fuel on or
4 after December 1, 2017 shall be 0.25% unless the Regional
5 Transportation Authority in DuPage, Kane, Lake, McHenry and
6 Will Counties has an "airport-related purpose" and the
7 additional 0.50% of the 0.75% tax on aviation fuel is expended
8 for airport-related purposes. If there is no airport-related
9 purpose to which aviation fuel tax revenue is dedicated, then
10 aviation fuel is excluded from the tax.

11 On or before September 1, 2017, and on or before each April
12 1 and October 1 thereafter, the Authority and Cook, DuPage,
13 Kane, Lake, McHenry, and Will Counties must certify to the
14 Department of Transportation, in the form and manner required
15 by the Department, whether they have an airport-related
16 purpose, which would allow any Retailers' Occupation Tax and
17 Service Occupation Tax imposed under this Act to include tax on
18 aviation fuel. On or before October 1, 2017, and on or before
19 each May 1 and November 1 thereafter, the Department of
20 Transportation shall provide to the Department of Revenue, a
21 list of units of local government which have certified to the
22 Department of Transportation that they have airport-related
23 purposes, which would allow any Retailers' Occupation Tax and
24 Service Occupation Tax imposed by the unit of local government
25 to include tax on aviation fuel. All disputes regarding whether
26 or not a unit of local government has an airport-related

1 purpose shall be resolved by the Department of Transportation.

2 For purposes of this Act, "airport-related purposes" has
3 the meaning ascribed in Section 6z-20.2 of the State Finance
4 Act. This exclusion for aviation fuel only applies for so long
5 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
6 U.S.C. §47133 are binding on the Authority.

7 The tax imposed under this Section and all civil penalties
8 that may be assessed as an incident thereof shall be collected
9 and enforced by the State Department of Revenue. The Department
10 shall have full power to administer and enforce this Section;
11 to collect all taxes and penalties so collected in the manner
12 hereinafter provided; and to determine all rights to credit
13 memoranda arising on account of the erroneous payment of tax or
14 penalty hereunder. In the administration of, and compliance
15 with this Section, the Department and persons who are subject
16 to this Section shall have the same rights, remedies,
17 privileges, immunities, powers and duties, and be subject to
18 the same conditions, restrictions, limitations, penalties,
19 exclusions, exemptions and definitions of terms, and employ the
20 same modes of procedure, as are prescribed in Sections 1, 1a,
21 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all
22 provisions therein other than the State rate of tax), 2c, 3
23 (except as to the disposition of taxes and penalties collected,
24 and except that the retailer's discount is not allowed for
25 taxes paid on aviation fuel that are deposited into the Local
26 Government Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,

1 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
2 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
3 the Uniform Penalty and Interest Act, as fully as if those
4 provisions were set forth herein.

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

12 Whenever the Department determines that a refund should be
13 made under this Section to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the warrant to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the Regional Transportation Authority tax fund
19 established under paragraph (n) of this Section.

20 If a tax is imposed under this subsection (e), a tax shall
21 also be imposed under subsections (f) and (g) of this Section.

22 For the purpose of determining whether a tax authorized
23 under this Section is applicable, a retail sale by a producer
24 of coal or other mineral mined in Illinois, is a sale at retail
25 at the place where the coal or other mineral mined in Illinois
26 is extracted from the earth. This paragraph does not apply to

1 coal or other mineral when it is delivered or shipped by the
2 seller to the purchaser at a point outside Illinois so that the
3 sale is exempt under the Federal Constitution as a sale in
4 interstate or foreign commerce.

5 No tax shall be imposed or collected under this subsection
6 on the sale of a motor vehicle in this State to a resident of
7 another state if that motor vehicle will not be titled in this
8 State.

9 Nothing in this Section shall be construed to authorize the
10 Regional Transportation Authority to impose a tax upon the
11 privilege of engaging in any business that under the
12 Constitution of the United States may not be made the subject
13 of taxation by this State.

14 (f) If a tax has been imposed under paragraph (e), a
15 Regional Transportation Authority Service Occupation Tax shall
16 also be imposed upon all persons engaged, in the metropolitan
17 region in the business of making sales of service, who as an
18 incident to making the sales of service, transfer tangible
19 personal property within the metropolitan region, either in the
20 form of tangible personal property or in the form of real
21 estate as an incident to a sale of service. In Cook County, the
22 tax rate shall be: (1) 1.25% of the serviceman's cost price of
23 food prepared for immediate consumption and transferred
24 incident to a sale of service subject to the service occupation
25 tax by an entity licensed under the Hospital Licensing Act, the
26 Nursing Home Care Act, the Specialized Mental Health

1 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
2 the MC/DD Act that is located in the metropolitan region; (2)
3 1.25% of the selling price of food for human consumption that
4 is to be consumed off the premises where it is sold (other than
5 alcoholic beverages, soft drinks and food that has been
6 prepared for immediate consumption) and prescription and
7 nonprescription medicines, drugs, medical appliances and
8 insulin, urine testing materials, syringes and needles used by
9 diabetics; and (3) 1% of the selling price from other taxable
10 sales of tangible personal property transferred. In DuPage,
11 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
12 of the selling price of all tangible personal property
13 transferred except that the rate of tax imposed in these
14 Counties under this Section on sales of aviation fuel on or
15 after December 1, 2017 shall be 0.25% unless the Regional
16 Transportation Authority in DuPage, Kane, Lake, McHenry and
17 Will Counties has an "airport-related purpose" and the
18 additional 0.50% of the 0.75% tax on aviation fuel is expended
19 for airport-related purposes. If there is no airport-related
20 purpose to which aviation fuel tax revenue is dedicated, then
21 aviation fuel is excluded from the tax..

22 On or before September 1, 2017, and on or before each April
23 1 and October 1 thereafter, the Authority and Cook, DuPage,
24 Kane, Lake, McHenry, and Will Counties must certify to the
25 Department of Transportation, in the form and manner required
26 by the Department, whether they have an airport-related

1 purpose, which would allow any Retailers' Occupation Tax and
2 Service Occupation Tax imposed under this Act to include tax on
3 aviation fuel. On or before October 1, 2017, and on or before
4 each May 1 and November 1 thereafter, the Department of
5 Transportation shall provide to the Department of Revenue, a
6 list of units of local government which have certified to the
7 Department of Transportation that they have airport-related
8 purposes, which would allow any Retailers' Occupation Tax and
9 Service Occupation Tax imposed by the unit of local government
10 to include tax on aviation fuel. All disputes regarding whether
11 or not a unit of local government has an airport-related
12 purpose shall be resolved by the Department of Transportation.

13 For purposes of this Act, "airport-related purposes" has
14 the meaning ascribed in Section 6z-20.2 of the State Finance
15 Act. This exclusion for aviation fuel only applies for so long
16 as the revenue use requirements of 49 U.S.C. §47107(b) and 49
17 U.S.C. §47133 are binding on the Authority.

18 The tax imposed under this paragraph and all civil
19 penalties that may be assessed as an incident thereof shall be
20 collected and enforced by the State Department of Revenue. The
21 Department shall have full power to administer and enforce this
22 paragraph; to collect all taxes and penalties due hereunder; to
23 dispose of taxes and penalties collected in the manner
24 hereinafter provided; and to determine all rights to credit
25 memoranda arising on account of the erroneous payment of tax or
26 penalty hereunder. In the administration of and compliance with

1 this paragraph, the Department and persons who are subject to
2 this paragraph shall have the same rights, remedies,
3 privileges, immunities, powers and duties, and be subject to
4 the same conditions, restrictions, limitations, penalties,
5 exclusions, exemptions and definitions of terms, and employ the
6 same modes of procedure, as are prescribed in Sections 1a-1, 2,
7 2a, 3 through 3-50 (in respect to all provisions therein other
8 than the State rate of tax), 4 (except that the reference to
9 the State shall be to the Authority), 5, 7, 8 (except that the
10 jurisdiction to which the tax shall be a debt to the extent
11 indicated in that Section 8 shall be the Authority), 9 (except
12 as to the disposition of taxes and penalties collected, and
13 except that the returned merchandise credit for this tax may
14 not be taken against any State tax, and except that the
15 retailer's discount is not allowed for taxes paid on aviation
16 fuel that are deposited into the Local Government Aviation
17 Trust Fund), 10, 11, 12 (except the reference therein to
18 Section 2b of the Retailers' Occupation Tax Act), 13 (except
19 that any reference to the State shall mean the Authority), the
20 first paragraph of Section 15, 16, 17, 18, 19 and 20 of the
21 Service Occupation Tax Act and Section 3-7 of the Uniform
22 Penalty and Interest Act, as fully as if those provisions were
23 set forth herein.

24 Persons subject to any tax imposed under the authority
25 granted in this paragraph may reimburse themselves for their
26 serviceman's tax liability hereunder by separately stating the

1 tax as an additional charge, that charge may be stated in
2 combination in a single amount with State tax that servicemen
3 are authorized to collect under the Service Use Tax Act, under
4 any bracket schedules the Department may prescribe.

5 Whenever the Department determines that a refund should be
6 made under this paragraph to a claimant instead of issuing a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause the warrant to be drawn for the
9 amount specified, and to the person named in the notification
10 from the Department. The refund shall be paid by the State
11 Treasurer out of the Regional Transportation Authority tax fund
12 established under paragraph (n) of this Section.

13 Nothing in this paragraph shall be construed to authorize
14 the Authority to impose a tax upon the privilege of engaging in
15 any business that under the Constitution of the United States
16 may not be made the subject of taxation by the State.

17 (g) If a tax has been imposed under paragraph (e), a tax
18 shall also be imposed upon the privilege of using in the
19 metropolitan region, any item of tangible personal property
20 that is purchased outside the metropolitan region at retail
21 from a retailer, and that is titled or registered with an
22 agency of this State's government. In Cook County the tax rate
23 shall be 1% of the selling price of the tangible personal
24 property, as "selling price" is defined in the Use Tax Act. In
25 DuPage, Kane, Lake, McHenry and Will counties the tax rate
26 shall be 0.75% of the selling price of the tangible personal

1 property, as "selling price" is defined in the Use Tax Act. The
2 tax shall be collected from persons whose Illinois address for
3 titling or registration purposes is given as being in the
4 metropolitan region. The tax shall be collected by the
5 Department of Revenue for the Regional Transportation
6 Authority. The tax must be paid to the State, or an exemption
7 determination must be obtained from the Department of Revenue,
8 before the title or certificate of registration for the
9 property may be issued. The tax or proof of exemption may be
10 transmitted to the Department by way of the State agency with
11 which, or the State officer with whom, the tangible personal
12 property must be titled or registered if the Department and the
13 State agency or State officer determine that this procedure
14 will expedite the processing of applications for title or
15 registration.

16 The Department shall have full power to administer and
17 enforce this paragraph; to collect all taxes, penalties and
18 interest due hereunder; to dispose of taxes, penalties and
19 interest collected in the manner hereinafter provided; and to
20 determine all rights to credit memoranda or refunds arising on
21 account of the erroneous payment of tax, penalty or interest
22 hereunder. In the administration of and compliance with this
23 paragraph, the Department and persons who are subject to this
24 paragraph shall have the same rights, remedies, privileges,
25 immunities, powers and duties, and be subject to the same
26 conditions, restrictions, limitations, penalties, exclusions,

1 exemptions and definitions of terms and employ the same modes
2 of procedure, as are prescribed in Sections 2 (except the
3 definition of "retailer maintaining a place of business in this
4 State"), 3 through 3-80 (except provisions pertaining to the
5 State rate of tax, and except provisions concerning collection
6 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
7 19 (except the portions pertaining to claims by retailers and
8 except the last paragraph concerning refunds), 20, 21 and 22 of
9 the Use Tax Act, and are not inconsistent with this paragraph,
10 as fully as if those provisions were set forth herein.

11 Whenever the Department determines that a refund should be
12 made under this paragraph to a claimant instead of issuing a
13 credit memorandum, the Department shall notify the State
14 Comptroller, who shall cause the order to be drawn for the
15 amount specified, and to the person named in the notification
16 from the Department. The refund shall be paid by the State
17 Treasurer out of the Regional Transportation Authority tax fund
18 established under paragraph (n) of this Section.

19 (h) The Authority may impose a replacement vehicle tax of
20 \$50 on any passenger car as defined in Section 1-157 of the
21 Illinois Vehicle Code purchased within the metropolitan region
22 by or on behalf of an insurance company to replace a passenger
23 car of an insured person in settlement of a total loss claim.
24 The tax imposed may not become effective before the first day
25 of the month following the passage of the ordinance imposing
26 the tax and receipt of a certified copy of the ordinance by the

1 Department of Revenue. The Department of Revenue shall collect
2 the tax for the Authority in accordance with Sections 3-2002
3 and 3-2003 of the Illinois Vehicle Code.

4 Except as otherwise provided in this paragraph, the ~~The~~
5 Department shall immediately pay over to the State Treasurer,
6 ex officio, as trustee, all taxes collected hereunder. Taxes
7 and penalties collected in DuPage, Kane, Lake, McHenry and Will
8 Counties on aviation fuel sold on or after December 1, 2017
9 from the 0.50% of the .75% rate shall be immediately paid over
10 by the Department to the State Treasurer, ex officio, as
11 trustee, for deposit into the Local Government Aviation Trust
12 Fund. The Department shall only pay moneys into the Local
13 Government Aviation Trust Fund under this Act for so long as
14 the revenue use requirements of 49 U.S.C. §47107(b) and 49
15 U.S.C. §47133 are binding on the Authority.

16 As soon as possible after the first day of each month,
17 beginning January 1, 2011, upon certification of the Department
18 of Revenue, the Comptroller shall order transferred, and the
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
20 local sales tax increment, as defined in the Innovation
21 Development and Economy Act, collected under this Section
22 during the second preceding calendar month for sales within a
23 STAR bond district.

24 After the monthly transfer to the STAR Bonds Revenue Fund,
25 on or before the 25th day of each calendar month, the
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to the Authority. The
2 amount to be paid to the Authority shall be the amount
3 collected hereunder during the second preceding calendar month
4 by the Department, less any amount determined by the Department
5 to be necessary for the payment of refunds, and less any
6 amounts that are transferred to the STAR Bonds Revenue Fund.
7 Within 10 days after receipt by the Comptroller of the
8 disbursement certification to the Authority provided for in
9 this Section to be given to the Comptroller by the Department,
10 the Comptroller shall cause the orders to be drawn for that
11 amount in accordance with the directions contained in the
12 certification.

13 (i) The Board may not impose any other taxes except as it
14 may from time to time be authorized by law to impose.

15 (j) A certificate of registration issued by the State
16 Department of Revenue to a retailer under the Retailers'
17 Occupation Tax Act or under the Service Occupation Tax Act
18 shall permit the registrant to engage in a business that is
19 taxed under the tax imposed under paragraphs (b), (e), (f) or
20 (g) of this Section and no additional registration shall be
21 required under the tax. A certificate issued under the Use Tax
22 Act or the Service Use Tax Act shall be applicable with regard
23 to any tax imposed under paragraph (c) of this Section.

24 (k) The provisions of any tax imposed under paragraph (c)
25 of this Section shall conform as closely as may be practicable
26 to the provisions of the Use Tax Act, including without

1 limitation conformity as to penalties with respect to the tax
2 imposed and as to the powers of the State Department of Revenue
3 to promulgate and enforce rules and regulations relating to the
4 administration and enforcement of the provisions of the tax
5 imposed. The taxes shall be imposed only on use within the
6 metropolitan region and at rates as provided in the paragraph.

7 (l) The Board in imposing any tax as provided in paragraphs
8 (b) and (c) of this Section, shall, after seeking the advice of
9 the State Department of Revenue, provide means for retailers,
10 users or purchasers of motor fuel for purposes other than those
11 with regard to which the taxes may be imposed as provided in
12 those paragraphs to receive refunds of taxes improperly paid,
13 which provisions may be at variance with the refund provisions
14 as applicable under the Municipal Retailers Occupation Tax Act.
15 The State Department of Revenue may provide for certificates of
16 registration for users or purchasers of motor fuel for purposes
17 other than those with regard to which taxes may be imposed as
18 provided in paragraphs (b) and (c) of this Section to
19 facilitate the reporting and nontaxability of the exempt sales
20 or uses.

21 (m) Any ordinance imposing or discontinuing any tax under
22 this Section shall be adopted and a certified copy thereof
23 filed with the Department on or before June 1, whereupon the
24 Department of Revenue shall proceed to administer and enforce
25 this Section on behalf of the Regional Transportation Authority
26 as of September 1 next following such adoption and filing.

1 Beginning January 1, 1992, an ordinance or resolution imposing
2 or discontinuing the tax hereunder shall be adopted and a
3 certified copy thereof filed with the Department on or before
4 the first day of July, whereupon the Department shall proceed
5 to administer and enforce this Section as of the first day of
6 October next following such adoption and filing. Beginning
7 January 1, 1993, an ordinance or resolution imposing,
8 increasing, decreasing, or discontinuing the tax hereunder
9 shall be adopted and a certified copy thereof filed with the
10 Department, whereupon the Department shall proceed to
11 administer and enforce this Section as of the first day of the
12 first month to occur not less than 60 days following such
13 adoption and filing. Any ordinance or resolution of the
14 Authority imposing a tax under this Section and in effect on
15 August 1, 2007 shall remain in full force and effect and shall
16 be administered by the Department of Revenue under the terms
17 and conditions and rates of tax established by such ordinance
18 or resolution until the Department begins administering and
19 enforcing an increased tax under this Section as authorized by
20 Public Act 95-708. The tax rates authorized by Public Act
21 95-708 are effective only if imposed by ordinance of the
22 Authority.

23 (n) The State Department of Revenue shall, upon collecting
24 any taxes as provided in this Section, pay the taxes over to
25 the State Treasurer as trustee for the Authority. The taxes
26 shall be held in a trust fund outside the State Treasury. On or

1 before the 25th day of each calendar month, the State
2 Department of Revenue shall prepare and certify to the
3 Comptroller of the State of Illinois and to the Authority (i)
4 the amount of taxes collected in each County other than Cook
5 County in the metropolitan region, (ii) the amount of taxes
6 collected within the City of Chicago, and (iii) the amount
7 collected in that portion of Cook County outside of Chicago,
8 each amount less the amount necessary for the payment of
9 refunds to taxpayers located in those areas described in items
10 (i), (ii), and (iii). Within 10 days after receipt by the
11 Comptroller of the certification of the amounts, the
12 Comptroller shall cause an order to be drawn for the payment of
13 two-thirds of the amounts certified in item (i) of this
14 subsection to the Authority and one-third of the amounts
15 certified in item (i) of this subsection to the respective
16 counties other than Cook County and the amount certified in
17 items (ii) and (iii) of this subsection to the Authority.

18 In addition to the disbursement required by the preceding
19 paragraph, an allocation shall be made in July 1991 and each
20 year thereafter to the Regional Transportation Authority. The
21 allocation shall be made in an amount equal to the average
22 monthly distribution during the preceding calendar year
23 (excluding the 2 months of lowest receipts) and the allocation
24 shall include the amount of average monthly distribution from
25 the Regional Transportation Authority Occupation and Use Tax
26 Replacement Fund. The distribution made in July 1992 and each

1 year thereafter under this paragraph and the preceding
2 paragraph shall be reduced by the amount allocated and
3 disbursed under this paragraph in the preceding calendar year.
4 The Department of Revenue shall prepare and certify to the
5 Comptroller for disbursement the allocations made in
6 accordance with this paragraph.

7 (o) Failure to adopt a budget ordinance or otherwise to
8 comply with Section 4.01 of this Act or to adopt a Five-year
9 Capital Program or otherwise to comply with paragraph (b) of
10 Section 2.01 of this Act shall not affect the validity of any
11 tax imposed by the Authority otherwise in conformity with law.

12 (p) At no time shall a public transportation tax or motor
13 vehicle parking tax authorized under paragraphs (b), (c) and
14 (d) of this Section be in effect at the same time as any
15 retailers' occupation, use or service occupation tax
16 authorized under paragraphs (e), (f) and (g) of this Section is
17 in effect.

18 Any taxes imposed under the authority provided in
19 paragraphs (b), (c) and (d) shall remain in effect only until
20 the time as any tax authorized by paragraphs (e), (f) or (g) of
21 this Section are imposed and becomes effective. Once any tax
22 authorized by paragraphs (e), (f) or (g) is imposed the Board
23 may not reimpose taxes as authorized in paragraphs (b), (c) and
24 (d) of the Section unless any tax authorized by paragraphs (e),
25 (f) or (g) of this Section becomes ineffective by means other
26 than an ordinance of the Board.

1 (q) Any existing rights, remedies and obligations
2 (including enforcement by the Regional Transportation
3 Authority) arising under any tax imposed under paragraphs (b),
4 (c) or (d) of this Section shall not be affected by the
5 imposition of a tax under paragraphs (e), (f) or (g) of this
6 Section.

7 (Source: P.A. 98-104, eff. 7-22-13; 99-180, eff. 7-29-15;
8 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

9 (70 ILCS 3615/4.03.3)

10 Sec. 4.03.3. Distribution of Revenues. This Section
11 applies only after the Department begins administering and
12 enforcing an increased tax under Section 4.03(m) as authorized
13 by this amendatory Act of the 95th General Assembly. After
14 providing for payment of its obligations with respect to bonds
15 and notes issued under the provisions of Section 4.04 and
16 obligations related to those bonds and notes, the Authority
17 shall disburse the remaining proceeds from taxes it has
18 received from the Department of Revenue under this Article IV
19 and the remaining proceeds it has received from the State under
20 Section 4.09(a) as follows:

21 (a) With respect to taxes imposed by the Authority under
22 Section 4.03, after withholding 15% of 80% of the receipts from
23 those taxes collected in Cook County at a rate of 1.25%, 15% of
24 75% of the receipts from those taxes collected in Cook County
25 at the rate of 1%, 15% of one-half of the receipts from those

1 taxes collected in DuPage, Kane, Lake, McHenry, and Will
2 Counties, and 15% of money received by the Authority from the
3 Regional Transportation Authority Occupation and Use Tax
4 Replacement Fund or from the Regional Transportation Authority
5 tax fund created in Section 4.03(n), the Board shall allocate
6 the proceeds and money remaining to the Service Boards as
7 follows:

8 (1) an amount equal to (i) 85% of 80% of the receipts
9 from those taxes collected within the City of Chicago at a
10 rate of 1.25%, (ii) 85% of 75% of the receipts from those
11 taxes collected in the City of Chicago at the rate of 1%,
12 and (iii) 85% of the money received by the Authority on
13 account of transfers to the Regional Transportation
14 Authority Occupation and Use Tax Replacement Fund or to the
15 Regional Transportation Authority tax fund created in
16 Section 4.03(n) from the County and Mass Transit District
17 Fund attributable to retail sales within the City of
18 Chicago shall be allocated to the Chicago Transit
19 Authority;

20 (2) an amount equal to (i) 85% of 80% of the receipts
21 from those taxes collected within Cook County outside of
22 the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of
23 the receipts from those taxes collected within Cook County
24 outside the City of Chicago at a rate of 1%, and (iii) 85%
25 of the money received by the Authority on account of
26 transfers to the Regional Transportation Authority

1 Occupation and Use Tax Replacement Fund or to the Regional
2 Transportation Authority tax fund created in Section
3 4.03(n) from the County and Mass Transit District Fund
4 attributable to retail sales within Cook County outside of
5 the City of Chicago shall be allocated 30% to the Chicago
6 Transit Authority, 55% to the Commuter Rail Board, and 15%
7 to the Suburban Bus Board; and

8 (3) an amount equal to 85% of one-half of the receipts
9 from the taxes collected within the Counties of DuPage,
10 Kane, Lake, McHenry, and Will shall be allocated 70% to the
11 Commuter Rail Board and 30% to the Suburban Bus Board.

12 (b) Moneys received by the Authority on account of
13 transfers to the Regional Transportation Authority Occupation
14 and Use Tax Replacement Fund from the State and Local Sales Tax
15 Reform Fund shall be allocated among the Authority and the
16 Service Boards as follows: 15% of such moneys shall be retained
17 by the Authority and the remaining 85% shall be transferred to
18 the Service Boards as soon as may be practicable after the
19 Authority receives payment. Moneys which are distributable to
20 the Service Boards pursuant to the preceding sentence shall be
21 allocated among the Service Boards on the basis of each Service
22 Board's distribution ratio. The term "distribution ratio"
23 means, for purposes of this subsection (b), the ratio of the
24 total amount distributed to a Service Board pursuant to
25 subsection (a) of Section 4.03.3 for the immediately preceding
26 calendar year to the total amount distributed to all of the

1 Service Boards pursuant to subsection (a) of Section 4.03.3 for
2 the immediately preceding calendar year.

3 (c) (i) 20% of the receipts from those taxes collected in
4 Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%
5 of the receipts from those taxes collected in Cook County under
6 Section 4.03 at the rate of 1%, (iii) 50% of the receipts from
7 those taxes collected in DuPage, Kane, Lake, McHenry, and Will
8 Counties under Section 4.03, and (iv) amounts received from the
9 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)
10 of Section 4.09 (a) (3) shall be allocated as follows: the
11 amount required to be deposited into the ADA Paratransit Fund
12 described in Section 2.01d, the amount required to be deposited
13 into the Suburban Community Mobility Fund described in Section
14 2.01e, and the amount required to be deposited into the
15 Innovation, Coordination and Enhancement Fund described in
16 Section 2.01c, and the balance shall be allocated 48% to the
17 Chicago Transit Authority, 39% to the Commuter Rail Board, and
18 13% to the Suburban Bus Board.

19 (d) Amounts received from the State under Section 4.09
20 (a) (3) (iv) shall be distributed 100% to the Chicago Transit
21 Authority.

22 (e) With respect to those taxes collected in DuPage, Kane,
23 Lake, McHenry, and Will Counties and paid directly to the
24 counties under Section 4.03, the County Board of each county
25 shall use those amounts to fund operating and capital costs of
26 public safety and public transportation services or facilities

1 or to fund operating, capital, right-of-way, construction, and
2 maintenance costs of other transportation purposes, including
3 road, bridge, public safety, and transit purposes intended to
4 improve mobility or reduce congestion in the county. The
5 receipt of funding by such counties pursuant to this paragraph
6 shall not be used as the basis for reducing any funds that such
7 counties would otherwise have received from the State of
8 Illinois, any agency or instrumentality thereof, the
9 Authority, or the Service Boards.

10 (f) The Authority by ordinance adopted by 12 of its then
11 Directors shall apportion to the Service Boards funds provided
12 by the State of Illinois under Section 4.09(a)(1) as it shall
13 determine and shall make payment of the amounts to each Service
14 Board as soon as may be practicable upon their receipt provided
15 the Authority has adopted a balanced budget as required by
16 Section 4.01 and further provided the Service Board is in
17 compliance with the requirements in Section 4.11.

18 (g) Beginning January 1, 2009, before making any payments,
19 transfers, or expenditures under this Section to a Service
20 Board, the Authority must first comply with Section 4.02a or
21 4.02b of this Act, whichever may be applicable.

22 (h) Moneys may be appropriated from the Public
23 Transportation Fund to the Office of the Executive Inspector
24 General for the costs incurred by the Executive Inspector
25 General while serving as the inspector general for the
26 Authority and each of the Service Boards. Beginning December

1 31, 2012, and each year thereafter, the Office of the Executive
2 Inspector General shall annually report to the General Assembly
3 the expenses incurred while serving as the inspector general
4 for the Authority and each of the Service Boards.

5 (Source: P.A. 97-399, eff. 8-16-11; 97-641, eff. 12-19-11.)

6 Section 75. The Water Commission Act of 1985 is amended by
7 changing Section 4 as follows:

8 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

9 Sec. 4. Taxes.

10 (a) The board of commissioners of any county water
11 commission may, by ordinance, impose throughout the territory
12 of the commission any or all of the taxes provided in this
13 Section for its corporate purposes. However, no county water
14 commission may impose any such tax unless the commission
15 certifies the proposition of imposing the tax to the proper
16 election officials, who shall submit the proposition to the
17 voters residing in the territory at an election in accordance
18 with the general election law, and the proposition has been
19 approved by a majority of those voting on the proposition.

20 The proposition shall be in the form provided in Section 5
21 or shall be substantially in the following form:

22 -----

23 Shall the (insert corporate
24 name of county water commission)

YES

1 impose (state type of tax or -----
 2 taxes to be imposed) at the NO
 3 rate of 1/4%?

4 -----

5 Taxes imposed under this Section and civil penalties
 6 imposed incident thereto shall be collected and enforced by the
 7 State Department of Revenue. The Department shall have the
 8 power to administer and enforce the taxes and to determine all
 9 rights for refunds for erroneous payments of the taxes.

10 (b) The board of commissioners may impose a County Water
 11 Commission Retailers' Occupation Tax upon all persons engaged
 12 in the business of selling tangible personal property at retail
 13 in the territory of the commission at a rate of 1/4% of the
 14 gross receipts from the sales made in the course of such
 15 business within the territory. The tax imposed under this
 16 paragraph and all civil penalties that may be assessed as an
 17 incident thereof shall be collected and enforced by the State
 18 Department of Revenue. The Department shall have full power to
 19 administer and enforce this paragraph; to collect all taxes and
 20 penalties due hereunder; to dispose of taxes and penalties so
 21 collected in the manner hereinafter provided; and to determine
 22 all rights to credit memoranda arising on account of the
 23 erroneous payment of tax or penalty hereunder. In the
 24 administration of, and compliance with, this paragraph, the
 25 Department and persons who are subject to this paragraph shall
 26 have the same rights, remedies, privileges, immunities, powers

1 and duties, and be subject to the same conditions,
2 restrictions, limitations, penalties, exclusions, exemptions
3 and definitions of terms, and employ the same modes of
4 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
5 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
6 therein other than the State rate of tax except that food for
7 human consumption that is to be consumed off the premises where
8 it is sold (other than alcoholic beverages, soft drinks, and
9 food that has been prepared for immediate consumption) and
10 prescription and nonprescription medicine, drugs, medical
11 appliances and insulin, urine testing materials, syringes, and
12 needles used by diabetics, for human use, shall not be subject
13 to tax hereunder), 2c, 3 (except as to the disposition of taxes
14 and penalties collected, and except that the retailer's
15 discount is not allowed for taxes paid on aviation fuel sold on
16 or after December 1, 2017), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g,
17 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and
18 13 of the Retailers' Occupation Tax Act and Section 3-7 of the
19 Uniform Penalty and Interest Act, as fully as if those
20 provisions were set forth herein.

21 Persons subject to any tax imposed under the authority
22 granted in this paragraph may reimburse themselves for their
23 seller's tax liability hereunder by separately stating the tax
24 as an additional charge, which charge may be stated in
25 combination, in a single amount, with State taxes that sellers
26 are required to collect under the Use Tax Act and under

1 subsection (e) of Section 4.03 of the Regional Transportation
2 Authority Act, in accordance with such bracket schedules as the
3 Department may prescribe.

4 Whenever the Department determines that a refund should be
5 made under this paragraph to a claimant instead of issuing a
6 credit memorandum, the Department shall notify the State
7 Comptroller, who shall cause the warrant to be drawn for the
8 amount specified, and to the person named, in the notification
9 from the Department. The refund shall be paid by the State
10 Treasurer out of a county water commission tax fund established
11 under paragraph (g) of this Section.

12 For the purpose of determining whether a tax authorized
13 under this paragraph is applicable, a retail sale by a producer
14 of coal or other mineral mined in Illinois is a sale at retail
15 at the place where the coal or other mineral mined in Illinois
16 is extracted from the earth. This paragraph does not apply to
17 coal or other mineral when it is delivered or shipped by the
18 seller to the purchaser at a point outside Illinois so that the
19 sale is exempt under the Federal Constitution as a sale in
20 interstate or foreign commerce.

21 If a tax is imposed under this subsection (b) a tax shall
22 also be imposed under subsections (c) and (d) of this Section.

23 No tax shall be imposed or collected under this subsection
24 on the sale of a motor vehicle in this State to a resident of
25 another state if that motor vehicle will not be titled in this
26 State.

1 Nothing in this paragraph shall be construed to authorize a
2 county water commission to impose a tax upon the privilege of
3 engaging in any business which under the Constitution of the
4 United States may not be made the subject of taxation by this
5 State.

6 (c) If a tax has been imposed under subsection (b), a
7 County Water Commission Service Occupation Tax shall also be
8 imposed upon all persons engaged, in the territory of the
9 commission, in the business of making sales of service, who, as
10 an incident to making the sales of service, transfer tangible
11 personal property within the territory. The tax rate shall be
12 1/4% of the selling price of tangible personal property so
13 transferred within the territory. The tax imposed under this
14 paragraph and all civil penalties that may be assessed as an
15 incident thereof shall be collected and enforced by the State
16 Department of Revenue. The Department shall have full power to
17 administer and enforce this paragraph; to collect all taxes and
18 penalties due hereunder; to dispose of taxes and penalties so
19 collected in the manner hereinafter provided; and to determine
20 all rights to credit memoranda arising on account of the
21 erroneous payment of tax or penalty hereunder. In the
22 administration of, and compliance with, this paragraph, the
23 Department and persons who are subject to this paragraph shall
24 have the same rights, remedies, privileges, immunities, powers
25 and duties, and be subject to the same conditions,
26 restrictions, limitations, penalties, exclusions, exemptions

1 and definitions of terms, and employ the same modes of
2 procedure, as are prescribed in Sections 1a-1, 2 (except that
3 the reference to State in the definition of supplier
4 maintaining a place of business in this State shall mean the
5 territory of the commission), 2a, 3 through 3-50 (in respect to
6 all provisions therein other than the State rate of tax except
7 that food for human consumption that is to be consumed off the
8 premises where it is sold (other than alcoholic beverages, soft
9 drinks, and food that has been prepared for immediate
10 consumption) and prescription and nonprescription medicines,
11 drugs, medical appliances and insulin, urine testing
12 materials, syringes, and needles used by diabetics, for human
13 use, shall not be subject to tax hereunder), 4 (except that the
14 reference to the State shall be to the territory of the
15 commission), 5, 7, 8 (except that the jurisdiction to which the
16 tax shall be a debt to the extent indicated in that Section 8
17 shall be the commission), 9 (except as to the disposition of
18 taxes and penalties collected and except that the returned
19 merchandise credit for this tax may not be taken against any
20 State tax, and except that the retailer's discount is not
21 allowed for taxes paid on aviation fuel sold on or after
22 December 1, 2017), 10, 11, 12 (except the reference therein to
23 Section 2b of the Retailers' Occupation Tax Act), 13 (except
24 that any reference to the State shall mean the territory of the
25 commission), the first paragraph of Section 15, 15.5, 16, 17,
26 18, 19 and 20 of the Service Occupation Tax Act as fully as if

1 those provisions were set forth herein.

2 Persons subject to any tax imposed under the authority
3 granted in this paragraph may reimburse themselves for their
4 serviceman's tax liability hereunder by separately stating the
5 tax as an additional charge, which charge may be stated in
6 combination, in a single amount, with State tax that servicemen
7 are authorized to collect under the Service Use Tax Act, and
8 any tax for which servicemen may be liable under subsection (f)
9 of Section 4.03 of the Regional Transportation Authority Act,
10 in accordance with such bracket schedules as the Department may
11 prescribe.

12 Whenever the Department determines that a refund should be
13 made under this paragraph to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the warrant to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of a county water commission tax fund established
19 under paragraph (g) of this Section.

20 Nothing in this paragraph shall be construed to authorize a
21 county water commission to impose a tax upon the privilege of
22 engaging in any business which under the Constitution of the
23 United States may not be made the subject of taxation by the
24 State.

25 (d) If a tax has been imposed under subsection (b), a tax
26 shall also imposed upon the privilege of using, in the

1 territory of the commission, any item of tangible personal
2 property that is purchased outside the territory at retail from
3 a retailer, and that is titled or registered with an agency of
4 this State's government, at a rate of 1/4% of the selling price
5 of the tangible personal property within the territory, as
6 "selling price" is defined in the Use Tax Act. The tax shall be
7 collected from persons whose Illinois address for titling or
8 registration purposes is given as being in the territory. The
9 tax shall be collected by the Department of Revenue for a
10 county water commission. The tax must be paid to the State, or
11 an exemption determination must be obtained from the Department
12 of Revenue, before the title or certificate of registration for
13 the property may be issued. The tax or proof of exemption may
14 be transmitted to the Department by way of the State agency
15 with which, or the State officer with whom, the tangible
16 personal property must be titled or registered if the
17 Department and the State agency or State officer determine that
18 this procedure will expedite the processing of applications for
19 title or registration.

20 The Department shall have full power to administer and
21 enforce this paragraph; to collect all taxes, penalties and
22 interest due hereunder; to dispose of taxes, penalties and
23 interest so collected in the manner hereinafter provided; and
24 to determine all rights to credit memoranda or refunds arising
25 on account of the erroneous payment of tax, penalty or interest
26 hereunder. In the administration of, and compliance with this

1 paragraph, the Department and persons who are subject to this
2 paragraph shall have the same rights, remedies, privileges,
3 immunities, powers and duties, and be subject to the same
4 conditions, restrictions, limitations, penalties, exclusions,
5 exemptions and definitions of terms and employ the same modes
6 of procedure, as are prescribed in Sections 2 (except the
7 definition of "retailer maintaining a place of business in this
8 State"), 3 through 3-80 (except provisions pertaining to the
9 State rate of tax, and except provisions concerning collection
10 or refunding of the tax by retailers, and except that food for
11 human consumption that is to be consumed off the premises where
12 it is sold (other than alcoholic beverages, soft drinks, and
13 food that has been prepared for immediate consumption) and
14 prescription and nonprescription medicines, drugs, medical
15 appliances and insulin, urine testing materials, syringes, and
16 needles used by diabetics, for human use, shall not be subject
17 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the
18 portions pertaining to claims by retailers and except the last
19 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
20 and Section 3-7 of the Uniform Penalty and Interest Act that
21 are not inconsistent with this paragraph, as fully as if those
22 provisions were set forth herein.

23 Whenever the Department determines that a refund should be
24 made under this paragraph to a claimant instead of issuing a
25 credit memorandum, the Department shall notify the State
26 Comptroller, who shall cause the order to be drawn for the

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of a county water commission tax fund established
4 under paragraph (g) of this Section.

5 (e) A certificate of registration issued by the State
6 Department of Revenue to a retailer under the Retailers'
7 Occupation Tax Act or under the Service Occupation Tax Act
8 shall permit the registrant to engage in a business that is
9 taxed under the tax imposed under paragraphs (b), (c) or (d) of
10 this Section and no additional registration shall be required
11 under the tax. A certificate issued under the Use Tax Act or
12 the Service Use Tax Act shall be applicable with regard to any
13 tax imposed under paragraph (c) of this Section.

14 (f) Any ordinance imposing or discontinuing any tax under
15 this Section shall be adopted and a certified copy thereof
16 filed with the Department on or before June 1, whereupon the
17 Department of Revenue shall proceed to administer and enforce
18 this Section on behalf of the county water commission as of
19 September 1 next following the adoption and filing. Beginning
20 January 1, 1992, an ordinance or resolution imposing or
21 discontinuing the tax hereunder shall be adopted and a
22 certified copy thereof filed with the Department on or before
23 the first day of July, whereupon the Department shall proceed
24 to administer and enforce this Section as of the first day of
25 October next following such adoption and filing. Beginning
26 January 1, 1993, an ordinance or resolution imposing or

1 discontinuing the tax hereunder shall be adopted and a
2 certified copy thereof filed with the Department on or before
3 the first day of October, whereupon the Department shall
4 proceed to administer and enforce this Section as of the first
5 day of January next following such adoption and filing.

6 (g) The State Department of Revenue shall, upon collecting
7 any taxes as provided in this Section, pay the taxes over to
8 the State Treasurer as trustee for the commission. The taxes
9 shall be held in a trust fund outside the State Treasury.

10 As soon as possible after the first day of each month,
11 beginning January 1, 2011, upon certification of the Department
12 of Revenue, the Comptroller shall order transferred, and the
13 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
14 local sales tax increment, as defined in the Innovation
15 Development and Economy Act, collected under this Section
16 during the second preceding calendar month for sales within a
17 STAR bond district.

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on or before the 25th day of each calendar month, the State
20 Department of Revenue shall prepare and certify to the
21 Comptroller of the State of Illinois the amount to be paid to
22 the commission, which shall be the amount (not including credit
23 memoranda) collected under this Section during the second
24 preceding calendar month by the Department plus an amount the
25 Department determines is necessary to offset any amounts that
26 were erroneously paid to a different taxing body, and not

1 including any amount equal to the amount of refunds made during
2 the second preceding calendar month by the Department on behalf
3 of the commission, and not including any amount that the
4 Department determines is necessary to offset any amounts that
5 were payable to a different taxing body but were erroneously
6 paid to the commission, and less any amounts that are
7 transferred to the STAR Bonds Revenue Fund. Within 10 days
8 after receipt by the Comptroller of the certification of the
9 amount to be paid to the commission, the Comptroller shall
10 cause an order to be drawn for the payment for the amount in
11 accordance with the direction in the certification.

12 (h) Beginning June 1, 2016, any tax imposed pursuant to
13 this Section may no longer be imposed or collected, unless a
14 continuation of the tax is approved by the voters at a
15 referendum as set forth in this Section.

16 (Source: P.A. 98-298, eff. 8-9-13; 99-217, eff. 7-31-15;
17 99-642, eff. 7-28-16.)

18 Section 80. The Environmental Impact Fee Law is amended by
19 changing Sections 315 and 320 as follows:

20 (415 ILCS 125/315)

21 (Section scheduled to be repealed on January 1, 2025)

22 Sec. 315. Fee on receivers of fuel for sale or use;
23 collection and reporting. A person that is required to pay the
24 fee imposed by this Law shall pay the fee to the Department by

1 return showing all fuel purchased, acquired, or received and
2 sold, distributed or used during the preceding calendar month,
3 including losses of fuel as the result of evaporation or
4 shrinkage due to temperature variations, and such other
5 reasonable information as the Department may require. Losses of
6 fuel as the result of evaporation or shrinkage due to
7 temperature variations may not exceed 1% of the total gallons
8 in storage at the beginning of the month, plus the receipts of
9 gallonage during the month, minus the gallonage remaining in
10 storage at the end of the month. Any loss reported that is in
11 excess of this amount shall be subject to the fee imposed by
12 Section 310 of this Law. On and after July 1, 2001, for each
13 6-month period January through June, net losses of fuel (for
14 each category of fuel that is required to be reported on a
15 return) as the result of evaporation or shrinkage due to
16 temperature variations may not exceed 1% of the total gallons
17 in storage at the beginning of each January, plus the receipts
18 of gallonage each January through June, minus the gallonage
19 remaining in storage at the end of each June. On and after July
20 1, 2001, for each 6-month period July through December, net
21 losses of fuel (for each category of fuel that is required to
22 be reported on a return) as the result of evaporation or
23 shrinkage due to temperature variations may not exceed 1% of
24 the total gallons in storage at the beginning of each July,
25 plus the receipts of gallonage each July through December,
26 minus the gallonage remaining in storage at the end of each

1 December. Any net loss reported that is in excess of this
2 amount shall be subject to the fee imposed by Section 310 of
3 this Law. For purposes of this Section, "net loss" means the
4 number of gallons gained through temperature variations minus
5 the number of gallons lost through temperature variations or
6 evaporation for each of the respective 6-month periods.

7 The return shall be prescribed by the Department and shall
8 be filed between the 1st and 20th days of each calendar month.
9 The Department may, in its discretion, combine the return filed
10 under this Law with the return filed under Section 2b of the
11 Motor Fuel Tax Law. If the return is timely filed, the receiver
12 may take a discount of 2% through June 30, 2003 and 1.75%
13 thereafter to reimburse himself for the expenses incurred in
14 keeping records, preparing and filing returns, collecting and
15 remitting the fee, and supplying data to the Department on
16 request. However, the discount applies only to the amount of
17 the fee payment that accompanies a return that is timely filed
18 in accordance with this Section. The discount is not permitted
19 on fees paid on aviation fuel sold or used on and after
20 December 1, 2017. This exception for aviation fuel only applies
21 for so long as the revenue use requirements of 49 U.S.C. §47017
22 (b) and 49 U.S.C. §47133 are binding on the State.

23 Beginning on January 1, 2018, each retailer required or
24 authorized to collect the fee imposed by this Act on aviation
25 fuel at retail in this State during the preceding calendar
26 month shall, instead of reporting and paying tax on aviation

1 fuel as otherwise required by this Section, file an aviation
2 fuel tax return with the Department, on or before the twentieth
3 day of each calendar month. The requirements related to the
4 return shall be as otherwise provided in this Section.
5 Notwithstanding any other provisions of this Act to the
6 contrary, retailers collecting fees on aviation fuel shall file
7 all aviation fuel tax returns and shall make all aviation fuel
8 fee payments by electronic means in the manner and form
9 required by the Department. For purposes of this paragraph,
10 "aviation fuel" means a product that is intended for use or
11 offered for sale as fuel for an aircraft.

12 (Source: P.A. 92-30, eff. 7-1-01; 93-32, eff. 6-20-03.)

13 (415 ILCS 125/320)

14 (Section scheduled to be repealed on January 1, 2025)

15 Sec. 320. Deposit of fee receipts. Except as otherwise
16 provided in this paragraph, all ~~All~~ money received by the
17 Department under this Law shall be deposited in the Underground
18 Storage Tank Fund created by Section 57.11 of the Environmental
19 Protection Act. All money received for aviation fuel by the
20 Department under this Law on or after December 1, 2017, shall
21 be immediately paid over by the Department to the State
22 Aviation Program Fund. The Department shall only pay such
23 moneys into the State Aviation Program Fund under this Act for
24 so long as the revenue use requirements of 49 U.S.C. §47107(b)
25 and 49 U.S.C. §47133 are binding on the State. For purposes of

1 this section, "aviation fuel" means a product that is intended
2 for use or offered for sale as fuel for an aircraft.

3 (Source: P.A. 89-428, eff. 1-1-96; 89-457, eff. 5-22-96; 90-14,
4 eff. 7-1-97.)

5 Section 99. Effective date. This Act takes effect upon
6 becoming law."