



Sen. Pamela J. Althoff

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1 AMENDMENT TO SENATE BILL 1283

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1283 by replacing  
3 everything after the enacting clause with the following:

4 "Section 3. The Illinois Income Tax Act is amended by  
5 changing Section 704A as follows:

6 (35 ILCS 5/704A)

7 Sec. 704A. Employer's return and payment of tax withheld.

8 (a) In general, every employer who deducts and withholds or  
9 is required to deduct and withhold tax under this Act on or  
10 after January 1, 2008 shall make those payments and returns as  
11 provided in this Section.

12 (b) Returns. Every employer shall, in the form and manner  
13 required by the Department, make returns with respect to taxes  
14 withheld or required to be withheld under this Article 7 for  
15 each quarter beginning on or after January 1, 2008, on or  
16 before the last day of the first month following the close of

1 that quarter.

2 (c) Payments. With respect to amounts withheld or required  
3 to be withheld on or after January 1, 2008:

4 (1) Semi-weekly payments. For each calendar year, each  
5 employer who withheld or was required to withhold more than  
6 \$12,000 during the one-year period ending on June 30 of the  
7 immediately preceding calendar year, payment must be made:

8 (A) on or before each Friday of the calendar year,  
9 for taxes withheld or required to be withheld on the  
10 immediately preceding Saturday, Sunday, Monday, or  
11 Tuesday;

12 (B) on or before each Wednesday of the calendar  
13 year, for taxes withheld or required to be withheld on  
14 the immediately preceding Wednesday, Thursday, or  
15 Friday.

16 Beginning with calendar year 2011, payments made under  
17 this paragraph (1) of subsection (c) must be made by  
18 electronic funds transfer.

19 (2) Semi-weekly payments. Any employer who withholds  
20 or is required to withhold more than \$12,000 in any quarter  
21 of a calendar year is required to make payments on the  
22 dates set forth under item (1) of this subsection (c) for  
23 each remaining quarter of that calendar year and for the  
24 subsequent calendar year.

25 (3) Monthly payments. Each employer, other than an  
26 employer described in items (1) or (2) of this subsection,

1 shall pay to the Department, on or before the 15th day of  
2 each month the taxes withheld or required to be withheld  
3 during the immediately preceding month.

4 (4) Payments with returns. Each employer shall pay to  
5 the Department, on or before the due date for each return  
6 required to be filed under this Section, any tax withheld  
7 or required to be withheld during the period for which the  
8 return is due and not previously paid to the Department.

9 (d) Regulatory authority. The Department may, by rule:

10 (1) Permit employers, in lieu of the requirements of  
11 subsections (b) and (c), to file annual returns due on or  
12 before January 31 of the year for taxes withheld or  
13 required to be withheld during the previous calendar year  
14 and, if the aggregate amounts required to be withheld by  
15 the employer under this Article 7 (other than amounts  
16 required to be withheld under Section 709.5) do not exceed  
17 \$1,000 for the previous calendar year, to pay the taxes  
18 required to be shown on each such return no later than the  
19 due date for such return.

20 (2) Provide that any payment required to be made under  
21 subsection (c)(1) or (c)(2) is deemed to be timely to the  
22 extent paid by electronic funds transfer on or before the  
23 due date for deposit of federal income taxes withheld from,  
24 or federal employment taxes due with respect to, the wages  
25 from which the Illinois taxes were withheld.

26 (3) Designate one or more depositories to which payment

1 of taxes required to be withheld under this Article 7 must  
2 be paid by some or all employers.

3 (4) Increase the threshold dollar amounts at which  
4 employers are required to make semi-weekly payments under  
5 subsection (c) (1) or (c) (2).

6 (e) Annual return and payment. Every employer who deducts  
7 and withholds or is required to deduct and withhold tax from a  
8 person engaged in domestic service employment, as that term is  
9 defined in Section 3510 of the Internal Revenue Code, may  
10 comply with the requirements of this Section with respect to  
11 such employees by filing an annual return and paying the taxes  
12 required to be deducted and withheld on or before the 15th day  
13 of the fourth month following the close of the employer's  
14 taxable year. The Department may allow the employer's return to  
15 be submitted with the employer's individual income tax return  
16 or to be submitted with a return due from the employer under  
17 Section 1400.2 of the Unemployment Insurance Act.

18 (f) Magnetic media and electronic filing.

19 With respect to taxes withheld in calendar years prior to  
20 2017, any ~~Any~~ W-2 Form that, under the Internal Revenue Code  
21 and regulations promulgated thereunder, is required to be  
22 submitted to the Internal Revenue Service on magnetic media or  
23 electronically must also be submitted to the Department on  
24 magnetic media or electronically for Illinois purposes, if  
25 required by the Department.

26 With respect to taxes withheld in 2017 and subsequent

1 calendar years, the Department may, by rule, require that any  
2 return (including any amended return) under this Section and  
3 any W-2 Form that is required to be submitted to the Department  
4 must be submitted on magnetic media or electronically.

5 The due date for submitting W-2 Forms shall be as  
6 prescribed by the Department by rule.

7 (g) For amounts deducted or withheld after December 31,  
8 2009, a taxpayer who makes an election under subsection (f) of  
9 Section 5-15 of the Economic Development for a Growing Economy  
10 Tax Credit Act for a taxable year shall be allowed a credit  
11 against payments due under this Section for amounts withheld  
12 during the first calendar year beginning after the end of that  
13 taxable year equal to the amount of the credit for the  
14 incremental income tax attributable to full-time employees of  
15 the taxpayer awarded to the taxpayer by the Department of  
16 Commerce and Economic Opportunity under the Economic  
17 Development for a Growing Economy Tax Credit Act for the  
18 taxable year and credits not previously claimed and allowed to  
19 be carried forward under Section 211(4) of this Act as provided  
20 in subsection (f) of Section 5-15 of the Economic Development  
21 for a Growing Economy Tax Credit Act. The credit or credits may  
22 not reduce the taxpayer's obligation for any payment due under  
23 this Section to less than zero. If the amount of the credit or  
24 credits exceeds the total payments due under this Section with  
25 respect to amounts withheld during the calendar year, the  
26 excess may be carried forward and applied against the

1 taxpayer's liability under this Section in the succeeding  
2 calendar years as allowed to be carried forward under paragraph  
3 (4) of Section 211 of this Act. The credit or credits shall be  
4 applied to the earliest year for which there is a tax  
5 liability. If there are credits from more than one taxable year  
6 that are available to offset a liability, the earlier credit  
7 shall be applied first. Each employer who deducts and withholds  
8 or is required to deduct and withhold tax under this Act and  
9 who retains income tax withholdings under subsection (f) of  
10 Section 5-15 of the Economic Development for a Growing Economy  
11 Tax Credit Act must make a return with respect to such taxes  
12 and retained amounts in the form and manner that the  
13 Department, by rule, requires and pay to the Department or to a  
14 depository designated by the Department those withheld taxes  
15 not retained by the taxpayer. For purposes of this subsection  
16 (g), the term taxpayer shall include taxpayer and members of  
17 the taxpayer's unitary business group as defined under  
18 paragraph (27) of subsection (a) of Section 1501 of this Act.  
19 This Section is exempt from the provisions of Section 250 of  
20 this Act.

21 (h) An employer may claim a credit against payments due  
22 under this Section for amounts withheld during the first  
23 calendar year ending after the date on which a tax credit  
24 certificate was issued under Section 35 of the Small Business  
25 Job Creation Tax Credit Act. The credit shall be equal to the  
26 amount shown on the certificate, but may not reduce the

1 taxpayer's obligation for any payment due under this Section to  
2 less than zero. If the amount of the credit exceeds the total  
3 payments due under this Section with respect to amounts  
4 withheld during the calendar year, the excess may be carried  
5 forward and applied against the taxpayer's liability under this  
6 Section in the 5 succeeding calendar years. The credit shall be  
7 applied to the earliest year for which there is a tax  
8 liability. If there are credits from more than one calendar  
9 year that are available to offset a liability, the earlier  
10 credit shall be applied first. This Section is exempt from the  
11 provisions of Section 250 of this Act.

12 (Source: P.A. 96-834, eff. 12-14-09; 96-888, eff. 4-13-10;  
13 96-905, eff. 6-4-10; 96-1027, eff. 7-12-10; 97-333, eff.  
14 8-12-11; 97-507, eff. 8-23-11.)

15 Section 5. The Use Tax Act is amended by changing Section 9  
16 as follows:

17 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

18 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
19 and trailers that are required to be registered with an agency  
20 of this State, each retailer required or authorized to collect  
21 the tax imposed by this Act shall pay to the Department the  
22 amount of such tax (except as otherwise provided) at the time  
23 when he is required to file his return for the period during  
24 which such tax was collected, less a discount of 2.1% prior to

1 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
2 per calendar year, whichever is greater, which is allowed to  
3 reimburse the retailer for expenses incurred in collecting the  
4 tax, keeping records, preparing and filing returns, remitting  
5 the tax and supplying data to the Department on request. In the  
6 case of retailers who report and pay the tax on a transaction  
7 by transaction basis, as provided in this Section, such  
8 discount shall be taken with each such tax remittance instead  
9 of when such retailer files his periodic return. The discount  
10 allowed under this Section is allowed only for returns that are  
11 filed in the manner required by this Act. The Department may  
12 disallow the discount for retailers whose certificate of  
13 registration is revoked at the time the return is filed, but  
14 only if the Department's decision to revoke the certificate of  
15 registration has become final. A retailer need not remit that  
16 part of any tax collected by him to the extent that he is  
17 required to remit and does remit the tax imposed by the  
18 Retailers' Occupation Tax Act, with respect to the sale of the  
19 same property.

20 Where such tangible personal property is sold under a  
21 conditional sales contract, or under any other form of sale  
22 wherein the payment of the principal sum, or a part thereof, is  
23 extended beyond the close of the period for which the return is  
24 filed, the retailer, in collecting the tax (except as to motor  
25 vehicles, watercraft, aircraft, and trailers that are required  
26 to be registered with an agency of this State), may collect for



1 each tax return period, only the tax applicable to that part of  
2 the selling price actually received during such tax return  
3 period.

4 Except as provided in this Section, on or before the  
5 twentieth day of each calendar month, such retailer shall file  
6 a return for the preceding calendar month. Such return shall be  
7 filed on forms prescribed by the Department and shall furnish  
8 such information as the Department may reasonably require. On  
9 and after January 1, 2018, except for returns for motor  
10 vehicles, watercraft, aircraft, and trailers that are required  
11 to be registered with an agency of this State, with respect to  
12 retailers whose annual gross receipts average \$20,000 or more,  
13 all returns required to be filed pursuant to this Act shall be  
14 filed electronically. Retailers who demonstrate that they do  
15 not have access to the Internet or demonstrate hardship in  
16 filing electronically may petition the Department to waive the  
17 electronic filing requirement.

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

- 25 1. The name of the seller;
- 26 2. The address of the principal place of business from

1 which he engages in the business of selling tangible  
2 personal property at retail in this State;

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

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

10 5. The amount of tax due;

11 5-5. The signature of the taxpayer; and

12 6. Such other reasonable information as the Department  
13 may require.

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

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

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

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

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

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

1 payments by electronic funds transfer shall make those payments  
2 in the manner authorized by the Department.

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

6 Before October 1, 2000, if the taxpayer's average monthly  
7 tax liability to the Department under this Act, the Retailers'  
8 Occupation Tax Act, the Service Occupation Tax Act, the Service  
9 Use Tax Act was \$10,000 or more during the preceding 4 complete  
10 calendar quarters, he shall file a return with the Department  
11 each month by the 20th day of the month next following the  
12 month during which such tax liability is incurred and shall  
13 make payments to the Department on or before the 7th, 15th,  
14 22nd and last day of the month during which such liability is  
15 incurred. On and after October 1, 2000, if the taxpayer's  
16 average monthly tax liability to the Department under this Act,  
17 the Retailers' Occupation Tax Act, the Service Occupation Tax  
18 Act, and the Service Use Tax Act was \$20,000 or more during the  
19 preceding 4 complete calendar quarters, he shall file a return  
20 with the Department each month by the 20th day of the month  
21 next following the month during which such tax liability is  
22 incurred and shall make payment to the Department on or before  
23 the 7th, 15th, 22nd and last day of the month during which such  
24 liability is incurred. If the month during which such tax  
25 liability is incurred began prior to January 1, 1985, each  
26 payment shall be in an amount equal to 1/4 of the taxpayer's

1 actual liability for the month or an amount set by the  
2 Department not to exceed 1/4 of the average monthly liability  
3 of the taxpayer to the Department for the preceding 4 complete  
4 calendar quarters (excluding the month of highest liability and  
5 the month of lowest liability in such 4 quarter period). If the  
6 month during which such tax liability is incurred begins on or  
7 after January 1, 1985, and prior to January 1, 1987, each  
8 payment shall be in an amount equal to 22.5% of the taxpayer's  
9 actual liability for the month or 27.5% of the taxpayer's  
10 liability for the same calendar month of the preceding year. If  
11 the month during which such tax liability is incurred begins on  
12 or after January 1, 1987, and prior to January 1, 1988, each  
13 payment shall be in an amount equal to 22.5% of the taxpayer's  
14 actual liability for the month or 26.25% of the taxpayer's  
15 liability for the same calendar month of the preceding year. If  
16 the month during which such tax liability is incurred begins on  
17 or after January 1, 1988, and prior to January 1, 1989, or  
18 begins on or after January 1, 1996, each payment shall be in an  
19 amount equal to 22.5% of the taxpayer's actual liability for  
20 the month or 25% of the taxpayer's liability for the same  
21 calendar month of the preceding year. If the month during which  
22 such tax liability is incurred begins on or after January 1,  
23 1989, and prior to January 1, 1996, each payment shall be in an  
24 amount equal to 22.5% of the taxpayer's actual liability for  
25 the month or 25% of the taxpayer's liability for the same  
26 calendar month of the preceding year or 100% of the taxpayer's

1 actual liability for the quarter monthly reporting period. The  
2 amount of such quarter monthly payments shall be credited  
3 against the final tax liability of the taxpayer's return for  
4 that month. Before October 1, 2000, once applicable, the  
5 requirement of the making of quarter monthly payments to the  
6 Department shall continue until such taxpayer's average  
7 monthly liability to the Department during the preceding 4  
8 complete calendar quarters (excluding the month of highest  
9 liability and the month of lowest liability) is less than  
10 \$9,000, or until such taxpayer's average monthly liability to  
11 the Department as computed for each calendar quarter of the 4  
12 preceding complete calendar quarter period is less than  
13 \$10,000. However, if a taxpayer can show the Department that a  
14 substantial change in the taxpayer's business has occurred  
15 which causes the taxpayer to anticipate that his average  
16 monthly tax liability for the reasonably foreseeable future  
17 will fall below the \$10,000 threshold stated above, then such  
18 taxpayer may petition the Department for change in such  
19 taxpayer's reporting status. On and after October 1, 2000, once  
20 applicable, the requirement of the making of quarter monthly  
21 payments to the Department shall continue until such taxpayer's  
22 average monthly liability to the Department during the  
23 preceding 4 complete calendar quarters (excluding the month of  
24 highest liability and the month of lowest liability) is less  
25 than \$19,000 or until such taxpayer's average monthly liability  
26 to the Department as computed for each calendar quarter of the

1 4 preceding complete calendar quarter period is less than  
2 \$20,000. However, if a taxpayer can show the Department that a  
3 substantial change in the taxpayer's business has occurred  
4 which causes the taxpayer to anticipate that his average  
5 monthly tax liability for the reasonably foreseeable future  
6 will fall below the \$20,000 threshold stated above, then such  
7 taxpayer may petition the Department for a change in such  
8 taxpayer's reporting status. The Department shall change such  
9 taxpayer's reporting status unless it finds that such change is  
10 seasonal in nature and not likely to be long term. If any such  
11 quarter monthly payment is not paid at the time or in the  
12 amount required by this Section, then the taxpayer shall be  
13 liable for penalties and interest on the difference between the  
14 minimum amount due and the amount of such quarter monthly  
15 payment actually and timely paid, except insofar as the  
16 taxpayer has previously made payments for that month to the  
17 Department in excess of the minimum payments previously due as  
18 provided in this Section. The Department shall make reasonable  
19 rules and regulations to govern the quarter monthly payment  
20 amount and quarter monthly payment dates for taxpayers who file  
21 on other than a calendar monthly basis.

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

1 no later than 30 days after the date of payment, which  
2 memorandum may be submitted by the taxpayer to the Department  
3 in payment of tax liability subsequently to be remitted by the  
4 taxpayer to the Department or be assigned by the taxpayer to a  
5 similar taxpayer under this Act, the Retailers' Occupation Tax  
6 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
7 in accordance with reasonable rules and regulations to be  
8 prescribed by the Department, except that if such excess  
9 payment is shown on an original monthly return and is made  
10 after December 31, 1986, no credit memorandum shall be issued,  
11 unless requested by the taxpayer. If no such request is made,  
12 the taxpayer may credit such excess payment against tax  
13 liability subsequently to be remitted by the taxpayer to the  
14 Department under this Act, the Retailers' Occupation Tax Act,  
15 the Service Occupation Tax Act or the Service Use Tax Act, in  
16 accordance with reasonable rules and regulations prescribed by  
17 the Department. If the Department subsequently determines that  
18 all or any part of the credit taken was not actually due to the  
19 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall  
20 be reduced by 2.1% or 1.75% of the difference between the  
21 credit taken and that actually due, and the taxpayer shall be  
22 liable for penalties and interest on such difference.

23 If the retailer is otherwise required to file a monthly  
24 return and if the retailer's average monthly tax liability to  
25 the Department does not exceed \$200, the Department may  
26 authorize his returns to be filed on a quarter annual basis,



1 with the return for January, February, and March of a given  
2 year being due by April 20 of such year; with the return for  
3 April, May and June of a given year being due by July 20 of such  
4 year; with the return for July, August and September of a given  
5 year being due by October 20 of such year, and with the return  
6 for October, November and December of a given year being due by  
7 January 20 of the following year.

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

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

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

24 In addition, with respect to motor vehicles, watercraft,  
25 aircraft, and trailers that are required to be registered with  
26 an agency of this State, every retailer selling this kind of

1 tangible personal property shall file, with the Department,  
2 upon a form to be prescribed and supplied by the Department, a  
3 separate return for each such item of tangible personal  
4 property which the retailer sells, except that if, in the same  
5 transaction, (i) a retailer of aircraft, watercraft, motor  
6 vehicles or trailers transfers more than one aircraft,  
7 watercraft, motor vehicle or trailer to another aircraft,  
8 watercraft, motor vehicle or trailer retailer for the purpose  
9 of resale or (ii) a retailer of aircraft, watercraft, motor  
10 vehicles, or trailers transfers more than one aircraft,  
11 watercraft, motor vehicle, or trailer to a purchaser for use as  
12 a qualifying rolling stock as provided in Section 3-55 of this  
13 Act, then that seller may report the transfer of all the  
14 aircraft, watercraft, motor vehicles or trailers involved in  
15 that transaction to the Department on the same uniform  
16 invoice-transaction reporting return form. For purposes of  
17 this Section, "watercraft" means a Class 2, Class 3, or Class 4  
18 watercraft as defined in Section 3-2 of the Boat Registration  
19 and Safety Act, a personal watercraft, or any boat equipped  
20 with an inboard motor.

21 The transaction reporting return in the case of motor  
22 vehicles or trailers that are required to be registered with an  
23 agency of this State, shall be the same document as the Uniform  
24 Invoice referred to in Section 5-402 of the Illinois Vehicle  
25 Code and must show the name and address of the seller; the name  
26 and address of the purchaser; the amount of the selling price

1 including the amount allowed by the retailer for traded-in  
2 property, if any; the amount allowed by the retailer for the  
3 traded-in tangible personal property, if any, to the extent to  
4 which Section 2 of this Act allows an exemption for the value  
5 of traded-in property; the balance payable after deducting such  
6 trade-in allowance from the total selling price; the amount of  
7 tax due from the retailer with respect to such transaction; the  
8 amount of tax collected from the purchaser by the retailer on  
9 such transaction (or satisfactory evidence that such tax is not  
10 due in that particular instance, if that is claimed to be the  
11 fact); the place and date of the sale; a sufficient  
12 identification of the property sold; such other information as  
13 is required in Section 5-402 of the Illinois Vehicle Code, and  
14 such other information as the Department may reasonably  
15 require.

16 The transaction reporting return in the case of watercraft  
17 and aircraft must show the name and address of the seller; the  
18 name and address of the purchaser; the amount of the selling  
19 price including the amount allowed by the retailer for  
20 traded-in property, if any; the amount allowed by the retailer  
21 for the traded-in tangible personal property, if any, to the  
22 extent to which Section 2 of this Act allows an exemption for  
23 the value of traded-in property; the balance payable after  
24 deducting such trade-in allowance from the total selling price;  
25 the amount of tax due from the retailer with respect to such  
26 transaction; the amount of tax collected from the purchaser by

1 the retailer on such transaction (or satisfactory evidence that  
2 such tax is not due in that particular instance, if that is  
3 claimed to be the fact); the place and date of the sale, a  
4 sufficient identification of the property sold, and such other  
5 information as the Department may reasonably require.

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

18 With each such transaction reporting return, the retailer  
19 shall remit the proper amount of tax due (or shall submit  
20 satisfactory evidence that the sale is not taxable if that is  
21 the case), to the Department or its agents, whereupon the  
22 Department shall issue, in the purchaser's name, a tax receipt  
23 (or a certificate of exemption if the Department is satisfied  
24 that the particular sale is tax exempt) which such purchaser  
25 may submit to the agency with which, or State officer with  
26 whom, he must title or register the tangible personal property

1 that is involved (if titling or registration is required) in  
2 support of such purchaser's application for an Illinois  
3 certificate or other evidence of title or registration to such  
4 tangible personal property.

5 No retailer's failure or refusal to remit tax under this  
6 Act precludes a user, who has paid the proper tax to the  
7 retailer, from obtaining his certificate of title or other  
8 evidence of title or registration (if titling or registration  
9 is required) upon satisfying the Department that such user has  
10 paid the proper tax (if tax is due) to the retailer. The  
11 Department shall adopt appropriate rules to carry out the  
12 mandate of this paragraph.

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

1 provided for in this Section being allowed. When the user pays  
2 the tax directly to the Department, he shall pay the tax in the  
3 same amount and in the same form in which it would be remitted  
4 if the tax had been remitted to the Department by the retailer.

5 Where a retailer collects the tax with respect to the  
6 selling price of tangible personal property which he sells and  
7 the purchaser thereafter returns such tangible personal  
8 property and the retailer refunds the selling price thereof to  
9 the purchaser, such retailer shall also refund, to the  
10 purchaser, the tax so collected from the purchaser. When filing  
11 his return for the period in which he refunds such tax to the  
12 purchaser, the retailer may deduct the amount of the tax so  
13 refunded by him to the purchaser from any other use tax which  
14 such retailer may be required to pay or remit to the  
15 Department, as shown by such return, if the amount of the tax  
16 to be deducted was previously remitted to the Department by  
17 such retailer. If the retailer has not previously remitted the  
18 amount of such tax to the Department, he is entitled to no  
19 deduction under this Act upon refunding such tax to the  
20 purchaser.

21 Any retailer filing a return under this Section shall also  
22 include (for the purpose of paying tax thereon) the total tax  
23 covered by such return upon the selling price of tangible  
24 personal property purchased by him at retail from a retailer,  
25 but as to which the tax imposed by this Act was not collected  
26 from the retailer filing such return, and such retailer shall

1 remit the amount of such tax to the Department when filing such  
2 return.

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

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

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

1 syringes and needles used by diabetics.

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

9 Beginning January 1, 1990, each month the Department shall  
10 pay into the State and Local Sales Tax Reform Fund, a special  
11 fund in the State Treasury, 20% of the net revenue realized for  
12 the preceding month from the 6.25% general rate on the selling  
13 price of tangible personal property, other than tangible  
14 personal property which is purchased outside Illinois at retail  
15 from a retailer and which is titled or registered by an agency  
16 of this State's government.

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

25 Beginning January 1, 1990, each month the Department shall  
26 pay into the Local Government Tax Fund 16% of the net revenue



1 realized for the preceding month from the 6.25% general rate on  
2 the selling price of tangible personal property which is  
3 purchased outside Illinois at retail from a retailer and which  
4 is titled or registered by an agency of this State's  
5 government.

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

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

22 Beginning July 1, 2013, each month the Department shall pay  
23 into the Underground Storage Tank Fund from the proceeds  
24 collected under this Act, the Service Use Tax Act, the Service  
25 Occupation Tax Act, and the Retailers' Occupation Tax Act an  
26 amount equal to the average monthly deficit in the Underground

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

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

16 Of the remainder of the moneys received by the Department  
17 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
18 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
19 and after July 1, 1989, 3.8% thereof shall be paid into the  
20 Build Illinois Fund; provided, however, that if in any fiscal  
21 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
22 may be, of the moneys received by the Department and required  
23 to be paid into the Build Illinois Fund pursuant to Section 3  
24 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
25 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
26 Service Occupation Tax Act, such Acts being hereinafter called

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

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

1 Build Illinois Fund are subject to the pledge, claim and charge  
2 set forth in Section 12 of the Build Illinois Bond Act.

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

15	Fiscal Year	Total Deposit
16	1993	\$0
17	1994	53,000,000
18	1995	58,000,000
19	1996	61,000,000
20	1997	64,000,000
21	1998	68,000,000
22	1999	71,000,000
23	2000	75,000,000
24	2001	80,000,000
25	2002	93,000,000
26	2003	99,000,000

1	2004	103,000,000
2	2005	108,000,000
3	2006	113,000,000
4	2007	119,000,000
5	2008	126,000,000
6	2009	132,000,000
7	2010	139,000,000
8	2011	146,000,000
9	2012	153,000,000
10	2013	161,000,000
11	2014	170,000,000
12	2015	179,000,000
13	2016	189,000,000
14	2017	199,000,000
15	2018	210,000,000
16	2019	221,000,000
17	2020	233,000,000
18	2021	246,000,000
19	2022	260,000,000
20	2023	275,000,000
21	2024	275,000,000
22	2025	275,000,000
23	2026	279,000,000
24	2027	292,000,000
25	2028	307,000,000
26	2029	322,000,000

1	2030	338,000,000
2	2031	350,000,000
3	2032	350,000,000

4 and

5 each fiscal year

6 thereafter that bonds

7 are outstanding under

8 Section 13.2 of the

9 Metropolitan Pier and

10 Exposition Authority Act,

11 but not after fiscal year 2060.

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

25 Subject to payment of amounts into the Build Illinois Fund  
26 and the McCormick Place Expansion Project Fund pursuant to the

1 preceding paragraphs or in any amendments thereto hereafter  
2 enacted, beginning July 1, 1993 and ending on September 30,  
3 2013, the Department shall each month pay into the Illinois Tax  
4 Increment Fund 0.27% of 80% of the net revenue realized for the  
5 preceding month from the 6.25% general rate on the selling  
6 price of tangible personal property.

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

20 Subject to payment of amounts into the Build Illinois Fund,  
21 the McCormick Place Expansion Project Fund, the Illinois Tax  
22 Increment Fund, and the Energy Infrastructure Fund pursuant to  
23 the preceding paragraphs or in any amendments to this Section  
24 hereafter enacted, beginning on the first day of the first  
25 calendar month to occur on or after August 26, 2014 (the  
26 effective date of Public Act 98-1098) ~~this amendatory Act of~~



1 ~~the 98th General Assembly~~, each month, from the collections  
2 made under Section 9 of the Use Tax Act, Section 9 of the  
3 Service Use Tax Act, Section 9 of the Service Occupation Tax  
4 Act, and Section 3 of the Retailers' Occupation Tax Act, the  
5 Department shall pay into the Tax Compliance and Administration  
6 Fund, to be used, subject to appropriation, to fund additional  
7 auditors and compliance personnel at the Department of Revenue,  
8 an amount equal to 1/12 of 5% of 80% of the cash receipts  
9 collected during the preceding fiscal year by the Audit Bureau  
10 of the Department under the Use Tax Act, the Service Use Tax  
11 Act, the Service Occupation Tax Act, the Retailers' Occupation  
12 Tax Act, and associated local occupation and use taxes  
13 administered by the Department.

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

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

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

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

12 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
13 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.  
14 8-26-14; 99-352, eff. 8-12-15; 99-858, eff. 8-19-16; 99-933,  
15 eff. 1-27-17; revised 2-3-17.)

16 Section 10. The Service Use Tax Act is amended by changing  
17 Section 9 as follows:

18 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

19 Sec. 9. Each serviceman required or authorized to collect  
20 the tax herein imposed shall pay to the Department the amount  
21 of such tax (except as otherwise provided) at the time when he  
22 is required to file his return for the period during which such  
23 tax was collected, less a discount of 2.1% prior to January 1,  
24 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar

1 year, whichever is greater, which is allowed to reimburse the  
2 serviceman for expenses incurred in collecting the tax, keeping  
3 records, preparing and filing returns, remitting the tax and  
4 supplying data to the Department on request. The discount  
5 allowed under this Section is allowed only for returns that are  
6 filed in the manner required by this Act. The Department may  
7 disallow the discount for servicemen whose certificate of  
8 registration is revoked at the time the return is filed, but  
9 only if the Department's decision to revoke the certificate of  
10 registration has become final. A serviceman need not remit that  
11 part of any tax collected by him to the extent that he is  
12 required to pay and does pay the tax imposed by the Service  
13 Occupation Tax Act with respect to his sale of service  
14 involving the incidental transfer by him of the same property.

15 Except as provided hereinafter in this Section, on or  
16 before the twentieth day of each calendar month, such  
17 serviceman shall file a return for the preceding calendar month  
18 in accordance with reasonable Rules and Regulations to be  
19 promulgated by the Department. Such return shall be filed on a  
20 form prescribed by the Department and shall contain such  
21 information as the Department may reasonably require. On and  
22 after January 1, 2018, with respect to servicemen whose annual  
23 gross receipts average \$20,000 or more, all returns required to  
24 be filed pursuant to this Act shall be filed electronically.  
25 Servicemen who demonstrate that they do not have access to the  
26 Internet or demonstrate hardship in filing electronically may

1 petition the Department to waive the electronic filing  
2 requirement.

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

1           Beginning October 1, 1993, a taxpayer who has an average  
2 monthly tax liability of \$150,000 or more shall make all  
3 payments required by rules of the Department by electronic  
4 funds transfer. Beginning October 1, 1994, a taxpayer who has  
5 an average monthly tax liability of \$100,000 or more shall make  
6 all payments required by rules of the Department by electronic  
7 funds transfer. Beginning October 1, 1995, a taxpayer who has  
8 an average monthly tax liability of \$50,000 or more shall make  
9 all payments required by rules of the Department by electronic  
10 funds transfer. Beginning October 1, 2000, a taxpayer who has  
11 an annual tax liability of \$200,000 or more shall make all  
12 payments required by rules of the Department by electronic  
13 funds transfer. The term "annual tax liability" shall be the  
14 sum of the taxpayer's liabilities under this Act, and under all  
15 other State and local occupation and use tax laws administered  
16 by the Department, for the immediately preceding calendar year.  
17 The term "average monthly tax liability" means the sum of the  
18 taxpayer's liabilities under this Act, and under all other  
19 State and local occupation and use tax laws administered by the  
20 Department, for the immediately preceding calendar year  
21 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
22 a tax liability in the amount set forth in subsection (b) of  
23 Section 2505-210 of the Department of Revenue Law shall make  
24 all payments required by rules of the Department by electronic  
25 funds transfer.

26           Before August 1 of each year beginning in 1993, the

1 Department shall notify all taxpayers required to make payments  
2 by electronic funds transfer. All taxpayers required to make  
3 payments by electronic funds transfer shall make those payments  
4 for a minimum of one year beginning on October 1.

5 Any taxpayer not required to make payments by electronic  
6 funds transfer may make payments by electronic funds transfer  
7 with the permission of the Department.

8 All taxpayers required to make payment by electronic funds  
9 transfer and any taxpayers authorized to voluntarily make  
10 payments by electronic funds transfer shall make those payments  
11 in the manner authorized by the Department.

12 The Department shall adopt such rules as are necessary to  
13 effectuate a program of electronic funds transfer and the  
14 requirements of this Section.

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

26 If the serviceman is otherwise required to file a monthly

1 or quarterly return and if the serviceman's average monthly tax  
2 liability to the Department does not exceed \$50, the Department  
3 may authorize his returns to be filed on an annual basis, with  
4 the return for a given year being due by January 20 of the  
5 following year.

6 Such quarter annual and annual returns, as to form and  
7 substance, shall be subject to the same requirements as monthly  
8 returns.

9 Notwithstanding any other provision in this Act concerning  
10 the time within which a serviceman may file his return, in the  
11 case of any serviceman who ceases to engage in a kind of  
12 business which makes him responsible for filing returns under  
13 this Act, such serviceman shall file a final return under this  
14 Act with the Department not more than 1 month after  
15 discontinuing such business.

16 Where a serviceman collects the tax with respect to the  
17 selling price of property which he sells and the purchaser  
18 thereafter returns such property and the serviceman refunds the  
19 selling price thereof to the purchaser, such serviceman shall  
20 also refund, to the purchaser, the tax so collected from the  
21 purchaser. When filing his return for the period in which he  
22 refunds such tax to the purchaser, the serviceman may deduct  
23 the amount of the tax so refunded by him to the purchaser from  
24 any other Service Use Tax, Service Occupation Tax, retailers'  
25 occupation tax or use tax which such serviceman may be required  
26 to pay or remit to the Department, as shown by such return,

1 provided that the amount of the tax to be deducted shall  
2 previously have been remitted to the Department by such  
3 serviceman. If the serviceman shall not previously have  
4 remitted the amount of such tax to the Department, he shall be  
5 entitled to no deduction hereunder upon refunding such tax to  
6 the purchaser.

7 Any serviceman filing a return hereunder shall also include  
8 the total tax upon the selling price of tangible personal  
9 property purchased for use by him as an incident to a sale of  
10 service, and such serviceman shall remit the amount of such tax  
11 to the Department when filing such return.

12 If experience indicates such action to be practicable, the  
13 Department may prescribe and furnish a combination or joint  
14 return which will enable servicemen, who are required to file  
15 returns hereunder and also under the Service Occupation Tax  
16 Act, to furnish all the return information required by both  
17 Acts on the one form.

18 Where the serviceman has more than one business registered  
19 with the Department under separate registration hereunder,  
20 such serviceman shall not file each return that is due as a  
21 single return covering all such registered businesses, but  
22 shall file separate returns for each such registered business.

23 Beginning January 1, 1990, each month the Department shall  
24 pay into the State and Local Tax Reform Fund, a special fund in  
25 the State Treasury, the net revenue realized for the preceding  
26 month from the 1% tax on sales of food for human consumption



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

10 Beginning January 1, 1990, each month the Department shall  
11 pay into the State and Local Sales Tax Reform Fund 20% of the  
12 net revenue realized for the preceding month from the 6.25%  
13 general rate on transfers of tangible personal property, other  
14 than tangible personal property which is purchased outside  
15 Illinois at retail from a retailer and which is titled or  
16 registered by an agency of this State's government.

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

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

1 are now taxed at 6.25%.

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

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

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

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

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

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

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

		Total
	Fiscal Year	Deposit
21		
22	1993	\$0
23	1994	53,000,000
24	1995	58,000,000
25	1996	61,000,000

1	1997	64,000,000
2	1998	68,000,000
3	1999	71,000,000
4	2000	75,000,000
5	2001	80,000,000
6	2002	93,000,000
7	2003	99,000,000
8	2004	103,000,000
9	2005	108,000,000
10	2006	113,000,000
11	2007	119,000,000
12	2008	126,000,000
13	2009	132,000,000
14	2010	139,000,000
15	2011	146,000,000
16	2012	153,000,000
17	2013	161,000,000
18	2014	170,000,000
19	2015	179,000,000
20	2016	189,000,000
21	2017	199,000,000
22	2018	210,000,000
23	2019	221,000,000
24	2020	233,000,000
25	2021	246,000,000
26	2022	260,000,000

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

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

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

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

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

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



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

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

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

8           Net revenue realized for a month shall be the revenue  
9 collected by the State pursuant to this Act, less the amount  
10 paid out during that month as refunds to taxpayers for  
11 overpayment of liability.

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

16           Section 15. The Service Occupation Tax Act is amended by  
17 changing Section 9 as follows:

18           (35 ILCS 115/9) (from Ch. 120, par. 439.109)

19           Sec. 9. Each serviceman required or authorized to collect  
20 the tax herein imposed shall pay to the Department the amount  
21 of such tax at the time when he is required to file his return  
22 for the period during which such tax was collectible, less a  
23 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
24 after January 1, 1990, or \$5 per calendar year, whichever is

1 greater, which is allowed to reimburse the serviceman for  
2 expenses incurred in collecting the tax, keeping records,  
3 preparing and filing returns, remitting the tax and supplying  
4 data to the Department on request. The discount allowed under  
5 this Section is allowed only for returns that are filed in the  
6 manner required by this Act. The Department may disallow the  
7 discount for servicemen whose certificate of registration is  
8 revoked at the time the return is filed, but only if the  
9 Department's decision to revoke the certificate of  
10 registration has become final.

11 Where such tangible personal property is sold under a  
12 conditional sales contract, or under any other form of sale  
13 wherein the payment of the principal sum, or a part thereof, is  
14 extended beyond the close of the period for which the return is  
15 filed, the serviceman, in collecting the tax may collect, for  
16 each tax return period, only the tax applicable to the part of  
17 the selling price actually received during such tax return  
18 period.

19 Except as provided hereinafter in this Section, on or  
20 before the twentieth day of each calendar month, such  
21 serviceman shall file a return for the preceding calendar month  
22 in accordance with reasonable rules and regulations to be  
23 promulgated by the Department of Revenue. Such return shall be  
24 filed on a form prescribed by the Department and shall contain  
25 such information as the Department may reasonably require. On  
26 and after January 1, 2018, with respect to servicemen whose

1 annual gross receipts average \$20,000 or more, all returns  
2 required to be filed pursuant to this Act shall be filed  
3 electronically. Servicemen who demonstrate that they do not  
4 have access to the Internet or demonstrate hardship in filing  
5 electronically may petition the Department to waive the  
6 electronic filing requirement.

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

- 14 1. The name of the seller;
- 15 2. The address of the principal place of business from  
16 which he engages in business as a serviceman in this State;
- 17 3. The total amount of taxable receipts received by him  
18 during the preceding calendar month, including receipts  
19 from charge and time sales, but less all deductions allowed  
20 by law;
- 21 4. The amount of credit provided in Section 2d of this  
22 Act;
- 23 5. The amount of tax due;
- 24 5-5. The signature of the taxpayer; and
- 25 6. Such other reasonable information as the Department  
26 may require.

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

26           If the serviceman's average monthly tax liability to the

1 Department does not exceed \$200, the Department may authorize  
2 his returns to be filed on a quarter annual basis, with the  
3 return for January, February and March of a given year being  
4 due by April 20 of such year; with the return for April, May  
5 and June of a given year being due by July 20 of such year; with  
6 the return for July, August and September of a given year being  
7 due by October 20 of such year, and with the return for  
8 October, November and December of a given year being due by  
9 January 20 of the following year.

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

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

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

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

1 funds transfer. Beginning October 1, 1994, a taxpayer who has  
2 an average monthly tax liability of \$100,000 or more shall make  
3 all payments required by rules of the Department by electronic  
4 funds transfer. Beginning October 1, 1995, a taxpayer who has  
5 an average monthly tax liability of \$50,000 or more shall make  
6 all payments required by rules of the Department by electronic  
7 funds transfer. Beginning October 1, 2000, a taxpayer who has  
8 an annual tax liability of \$200,000 or more shall make all  
9 payments required by rules of the Department by electronic  
10 funds transfer. The term "annual tax liability" shall be the  
11 sum of the taxpayer's liabilities under this Act, and under all  
12 other State and local occupation and use tax laws administered  
13 by the Department, for the immediately preceding calendar year.  
14 The term "average monthly tax liability" means the sum of the  
15 taxpayer's liabilities under this Act, and under all other  
16 State and local occupation and use tax laws administered by the  
17 Department, for the immediately preceding calendar year  
18 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
19 a tax liability in the amount set forth in subsection (b) of  
20 Section 2505-210 of the Department of Revenue Law shall make  
21 all payments required by rules of the Department by electronic  
22 funds transfer.

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

1 for a minimum of one year beginning on October 1.

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

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

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

12 Where a serviceman collects the tax with respect to the  
13 selling price of tangible personal property which he sells and  
14 the purchaser thereafter returns such tangible personal  
15 property and the serviceman refunds the selling price thereof  
16 to the purchaser, such serviceman shall also refund, to the  
17 purchaser, the tax so collected from the purchaser. When filing  
18 his return for the period in which he refunds such tax to the  
19 purchaser, the serviceman may deduct the amount of the tax so  
20 refunded by him to the purchaser from any other Service  
21 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or  
22 Use Tax which such serviceman may be required to pay or remit  
23 to the Department, as shown by such return, provided that the  
24 amount of the tax to be deducted shall previously have been  
25 remitted to the Department by such serviceman. If the  
26 serviceman shall not previously have remitted the amount of



1 such tax to the Department, he shall be entitled to no  
2 deduction hereunder upon refunding such tax to the purchaser.

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

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

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

1           Beginning January 1, 1990, each month the Department shall  
2 pay into the County and Mass Transit District Fund 4% of the  
3 revenue realized for the preceding month from the 6.25% general  
4 rate.

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.

9           Beginning January 1, 1990, each month the Department shall  
10 pay into the Local Government Tax Fund 16% of the revenue  
11 realized for the preceding month from the 6.25% general rate on  
12 transfers of tangible personal property.

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

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

24           Beginning July 1, 2013, each month the Department shall pay  
25 into the Underground Storage Tank Fund from the proceeds  
26 collected under this Act, the Use Tax Act, the Service Use Tax

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

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

18 Of the remainder of the moneys received by the Department  
19 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
20 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
21 and after July 1, 1989, 3.8% thereof shall be paid into the  
22 Build Illinois Fund; provided, however, that if in any fiscal  
23 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
24 may be, of the moneys received by the Department and required  
25 to be paid into the Build Illinois Fund pursuant to Section 3  
26 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax

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

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

1 preceding sentence. The moneys received by the Department  
 2 pursuant to this Act and required to be deposited into the  
 3 Build Illinois Fund are subject to the pledge, claim and charge  
 4 set forth in Section 12 of the Build Illinois Bond Act.

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

		Total
	Fiscal Year	Deposit
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	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 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 July 1, 1993 and ending on September 30,  
6 2013, the Department shall each month pay into the Illinois Tax  
7 Increment Fund 0.27% of 80% of the net revenue realized for the  
8 preceding month from the 6.25% general rate on the selling  
9 price of tangible personal property.

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 with the receipt of the first report of  
14 taxes paid by an eligible business and continuing for a 25-year  
15 period, the Department shall each month pay into the Energy  
16 Infrastructure Fund 80% of the net revenue realized from the  
17 6.25% general rate on the selling price of Illinois-mined coal  
18 that was sold to an eligible business. For purposes of this  
19 paragraph, the term "eligible business" means a new electric  
20 generating facility certified pursuant to Section 605-332 of  
21 the Department of Commerce and Economic Opportunity Law of the  
22 Civil Administrative Code of Illinois.

23 Subject to payment of amounts into the Build Illinois Fund,  
24 the McCormick Place Expansion Project Fund, the Illinois Tax  
25 Increment Fund, and the Energy Infrastructure Fund pursuant to  
26 the preceding paragraphs or in any amendments to this Section

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

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

23 The Department may, upon separate written notice to a  
24 taxpayer, require the taxpayer to prepare and file with the  
25 Department on a form prescribed by the Department within not  
26 less than 60 days after receipt of the notice an annual

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

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

23 (i) Until January 1, 1994, the taxpayer shall be liable  
24 for a penalty equal to 1/6 of 1% of the tax due from such  
25 taxpayer under this Act during the period to be covered by  
26 the annual return for each month or fraction of a month

1           until such return is filed as required, the penalty to be  
2           assessed and collected in the same manner as any other  
3           penalty provided for in this Act.

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

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

15          The foregoing portion of this Section concerning the filing  
16          of an annual information return shall not apply to a serviceman  
17          who is not required to file an income tax return with the  
18          United States Government.

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

26          Net revenue realized for a month shall be the revenue

1 collected by the State pursuant to this Act, less the amount  
2 paid out during that month as refunds to taxpayers for  
3 overpayment of liability.

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

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

16 Section 20. The Retailers' Occupation Tax Act is amended by  
17 changing Sections 2a and 3 as follows:

18 (35 ILCS 120/2a) (from Ch. 120, par. 441a)

19 Sec. 2a. It is unlawful for any person to engage in the  
20 business of selling tangible personal property at retail in  
21 this State without a certificate of registration from the  
22 Department. Application for a certificate of registration  
23 shall be made to the Department upon forms furnished by it.  
24 Each such application shall be signed and verified and shall

1 state: (1) the name and social security number of the  
2 applicant; (2) the address of his principal place of business;  
3 (3) the address of the principal place of business from which  
4 he engages in the business of selling tangible personal  
5 property at retail in this State and the addresses of all other  
6 places of business, if any (enumerating such addresses, if any,  
7 in a separate list attached to and made a part of the  
8 application), from which he engages in the business of selling  
9 tangible personal property at retail in this State; (4) the  
10 name and address of the person or persons who will be  
11 responsible for filing returns and payment of taxes due under  
12 this Act; (5) in the case of a publicly traded corporation, the  
13 name and title of the Chief Financial Officer, Chief Operating  
14 Officer, and any other officer or employee with responsibility  
15 for preparing tax returns under this Act, ~~along with the last 4~~  
16 ~~digits of each of their social security numbers,~~ and, in the  
17 case of all other corporations, the name, title, and social  
18 security number of each corporate officer; (6) in the case of a  
19 limited liability company, the name, social security number,  
20 and FEIN number of each manager and member; and (7) such other  
21 information as the Department may reasonably require. The  
22 application shall contain an acceptance of responsibility  
23 signed by the person or persons who will be responsible for  
24 filing returns and payment of the taxes due under this Act. If  
25 the applicant will sell tangible personal property at retail  
26 through vending machines, his application to register shall

1 indicate the number of vending machines to be so operated. If  
2 requested by the Department at any time, that person shall  
3 verify the total number of vending machines he or she uses in  
4 his or her business of selling tangible personal property at  
5 retail.

6 The Department may deny a certificate of registration to  
7 any applicant if a person who is named as the owner, a partner,  
8 a manager or member of a limited liability company, or a  
9 corporate officer of the applicant on the application for the  
10 certificate of registration is or has been named as the owner,  
11 a partner, a manager or member of a limited liability company,  
12 or a corporate officer on the application for the certificate  
13 of registration of another retailer that is in default for  
14 moneys due under this Act or any other tax or fee Act  
15 administered by the Department. For purposes of this paragraph  
16 only, in determining whether a person is in default for moneys  
17 due, the Department shall include only amounts established as a  
18 final liability within the 20 years prior to the date of the  
19 Department's notice of denial of a certificate of registration.

20 The Department may require an applicant for a certificate  
21 of registration hereunder to, at the time of filing such  
22 application, furnish a bond from a surety company authorized to  
23 do business in the State of Illinois, or an irrevocable bank  
24 letter of credit or a bond signed by 2 personal sureties who  
25 have filed, with the Department, sworn statements disclosing  
26 net assets equal to at least 3 times the amount of the bond to

1 be required of such applicant, or a bond secured by an  
2 assignment of a bank account or certificate of deposit, stocks  
3 or bonds, conditioned upon the applicant paying to the State of  
4 Illinois all moneys becoming due under this Act and under any  
5 other State tax law or municipal or county tax ordinance or  
6 resolution under which the certificate of registration that is  
7 issued to the applicant under this Act will permit the  
8 applicant to engage in business without registering separately  
9 under such other law, ordinance or resolution. In making a  
10 determination as to whether to require a bond or other  
11 security, the Department shall take into consideration whether  
12 the owner, any partner, any manager or member of a limited  
13 liability company, or a corporate officer of the applicant is  
14 or has been the owner, a partner, a manager or member of a  
15 limited liability company, or a corporate officer of another  
16 retailer that is in default for moneys due under this Act or  
17 any other tax or fee Act administered by the Department; and  
18 whether the owner, any partner, any manager or member of a  
19 limited liability company, or a corporate officer of the  
20 applicant is or has been the owner, a partner, a manager or  
21 member of a limited liability company, or a corporate officer  
22 of another retailer whose certificate of registration has been  
23 revoked within the previous 5 years under this Act or any other  
24 tax or fee Act administered by the Department. If a bond or  
25 other security is required, the Department shall fix the amount  
26 of the bond or other security, taking into consideration the



1 amount of money expected to become due from the applicant under  
2 this Act and under any other State tax law or municipal or  
3 county tax ordinance or resolution under which the certificate  
4 of registration that is issued to the applicant under this Act  
5 will permit the applicant to engage in business without  
6 registering separately under such other law, ordinance, or  
7 resolution. The amount of security required by the Department  
8 shall be such as, in its opinion, will protect the State of  
9 Illinois against failure to pay the amount which may become due  
10 from the applicant under this Act and under any other State tax  
11 law or municipal or county tax ordinance or resolution under  
12 which the certificate of registration that is issued to the  
13 applicant under this Act will permit the applicant to engage in  
14 business without registering separately under such other law,  
15 ordinance or resolution, but the amount of the security  
16 required by the Department shall not exceed three times the  
17 amount of the applicant's average monthly tax liability, or  
18 \$50,000.00, whichever amount is lower.

19 No certificate of registration under this Act shall be  
20 issued by the Department until the applicant provides the  
21 Department with satisfactory security, if required, as herein  
22 provided for.

23 Upon receipt of the application for certificate of  
24 registration in proper form, and upon approval by the  
25 Department of the security furnished by the applicant, if  
26 required, the Department shall issue to such applicant a

1 certificate of registration which shall permit the person to  
2 whom it is issued to engage in the business of selling tangible  
3 personal property at retail in this State. The certificate of  
4 registration shall be conspicuously displayed at the place of  
5 business which the person so registered states in his  
6 application to be the principal place of business from which he  
7 engages in the business of selling tangible personal property  
8 at retail in this State.

9 No certificate of registration issued to a taxpayer who  
10 files returns required by this Act on a monthly basis shall be  
11 valid after the expiration of 5 years from the date of its  
12 issuance or last renewal. The expiration date of a  
13 sub-certificate of registration shall be that of the  
14 certificate of registration to which the sub-certificate  
15 relates. A certificate of registration shall automatically be  
16 renewed, subject to revocation as provided by this Act, for an  
17 additional 5 years from the date of its expiration unless  
18 otherwise notified by the Department as provided by this  
19 paragraph. Where a taxpayer to whom a certificate of  
20 registration is issued under this Act is in default to the  
21 State of Illinois for delinquent returns or for moneys due  
22 under this Act or any other State tax law or municipal or  
23 county ordinance administered or enforced by the Department,  
24 the Department shall, not less than 60 days before the  
25 expiration date of such certificate of registration, give  
26 notice to the taxpayer to whom the certificate was issued of

1 the account period of the delinquent returns, the amount of  
2 tax, penalty and interest due and owing from the taxpayer, and  
3 that the certificate of registration shall not be automatically  
4 renewed upon its expiration date unless the taxpayer, on or  
5 before the date of expiration, has filed and paid the  
6 delinquent returns or paid the defaulted amount in full. A  
7 taxpayer to whom such a notice is issued shall be deemed an  
8 applicant for renewal. The Department shall promulgate  
9 regulations establishing procedures for taxpayers who file  
10 returns on a monthly basis but desire and qualify to change to  
11 a quarterly or yearly filing basis and will no longer be  
12 subject to renewal under this Section, and for taxpayers who  
13 file returns on a yearly or quarterly basis but who desire or  
14 are required to change to a monthly filing basis and will be  
15 subject to renewal under this Section.

16 The Department may in its discretion approve renewal by an  
17 applicant who is in default if, at the time of application for  
18 renewal, the applicant files all of the delinquent returns or  
19 pays to the Department such percentage of the defaulted amount  
20 as may be determined by the Department and agrees in writing to  
21 waive all limitations upon the Department for collection of the  
22 remaining defaulted amount to the Department over a period not  
23 to exceed 5 years from the date of renewal of the certificate;  
24 however, no renewal application submitted by an applicant who  
25 is in default shall be approved if the immediately preceding  
26 renewal by the applicant was conditioned upon the installment

1 payment agreement described in this Section. The payment  
2 agreement herein provided for shall be in addition to and not  
3 in lieu of the security that may be required by this Section of  
4 a taxpayer who is no longer considered a prior continuous  
5 compliance taxpayer. The execution of the payment agreement as  
6 provided in this Act shall not toll the accrual of interest at  
7 the statutory rate.

8 The Department may suspend a certificate of registration if  
9 the Department finds that the person to whom the certificate of  
10 registration has been issued knowingly sold contraband  
11 cigarettes.

12 A certificate of registration issued under this Act more  
13 than 5 years before the effective date of this amendatory Act  
14 of 1989 shall expire and be subject to the renewal provisions  
15 of this Section on the next anniversary of the date of issuance  
16 of such certificate which occurs more than 6 months after the  
17 effective date of this amendatory Act of 1989. A certificate of  
18 registration issued less than 5 years before the effective date  
19 of this amendatory Act of 1989 shall expire and be subject to  
20 the renewal provisions of this Section on the 5th anniversary  
21 of the issuance of the certificate.

22 If the person so registered states that he operates other  
23 places of business from which he engages in the business of  
24 selling tangible personal property at retail in this State, the  
25 Department shall furnish him with a sub-certificate of  
26 registration for each such place of business, and the applicant

1 shall display the appropriate sub-certificate of registration  
2 at each such place of business. All sub-certificates of  
3 registration shall bear the same registration number as that  
4 appearing upon the certificate of registration to which such  
5 sub-certificates relate.

6 If the applicant will sell tangible personal property at  
7 retail through vending machines, the Department shall furnish  
8 him with a sub-certificate of registration for each such  
9 vending machine, and the applicant shall display the  
10 appropriate sub-certificate of registration on each such  
11 vending machine by attaching the sub-certificate of  
12 registration to a conspicuous part of such vending machine. If  
13 a person who is registered to sell tangible personal property  
14 at retail through vending machines adds an additional vending  
15 machine or additional vending machines to the number of vending  
16 machines he or she uses in his or her business of selling  
17 tangible personal property at retail, he or she shall notify  
18 the Department, on a form prescribed by the Department, to  
19 request an additional sub-certificate or additional  
20 sub-certificates of registration, as applicable. With each  
21 such request, the applicant shall report the number of  
22 sub-certificates of registration he or she is requesting as  
23 well as the total number of vending machines from which he or  
24 she makes retail sales.

25 Where the same person engages in 2 or more businesses of  
26 selling tangible personal property at retail in this State,

1 which businesses are substantially different in character or  
2 engaged in under different trade names or engaged in under  
3 other substantially dissimilar circumstances (so that it is  
4 more practicable, from an accounting, auditing or bookkeeping  
5 standpoint, for such businesses to be separately registered),  
6 the Department may require or permit such person (subject to  
7 the same requirements concerning the furnishing of security as  
8 those that are provided for hereinbefore in this Section as to  
9 each application for a certificate of registration) to apply  
10 for and obtain a separate certificate of registration for each  
11 such business or for any of such businesses, under a single  
12 certificate of registration supplemented by related  
13 sub-certificates of registration.

14 Any person who is registered under the "Retailers'  
15 Occupation Tax Act" as of March 8, 1963, and who, during the  
16 3-year period immediately prior to March 8, 1963, or during a  
17 continuous 3-year period part of which passed immediately  
18 before and the remainder of which passes immediately after  
19 March 8, 1963, has been so registered continuously and who is  
20 determined by the Department not to have been either delinquent  
21 or deficient in the payment of tax liability during that period  
22 under this Act or under any other State tax law or municipal or  
23 county tax ordinance or resolution under which the certificate  
24 of registration that is issued to the registrant under this Act  
25 will permit the registrant to engage in business without  
26 registering separately under such other law, ordinance or

1 resolution, shall be considered to be a Prior Continuous  
2 Compliance taxpayer. Also any taxpayer who has, as verified by  
3 the Department, faithfully and continuously complied with the  
4 condition of his bond or other security under the provisions of  
5 this Act for a period of 3 consecutive years shall be  
6 considered to be a Prior Continuous Compliance taxpayer.

7 Every Prior Continuous Compliance taxpayer shall be exempt  
8 from all requirements under this Act concerning the furnishing  
9 of a bond or other security as a condition precedent to his  
10 being authorized to engage in the business of selling tangible  
11 personal property at retail in this State. This exemption shall  
12 continue for each such taxpayer until such time as he may be  
13 determined by the Department to be delinquent in the filing of  
14 any returns, or is determined by the Department (either through  
15 the Department's issuance of a final assessment which has  
16 become final under the Act, or by the taxpayer's filing of a  
17 return which admits tax that is not paid to be due) to be  
18 delinquent or deficient in the paying of any tax under this Act  
19 or under any other State tax law or municipal or county tax  
20 ordinance or resolution under which the certificate of  
21 registration that is issued to the registrant under this Act  
22 will permit the registrant to engage in business without  
23 registering separately under such other law, ordinance or  
24 resolution, at which time that taxpayer shall become subject to  
25 all the financial responsibility requirements of this Act and,  
26 as a condition of being allowed to continue to engage in the

1 business of selling tangible personal property at retail, may  
2 be required to post bond or other acceptable security with the  
3 Department covering liability which such taxpayer may  
4 thereafter incur. Any taxpayer who fails to pay an admitted or  
5 established liability under this Act may also be required to  
6 post bond or other acceptable security with this Department  
7 guaranteeing the payment of such admitted or established  
8 liability.

9 No certificate of registration shall be issued to any  
10 person who is in default to the State of Illinois for moneys  
11 due under this Act or under any other State tax law or  
12 municipal or county tax ordinance or resolution under which the  
13 certificate of registration that is issued to the applicant  
14 under this Act will permit the applicant to engage in business  
15 without registering separately under such other law, ordinance  
16 or resolution.

17 Any person aggrieved by any decision of the Department  
18 under this Section may, within 20 days after notice of such  
19 decision, protest and request a hearing, whereupon the  
20 Department shall give notice to such person of the time and  
21 place fixed for such hearing and shall hold a hearing in  
22 conformity with the provisions of this Act and then issue its  
23 final administrative decision in the matter to such person. In  
24 the absence of such a protest within 20 days, the Department's  
25 decision shall become final without any further determination  
26 being made or notice given.



1           With respect to security other than bonds (upon which the  
2 Department may sue in the event of a forfeiture), if the  
3 taxpayer fails to pay, when due, any amount whose payment such  
4 security guarantees, the Department shall, after such  
5 liability is admitted by the taxpayer or established by the  
6 Department through the issuance of a final assessment that has  
7 become final under the law, convert the security which that  
8 taxpayer has furnished into money for the State, after first  
9 giving the taxpayer at least 10 days' written notice, by  
10 registered or certified mail, to pay the liability or forfeit  
11 such security to the Department. If the security consists of  
12 stocks or bonds or other securities which are listed on a  
13 public exchange, the Department shall sell such securities  
14 through such public exchange. If the security consists of an  
15 irrevocable bank letter of credit, the Department shall convert  
16 the security in the manner provided for in the Uniform  
17 Commercial Code. If the security consists of a bank certificate  
18 of deposit, the Department shall convert the security into  
19 money by demanding and collecting the amount of such bank  
20 certificate of deposit from the bank which issued such  
21 certificate. If the security consists of a type of stocks or  
22 other securities which are not listed on a public exchange, the  
23 Department shall sell such security to the highest and best  
24 bidder after giving at least 10 days' notice of the date, time  
25 and place of the intended sale by publication in the "State  
26 Official Newspaper". If the Department realizes more than the

1 amount of such liability from the security, plus the expenses  
2 incurred by the Department in converting the security into  
3 money, the Department shall pay such excess to the taxpayer who  
4 furnished such security, and the balance shall be paid into the  
5 State Treasury.

6 The Department shall discharge any surety and shall release  
7 and return any security deposited, assigned, pledged or  
8 otherwise provided to it by a taxpayer under this Section  
9 within 30 days after:

10 (1) such taxpayer becomes a Prior Continuous  
11 Compliance taxpayer; or

12 (2) such taxpayer has ceased to collect receipts on  
13 which he is required to remit tax to the Department, has  
14 filed a final tax return, and has paid to the Department an  
15 amount sufficient to discharge his remaining tax  
16 liability, as determined by the Department, under this Act  
17 and under every other State tax law or municipal or county  
18 tax ordinance or resolution under which the certificate of  
19 registration issued under this Act permits the registrant  
20 to engage in business without registering separately under  
21 such other law, ordinance or resolution. The Department  
22 shall make a final determination of the taxpayer's  
23 outstanding tax liability as expeditiously as possible  
24 after his final tax return has been filed; if the  
25 Department cannot make such final determination within 45  
26 days after receiving the final tax return, within such

1 period it shall so notify the taxpayer, stating its reasons  
2 therefor.

3 (Source: P.A. 97-335, eff. 1-1-12; 98-496, eff. 1-1-14; 98-583,  
4 eff. 1-1-14; 98-756, eff. 7-16-14; 98-974, eff. 1-1-15.)

5 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

11 1. The name of the seller;

12 2. His residence address and the address of his  
13 principal place of business and the address of the  
14 principal place of business (if that is a different  
15 address) from which he engages in the business of selling  
16 tangible personal property at retail in this State;

17 3. Total amount of receipts received by him during the  
18 preceding calendar month or quarter, as the case may be,  
19 from sales of tangible personal property, and from services  
20 furnished, by him during such preceding calendar month or  
21 quarter;

22 4. Total amount received by him during the preceding  
23 calendar month or quarter on charge and time sales of  
24 tangible personal property, and from services furnished,  
25 by him prior to the month or quarter for which the return

1 is filed;

2 5. Deductions allowed by law;

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

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

8 8. The amount of tax due;

9 9. The signature of the taxpayer; and

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

12 On and after January 1, 2018, except for returns for motor  
13 vehicles, watercraft, aircraft, and trailers that are required  
14 to be registered with an agency of this State, with respect to  
15 retailers whose annual gross receipts average \$20,000 or more,  
16 all returns required to be filed pursuant to this Act shall be  
17 filed electronically. Retailers who demonstrate that they do  
18 not have access to the Internet or demonstrate hardship in  
19 filing electronically may petition the Department to waive the  
20 electronic filing requirement.

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

25 Each return shall be accompanied by the statement of  
26 prepaid tax issued pursuant to Section 2e for which credit is

1 claimed.

2 Prior to October 1, 2003, and on and after September 1,  
3 2004 a retailer may accept a Manufacturer's Purchase Credit  
4 certification from a purchaser in satisfaction of Use Tax as  
5 provided in Section 3-85 of the Use Tax Act if the purchaser  
6 provides the appropriate documentation as required by Section  
7 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
8 certification, accepted by a retailer prior to October 1, 2003  
9 and on and after September 1, 2004 as provided in Section 3-85  
10 of the Use Tax Act, may be used by that retailer to satisfy  
11 Retailers' Occupation Tax liability in the amount claimed in  
12 the certification, not to exceed 6.25% of the receipts subject  
13 to tax from a qualifying purchase. A Manufacturer's Purchase  
14 Credit reported on any original or amended return filed under  
15 this Act after October 20, 2003 for reporting periods prior to  
16 September 1, 2004 shall be disallowed. Manufacturer's  
17 Purchaser Credit reported on annual returns due on or after  
18 January 1, 2005 will be disallowed for periods prior to  
19 September 1, 2004. No Manufacturer's Purchase Credit may be  
20 used after September 30, 2003 through August 31, 2004 to  
21 satisfy any tax liability imposed under this Act, including any  
22 audit liability.

23 The Department may require returns to be filed on a  
24 quarterly basis. If so required, a return for each calendar  
25 quarter shall be filed on or before the twentieth day of the  
26 calendar month following the end of such calendar quarter. The

1 taxpayer shall also file a return with the Department for each  
2 of the first two months of each calendar quarter, on or before  
3 the twentieth day of the following calendar month, stating:

4 1. The name of the seller;

5 2. The address of the principal place of business from  
6 which he engages in the business of selling tangible  
7 personal property at retail in this State;

8 3. The total amount of taxable receipts received by him  
9 during the preceding calendar month from sales of tangible  
10 personal property by him during such preceding calendar  
11 month, including receipts from charge and time sales, but  
12 less all deductions allowed by law;

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

15 5. The amount of tax due; and

16 6. Such other reasonable information as the Department  
17 may require.

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

1 statement be filed in an electronic or telephonic format. Such  
2 rules may provide for exceptions from the filing requirements  
3 of this paragraph. For the purposes of this paragraph, the term  
4 "alcoholic liquor" shall have the meaning prescribed in the  
5 Liquor Control Act of 1934.

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

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

8 If a total amount of less than \$1 is payable, refundable or  
9 creditable, such amount shall be disregarded if it is less than  
10 50 cents and shall be increased to \$1 if it is 50 cents or more.

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



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

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

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

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

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

25 Any amount which is required to be shown or reported on any  
26 return or other document under this Act shall, if such amount

1 is not a whole-dollar amount, be increased to the nearest  
2 whole-dollar amount in any case where the fractional part of a  
3 dollar is 50 cents or more, and decreased to the nearest  
4 whole-dollar amount where the fractional part of a dollar is  
5 less than 50 cents.

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

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

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

26 Notwithstanding any other provision in this Act concerning

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

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

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

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

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

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

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

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

1 information as the Department may reasonably require.

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

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

1           No retailer's failure or refusal to remit tax under this  
2 Act precludes a user, who has paid the proper tax to the  
3 retailer, from obtaining his certificate of title or other  
4 evidence of title or registration (if titling or registration  
5 is required) upon satisfying the Department that such user has  
6 paid the proper tax (if tax is due) to the retailer. The  
7 Department shall adopt appropriate rules to carry out the  
8 mandate of this paragraph.

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

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

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

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

17 Except as provided in this Section, the retailer filing the  
18 return under this Section shall, at the time of filing such  
19 return, pay to the Department the amount of tax imposed by this  
20 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
21 on and after January 1, 1990, or \$5 per calendar year,  
22 whichever is greater, which is allowed to reimburse the  
23 retailer for the expenses incurred in keeping records,  
24 preparing and filing returns, remitting the tax and supplying  
25 data to the Department on request. Any prepayment made pursuant  
26 to Section 2d of this Act shall be included in the amount on



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

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

1 with Section 2d of this Act, was \$20,000 or more during the  
2 preceding 4 complete calendar quarters, he shall file a return  
3 with the Department each month by the 20th day of the month  
4 next following the month during which such tax liability is  
5 incurred and shall make payment to the Department on or before  
6 the 7th, 15th, 22nd and last day of the month during which such  
7 liability is incurred. If the month during which such tax  
8 liability is incurred began prior to January 1, 1985, each  
9 payment shall be in an amount equal to 1/4 of the taxpayer's  
10 actual liability for the month or an amount set by the  
11 Department not to exceed 1/4 of the average monthly liability  
12 of the taxpayer to the Department for the preceding 4 complete  
13 calendar quarters (excluding the month of highest liability and  
14 the month of lowest liability in such 4 quarter period). If the  
15 month during which such tax liability is incurred begins on or  
16 after January 1, 1985 and prior to January 1, 1987, each  
17 payment shall be in an amount equal to 22.5% of the taxpayer's  
18 actual liability for the month or 27.5% of the taxpayer's  
19 liability for the same calendar month of the preceding year. If  
20 the month during which such tax liability is incurred begins on  
21 or after January 1, 1987 and prior to January 1, 1988, each  
22 payment shall be in an amount equal to 22.5% of the taxpayer's  
23 actual liability for the month or 26.25% of the taxpayer's  
24 liability for the same calendar month of the preceding year. If  
25 the month during which such tax liability is incurred begins on  
26 or after January 1, 1988, and prior to January 1, 1989, or

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

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

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

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

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

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

1 Department on or before the 7th, 15th, 22nd and last day of the  
2 month during which the liability is incurred. Each payment  
3 shall be in an amount equal to 22.5% of the taxpayer's actual  
4 liability for the month or 25% of the taxpayer's liability for  
5 the same calendar month of the preceding year. The amount of  
6 the quarter monthly payments shall be credited against the  
7 final tax liability of the taxpayer's return for that month  
8 filed under this Section or Section 2f, as the case may be.  
9 Once applicable, the requirement of the making of quarter  
10 monthly payments to the Department pursuant to this paragraph  
11 shall continue until the taxpayer's average monthly prepaid tax  
12 collections during the preceding 4 complete calendar quarters  
13 (excluding the month of highest liability and the month of  
14 lowest liability) is less than \$19,000 or until such taxpayer's  
15 average monthly liability to the Department as computed for  
16 each calendar quarter of the 4 preceding complete calendar  
17 quarters is less than \$20,000. If any such quarter monthly  
18 payment is not paid at the time or in the amount required, the  
19 taxpayer shall be liable for penalties and interest on such  
20 difference, except insofar as the taxpayer has previously made  
21 payments for that month in excess of the minimum payments  
22 previously due.

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

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

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

24 Beginning January 1, 1990, each month the Department shall  
25 pay into the Local Government Tax Fund, a special fund in the  
26 State treasury which is hereby created, the net revenue



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

12 Beginning January 1, 1990, each month the Department shall  
13 pay into the County and Mass Transit District Fund, a special  
14 fund in the State treasury which is hereby created, 4% of the  
15 net revenue realized for the preceding month from the 6.25%  
16 general rate.

17 Beginning August 1, 2000, each month the Department shall  
18 pay into the County and Mass Transit District Fund 20% of the  
19 net revenue realized for the preceding month from the 1.25%  
20 rate on the selling price of motor fuel and gasohol. Beginning  
21 September 1, 2010, each month the Department shall pay into the  
22 County and Mass Transit District Fund 20% of the net revenue  
23 realized for the preceding month from the 1.25% rate on the  
24 selling price of sales tax holiday items.

25 Beginning January 1, 1990, each month the Department shall  
26 pay into the Local Government Tax Fund 16% of the net revenue

1 realized for the preceding month from the 6.25% general rate on  
2 the selling price of tangible personal property.

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

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

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

26 Beginning July 1, 2013, each month the Department shall pay

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

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

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

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

14	Fiscal Year	Annual Specified Amount
15	1986	\$54,800,000
16	1987	\$76,650,000
17	1988	\$80,480,000
18	1989	\$88,510,000
19	1990	\$115,330,000
20	1991	\$145,470,000
21	1992	\$182,730,000
22	1993	\$206,520,000;

23 and means the Certified Annual Debt Service Requirement (as  
24 defined in Section 13 of the Build Illinois Bond Act) or the  
25 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
26 each fiscal year thereafter; and further provided, that if on

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

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

20 Subject to payment of amounts into the Build Illinois Fund  
21 as provided in the preceding paragraph or in any amendment  
22 thereto hereafter enacted, the following specified monthly  
23 installment of the amount requested in the certificate of the  
24 Chairman of the Metropolitan Pier and Exposition Authority  
25 provided under Section 8.25f of the State Finance Act, but not  
26 in excess of sums designated as "Total Deposit", shall be

1 deposited in the aggregate from collections under Section 9 of  
2 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
3 9 of the Service Occupation Tax Act, and Section 3 of the  
4 Retailers' Occupation Tax Act into the McCormick Place  
5 Expansion Project Fund in the specified fiscal years.

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

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

22                   and  
23                   each fiscal year  
24                   thereafter that bonds  
25                   are outstanding under  
26                   Section 13.2 of the



1 Metropolitan Pier and  
2 Exposition Authority Act,  
3 but not after fiscal year 2060.

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

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

25 Subject to payment of amounts into the Build Illinois Fund  
26 and the McCormick Place Expansion Project Fund pursuant to the

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

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

1 collected during the preceding fiscal year by the Audit Bureau  
2 of the Department under the Use Tax Act, the Service Use Tax  
3 Act, the Service Occupation Tax Act, the Retailers' Occupation  
4 Tax Act, and associated local occupation and use taxes  
5 administered by the Department.

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

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

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

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

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

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

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

1 accordingly. The annual return form prescribed by the  
2 Department shall include a warning that the person signing the  
3 return may be liable for perjury.

4 The provisions of this Section concerning the filing of an  
5 annual information return do not apply to a retailer who is not  
6 required to file an income tax return with the United States  
7 Government.

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

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

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

26 Any person who promotes, organizes, provides retail

1 selling space for concessionaires or other types of sellers at  
2 the Illinois State Fair, DuQuoin State Fair, county fairs,  
3 local fairs, art shows, flea markets and similar exhibitions or  
4 events, including any transient merchant as defined by Section  
5 2 of the Transient Merchant Act of 1987, is required to file a  
6 report with the Department providing the name of the merchant's  
7 business, the name of the person or persons engaged in  
8 merchant's business, the permanent address and Illinois  
9 Retailers Occupation Tax Registration Number of the merchant,  
10 the dates and location of the event and other reasonable  
11 information that the Department may require. The report must be  
12 filed not later than the 20th day of the month next following  
13 the month during which the event with retail sales was held.  
14 Any person who fails to file a report required by this Section  
15 commits a business offense and is subject to a fine not to  
16 exceed \$250.

17 Any person engaged in the business of selling tangible  
18 personal property at retail as a concessionaire or other type  
19 of seller at the Illinois State Fair, county fairs, art shows,  
20 flea markets and similar exhibitions or events, or any  
21 transient merchants, as defined by Section 2 of the Transient  
22 Merchant Act of 1987, may be required to make a daily report of  
23 the amount of such sales to the Department and to make a daily  
24 payment of the full amount of tax due. The Department shall  
25 impose this requirement when it finds that there is a  
26 significant risk of loss of revenue to the State at such an

1 exhibition or event. Such a finding shall be based on evidence  
2 that a substantial number of concessionaires or other sellers  
3 who are not residents of Illinois will be engaging in the  
4 business of selling tangible personal property at retail at the  
5 exhibition or event, or other evidence of a significant risk of  
6 loss of revenue to the State. The Department shall notify  
7 concessionaires and other sellers affected by the imposition of  
8 this requirement. In the absence of notification by the  
9 Department, the concessionaires and other sellers shall file  
10 their returns as otherwise required in this Section.

11 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
12 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.  
13 8-26-14; 99-352, eff. 8-12-15; 99-858, eff. 8-19-16; 99-933,  
14 eff. 1-27-17; revised 2-3-17.)

15 Section 25. The Automobile Renting Occupation and Use Tax  
16 Act is amended by changing Sections 3 and 4 as follows:

17 (35 ILCS 155/3) (from Ch. 120, par. 1703)

18 Sec. 3. A tax is imposed upon persons engaged in this State  
19 in the business of renting automobiles in Illinois at the rate  
20 of 5% of the gross receipts received from such business. The  
21 tax herein imposed does not apply to the renting of automobiles  
22 to any governmental body, nor to any corporation, society,  
23 association, foundation or institution organized and operated  
24 exclusively for charitable, religious or educational purposes,

1 nor to any not for profit corporation, society, association,  
2 foundation, institution or organization which has no  
3 compensated officers or employees and which is organized and  
4 operated primarily for the recreation of persons 55 years of  
5 age or older. Every person engaged in this State in the  
6 business of renting automobiles shall apply to the Department  
7 (upon a form prescribed and furnished by the Department) for a  
8 certificate of registration under this Act. The certificate of  
9 registration which is issued by the Department to a retailer  
10 under the Retailers' Occupation Tax Act shall permit such  
11 rentor to engage in a business which is taxable under this  
12 Section without registering separately with the Department.

13 The Department shall have full power to administer and  
14 enforce this Section, to collect all taxes and penalties due  
15 hereunder, to dispose of taxes and penalties so collected in  
16 the manner hereinafter provided, and to determine all rights to  
17 credit memoranda, arising on account of the erroneous payment  
18 of tax or penalty hereunder. In the administration of, and  
19 compliance with, this Section, the Department and persons who  
20 are subject to this Section shall have the same rights,  
21 remedies, privileges, immunities, powers and duties, and be  
22 subject to the same conditions, restrictions, limitations,  
23 penalties and definitions of terms, and employ the same modes  
24 of procedure, as are prescribed in Sections 1, 1a, 2 through  
25 2-65 (in respect to all provisions therein other than the State  
26 rate of tax), 2a, 2b, 2c, 3 (except provisions relating to



1 transaction returns, electronic filing of returns, and quarter  
2 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6,  
3 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12 and 13 of the Retailers'  
4 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
5 Interest Act as fully as if those provisions were set forth  
6 herein.

7 (Source: P.A. 86-1475; 87-205; 87-895.)

8 (35 ILCS 155/4) (from Ch. 120, par. 1704)

9 Sec. 4. A tax is imposed upon the privilege of using, in  
10 this State, an automobile which is rented from a rentor. Such  
11 tax is at the rate of 4% of the rental price of such automobile  
12 prior to July 1, 1985 and at the rate of 5% of the rental price  
13 of such automobile on and after July 1, 1985 paid to the rentor  
14 under any rental agreement. The tax herein imposed shall not  
15 apply to any governmental body, nor to any corporation,  
16 society, association, foundation or institution, organized and  
17 operated exclusively for charitable, religious or educational  
18 purposes, nor to any not for profit corporation, society,  
19 association, foundation, institution or organization which has  
20 no compensated officers or employees and which is organized and  
21 operated primarily for the recreation of persons 55 years of  
22 age or older, when using tangible personal property as a  
23 rentee.

24 The tax hereby imposed shall be collected from the rentee  
25 by a rentor maintaining a place of business in this State and

1 remitted to the Department.

2 The tax hereby imposed and not paid to a rentor pursuant to  
3 the preceding paragraph of this Section shall be paid to the  
4 Department directly by any person using such automobile within  
5 this State.

6 Rentors shall collect the tax from rentees by adding the  
7 tax to the rental price of the automobile, when rented for use,  
8 in the manner prescribed by the Department. The Department  
9 shall have the power to adopt and promulgate reasonable rules  
10 and regulations for the adding of such tax by rentors to rental  
11 prices by prescribing bracket systems for the purpose of  
12 enabling such rentors to add and collect, as far as  
13 practicable, the amount of such tax.

14 The tax imposed by this Section shall, when collected, be  
15 stated as a distinct item separate and apart from the rental  
16 price of the automobile.

17 The Department shall have full power to administer and  
18 enforce this Section; to collect all taxes, penalties and  
19 interest due hereunder; to dispose of taxes, penalties and  
20 interest so collected in the manner hereinafter provided, and  
21 to determine all rights to credit memoranda or refunds arising  
22 on account of the erroneous payment of tax, penalty or interest  
23 hereunder. In the administration of, and compliance with, this  
24 Section, the Department and persons who are subject to this  
25 Section shall have the same rights, remedies, privileges,  
26 immunities, powers and duties, and be subject to the same

1 conditions, restrictions, limitations, penalties and  
2 definitions of terms, and employ the same modes of procedure,  
3 as are prescribed in Sections 2, 3 through 3-80, 4, 6, 7, 8, 9  
4 (except provisions relating to transaction returns, electronic  
5 filing of returns, and quarter monthly payments), 10, 11, 12,  
6 12a, 12b, 13, 14, 15, 19, 20, 21 and 22 of the Use Tax Act, and  
7 are not inconsistent with this Section, as fully as if those  
8 provisions were set forth herein.

9 (Source: P.A. 86-1475.)

10 Section 30. The Prepaid Wireless 9-1-1 Surcharge Act is  
11 amended by changing Section 20 as follows:

12 (50 ILCS 753/20)

13 Sec. 20. Administration of prepaid wireless 9-1-1  
14 surcharge.

15 (a) In the administration and enforcement of this Act, the  
16 provisions of Sections 2a, 2b, 2c, 3, 4, 5, 5a, 5b, 5c, 5d, 5e,  
17 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, and 12 of the  
18 Retailers' Occupation Tax Act that are not inconsistent with  
19 this Act, and Section 3-7 of the Uniform Penalty and Interest  
20 Act shall apply, as far as practicable, to the subject matter  
21 of this Act to the same extent as if those provisions were  
22 included in this Act. References to "taxes" in these  
23 incorporated Sections shall be construed to apply to the  
24 administration, payment, and remittance of all surcharges

1 under this Act. The Department shall establish registration and  
2 payment procedures that substantially coincide with the  
3 registration and payment procedures that apply to the  
4 Retailers' Occupation Tax Act.

5 (b) A seller shall be permitted to deduct and retain 3% of  
6 prepaid wireless 9-1-1 surcharges that are collected by the  
7 seller from consumers and that are remitted and timely filed  
8 with the Department. Beginning January 1, 2018, the seller is  
9 allowed to deduct and retain a portion of the prepaid wireless  
10 9-1-1 surcharges as authorized by this subsection only if the  
11 return is filed electronically as provided in Section 3 of the  
12 Retailers' Occupation Tax Act. Sellers who demonstrate that  
13 they do not have access to the Internet or demonstrate hardship  
14 in filing electronically may petition the Department to waive  
15 the electronic filing requirement.

16 (c) Other than the amounts for deposit into the Municipal  
17 Wireless Service Emergency Fund, the Department shall pay to  
18 the State Treasurer all prepaid wireless E911 charges,  
19 penalties, and interest collected under this Act for deposit  
20 into the Statewide 9-1-1 Fund. On or before the 25th day of  
21 each calendar month, the Department shall prepare and certify  
22 to the Comptroller the amount available to the Department of  
23 State Police for distribution out of the Statewide 9-1-1 Fund.  
24 The amount certified shall be the amount (not including credit  
25 memoranda) collected during the second preceding calendar  
26 month by the Department plus an amount the Department

1 determines is necessary to offset any amounts which were  
2 erroneously paid to a different taxing body. The amount paid to  
3 the Statewide 9-1-1 Fund shall not include any amount equal to  
4 the amount of refunds made during the second preceding calendar  
5 month by the Department of Revenue to retailers under this Act  
6 or any amount that the Department determines is necessary to  
7 offset any amounts which were payable to a different taxing  
8 body but were erroneously paid to the Statewide 9-1-1 Fund. The  
9 Department of State Police shall distribute the funds in  
10 accordance with Section 30 of the Emergency Telephone Safety  
11 Act. The Department may deduct an amount, not to exceed 2% of  
12 remitted charges, to be transferred into the Tax Compliance and  
13 Administration Fund to reimburse the Department for its direct  
14 costs of administering the collection and remittance of prepaid  
15 wireless 9-1-1 surcharges.

16 (d) The Department shall administer the collection of all  
17 9-1-1 surcharges and may adopt and enforce reasonable rules  
18 relating to the administration and enforcement of the  
19 provisions of this Act as may be deemed expedient. The  
20 Department shall require all surcharges collected under this  
21 Act to be reported on existing forms or combined forms,  
22 including, but not limited to, Form ST-1. Any overpayments  
23 received by the Department for liabilities reported on existing  
24 or combined returns shall be applied as an overpayment of  
25 retailers' occupation tax, use tax, service occupation tax, or  
26 service use tax liability.

1 (e) If a home rule municipality having a population in  
2 excess of 500,000 as of the effective date of this amendatory  
3 Act of the 97th General Assembly imposes an E911 surcharge  
4 under subsection (a-5) of Section 15 of this Act, then the  
5 Department shall pay to the State Treasurer all prepaid  
6 wireless E911 charges, penalties, and interest collected for  
7 deposit into the Municipal Wireless Service Emergency Fund. All  
8 deposits into the Municipal Wireless Service Emergency Fund  
9 shall be held by the State Treasurer as ex officio custodian  
10 apart from all public moneys or funds of this State. Any  
11 interest attributable to moneys in the Fund must be deposited  
12 into the Fund. Moneys in the Municipal Wireless Service  
13 Emergency Fund are not subject to appropriation. On or before  
14 the 25th day of each calendar month, the Department shall  
15 prepare and certify to the Comptroller the amount available for  
16 disbursement to the home rule municipality out of the Municipal  
17 Wireless Service Emergency Fund. The amount to be paid to the  
18 Municipal Wireless Service Emergency Fund shall be the amount  
19 (not including credit memoranda) collected during the second  
20 preceding calendar month by the Department plus an amount the  
21 Department determines is necessary to offset any amounts which  
22 were erroneously paid to a different taxing body. The amount  
23 paid to the Municipal Wireless Service Emergency Fund shall not  
24 include any amount equal to the amount of refunds made during  
25 the second preceding calendar month by the Department to  
26 retailers under this Act or any amount that the Department

1 determines is necessary to offset any amounts which were  
2 payable to a different taxing body but were erroneously paid to  
3 the Municipal Wireless Service Emergency Fund. Within 10 days  
4 after receipt by the Comptroller of the certification provided  
5 for in this subsection, the Comptroller shall cause the orders  
6 to be drawn for the respective amounts in accordance with the  
7 directions in the certification. The Department may deduct an  
8 amount, not to exceed 2% of remitted charges, to be transferred  
9 into the Tax Compliance and Administration Fund to reimburse  
10 the Department for its direct costs of administering the  
11 collection and remittance of prepaid wireless 9-1-1  
12 surcharges.

13 (Source: P.A. 99-6, eff. 1-1-16.)

14 Section 35. The Public Utilities Act is amended by changing  
15 Section 13-703 as follows:

16 (220 ILCS 5/13-703) (from Ch. 111 2/3, par. 13-703)

17 (Section scheduled to be repealed on July 1, 2017)

18 Sec. 13-703. (a) The Commission shall design and implement  
19 a program whereby each telecommunications carrier providing  
20 local exchange service shall provide a telecommunications  
21 device capable of servicing the needs of those persons with a  
22 hearing or speech disability together with a single party line,  
23 at no charge additional to the basic exchange rate, to any  
24 subscriber who is certified as having a hearing or speech

1 disability by a hearing care professional, as defined in the  
2 Hearing Instrument Consumer Protection Act, a speech-language  
3 pathologist, or a qualified State agency and to any subscriber  
4 which is an organization serving the needs of those persons  
5 with a hearing or speech disability as determined and specified  
6 by the Commission pursuant to subsection (d).

7 (b) The Commission shall design and implement a program,  
8 whereby each telecommunications carrier providing local  
9 exchange service shall provide a telecommunications relay  
10 system, using third party intervention to connect those persons  
11 having a hearing or speech disability with persons of normal  
12 hearing by way of intercommunications devices and the telephone  
13 system, making available reasonable access to all phases of  
14 public telephone service to persons who have a hearing or  
15 speech disability. In order to design a telecommunications  
16 relay system which will meet the requirements of those persons  
17 with a hearing or speech disability available at a reasonable  
18 cost, the Commission shall initiate an investigation and  
19 conduct public hearings to determine the most cost-effective  
20 method of providing telecommunications relay service to those  
21 persons who have a hearing or speech disability when using  
22 telecommunications devices and therein solicit the advice,  
23 counsel, and physical assistance of Statewide nonprofit  
24 consumer organizations that serve persons with hearing or  
25 speech disabilities in such hearings and during the development  
26 and implementation of the system. The Commission shall phase in



1 this program, on a geographical basis, as soon as is  
2 practicable, but no later than June 30, 1990.

3 (c) The Commission shall establish a competitively neutral  
4 rate recovery mechanism that establishes charges in an amount  
5 to be determined by the Commission for each line of a  
6 subscriber to allow telecommunications carriers providing  
7 local exchange service to recover costs as they are incurred  
8 under this Section. Beginning no later than April 1, 2016, and  
9 on a yearly basis thereafter, the Commission shall initiate a  
10 proceeding to establish the competitively neutral amount to be  
11 charged or assessed to subscribers of telecommunications  
12 carriers and wireless carriers, Interconnected VoIP service  
13 providers, and consumers of prepaid wireless  
14 telecommunications service in a manner consistent with this  
15 subsection (c) and subsection (f) of this Section. The  
16 Commission shall issue its order establishing the  
17 competitively neutral amount to be charged or assessed to  
18 subscribers of telecommunications carriers and wireless  
19 carriers, Interconnected VoIP service providers, and  
20 purchasers of prepaid wireless telecommunications service on  
21 or prior to June 1 of each year, and such amount shall take  
22 effect June 1 of each year.

23 Telecommunications carriers, wireless carriers,  
24 Interconnected VoIP service providers, and sellers of prepaid  
25 wireless telecommunications service shall have 60 days from the  
26 date the Commission files its order to implement the new rate

1 established by the order.

2 (d) The Commission shall determine and specify those  
3 organizations serving the needs of those persons having a  
4 hearing or speech disability that shall receive a  
5 telecommunications device and in which offices the equipment  
6 shall be installed in the case of an organization having more  
7 than one office. For the purposes of this Section,  
8 "organizations serving the needs of those persons with hearing  
9 or speech disabilities" means centers for independent living as  
10 described in Section 12a of the Rehabilitation of Persons with  
11 Disabilities Act and not-for-profit organizations whose  
12 primary purpose is serving the needs of those persons with  
13 hearing or speech disabilities. The Commission shall direct the  
14 telecommunications carriers subject to its jurisdiction and  
15 this Section to comply with its determinations and  
16 specifications in this regard.

17 (e) As used in this Section:

18 "Prepaid wireless telecommunications service" has the  
19 meaning given to that term under Section 10 of the Prepaid  
20 Wireless 9-1-1 Surcharge Act.

21 "Retail transaction" has the meaning given to that term  
22 under Section 10 of the Prepaid Wireless 9-1-1 Surcharge Act.

23 "Seller" has the meaning given to that term under Section  
24 10 of the Prepaid Wireless 9-1-1 Surcharge Act.

25 "Telecommunications carrier providing local exchange  
26 service" includes, without otherwise limiting the meaning of

1 the term, telecommunications carriers which are purely mutual  
2 concerns, having no rates or charges for services, but paying  
3 the operating expenses by assessment upon the members of such a  
4 company and no other person.

5 "Wireless carrier" has the meaning given to that term under  
6 Section 10 of the Wireless Emergency Telephone Safety Act.

7 (f) Interconnected VoIP service providers, sellers of  
8 prepaid wireless telecommunications service, and wireless  
9 carriers in Illinois shall collect and remit assessments  
10 determined in accordance with this Section in a competitively  
11 neutral manner in the same manner as a telecommunications  
12 carrier providing local exchange service. However, the  
13 assessment imposed on consumers of prepaid wireless  
14 telecommunications service shall be collected by the seller  
15 from the consumer and imposed per retail transaction as a  
16 percentage of that retail transaction on all retail  
17 transactions occurring in this State. The assessment on  
18 subscribers of wireless carriers and consumers of prepaid  
19 wireless telecommunications service shall not be imposed or  
20 collected prior to June 1, 2016.

21 Sellers of prepaid wireless telecommunications service  
22 shall remit the assessments to the Department of Revenue on the  
23 same form and in the same manner which they remit the fee  
24 collected under the Prepaid Wireless 9-1-1 Surcharge Act. For  
25 the purposes of display on the consumers' receipts, the rates  
26 of the fee collected under the Prepaid Wireless 9-1-1 Surcharge

1 Act and the assessment under this Section may be combined. In  
2 administration and enforcement of this Section, the provisions  
3 of Sections 15 and 20 of the Prepaid Wireless 9-1-1 Surcharge  
4 Act (except subsections (a), (a-5), (b-5), (e), and (e-5) of  
5 Section 15 and subsections (c) and (e) of Section 20 of the  
6 Prepaid Wireless 9-1-1 Surcharge Act and, from June 29, 2015  
7 (the effective date of Public Act 99-6), the seller shall be  
8 permitted to deduct and retain 3% of the assessments that are  
9 collected by the seller from consumers and that are remitted  
10 and timely filed with the Department) that are not inconsistent  
11 with this Section, shall apply, as far as practicable, to the  
12 subject matter of this Section to the same extent as if those  
13 provisions were included in this Section. Beginning on January  
14 1, 2018, the seller is allowed to deduct and retain 3% of the  
15 assessments that are collected by the seller from consumers and  
16 that are remitted timely and timely filed with the Department,  
17 but only if the return is filed electronically as provided in  
18 Section 3 of the Retailers' Occupation Tax Act. Sellers who  
19 demonstrate that they do not have access to the Internet or  
20 demonstrate hardship in filing electronically may petition the  
21 Department to waive the electronic filing requirement. The  
22 Department shall deposit all assessments and penalties  
23 collected under this Section into the Illinois  
24 Telecommunications Access Corporation Fund, a special fund  
25 created in the State treasury. On or before the 25th day of  
26 each calendar month, the Department shall prepare and certify

1 to the Comptroller the amount available to the Commission for  
2 distribution out of the Illinois Telecommunications Access  
3 Corporation Fund. The amount certified shall be the amount (not  
4 including credit memoranda) collected during the second  
5 preceding calendar month by the Department, plus an amount the  
6 Department determines is necessary to offset any amounts which  
7 were erroneously paid to a different taxing body or fund. The  
8 amount paid to the Illinois Telecommunications Access  
9 Corporation Fund shall not include any amount equal to the  
10 amount of refunds made during the second preceding calendar  
11 month by the Department to retailers under this Section or any  
12 amount that the Department determines is necessary to offset  
13 any amounts which were payable to a different taxing body or  
14 fund but were erroneously paid to the Illinois  
15 Telecommunications Access Corporation Fund. The Commission  
16 shall distribute all the funds to the Illinois  
17 Telecommunications Access Corporation and the funds may only be  
18 used in accordance with the provisions of this Section. The  
19 Department shall deduct 2% of all amounts deposited in the  
20 Illinois Telecommunications Access Corporation Fund during  
21 every year of remitted assessments. Of the 2% deducted by the  
22 Department, one-half shall be transferred into the Tax  
23 Compliance and Administration Fund to reimburse the Department  
24 for its direct costs of administering the collection and  
25 remittance of the assessment. The remaining one-half shall be  
26 transferred into the Public Utility Fund to reimburse the

1 Commission for its costs of distributing to the Illinois  
2 Telecommunications Access Corporation the amount certified by  
3 the Department for distribution. The amount to be charged or  
4 assessed under subsections (c) and (f) is not imposed on a  
5 provider or the consumer for wireless Lifeline service where  
6 the consumer does not pay the provider for the service. Where  
7 the consumer purchases from the provider optional minutes,  
8 texts, or other services in addition to the federally funded  
9 Lifeline benefit, a consumer must pay the charge or assessment,  
10 and it must be collected by the seller according to this  
11 subsection (f).

12 Interconnected VoIP services shall not be considered an  
13 intrastate telecommunications service for the purposes of this  
14 Section in a manner inconsistent with federal law or Federal  
15 Communications Commission regulation.

16 (g) The provisions of this Section are severable under  
17 Section 1.31 of the Statute on Statutes.

18 (h) The Commission may adopt rules necessary to implement  
19 this Section.

20 (Source: P.A. 99-6, eff. 6-29-15; 99-143, eff. 7-27-15; 99-642,  
21 eff. 7-28-16; 99-847, eff. 8-19-16; 99-933, eff. 1-27-17;  
22 revised 2-15-17.)

23 Section 40. The Environmental Protection Act is amended by  
24 changing Sections 55.8 and 55.10 as follows:

1 (415 ILCS 5/55.8) (from Ch. 111 1/2, par. 1055.8)

2 Sec. 55.8. Tire retailers.

3 (a) Any person selling new or used tires at retail or  
4 offering new or used tires for retail sale in this State shall:

5 (1) beginning on June 20, 2003 (the effective date of  
6 Public Act 93-32), collect from retail customers a fee of  
7 \$2 per new or used tire sold and delivered in this State,  
8 to be paid to the Department of Revenue and deposited into  
9 the Used Tire Management Fund, less a collection allowance  
10 of 10 cents per tire to be retained by the retail seller  
11 and a collection allowance of 10 cents per tire to be  
12 retained by the Department of Revenue and paid into the  
13 General Revenue Fund; the collection allowance for retail  
14 sellers, however, shall be allowed only if the return is  
15 filed timely and in the manner required by this Title XIV  
16 and only for the amount that is paid timely in accordance  
17 with this Title XIV;

18 (1.5) beginning on July 1, 2003, collect from retail  
19 customers an additional 50 cents per new or used tire sold  
20 and delivered in this State; the money collected from this  
21 fee shall be deposited into the Emergency Public Health  
22 Fund;

23 (2) accept for recycling used tires from customers, at  
24 the point of transfer, in a quantity equal to the number of  
25 new tires purchased; and

26 (3) post in a conspicuous place a written notice at

1           least 8.5 by 11 inches in size that includes the universal  
2           recycling symbol and the following statements: "DO NOT put  
3           used tires in the trash."; "Recycle your used tires."; and  
4           "State law requires us to accept used tires for recycling,  
5           in exchange for new tires purchased."

6           (b) A person who accepts used tires for recycling under  
7           subsection (a) shall not allow the tires to accumulate for  
8           periods of more than 90 days.

9           (c) The requirements of subsection (a) of this Section do  
10          not apply to mail order sales nor shall the retail sale of a  
11          motor vehicle be considered to be the sale of tires at retail  
12          or offering of tires for retail sale. Instead of filing  
13          returns, retailers of tires may remit the tire user fee to  
14          their suppliers of tires if the supplier of tires is a  
15          registered retailer of tires and agrees or otherwise arranges  
16          to collect and remit the tire fee to the Department of Revenue,  
17          notwithstanding the fact that the sale of the tire is a sale  
18          for resale and not a sale at retail. A tire supplier who enters  
19          into such an arrangement with a tire retailer shall be liable  
20          for the tax on all tires sold to the tire retailer and must (i)  
21          provide the tire retailer with a receipt that separately  
22          reflects the tire tax collected from the retailer on each  
23          transaction and (ii) accept used tires for recycling from the  
24          retailer's customers. The tire supplier shall be entitled to  
25          the collection allowance of 10 cents per tire, but only if the  
26          return is filed timely and only for the amount that is paid



1 timely in accordance with this Title XIV.

2 The retailer of the tires must maintain in its books and  
3 records evidence that the appropriate fee was paid to the tire  
4 supplier and that the tire supplier has agreed to remit the fee  
5 to the Department of Revenue for each tire sold by the  
6 retailer. Otherwise, the tire retailer shall be directly liable  
7 for the fee on all tires sold at retail. Tire retailers paying  
8 the fee to their suppliers are not entitled to the collection  
9 allowance of 10 cents per tire. The collection allowance for  
10 suppliers, however, shall be allowed only if the return is  
11 filed timely and in the manner required by this Title XIV and  
12 only for the amount that is paid timely in accordance with this  
13 Title XIV.

14 (d) The requirements of subsection (a) of this Section  
15 shall apply exclusively to tires to be used for vehicles  
16 defined in Section 1-217 of the Illinois Vehicle Code, aircraft  
17 tires, special mobile equipment, and implements of husbandry.

18 (e) The requirements of paragraph (1) of subsection (a) do  
19 not apply to the sale of reprocessed tires. For purposes of  
20 this Section, "reprocessed tire" means a used tire that has  
21 been recapped, retreaded, or regrooved and that has not been  
22 placed on a vehicle wheel rim.

23 (Source: P.A. 98-584, eff. 8-27-13; 98-962, eff. 8-15-14.)

24 (415 ILCS 5/55.10) (from Ch. 111 1/2, par. 1055.10)

25 Sec. 55.10. Tax returns by retailer.

1 (a) Except as otherwise provided in this Section, for  
2 returns due on or before January 31, 2010, each retailer of  
3 tires maintaining a place of business in this State shall make  
4 a return to the Department of Revenue on a quarter annual  
5 basis, with the return for January, February and March of a  
6 given year being due by April 30 of that year; with the return  
7 for April, May and June of a given year being due by July 31 of  
8 that year; with the return for July, August and September of a  
9 given year being due by October 31 of that year; and with the  
10 return for October, November and December of a given year being  
11 due by January 31 of the following year.

12 For returns due after January 31, 2010, each retailer of  
13 tires maintaining a place of business in this State shall make  
14 a return to the Department of Revenue on a quarter annual  
15 basis, with the return for January, February, and March of a  
16 given year being due by April 20 of that year; with the return  
17 for April, May, and June of a given year being due by July 20 of  
18 that year; with the return for July, August, and September of a  
19 given year being due by October 20 of that year; and with the  
20 return for October, November, and December of a given year  
21 being due by January 20 of the following year.

22 Notwithstanding any other provision of this Section to the  
23 contrary, the return for October, November, and December of  
24 2009 is due by February 20, 2010.

25 On and after January 1, 2018, tire retailers and suppliers  
26 required to file electronically under Section 3 of the

1 Retailers' Occupation Tax Act or Section 9 of the Use Tax Act  
2 must electronically file all returns pursuant to this Act. Tire  
3 retailers and suppliers who demonstrate that they do not have  
4 access to the Internet or demonstrate hardship in filing  
5 electronically may petition the Department to waive the  
6 electronic filing requirement.

7 (b) Each return made to the Department of Revenue shall  
8 state:

9 (1) the name of the retailer;

10 (2) the address of the retailer's principal place of  
11 business, and the address of the principal place of  
12 business (if that is a different address) from which the  
13 retailer engages in the business of making retail sales of  
14 tires;

15 (3) total number of tires sold at retail for the  
16 preceding calendar quarter;

17 (4) the amount of tax due; and

18 (5) such other reasonable information as the  
19 Department of Revenue may require.

20 Notwithstanding any other provision of this Act concerning  
21 the time within which a retailer may file his return, in the  
22 case of any retailer who ceases to engage in the retail sale of  
23 tires, the retailer shall file a final return under this Act  
24 with the Department of Revenue not more than one month after  
25 discontinuing that business.

26 (Source: P.A. 96-520, eff. 8-14-09.)

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