



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

SB1285

Introduced 2/9/2017, by Sen. Pamela J. Althoff

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Corporate Accountability for Tax Expenditures Act. Provides that the Unified Economic Development Budget shall be due within 6 months (instead of 3 months) after the end of the fiscal year. Amends the Department of Revenue Law of the Civil Administrative Code of Illinois. For the purposes of mandatory payments by electronic funds transfer, provides that the annual tax liability includes motor fuel tax liability and fees under the Environmental Impact Fee law. Amends the Illinois Income Tax Act. Makes changes concerning deposits into the Income Tax Refund Fund, the Fund for the Advancement of Education, and the Commitment to Human Services Fund. Amends the Property Tax Code to allow the Department of Revenue to publish equalization factors on its website. Amends the Retailers' Occupation Tax Act, the Service Occupation Tax Act, the Service Use Tax Act, and the Use Tax Act to make technical corrections. Amends various tax Acts to provide that, if a payment provided for under one of those Acts exceeds the taxpayer's liability under that Act, then the taxpayer may credit the excess payment against liability subsequently to be remitted to the Department of Revenue. Amends the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997 and the Energy Assistance Act to incorporate certain provisions of the Retailers' Occupation Tax Act. Effective immediately.

LRB100 08067 HLH 18153 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Renewable Energy, Energy Efficiency, and  
5 Coal Resources Development Law of 1997 is amended by changing  
6 Section 6-5 and by adding Section 6-8 as follows:

7 (20 ILCS 687/6-5)

8 (Section scheduled to be repealed on December 31, 2020)

9 Sec. 6-5. Renewable Energy Resources and Coal Technology  
10 Development Assistance Charge.

11 (a) Notwithstanding the provisions of Section 16-111 of the  
12 Public Utilities Act but subject to subsection (e) of this  
13 Section, each public utility, electric cooperative, as defined  
14 in Section 3.4 of the Electric Supplier Act, and municipal  
15 utility, as referenced in Section 3-105 of the Public Utilities  
16 Act, that is engaged in the delivery of electricity or the  
17 distribution of natural gas within the State of Illinois shall,  
18 effective January 1, 1998, assess each of its customer accounts  
19 a monthly Renewable Energy Resources and Coal Technology  
20 Development Assistance Charge. The delivering public utility,  
21 municipal electric or gas utility, or electric or gas  
22 cooperative for a self-assessing purchaser remains subject to  
23 the collection of the fee imposed by this Section. The monthly

1 charge shall be as follows:

2 (1) \$0.05 per month on each account for residential  
3 electric service as defined in Section 13 of the Energy  
4 Assistance Act;

5 (2) \$0.05 per month on each account for residential gas  
6 service as defined in Section 13 of the Energy Assistance  
7 Act;

8 (3) \$0.50 per month on each account for nonresidential  
9 electric service, as defined in Section 13 of the Energy  
10 Assistance Act, which had less than 10 megawatts of peak  
11 demand during the previous calendar year;

12 (4) \$0.50 per month on each account for nonresidential  
13 gas service, as defined in Section 13 of the Energy  
14 Assistance Act, which had distributed to it less than  
15 4,000,000 therms of gas during the previous calendar year;

16 (5) \$37.50 per month on each account for nonresidential  
17 electric service, as defined in Section 13 of the Energy  
18 Assistance Act, which had 10 megawatts or greater of peak  
19 demand during the previous calendar year; and

20 (6) \$37.50 per month on each account for nonresidential  
21 gas service, as defined in Section 13 of the Energy  
22 Assistance Act, which had 4,000,000 or more therms of gas  
23 distributed to it during the previous calendar year.

24 (b) The Renewable Energy Resources and Coal Technology  
25 Development Assistance Charge assessed by electric and gas  
26 public utilities shall be considered a charge for public

1 utility service.

2 (c) Fifty percent of the moneys collected pursuant to this  
3 Section shall be deposited in the Renewable Energy Resources  
4 Trust Fund by the Department of Revenue. The remaining 50  
5 percent of the moneys collected pursuant to this Section shall  
6 be deposited in the Coal Technology Development Assistance Fund  
7 by the Department of Revenue for the exclusive purposes of (1)  
8 capturing or sequestering carbon emissions produced by coal  
9 combustion; (2) supporting research on the capture and  
10 sequestration of carbon emissions produced by coal combustion;  
11 and (3) improving coal miner safety.

12 (d) By the 20th day of the month following the month in  
13 which the charges imposed by this Section were collected, each  
14 utility and alternative retail electric supplier collecting  
15 charges pursuant to this Section shall remit to the Department  
16 of Revenue for deposit in the Renewable Energy Resources Trust  
17 Fund and the Coal Technology Development Assistance Fund all  
18 moneys received as payment of the charge provided for in this  
19 Section on a return prescribed and furnished by the Department  
20 of Revenue showing such information as the Department of  
21 Revenue may reasonably require.

22 If any payment provided for in this Section exceeds the  
23 utility or alternate retail electric supplier's liabilities  
24 under this Act, as shown on an original return, the utility or  
25 alternative retail electric supplier may credit the excess  
26 payment against liability subsequently to be remitted to the

1 Department of Revenue under this Act.

2 (e) The charges imposed by this Section shall only apply to  
3 customers of municipal electric or gas utilities and electric  
4 or gas cooperatives if the municipal electric or gas utility or  
5 electric or gas cooperative makes an affirmative decision to  
6 impose the charge. If a municipal electric or gas utility or an  
7 electric or gas cooperative makes an affirmative decision to  
8 impose the charge provided by this Section, the municipal  
9 electric or gas utility or electric or gas cooperative shall  
10 inform the Department of Revenue in writing of such decision  
11 when it begins to impose the charge. If a municipal electric or  
12 gas utility or electric or gas cooperative does not assess this  
13 charge, its customers shall not be eligible for the Renewable  
14 Energy Resources Program.

15 (f) The Department of Revenue may establish such rules as  
16 it deems necessary to implement this Section.

17 (Source: P.A. 95-481, eff. 8-28-07.)

18 (20 ILCS 687/6-8 new)

19 Sec. 6-8. Application of Retailers' Occupation Tax  
20 provisions. All the provisions of Sections 3, 4, 5, 5a, 5b, 5c,  
21 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, and 13 of  
22 the Retailers' Occupation Tax Act that are not inconsistent  
23 with this Act apply, as far as practicable, to the surcharge  
24 imposed by this Act to the same extent as if those provisions  
25 were included in this Act. References in the incorporated

1 Sections of the Retailers' Occupation Tax Act to retailers, to  
2 sellers, or to persons engaged in the business of selling  
3 tangible personal property mean persons required to remit the  
4 charge imposed under this Act.

5 Section 10. The Corporate Accountability for Tax  
6 Expenditures Act is amended by changing Section 10 as follows:

7 (20 ILCS 715/10)

8 Sec. 10. Unified Economic Development Budget.

9 (a) For each State fiscal year ending on or after June 30,  
10 2005, the Department of Revenue shall submit an annual Unified  
11 Economic Development Budget to the General Assembly. The  
12 Unified Economic Development Budget shall be due within 6 ~~3~~  
13 months after the end of the fiscal year, and shall present all  
14 types of development assistance granted during the prior fiscal  
15 year, including:

16 (1) The aggregate amount of uncollected or diverted  
17 State tax revenues resulting from each type of development  
18 assistance provided in the tax statutes, as reported to the  
19 Department of Revenue on tax returns filed during the  
20 fiscal year.

21 (2) All State development assistance.

22 (b) All data contained in the Unified Economic Development  
23 Budget presented to the General Assembly shall be fully subject  
24 to the Freedom of Information Act.

1           (c) The Department of Revenue shall submit a report of the  
2 amounts in subdivision (a)(1) of this Section to the  
3 Department, which may append such report to the Unified  
4 Economic Development Budget rather than separately reporting  
5 such amounts.

6           (Source: P.A. 93-552, eff. 8-20-03.)

7           Section 15. The Department of Revenue Law of the Civil  
8 Administrative Code of Illinois is amended by changing Section  
9 2505-210 as follows:

10           (20 ILCS 2505/2505-210) (was 20 ILCS 2505/39c-1)

11           Sec. 2505-210. Electronic funds transfer.

12           (a) The Department may provide means by which persons  
13 having a tax liability under any Act administered by the  
14 Department may use electronic funds transfer to pay the tax  
15 liability.

16           (b) Mandatory payment by electronic funds transfer.  
17 Beginning on October 1, 2002, and through September 30, 2010, a  
18 taxpayer who has an annual tax liability of \$200,000 or more  
19 shall make all payments of that tax to the Department by  
20 electronic funds transfer. Beginning October 1, 2010, a  
21 taxpayer (other than an individual taxpayer) who has an annual  
22 tax liability of \$20,000 or more and an individual taxpayer who  
23 has an annual tax liability of \$200,000 or more shall make all  
24 payments of that tax to the Department by electronic funds

1 transfer. Before August 1 of each year, beginning in 2002, the  
2 Department shall notify all taxpayers required to make payments  
3 by electronic funds transfer. All taxpayers required to make  
4 payments by electronic funds transfer shall make those payments  
5 for a minimum of one year beginning on October 1. For purposes  
6 of this subsection (b), the term "annual tax liability" means,  
7 except as provided in subsections (c) and (d) of this Section,  
8 the sum of the taxpayer's liabilities under a tax Act  
9 administered by the Department, ~~except the Motor Fuel Tax Law~~  
10 ~~and the Environmental Impact Fee Law,~~ for the immediately  
11 preceding calendar year.

12 (c) For purposes of subsection (b), the term "annual tax  
13 liability" means, for a taxpayer that incurs a tax liability  
14 under the Retailers' Occupation Tax Act, Service Occupation Tax  
15 Act, Use Tax Act, Service Use Tax Act, or any other State or  
16 local occupation or use tax law that is administered by the  
17 Department, the sum of the taxpayer's liabilities under the  
18 Retailers' Occupation Tax Act, Service Occupation Tax Act, Use  
19 Tax Act, Service Use Tax Act, and all other State and local  
20 occupation and use tax laws administered by the Department for  
21 the immediately preceding calendar year.

22 (d) For purposes of subsection (b), the term "annual tax  
23 liability" means, for a taxpayer that incurs an Illinois income  
24 tax liability, the greater of:

25 (1) the amount of the taxpayer's tax liability under  
26 Article 7 of the Illinois Income Tax Act for the



1 immediately preceding calendar year; or

2 (2) the taxpayer's estimated tax payment obligation  
3 under Article 8 of the Illinois Income Tax Act for the  
4 immediately preceding calendar year.

5 (e) The Department shall adopt such rules as are necessary  
6 to effectuate a program of electronic funds transfer and the  
7 requirements of this Section.

8 (Source: P.A. 96-1027, eff. 7-12-10.)

9 Section 20. The State Finance Act is amended by changing  
10 Section 6z-18 as follows:

11 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

12 Sec. 6z-18. Local Government Tax Fund. A portion of the  
13 money paid into the Local Government Tax Fund from sales of  
14 tangible personal property taxed at the 1% rate under the  
15 Retailers' Occupation Tax Act and the Service Occupation Tax  
16 Act, including but not limited to food for human consumption  
17 that ~~which~~ is to be consumed off the premises where it is sold  
18 (other than alcoholic beverages, soft drinks and food that  
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,

1 modifications to a motor vehicle for the purpose of rendering  
2 it usable by a person with a disability, and insulin, urine  
3 testing materials, syringes and needles used by diabetics, for  
4 human use, which occurred in municipalities, shall be  
5 distributed to each municipality based upon the sales which  
6 occurred in that municipality. The remainder shall be  
7 distributed to each county based upon the sales which occurred  
8 in the unincorporated area of that county.

9 A portion of the money paid into the Local Government Tax  
10 Fund from the 6.25% general use tax rate on the selling price  
11 of tangible personal property which is purchased outside  
12 Illinois at retail from a retailer and which is titled or  
13 registered by any agency of this State's government shall be  
14 distributed to municipalities as provided in this paragraph.  
15 Each municipality shall receive the amount attributable to  
16 sales for which Illinois addresses for titling or registration  
17 purposes are given as being in such municipality. The remainder  
18 of the money paid into the Local Government Tax Fund from such  
19 sales shall be distributed to counties. Each county shall  
20 receive the amount attributable to sales for which Illinois  
21 addresses for titling or registration purposes are given as  
22 being located in the unincorporated area of such county.

23 A portion of the money paid into the Local Government Tax  
24 Fund from the 6.25% general rate (and, beginning July 1, 2000  
25 and through December 31, 2000, the 1.25% rate on motor fuel and  
26 gasohol, and beginning on August 6, 2010 through August 15,

1 2010, the 1.25% rate on sales tax holiday items) on sales  
2 subject to taxation under the Retailers' Occupation Tax Act and  
3 the Service Occupation Tax Act, which occurred in  
4 municipalities, shall be distributed to each municipality,  
5 based upon the sales which occurred in that municipality. The  
6 remainder shall be distributed to each county, based upon the  
7 sales which occurred in the unincorporated area of such county.

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

17 Whenever the Department determines that a refund of money  
18 paid into the Local Government Tax Fund should be made to a  
19 claimant instead of issuing a credit memorandum, the Department  
20 shall notify the State Comptroller, who shall cause the order  
21 to be drawn for the amount specified, and to the person named,  
22 in such notification from the Department. Such refund shall be  
23 paid by the State Treasurer out of the Local Government Tax  
24 Fund.

25 As soon as possible after the first day of each month,  
26 beginning January 1, 2011, upon certification of the Department

1 of Revenue, the Comptroller shall order transferred, and the  
2 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
3 local sales tax increment, as defined in the Innovation  
4 Development and Economy Act, collected during the second  
5 preceding calendar month for sales within a STAR bond district  
6 and deposited into the Local Government Tax Fund, less 3% of  
7 that amount, which shall be transferred into the Tax Compliance  
8 and Administration Fund and shall be used by the Department,  
9 subject to appropriation, to cover the costs of the Department  
10 in administering the Innovation Development and Economy Act.

11 After the monthly transfer to the STAR Bonds Revenue Fund,  
12 on or before the 25th day of each calendar month, the  
13 Department shall prepare and certify to the Comptroller the  
14 disbursement of stated sums of money to named municipalities  
15 and counties, the municipalities and counties to be those  
16 entitled to distribution of taxes or penalties paid to the  
17 Department during the second preceding calendar month. The  
18 amount to be paid to each municipality or county shall be the  
19 amount (not including credit memoranda) collected during the  
20 second preceding calendar month by the Department and paid into  
21 the Local Government Tax Fund, plus an amount the Department  
22 determines is necessary to offset any amounts which were  
23 erroneously paid to a different taxing body, and not including  
24 an amount equal to the amount of refunds made during the second  
25 preceding calendar month by the Department, and not including  
26 any amount which the Department determines is necessary to

1 offset any amounts which are payable to a different taxing body  
2 but were erroneously paid to the municipality or county, and  
3 not including any amounts that are transferred to the STAR  
4 Bonds Revenue Fund. Within 10 days after receipt, by the  
5 Comptroller, of the disbursement certification to the  
6 municipalities and counties, provided for in this Section to be  
7 given to the Comptroller by the Department, the Comptroller  
8 shall cause the orders to be drawn for the respective amounts  
9 in accordance with the directions contained in such  
10 certification.

11 When certifying the amount of monthly disbursement to a  
12 municipality or county under this Section, the Department shall  
13 increase or decrease that amount by an amount necessary to  
14 offset any misallocation of previous disbursements. The offset  
15 amount shall be the amount erroneously disbursed within the 6  
16 months preceding the time a misallocation is discovered.

17 The provisions directing the distributions from the  
18 special fund in the State Treasury provided for in this Section  
19 shall constitute an irrevocable and continuing appropriation  
20 of all amounts as provided herein. The State Treasurer and  
21 State Comptroller are hereby authorized to make distributions  
22 as provided in this Section.

23 In construing any development, redevelopment, annexation,  
24 preannexation or other lawful agreement in effect prior to  
25 September 1, 1990, which describes or refers to receipts from a  
26 county or municipal retailers' occupation tax, use tax or

1 service occupation tax which now cannot be imposed, such  
2 description or reference shall be deemed to include the  
3 replacement revenue for such abolished taxes, distributed from  
4 the Local Government Tax Fund.

5 As soon as possible after the effective date of this  
6 amendatory Act of the 98th General Assembly, the State  
7 Comptroller shall order and the State Treasurer shall transfer  
8 \$6,600,000 from the Local Government Tax Fund to the Illinois  
9 State Medical Disciplinary Fund.

10 (Source: P.A. 97-333, eff. 8-12-11; 98-3, eff. 3-8-13.)

11 Section 25. The Illinois Income Tax Act is amended by  
12 changing Section 901 as follows:

13 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

14 Sec. 901. Collection authority.

15 (a) In general.

16 The Department shall collect the taxes imposed by this Act.  
17 The Department shall collect certified past due child support  
18 amounts under Section 2505-650 of the Department of Revenue Law  
19 (20 ILCS 2505/2505-650). Except as provided in subsections (c),  
20 (e), (f), (g), and (h) of this Section, money collected  
21 pursuant to subsections (a) and (b) of Section 201 of this Act  
22 shall be paid into the General Revenue Fund in the State  
23 treasury; money collected pursuant to subsections (c) and (d)  
24 of Section 201 of this Act shall be paid into the Personal

1 Property Tax Replacement Fund, a special fund in the State  
2 Treasury; and money collected under Section 2505-650 of the  
3 Department of Revenue Law (20 ILCS 2505/2505-650) shall be paid  
4 into the Child Support Enforcement Trust Fund, a special fund  
5 outside the State Treasury, or to the State Disbursement Unit  
6 established under Section 10-26 of the Illinois Public Aid  
7 Code, as directed by the Department of Healthcare and Family  
8 Services.

9 (b) Local Government Distributive Fund.

10 Beginning August 1, 1969, and continuing through June 30,  
11 1994, the Treasurer shall transfer each month from the General  
12 Revenue Fund to a special fund in the State treasury, to be  
13 known as the "Local Government Distributive Fund", an amount  
14 equal to 1/12 of the net revenue realized from the tax imposed  
15 by subsections (a) and (b) of Section 201 of this Act during  
16 the preceding month. Beginning July 1, 1994, and continuing  
17 through June 30, 1995, the Treasurer shall transfer each month  
18 from the General Revenue Fund to the Local Government  
19 Distributive Fund an amount equal to 1/11 of the net revenue  
20 realized from the tax imposed by subsections (a) and (b) of  
21 Section 201 of this Act during the preceding month. Beginning  
22 July 1, 1995 and continuing through January 31, 2011, the  
23 Treasurer shall transfer each month from the General Revenue  
24 Fund to the Local Government Distributive Fund an amount equal  
25 to the net of (i) 1/10 of the net revenue realized from the tax  
26 imposed by subsections (a) and (b) of Section 201 of the

1 Illinois Income Tax Act during the preceding month (ii) minus,  
2 beginning July 1, 2003 and ending June 30, 2004, \$6,666,666,  
3 and beginning July 1, 2004, zero. Beginning February 1, 2011,  
4 and continuing through January 31, 2015, the Treasurer shall  
5 transfer each month from the General Revenue Fund to the Local  
6 Government Distributive Fund an amount equal to the sum of (i)  
7 6% (10% of the ratio of the 3% individual income tax rate prior  
8 to 2011 to the 5% individual income tax rate after 2010) of the  
9 net revenue realized from the tax imposed by subsections (a)  
10 and (b) of Section 201 of this Act upon individuals, trusts,  
11 and estates during the preceding month and (ii) 6.86% (10% of  
12 the ratio of the 4.8% corporate income tax rate prior to 2011  
13 to the 7% corporate income tax rate after 2010) of the net  
14 revenue realized from the tax imposed by subsections (a) and  
15 (b) of Section 201 of this Act upon corporations during the  
16 preceding month. Beginning February 1, 2015 and continuing  
17 through January 31, 2025, the Treasurer shall transfer each  
18 month from the General Revenue Fund to the Local Government  
19 Distributive Fund an amount equal to the sum of (i) 8% (10% of  
20 the ratio of the 3% individual income tax rate prior to 2011 to  
21 the 3.75% individual income tax rate after 2014) of the net  
22 revenue realized from the tax imposed by subsections (a) and  
23 (b) of Section 201 of this Act upon individuals, trusts, and  
24 estates during the preceding month and (ii) 9.14% (10% of the  
25 ratio of the 4.8% corporate income tax rate prior to 2011 to  
26 the 5.25% corporate income tax rate after 2014) of the net



1 revenue realized from the tax imposed by subsections (a) and  
2 (b) of Section 201 of this Act upon corporations during the  
3 preceding month. Beginning February 1, 2025, the Treasurer  
4 shall transfer each month from the General Revenue Fund to the  
5 Local Government Distributive Fund an amount equal to the sum  
6 of (i) 9.23% (10% of the ratio of the 3% individual income tax  
7 rate prior to 2011 to the 3.25% individual income tax rate  
8 after 2024) of the net revenue realized from the tax imposed by  
9 subsections (a) and (b) of Section 201 of this Act upon  
10 individuals, trusts, and estates during the preceding month and  
11 (ii) 10% of the net revenue realized from the tax imposed by  
12 subsections (a) and (b) of Section 201 of this Act upon  
13 corporations during the preceding month. Net revenue realized  
14 for a month shall be defined as the revenue from the tax  
15 imposed by subsections (a) and (b) of Section 201 of this Act  
16 which is deposited in the General Revenue Fund, the Education  
17 Assistance Fund, the Income Tax Surcharge Local Government  
18 Distributive Fund, the Fund for the Advancement of Education,  
19 and the Commitment to Human Services Fund during the month  
20 minus the amount paid out of the General Revenue Fund in State  
21 warrants during that same month as refunds to taxpayers for  
22 overpayment of liability under the tax imposed by subsections  
23 (a) and (b) of Section 201 of this Act.

24 Beginning on August 26, 2014 (the effective date of Public  
25 Act 98-1052), the Comptroller shall perform the transfers  
26 required by this subsection (b) no later than 60 days after he

1 or she receives the certification from the Treasurer as  
2 provided in Section 1 of the State Revenue Sharing Act.

3 (c) Deposits Into Income Tax Refund Fund.

4 (1) Beginning on January 1, 1989 and thereafter, the  
5 Department shall deposit a percentage of the amounts  
6 collected pursuant to subsections (a) and (b) (1), (2), and  
7 (3), of Section 201 of this Act into a fund in the State  
8 treasury known as the Income Tax Refund Fund. The  
9 Department shall deposit 6% of such amounts during the  
10 period beginning January 1, 1989 and ending on June 30,  
11 1989. Beginning with State fiscal year 1990 and for each  
12 fiscal year thereafter, the percentage deposited into the  
13 Income Tax Refund Fund during a fiscal year shall be the  
14 Annual Percentage. For fiscal years 1999 through 2001, the  
15 Annual Percentage shall be 7.1%. For fiscal year 2003, the  
16 Annual Percentage shall be 8%. For fiscal year 2004, the  
17 Annual Percentage shall be 11.7%. Upon the effective date  
18 of this amendatory Act of the 93rd General Assembly, the  
19 Annual Percentage shall be 10% for fiscal year 2005. For  
20 fiscal year 2006, the Annual Percentage shall be 9.75%. For  
21 fiscal year 2007, the Annual Percentage shall be 9.75%. For  
22 fiscal year 2008, the Annual Percentage shall be 7.75%. For  
23 fiscal year 2009, the Annual Percentage shall be 9.75%. For  
24 fiscal year 2010, the Annual Percentage shall be 9.75%. For  
25 fiscal year 2011, the Annual Percentage shall be 8.75%. For  
26 fiscal year 2012, the Annual Percentage shall be 8.75%. For

1 fiscal year 2013, the Annual Percentage shall be 9.75%. For  
2 fiscal year 2014, the Annual Percentage shall be 9.5%. For  
3 fiscal year 2015, the Annual Percentage shall be 10%. For  
4 all other fiscal years, the Annual Percentage shall be  
5 calculated as a fraction, the numerator of which shall be  
6 the amount of refunds approved for payment by the  
7 Department during the preceding fiscal year as a result of  
8 overpayment of tax liability under subsections (a) and  
9 (b) (1), (2), and (3) of Section 201 of this Act plus the  
10 amount of such refunds remaining approved but unpaid at the  
11 end of the preceding fiscal year, minus the amounts  
12 transferred into the Income Tax Refund Fund from the  
13 Tobacco Settlement Recovery Fund, and the denominator of  
14 which shall be the amounts which will be collected pursuant  
15 to subsections (a) and (b) (1), (2), and (3) of Section 201  
16 of this Act during the preceding fiscal year; except that  
17 in State fiscal year 2002, the Annual Percentage shall in  
18 no event exceed 7.6%. The Director of Revenue shall certify  
19 the Annual Percentage to the Comptroller on the last  
20 business day of the fiscal year immediately preceding the  
21 fiscal year for which it is to be effective.

22 (2) Beginning on January 1, 1989 and thereafter, the  
23 Department shall deposit a percentage of the amounts  
24 collected pursuant to subsections (a) and (b) (6), (7), and  
25 (8), (c) and (d) of Section 201 of this Act into a fund in  
26 the State treasury known as the Income Tax Refund Fund. The

1 Department shall deposit 18% of such amounts during the  
2 period beginning January 1, 1989 and ending on June 30,  
3 1989. Beginning with State fiscal year 1990 and for each  
4 fiscal year thereafter, the percentage deposited into the  
5 Income Tax Refund Fund during a fiscal year shall be the  
6 Annual Percentage. For fiscal years 1999, 2000, and 2001,  
7 the Annual Percentage shall be 19%. For fiscal year 2003,  
8 the Annual Percentage shall be 27%. For fiscal year 2004,  
9 the Annual Percentage shall be 32%. Upon the effective date  
10 of this amendatory Act of the 93rd General Assembly, the  
11 Annual Percentage shall be 24% for fiscal year 2005. For  
12 fiscal year 2006, the Annual Percentage shall be 20%. For  
13 fiscal year 2007, the Annual Percentage shall be 17.5%. For  
14 fiscal year 2008, the Annual Percentage shall be 15.5%. For  
15 fiscal year 2009, the Annual Percentage shall be 17.5%. For  
16 fiscal year 2010, the Annual Percentage shall be 17.5%. For  
17 fiscal year 2011, the Annual Percentage shall be 17.5%. For  
18 fiscal year 2012, the Annual Percentage shall be 17.5%. For  
19 fiscal year 2013, the Annual Percentage shall be 14%. For  
20 fiscal year 2014, the Annual Percentage shall be 13.4%. For  
21 fiscal year 2015, the Annual Percentage shall be 14%. For  
22 all other fiscal years, the Annual Percentage shall be  
23 calculated as a fraction, the numerator of which shall be  
24 the amount of refunds approved for payment by the  
25 Department during the preceding fiscal year as a result of  
26 overpayment of tax liability under subsections (a) and

1 (b) (6), (7), and (8), (c) and (d) of Section 201 of this  
2 Act plus the amount of such refunds remaining approved but  
3 unpaid at the end of the preceding fiscal year, and the  
4 denominator of which shall be the amounts which will be  
5 collected pursuant to subsections (a) and (b) (6), (7), and  
6 (8), (c) and (d) of Section 201 of this Act during the  
7 preceding fiscal year; except that in State fiscal year  
8 2002, the Annual Percentage shall in no event exceed 23%.  
9 The Director of Revenue shall certify the Annual Percentage  
10 to the Comptroller on the last business day of the fiscal  
11 year immediately preceding the fiscal year for which it is  
12 to be effective.

13 (3) The Comptroller shall order transferred and the  
14 Treasurer shall transfer from the Tobacco Settlement  
15 Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000  
16 in January, 2001, (ii) \$35,000,000 in January, 2002, and  
17 (iii) \$35,000,000 in January, 2003.

18 (d) Expenditures from Income Tax Refund Fund.

19 (1) Beginning January 1, 1989, money in the Income Tax  
20 Refund Fund shall be expended exclusively for the purpose  
21 of paying refunds resulting from overpayment of tax  
22 liability under Section 201 of this Act, for paying rebates  
23 under Section 208.1 in the event that the amounts in the  
24 Homeowners' Tax Relief Fund are insufficient for that  
25 purpose, and for making transfers pursuant to this  
26 subsection (d).

1           (2) The Director shall order payment of refunds  
2 resulting from overpayment of tax liability under Section  
3 201 of this Act from the Income Tax Refund Fund only to the  
4 extent that amounts collected pursuant to Section 201 of  
5 this Act and transfers pursuant to this subsection (d) and  
6 item (3) of subsection (c) have been deposited and retained  
7 in the Fund.

8           (3) As soon as possible after the end of each fiscal  
9 year, the Director shall order transferred and the State  
10 Treasurer and State Comptroller shall transfer from the  
11 Income Tax Refund Fund to the Personal Property Tax  
12 Replacement Fund an amount, certified by the Director to  
13 the Comptroller, equal to the excess of the amount  
14 collected pursuant to subsections (c) and (d) of Section  
15 201 of this Act deposited into the Income Tax Refund Fund  
16 during the fiscal year over the sum of the amount of  
17 refunds resulting from overpayment of tax liability under  
18 subsections (c) and (d) of Section 201 of this Act paid  
19 from the Income Tax Refund Fund during the fiscal year plus  
20 the amount of such refund claims received but neither paid  
21 nor denied as of the end of the fiscal year.

22           (4) As soon as possible after the end of each fiscal  
23 year, the Director shall order transferred and the State  
24 Treasurer and State Comptroller shall transfer from the  
25 Personal Property Tax Replacement Fund to the Income Tax  
26 Refund Fund an amount, certified by the Director to the

1 Comptroller, equal to the excess of the amount of refunds  
2 resulting from overpayment of tax liability under  
3 subsections (c) and (d) of Section 201 of this Act paid  
4 from the Income Tax Refund Fund during the fiscal year over  
5 the amount collected pursuant to subsections (c) and (d) of  
6 Section 201 of this Act deposited into the Income Tax  
7 Refund Fund during the fiscal year.

8 (4.5) As soon as possible after the end of fiscal year  
9 1999 and of each fiscal year thereafter, the Director shall  
10 order transferred and the State Treasurer and State  
11 Comptroller shall transfer from the Income Tax Refund Fund  
12 to the General Revenue Fund any surplus remaining in the  
13 Income Tax Refund Fund as of the end of such fiscal year;  
14 excluding for fiscal years 2000, 2001, and 2002 amounts  
15 attributable to transfers under item (3) of subsection (c)  
16 less refunds resulting from the earned income tax credit.

17 (5) This Act shall constitute an irrevocable and  
18 continuing appropriation from the Income Tax Refund Fund  
19 for the purpose of paying refunds upon the order of the  
20 Director in accordance with the provisions of this Section.

21 (e) Deposits into the Education Assistance Fund and the  
22 Income Tax Surcharge Local Government Distributive Fund.

23 On July 1, 1991, and thereafter, of the amounts collected  
24 pursuant to subsections (a) and (b) of Section 201 of this Act,  
25 minus deposits into the Income Tax Refund Fund, the Department  
26 shall deposit 7.3% into the Education Assistance Fund in the

1 State Treasury. Beginning July 1, 1991, and continuing through  
2 January 31, 1993, of the amounts collected pursuant to  
3 subsections (a) and (b) of Section 201 of the Illinois Income  
4 Tax Act, minus deposits into the Income Tax Refund Fund, the  
5 Department shall deposit 3.0% into the Income Tax Surcharge  
6 Local Government Distributive Fund in the State Treasury.  
7 Beginning February 1, 1993 and continuing through June 30,  
8 1993, of the amounts collected pursuant to subsections (a) and  
9 (b) of Section 201 of the Illinois Income Tax Act, minus  
10 deposits into the Income Tax Refund Fund, the Department shall  
11 deposit 4.4% into the Income Tax Surcharge Local Government  
12 Distributive Fund in the State Treasury. Beginning July 1,  
13 1993, and continuing through June 30, 1994, of the amounts  
14 collected under subsections (a) and (b) of Section 201 of this  
15 Act, minus deposits into the Income Tax Refund Fund, the  
16 Department shall deposit 1.475% into the Income Tax Surcharge  
17 Local Government Distributive Fund in the State Treasury.

18 (f) ~~Transfers Deposits~~ into the Fund for the Advancement of  
19 Education. Beginning February 1, 2015, the Department shall  
20 ~~transfer deposit~~ the following portions of the revenue realized  
21 from the tax imposed upon individuals, trusts, and estates by  
22 subsections (a) and (b) of Section 201 of this Act during the  
23 preceding month, minus deposits into the Income Tax Refund  
24 Fund, into the Fund for the Advancement of Education:

25 (1) beginning February 1, 2015, and prior to February  
26 1, 2025, 1/30; and



1           (2) beginning February 1, 2025, 1/26.

2           If the rate of tax imposed by subsection (a) and (b) of  
3 Section 201 is reduced pursuant to Section 201.5 of this Act,  
4 the Department shall not make the deposits required by this  
5 subsection (f) on or after the effective date of the reduction.

6           (g) Transfers ~~Deposits~~ into the Commitment to Human  
7 Services Fund. Beginning February 1, 2015, the Department shall  
8 transfer ~~deposit~~ the following portions of the revenue realized  
9 from the tax imposed upon individuals, trusts, and estates by  
10 subsections (a) and (b) of Section 201 of this Act during the  
11 preceding month, minus deposits into the Income Tax Refund  
12 Fund, into the Commitment to Human Services Fund:

13           (1) beginning February 1, 2015, and prior to February  
14 1, 2025, 1/30; and

15           (2) beginning February 1, 2025, 1/26.

16           If the rate of tax imposed by subsection (a) and (b) of  
17 Section 201 is reduced pursuant to Section 201.5 of this Act,  
18 the Department shall not make the deposits required by this  
19 subsection (g) on or after the effective date of the reduction.

20           (h) Deposits into the Tax Compliance and Administration  
21 Fund. Beginning on the first day of the first calendar month to  
22 occur on or after August 26, 2014 (the effective date of Public  
23 Act 98-1098), each month the Department shall pay into the Tax  
24 Compliance and Administration Fund, to be used, subject to  
25 appropriation, to fund additional auditors and compliance  
26 personnel at the Department, an amount equal to 1/12 of 5% of

1 the cash receipts collected during the preceding fiscal year by  
2 the Audit Bureau of the Department from the tax imposed by  
3 subsections (a), (b), (c), and (d) of Section 201 of this Act,  
4 net of deposits into the Income Tax Refund Fund made from those  
5 cash receipts.

6 (Source: P.A. 98-24, eff. 6-19-13; 98-674, eff. 6-30-14;  
7 98-1052, eff. 8-26-14; 98-1098, eff. 8-26-14; 99-78, eff.  
8 7-20-15.)

9 Section 30. The Use Tax Act is amended by changing Sections  
10 3-5, 3-5.5, and 9 as follows:

11 (35 ILCS 105/3-5)

12 Sec. 3-5. Exemptions. Use of the following tangible  
13 personal property is exempt from the tax imposed by this Act:

14 (1) Personal property purchased from a corporation,  
15 society, association, foundation, institution, or  
16 organization, other than a limited liability company, that is  
17 organized and operated as a not-for-profit service enterprise  
18 for the benefit of persons 65 years of age or older if the  
19 personal property was not purchased by the enterprise for the  
20 purpose of resale by the enterprise.

21 (2) Personal property purchased by a not-for-profit  
22 Illinois county fair association for use in conducting,  
23 operating, or promoting the county fair.

24 (3) Personal property purchased by a not-for-profit arts or

1 cultural organization that establishes, by proof required by  
2 the Department by rule, that it has received an exemption under  
3 Section 501(c)(3) of the Internal Revenue Code and that is  
4 organized and operated primarily for the presentation or  
5 support of arts or cultural programming, activities, or  
6 services. These organizations include, but are not limited to,  
7 music and dramatic arts organizations such as symphony  
8 orchestras and theatrical groups, arts and cultural service  
9 organizations, local arts councils, visual arts organizations,  
10 and media arts organizations. On and after the effective date  
11 of this amendatory Act of the 92nd General Assembly, however,  
12 an entity otherwise eligible for this exemption shall not make  
13 tax-free purchases unless it has an active identification  
14 number issued by the Department.

15 (4) Personal property purchased by a governmental body, by  
16 a corporation, society, association, foundation, or  
17 institution organized and operated exclusively for charitable,  
18 religious, or educational purposes, or by a not-for-profit  
19 corporation, society, association, foundation, institution, or  
20 organization that has no compensated officers or employees and  
21 that is organized and operated primarily for the recreation of  
22 persons 55 years of age or older. A limited liability company  
23 may qualify for the exemption under this paragraph only if the  
24 limited liability company is organized and operated  
25 exclusively for educational purposes. On and after July 1,  
26 1987, however, no entity otherwise eligible for this exemption

1 shall make tax-free purchases unless it has an active exemption  
2 identification number issued by the Department.

3 (5) Until July 1, 2003, a passenger car that is a  
4 replacement vehicle to the extent that the purchase price of  
5 the car is subject to the Replacement Vehicle Tax.

6 (6) Until July 1, 2003 and beginning again on September 1,  
7 2004 through August 30, 2014, graphic arts machinery and  
8 equipment, including repair and replacement parts, both new and  
9 used, and including that manufactured on special order,  
10 certified by the purchaser to be used primarily for graphic  
11 arts production, and including machinery and equipment  
12 purchased for lease. Equipment includes chemicals or chemicals  
13 acting as catalysts but only if the chemicals or chemicals  
14 acting as catalysts effect a direct and immediate change upon a  
15 graphic arts product.

16 (7) Farm chemicals.

17 (8) Legal tender, currency, medallions, or gold or silver  
18 coinage issued by the State of Illinois, the government of the  
19 United States of America, or the government of any foreign  
20 country, and bullion.

21 (9) Personal property purchased from a teacher-sponsored  
22 student organization affiliated with an elementary or  
23 secondary school located in Illinois.

24 (10) A motor vehicle that is used for automobile renting,  
25 as defined in the Automobile Renting Occupation and Use Tax  
26 Act.

1           (11) Farm machinery and equipment, both new and used,  
2 including that manufactured on special order, certified by the  
3 purchaser to be used primarily for production agriculture or  
4 State or federal agricultural programs, including individual  
5 replacement parts for the machinery and equipment, including  
6 machinery and equipment purchased for lease, and including  
7 implements of husbandry defined in Section 1-130 of the  
8 Illinois Vehicle Code, farm machinery and agricultural  
9 chemical and fertilizer spreaders, and nurse wagons required to  
10 be registered under Section 3-809 of the Illinois Vehicle Code,  
11 but excluding other motor vehicles required to be registered  
12 under the Illinois Vehicle Code. Horticultural polyhouses or  
13 hoop houses used for propagating, growing, or overwintering  
14 plants shall be considered farm machinery and equipment under  
15 this item (11). Agricultural chemical tender tanks and dry  
16 boxes shall include units sold separately from a motor vehicle  
17 required to be licensed and units sold mounted on a motor  
18 vehicle required to be licensed if the selling price of the  
19 tender is separately stated.

20           Farm machinery and equipment shall include precision  
21 farming equipment that is installed or purchased to be  
22 installed on farm machinery and equipment including, but not  
23 limited to, tractors, harvesters, sprayers, planters, seeders,  
24 or spreaders. Precision farming equipment includes, but is not  
25 limited to, soil testing sensors, computers, monitors,  
26 software, global positioning and mapping systems, and other

1 such equipment.

2 Farm machinery and equipment also includes computers,  
3 sensors, software, and related equipment used primarily in the  
4 computer-assisted operation of production agriculture  
5 facilities, equipment, and activities such as, but not limited  
6 to, the collection, monitoring, and correlation of animal and  
7 crop data for the purpose of formulating animal diets and  
8 agricultural chemicals. This item (11) is exempt from the  
9 provisions of Section 3-90.

10 (12) Until June 30, 2013, fuel and petroleum products sold  
11 to or used by an air common carrier, certified by the carrier  
12 to be used for consumption, shipment, or storage in the conduct  
13 of its business as an air common carrier, for a flight destined  
14 for or returning from a location or locations outside the  
15 United States without regard to previous or subsequent domestic  
16 stopovers.

17 Beginning July 1, 2013, fuel and petroleum products sold to  
18 or used by an air carrier, certified by the carrier to be used  
19 for consumption, shipment, or storage in the conduct of its  
20 business as an air common carrier, for a flight that (i) is  
21 engaged in foreign trade or is engaged in trade between the  
22 United States and any of its possessions and (ii) transports at  
23 least one individual or package for hire from the city of  
24 origination to the city of final destination on the same  
25 aircraft, without regard to a change in the flight number of  
26 that aircraft.

1           (13) Proceeds of mandatory service charges separately  
2 stated on customers' bills for the purchase and consumption of  
3 food and beverages purchased at retail from a retailer, to the  
4 extent that the proceeds of the service charge are in fact  
5 turned over as tips or as a substitute for tips to the  
6 employees who participate directly in preparing, serving,  
7 hosting or cleaning up the food or beverage function with  
8 respect to which the service charge is imposed.

9           (14) Until July 1, 2003, oil field exploration, drilling,  
10 and production equipment, including (i) rigs and parts of rigs,  
11 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and  
12 tubular goods, including casing and drill strings, (iii) pumps  
13 and pump-jack units, (iv) storage tanks and flow lines, (v) any  
14 individual replacement part for oil field exploration,  
15 drilling, and production equipment, and (vi) machinery and  
16 equipment purchased for lease; but excluding motor vehicles  
17 required to be registered under the Illinois Vehicle Code.

18           (15) Photoprocessing machinery and equipment, including  
19 repair and replacement parts, both new and used, including that  
20 manufactured on special order, certified by the purchaser to be  
21 used primarily for photoprocessing, and including  
22 photoprocessing machinery and equipment purchased for lease.

23           (16) Coal and aggregate exploration, mining, off-highway  
24 hauling, processing, maintenance, and reclamation equipment,  
25 including replacement parts and equipment, and including  
26 equipment purchased for lease, but excluding motor vehicles

1 required to be registered under the Illinois Vehicle Code. The  
2 changes made to this Section by Public Act 97-767 apply on and  
3 after July 1, 2003, but no claim for credit or refund is  
4 allowed on or after August 16, 2013 (the effective date of  
5 Public Act 98-456) for such taxes paid during the period  
6 beginning July 1, 2003 and ending on August 16, 2013 (the  
7 effective date of Public Act 98-456).

8 (17) Until July 1, 2003, distillation machinery and  
9 equipment, sold as a unit or kit, assembled or installed by the  
10 retailer, certified by the user to be used only for the  
11 production of ethyl alcohol that will be used for consumption  
12 as motor fuel or as a component of motor fuel for the personal  
13 use of the user, and not subject to sale or resale.

14 (18) Manufacturing and assembling machinery and equipment  
15 used primarily in the process of manufacturing or assembling  
16 tangible personal property for wholesale or retail sale or  
17 lease, whether that sale or lease is made directly by the  
18 manufacturer or by some other person, whether the materials  
19 used in the process are owned by the manufacturer or some other  
20 person, or whether that sale or lease is made apart from or as  
21 an incident to the seller's engaging in the service occupation  
22 of producing machines, tools, dies, jigs, patterns, gauges, or  
23 other similar items of no commercial value on special order for  
24 a particular purchaser. The exemption provided by this  
25 paragraph (18) does not include machinery and equipment used in  
26 (i) the generation of electricity for wholesale or retail sale;



1 (ii) the generation or treatment of natural or artificial gas  
2 for wholesale or retail sale that is delivered to customers  
3 through pipes, pipelines, or mains; or (iii) the treatment of  
4 water for wholesale or retail sale that is delivered to  
5 customers through pipes, pipelines, or mains. The provisions of  
6 Public Act 98-583 are declaratory of existing law as to the  
7 meaning and scope of this exemption.

8 (19) Personal property delivered to a purchaser or  
9 purchaser's donee inside Illinois when the purchase order for  
10 that personal property was received by a florist located  
11 outside Illinois who has a florist located inside Illinois  
12 deliver the personal property.

13 (20) Semen used for artificial insemination of livestock  
14 for direct agricultural production.

15 (21) Horses, or interests in horses, registered with and  
16 meeting the requirements of any of the Arabian Horse Club  
17 Registry of America, Appaloosa Horse Club, American Quarter  
18 Horse Association, United States Trotting Association, or  
19 Jockey Club, as appropriate, used for purposes of breeding or  
20 racing for prizes. This item (21) is exempt from the provisions  
21 of Section 3-90, and the exemption provided for under this item  
22 (21) applies for all periods beginning May 30, 1995, but no  
23 claim for credit or refund is allowed on or after January 1,  
24 2008 for such taxes paid during the period beginning May 30,  
25 2000 and ending on January 1, 2008.

26 (22) Computers and communications equipment utilized for

1 any hospital purpose and equipment used in the diagnosis,  
2 analysis, or treatment of hospital patients purchased by a  
3 lessor who leases the equipment, under a lease of one year or  
4 longer executed or in effect at the time the lessor would  
5 otherwise be subject to the tax imposed by this Act, to a  
6 hospital that has been issued an active tax exemption  
7 identification number by the Department under Section 1g of the  
8 Retailers' Occupation Tax Act. If the equipment is leased in a  
9 manner that does not qualify for this exemption or is used in  
10 any other non-exempt manner, the lessor shall be liable for the  
11 tax imposed under this Act or the Service Use Tax Act, as the  
12 case may be, based on the fair market value of the property at  
13 the time the non-qualifying use occurs. No lessor shall collect  
14 or attempt to collect an amount (however designated) that  
15 purports to reimburse that lessor for the tax imposed by this  
16 Act or the Service Use Tax Act, as the case may be, if the tax  
17 has not been paid by the lessor. If a lessor improperly  
18 collects any such amount from the lessee, the lessee shall have  
19 a legal right to claim a refund of that amount from the lessor.  
20 If, however, that amount is not refunded to the lessee for any  
21 reason, the lessor is liable to pay that amount to the  
22 Department.

23 (23) Personal property purchased by a lessor who leases the  
24 property, under a lease of one year or longer executed or in  
25 effect at the time the lessor would otherwise be subject to the  
26 tax imposed by this Act, to a governmental body that has been

1 issued an active sales tax exemption identification number by  
2 the Department under Section 1g of the Retailers' Occupation  
3 Tax Act. If the property is leased in a manner that does not  
4 qualify for this exemption or used in any other non-exempt  
5 manner, the lessor shall be liable for the tax imposed under  
6 this Act or the Service Use Tax Act, as the case may be, based  
7 on the fair market value of the property at the time the  
8 non-qualifying use occurs. No lessor shall collect or attempt  
9 to collect an amount (however designated) that purports to  
10 reimburse that lessor for the tax imposed by this Act or the  
11 Service Use Tax Act, as the case may be, if the tax has not been  
12 paid by the lessor. If a lessor improperly collects any such  
13 amount from the lessee, the lessee shall have a legal right to  
14 claim a refund of that amount from the lessor. If, however,  
15 that amount is not refunded to the lessee for any reason, the  
16 lessor is liable to pay that amount to the Department.

17 (24) Beginning with taxable years ending on or after  
18 December 31, 1995 and ending with taxable years ending on or  
19 before December 31, 2004, personal property that is donated for  
20 disaster relief to be used in a State or federally declared  
21 disaster area in Illinois or bordering Illinois by a  
22 manufacturer or retailer that is registered in this State to a  
23 corporation, society, association, foundation, or institution  
24 that has been issued a sales tax exemption identification  
25 number by the Department that assists victims of the disaster  
26 who reside within the declared disaster area.

1           (25) Beginning with taxable years ending on or after  
2 December 31, 1995 and ending with taxable years ending on or  
3 before December 31, 2004, personal property that is used in the  
4 performance of infrastructure repairs in this State, including  
5 but not limited to municipal roads and streets, access roads,  
6 bridges, sidewalks, waste disposal systems, water and sewer  
7 line extensions, water distribution and purification  
8 facilities, storm water drainage and retention facilities, and  
9 sewage treatment facilities, resulting from a State or  
10 federally declared disaster in Illinois or bordering Illinois  
11 when such repairs are initiated on facilities located in the  
12 declared disaster area within 6 months after the disaster.

13           (26) Beginning July 1, 1999, game or game birds purchased  
14 at a "game breeding and hunting preserve area" as that term is  
15 used in the Wildlife Code. This paragraph is exempt from the  
16 provisions of Section 3-90.

17           (27) A motor vehicle, as that term is defined in Section  
18 1-146 of the Illinois Vehicle Code, that is donated to a  
19 corporation, limited liability company, society, association,  
20 foundation, or institution that is determined by the Department  
21 to be organized and operated exclusively for educational  
22 purposes. For purposes of this exemption, "a corporation,  
23 limited liability company, society, association, foundation,  
24 or institution organized and operated exclusively for  
25 educational purposes" means all tax-supported public schools,  
26 private schools that offer systematic instruction in useful

1 branches of learning by methods common to public schools and  
2 that compare favorably in their scope and intensity with the  
3 course of study presented in tax-supported schools, and  
4 vocational or technical schools or institutes organized and  
5 operated exclusively to provide a course of study of not less  
6 than 6 weeks duration and designed to prepare individuals to  
7 follow a trade or to pursue a manual, technical, mechanical,  
8 industrial, business, or commercial occupation.

9 (28) Beginning January 1, 2000, personal property,  
10 including food, purchased through fundraising events for the  
11 benefit of a public or private elementary or secondary school,  
12 a group of those schools, or one or more school districts if  
13 the events are sponsored by an entity recognized by the school  
14 district that consists primarily of volunteers and includes  
15 parents and teachers of the school children. This paragraph  
16 does not apply to fundraising events (i) for the benefit of  
17 private home instruction or (ii) for which the fundraising  
18 entity purchases the personal property sold at the events from  
19 another individual or entity that sold the property for the  
20 purpose of resale by the fundraising entity and that profits  
21 from the sale to the fundraising entity. This paragraph is  
22 exempt from the provisions of Section 3-90.

23 (29) Beginning January 1, 2000 and through December 31,  
24 2001, new or used automatic vending machines that prepare and  
25 serve hot food and beverages, including coffee, soup, and other  
26 items, and replacement parts for these machines. Beginning

1 January 1, 2002 and through June 30, 2003, machines and parts  
2 for machines used in commercial, coin-operated amusement and  
3 vending business if a use or occupation tax is paid on the  
4 gross receipts derived from the use of the commercial,  
5 coin-operated amusement and vending machines. This paragraph  
6 is exempt from the provisions of Section 3-90.

7 (30) Beginning January 1, 2001 and through June 30, 2016,  
8 food for human consumption that is to be consumed off the  
9 premises where it is sold (other than alcoholic beverages, soft  
10 drinks, and food that has been prepared for immediate  
11 consumption) and prescription and nonprescription medicines,  
12 drugs, medical appliances, and insulin, urine testing  
13 materials, syringes, and needles used by diabetics, for human  
14 use, when purchased for use by a person receiving medical  
15 assistance under Article V of the Illinois Public Aid Code who  
16 resides in a licensed long-term care facility, as defined in  
17 the Nursing Home Care Act, or in a licensed facility as defined  
18 in the ID/DD Community Care Act, the MC/DD Act, or the  
19 Specialized Mental Health Rehabilitation Act of 2013.

20 (31) Beginning on the effective date of this amendatory Act  
21 of the 92nd General Assembly, computers and communications  
22 equipment utilized for any hospital purpose and equipment used  
23 in the diagnosis, analysis, or treatment of hospital patients  
24 purchased by a lessor who leases the equipment, under a lease  
25 of one year or longer executed or in effect at the time the  
26 lessor would otherwise be subject to the tax imposed by this

1 Act, to a hospital that has been issued an active tax exemption  
2 identification number by the Department under Section 1g of the  
3 Retailers' Occupation Tax Act. If the equipment is leased in a  
4 manner that does not qualify for this exemption or is used in  
5 any other nonexempt manner, the lessor shall be liable for the  
6 tax imposed under this Act or the Service Use Tax Act, as the  
7 case may be, based on the fair market value of the property at  
8 the time the nonqualifying use occurs. No lessor shall collect  
9 or attempt to collect an amount (however designated) that  
10 purports to reimburse that lessor for the tax imposed by this  
11 Act or the Service Use Tax Act, as the case may be, if the tax  
12 has not been paid by the lessor. If a lessor improperly  
13 collects any such amount from the lessee, the lessee shall have  
14 a legal right to claim a refund of that amount from the lessor.  
15 If, however, that amount is not refunded to the lessee for any  
16 reason, the lessor is liable to pay that amount to the  
17 Department. This paragraph is exempt from the provisions of  
18 Section 3-90.

19 (32) Beginning on the effective date of this amendatory Act  
20 of the 92nd General Assembly, personal property purchased by a  
21 lessor who leases the property, under a lease of one year or  
22 longer executed or in effect at the time the lessor would  
23 otherwise be subject to the tax imposed by this Act, to a  
24 governmental body that has been issued an active sales tax  
25 exemption identification number by the Department under  
26 Section 1g of the Retailers' Occupation Tax Act. If the

1 property is leased in a manner that does not qualify for this  
2 exemption or used in any other nonexempt manner, the lessor  
3 shall be liable for the tax imposed under this Act or the  
4 Service Use Tax Act, as the case may be, based on the fair  
5 market value of the property at the time the nonqualifying use  
6 occurs. No lessor shall collect or attempt to collect an amount  
7 (however designated) that purports to reimburse that lessor for  
8 the tax imposed by this Act or the Service Use Tax Act, as the  
9 case may be, if the tax has not been paid by the lessor. If a  
10 lessor improperly collects any such amount from the lessee, the  
11 lessee shall have a legal right to claim a refund of that  
12 amount from the lessor. If, however, that amount is not  
13 refunded to the lessee for any reason, the lessor is liable to  
14 pay that amount to the Department. This paragraph is exempt  
15 from the provisions of Section 3-90.

16 (33) On and after July 1, 2003 and through June 30, 2004,  
17 the use in this State of motor vehicles of the second division  
18 with a gross vehicle weight in excess of 8,000 pounds and that  
19 are subject to the commercial distribution fee imposed under  
20 Section 3-815.1 of the Illinois Vehicle Code. Beginning on July  
21 1, 2004 and through June 30, 2005, the use in this State of  
22 motor vehicles of the second division: (i) with a gross vehicle  
23 weight rating in excess of 8,000 pounds; (ii) that are subject  
24 to the commercial distribution fee imposed under Section  
25 3-815.1 of the Illinois Vehicle Code; and (iii) that are  
26 primarily used for commercial purposes. Through June 30, 2005,



1 this exemption applies to repair and replacement parts added  
2 after the initial purchase of such a motor vehicle if that  
3 motor vehicle is used in a manner that would qualify for the  
4 rolling stock exemption otherwise provided for in this Act. For  
5 purposes of this paragraph, the term "used for commercial  
6 purposes" means the transportation of persons or property in  
7 furtherance of any commercial or industrial enterprise,  
8 whether for-hire or not.

9 (34) Beginning January 1, 2008, tangible personal property  
10 used in the construction or maintenance of a community water  
11 supply, as defined under Section 3.145 of the Environmental  
12 Protection Act, that is operated by a not-for-profit  
13 corporation that holds a valid water supply permit issued under  
14 Title IV of the Environmental Protection Act. This paragraph is  
15 exempt from the provisions of Section 3-90.

16 (35) Beginning January 1, 2010, materials, parts,  
17 equipment, components, and furnishings incorporated into or  
18 upon an aircraft as part of the modification, refurbishment,  
19 completion, replacement, repair, or maintenance of the  
20 aircraft. This exemption includes consumable supplies used in  
21 the modification, refurbishment, completion, replacement,  
22 repair, and maintenance of aircraft, but excludes any  
23 materials, parts, equipment, components, and consumable  
24 supplies used in the modification, replacement, repair, and  
25 maintenance of aircraft engines or power plants, whether such  
26 engines or power plants are installed or uninstalled upon any

1 such aircraft. "Consumable supplies" include, but are not  
2 limited to, adhesive, tape, sandpaper, general purpose  
3 lubricants, cleaning solution, latex gloves, and protective  
4 films. This exemption applies only to the use of qualifying  
5 tangible personal property by persons who modify, refurbish,  
6 complete, repair, replace, or maintain aircraft and who (i)  
7 hold an Air Agency Certificate and are empowered to operate an  
8 approved repair station by the Federal Aviation  
9 Administration, (ii) have a Class IV Rating, and (iii) conduct  
10 operations in accordance with Part 145 of the Federal Aviation  
11 Regulations. The exemption does not include aircraft operated  
12 by a commercial air carrier providing scheduled passenger air  
13 service pursuant to authority issued under Part 121 or Part 129  
14 of the Federal Aviation Regulations. The changes made to this  
15 paragraph (35) by Public Act 98-534 are declarative of existing  
16 law.

17 (36) Tangible personal property purchased by a  
18 public-facilities corporation, as described in Section  
19 11-65-10 of the Illinois Municipal Code, for purposes of  
20 constructing or furnishing a municipal convention hall, but  
21 only if the legal title to the municipal convention hall is  
22 transferred to the municipality without any further  
23 consideration by or on behalf of the municipality at the time  
24 of the completion of the municipal convention hall or upon the  
25 retirement or redemption of any bonds or other debt instruments  
26 issued by the public-facilities corporation in connection with

1 the development of the municipal convention hall. This  
2 exemption includes existing public-facilities corporations as  
3 provided in Section 11-65-25 of the Illinois Municipal Code.  
4 This paragraph is exempt from the provisions of Section 3-90.

5 (37) Beginning January 1, 2017, menstrual pads, tampons,  
6 and menstrual cups.

7 (38) Personal property purchased by a purchaser who is  
8 exempt from the tax imposed by this Act by operation of federal  
9 law. This paragraph is exempt from the provisions of Section  
10 3-90.

11 (Source: P.A. 98-104, eff. 7-22-13; 98-422, eff. 8-16-13;  
12 98-456, eff. 8-16-13; 98-534, eff. 8-23-13; 98-574, eff.  
13 1-1-14; 98-583, eff. 1-1-14; 98-756, eff. 7-16-14; 99-180, eff.  
14 7-29-15; 99-855, eff. 8-19-16.)

15 (35 ILCS 105/3-5.5)

16 Sec. 3-5.5. Food and drugs sold by not-for-profit  
17 organizations; exemption. The Department shall not collect the  
18 1% tax imposed under this Act on sales of tangible personal  
19 property (including but not limited to, food for human  
20 consumption that is to be consumed off the premises where it is  
21 sold (other than alcoholic beverages, soft drinks, and food  
22 that has been prepared for immediate consumption) and  
23 prescription and nonprescription medicines, drugs, medical  
24 appliances, products classified as Class III medical devices by  
25 the United States Food and Drug Administration that are used

1 for cancer treatment pursuant to a prescription, as well as any  
2 accessories and components related to those devices,  
3 modifications to a motor vehicle for the purpose of rendering  
4 it usable by a person with a disability, and insulin, urine  
5 testing materials, syringes, and needles used by diabetics, for  
6 human use) from any not-for-profit organization, that sells  
7 food in a food distribution program at a price below the retail  
8 cost of the food to purchasers who, as a condition of  
9 participation in the program, are required to perform community  
10 service, located in a county or municipality that notifies the  
11 Department, in writing, that the county or municipality does  
12 not want the tax to be collected from any of such organizations  
13 located in the county or municipality.

14 (Source: P.A. 88-374.)

15 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

16 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
17 and trailers that are required to be registered with an agency  
18 of this State, each retailer required or authorized to collect  
19 the tax imposed by this Act shall pay to the Department the  
20 amount of such tax (except as otherwise provided) at the time  
21 when he is required to file his return for the period during  
22 which such tax was collected, less a discount of 2.1% prior to  
23 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
24 per calendar year, whichever is greater, which is allowed to  
25 reimburse the retailer for expenses incurred in collecting the

1 tax, keeping records, preparing and filing returns, remitting  
2 the tax and supplying data to the Department on request. In the  
3 case of retailers who report and pay the tax on a transaction  
4 by transaction basis, as provided in this Section, such  
5 discount shall be taken with each such tax remittance instead  
6 of when such retailer files his periodic return. The Department  
7 may disallow the discount for retailers 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 retailer need not remit that  
11 part of any tax collected by him to the extent that he is  
12 required to remit and does remit the tax imposed by the  
13 Retailers' Occupation Tax Act, with respect to the sale of the  
14 same property.

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

25 Except as provided in this Section, on or before the  
26 twentieth day of each calendar month, such retailer shall file

1 a return for the preceding calendar month. Such return shall be  
2 filed on forms prescribed by the Department and shall furnish  
3 such information as the Department may reasonably require.

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

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

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

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

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

1 all payments required by rules of the Department by electronic  
2 funds transfer.

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

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

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

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

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



1 incurred. On and after October 1, 2000, if the taxpayer's  
2 average monthly tax liability to the Department under this Act,  
3 the Retailers' Occupation Tax Act, the Service Occupation Tax  
4 Act, and the Service Use Tax Act was \$20,000 or more during the  
5 preceding 4 complete calendar quarters, he shall file a return  
6 with the Department each month by the 20th day of the month  
7 next following the month during which such tax liability is  
8 incurred and shall make payment to the Department on or before  
9 the 7th, 15th, 22nd and last day of the month during which such  
10 liability is incurred. If the month during which such tax  
11 liability is incurred began prior to January 1, 1985, each  
12 payment shall be in an amount equal to 1/4 of the taxpayer's  
13 actual liability for the month or an amount set by the  
14 Department not to exceed 1/4 of the average monthly liability  
15 of the taxpayer to the Department for the preceding 4 complete  
16 calendar quarters (excluding the month of highest liability and  
17 the month of lowest liability in such 4 quarter period). If the  
18 month during which such tax liability is incurred begins on or  
19 after January 1, 1985, and prior to January 1, 1987, each  
20 payment shall be in an amount equal to 22.5% of the taxpayer's  
21 actual liability for the month or 27.5% of the taxpayer's  
22 liability for the same calendar month of the preceding year. If  
23 the month during which such tax liability is incurred begins on  
24 or after January 1, 1987, and prior to January 1, 1988, each  
25 payment shall be in an amount equal to 22.5% of the taxpayer's  
26 actual liability for the month or 26.25% of the taxpayer's

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

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

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

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

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

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

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

26 Such quarter annual and annual returns, as to form and

1 substance, shall be subject to the same requirements as monthly  
2 returns.

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

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

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

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

1 require.

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

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



1 if the Department and such agency or State officer determine  
2 that this procedure will expedite the processing of  
3 applications for title or registration.

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

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

25 If the user who would otherwise pay tax to the retailer  
26 wants the transaction reporting return filed and the payment of

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

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

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

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

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

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

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

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

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

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

1 price of tangible personal property, other than tangible  
2 personal property which is purchased outside Illinois at retail  
3 from a retailer and which is titled or registered by an agency  
4 of this State's government.

5 Beginning August 1, 2000, each month the Department shall  
6 pay into the State and Local Sales Tax Reform Fund 100% of the  
7 net revenue realized for the preceding month from the 1.25%  
8 rate on the selling price of motor fuel and gasohol. Beginning  
9 September 1, 2010, each month the Department shall pay into the  
10 State and Local Sales Tax Reform Fund 100% of the net revenue  
11 realized for the preceding month from the 1.25% rate on the  
12 selling price of sales tax holiday items.

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

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

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

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

25           Beginning July 1, 2015, of the remainder of the moneys  
26 received by the Department under this Act, the Service Use Tax

1 Act, the Service Occupation Tax Act, and the Retailers'  
2 Occupation Tax Act, each month the Department shall deposit  
3 \$500,000 into the State Crime Laboratory Fund.

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

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



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

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

1 Retailers' Occupation Tax Act into the McCormick Place  
2 Expansion Project Fund in the specified fiscal years.

| 3  | Fiscal Year | Total Deposit |
|----|-------------|---------------|
| 4  | 1993        | \$0           |
| 5  | 1994        | 53,000,000    |
| 6  | 1995        | 58,000,000    |
| 7  | 1996        | 61,000,000    |
| 8  | 1997        | 64,000,000    |
| 9  | 1998        | 68,000,000    |
| 10 | 1999        | 71,000,000    |
| 11 | 2000        | 75,000,000    |
| 12 | 2001        | 80,000,000    |
| 13 | 2002        | 93,000,000    |
| 14 | 2003        | 99,000,000    |
| 15 | 2004        | 103,000,000   |
| 16 | 2005        | 108,000,000   |
| 17 | 2006        | 113,000,000   |
| 18 | 2007        | 119,000,000   |
| 19 | 2008        | 126,000,000   |
| 20 | 2009        | 132,000,000   |
| 21 | 2010        | 139,000,000   |
| 22 | 2011        | 146,000,000   |
| 23 | 2012        | 153,000,000   |
| 24 | 2013        | 161,000,000   |
| 25 | 2014        | 170,000,000   |
| 26 | 2015        | 179,000,000   |

|    |      |             |
|----|------|-------------|
| 1  | 2016 | 189,000,000 |
| 2  | 2017 | 199,000,000 |
| 3  | 2018 | 210,000,000 |
| 4  | 2019 | 221,000,000 |
| 5  | 2020 | 233,000,000 |
| 6  | 2021 | 246,000,000 |
| 7  | 2022 | 260,000,000 |
| 8  | 2023 | 275,000,000 |
| 9  | 2024 | 275,000,000 |
| 10 | 2025 | 275,000,000 |
| 11 | 2026 | 279,000,000 |
| 12 | 2027 | 292,000,000 |
| 13 | 2028 | 307,000,000 |
| 14 | 2029 | 322,000,000 |
| 15 | 2030 | 338,000,000 |
| 16 | 2031 | 350,000,000 |
| 17 | 2032 | 350,000,000 |

18 and

19 each fiscal year

20 thereafter that bonds

21 are outstanding under

22 Section 13.2 of the

23 Metropolitan Pier and

24 Exposition Authority Act,

25 but not after fiscal year 2060.

26 Beginning July 20, 1993 and in each month of each fiscal

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

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

21 Subject to payment of amounts into the Build Illinois Fund  
22 and the McCormick Place Expansion Project Fund pursuant to the  
23 preceding paragraphs or in any amendments thereto hereafter  
24 enacted, beginning with the receipt of the first report of  
25 taxes paid by an eligible business and continuing for a 25-year  
26 period, the Department shall each month pay into the Energy

1 Infrastructure Fund 80% of the net revenue realized from the  
2 6.25% general rate on the selling price of Illinois-mined coal  
3 that was sold to an eligible business. For purposes of this  
4 paragraph, the term "eligible business" means a new electric  
5 generating facility certified pursuant to Section 605-332 of  
6 the Department of Commerce and Economic Opportunity Law of the  
7 Civil Administrative Code of Illinois.

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

1 administered by the Department.

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

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

1 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.  
2 8-26-14; 99-352, eff. 8-12-15; 99-858, eff. 8-19-16; 99-933,  
3 eff. 1-27-17; revised 2-3-17.)

4 Section 35. The Service Use Tax Act is amended by changing  
5 Sections 3-5.5 and 9 as follows:

6 (35 ILCS 110/3-5.5)

7 Sec. 3-5.5. Food and drugs sold by not-for-profit  
8 organizations; exemption. The Department shall not collect the  
9 1% tax imposed under this Act on sales of tangible personal  
10 property (including but not limited to, food for human  
11 consumption that is to be consumed off the premises where it is  
12 sold (other than alcoholic beverages, soft drinks, and food  
13 that has been prepared for immediate consumption) and  
14 prescription and nonprescription medicines, drugs, medical  
15 appliances, products classified as Class III medical devices by  
16 the United States Food and Drug Administration that are used  
17 for cancer treatment pursuant to a prescription, as well as any  
18 accessories and components related to those devices,  
19 modifications to a motor vehicle for the purpose of rendering  
20 it usable by a person with a disability, and insulin, urine  
21 testing materials, syringes, and needles used by diabetics, for  
22 human use) from any not-for-profit organization, that sells  
23 food in a food distribution program at a price below the retail  
24 cost of the food to purchasers who, as a condition of

1 participation in the program, are required to perform community  
2 service, located in a county or municipality that notifies the  
3 Department, in writing, that the county or municipality does  
4 not want the tax to be collected from any of such organizations  
5 located in the county or municipality.

6 (Source: P.A. 88-374.)

7 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

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



1 Except as provided hereinafter in this Section, on or  
2 before the twentieth day of each calendar month, such  
3 serviceman shall file a return for the preceding calendar month  
4 in accordance with reasonable Rules and Regulations to be  
5 promulgated by the Department. Such return shall be filed on a  
6 form prescribed by the Department and shall contain such  
7 information as the Department may reasonably require.

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

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

1           may require.

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

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

1 a tax liability in the amount set forth in subsection (b) of  
2 Section 2505-210 of the Department of Revenue Law shall make  
3 all payments required by rules of the Department by electronic  
4 funds transfer.

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

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

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

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

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

1 with the return for July, August and September of a given year  
2 being due by October 20 of such year, and with the return for  
3 October, November and December of a given year being due by  
4 January 20 of the following year.

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

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

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

21 Where a serviceman collects the tax with respect to the  
22 selling price of property which he sells and the purchaser  
23 thereafter returns such property and the serviceman refunds the  
24 selling price thereof to the purchaser, such serviceman shall  
25 also refund, to the purchaser, the tax so collected from the  
26 purchaser. When filing his return for the period in which he

1 refunds such tax to the purchaser, the serviceman may deduct  
2 the amount of the tax so refunded by him to the purchaser from  
3 any other Service Use Tax, Service Occupation Tax, retailers'  
4 occupation tax or use tax which such serviceman may be required  
5 to pay or remit to the Department, as shown by such return,  
6 provided that the amount of the tax to be deducted shall  
7 previously have been remitted to the Department by such  
8 serviceman. If the serviceman shall not previously have  
9 remitted the amount of such tax to the Department, he shall be  
10 entitled to no deduction hereunder upon refunding such tax to  
11 the purchaser.

12 Any serviceman filing a return hereunder shall also include  
13 the total tax upon the selling price of tangible personal  
14 property purchased for use by him as an incident to a sale of  
15 service, and such serviceman shall remit the amount of such tax  
16 to the Department when filing such return.

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

23 Where the serviceman has more than one business registered  
24 with the Department under separate registration hereunder,  
25 such serviceman shall not file each return that is due as a  
26 single return covering all such registered businesses, but

1 shall file separate returns for each such registered business.

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

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

25 Beginning August 1, 2000, each month the Department shall  
26 pay into the State and Local Sales Tax Reform Fund 100% of the

1 net revenue realized for the preceding month from the 1.25%  
2 rate on the selling price of motor fuel and gasohol.

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

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

25 Beginning July 1, 2015, of the remainder of the moneys  
26 received by the Department under the Use Tax Act, this Act, the

1 Service Occupation Tax Act, and the Retailers' Occupation Tax  
2 Act, each month the Department shall deposit \$500,000 into the  
3 State Crime Laboratory Fund.

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



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

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

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

1 Retailers' Occupation Tax Act into the McCormick Place  
2 Expansion Project Fund in the specified fiscal years.

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

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

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

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

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 July 1, 1993 and ending on September 30,  
18 2013, the Department shall each month pay into the Illinois Tax  
19 Increment Fund 0.27% of 80% of the net revenue realized for the  
20 preceding month from the 6.25% general rate on the selling  
21 price of tangible personal property.

22           Subject to payment of amounts into the Build Illinois Fund  
23 and the McCormick Place Expansion Project Fund pursuant to the  
24 preceding paragraphs or in any amendments thereto hereafter  
25 enacted, beginning with the receipt of the first report of  
26 taxes paid by an eligible business and continuing for a 25-year

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

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

1 and use taxes administered by the Department.

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

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

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

20 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
21 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;  
22 98-1098, eff. 8-26-14; 99-352, eff. 8-12-15; 99-858, eff.  
23 8-19-16.)

24 Section 40. The Service Occupation Tax Act is amended by  
25 changing Sections 3-5.5 and 9 as follows:

1 (35 ILCS 115/3-5.5)

2 Sec. 3-5.5. Food and drugs sold by not-for-profit  
3 organizations; exemption. The Department shall not collect the  
4 1% tax imposed under this Act on sales of tangible personal  
5 property (including but not limited to, food for human  
6 consumption that is to be consumed off the premises where it is  
7 sold (other than alcoholic beverages, soft drinks, and food  
8 that has been prepared for immediate consumption) and  
9 prescription and nonprescription medicines, drugs, medical  
10 appliances, products classified as Class III medical devices by  
11 the United States Food and Drug Administration that are used  
12 for cancer treatment pursuant to a prescription, as well as any  
13 accessories and components related to those devices,  
14 modifications to a motor vehicle for the purpose of rendering  
15 it usable by a person with a disability, and insulin, urine  
16 testing materials, syringes, and needles used by diabetics, for  
17 human use) from any not-for-profit organization, that sells  
18 food in a food distribution program at a price below the retail  
19 cost of the food to purchasers who, as a condition of  
20 participation in the program, are required to perform community  
21 service, located in a county or municipality that notifies the  
22 Department, in writing, that the county or municipality does  
23 not want the tax to be collected from any of such organizations  
24 located in the county or municipality.

25 (Source: P.A. 88-374.)



1 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

2 Sec. 9. Each serviceman required or authorized to collect  
3 the tax herein imposed shall pay to the Department the amount  
4 of such tax at the time when he is required to file his return  
5 for the period during which such tax was collectible, less a  
6 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
7 after January 1, 1990, or \$5 per calendar year, whichever is  
8 greater, which is allowed to reimburse the serviceman for  
9 expenses incurred in collecting the tax, keeping records,  
10 preparing and filing returns, remitting the tax and supplying  
11 data to the Department on request. The Department may disallow  
12 the discount for servicemen whose certificate of registration  
13 is revoked at the time the return is filed, but only if the  
14 Department's decision to revoke the certificate of  
15 registration has become final.

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

24 Except as provided hereinafter in this Section, on or  
25 before the twentieth day of each calendar month, such

1 serviceman shall file a return for the preceding calendar month  
2 in accordance with reasonable rules and regulations to be  
3 promulgated by the Department of Revenue. Such return shall be  
4 filed on a form prescribed by the Department and shall contain  
5 such information as the Department may reasonably require.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 deduction hereunder upon refunding such tax to the purchaser.

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

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

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

1 human use.

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

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

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

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

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

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



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

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

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

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

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

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

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

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

|    |      |             |
|----|------|-------------|
| 1  | 2000 | 75,000,000  |
| 2  | 2001 | 80,000,000  |
| 3  | 2002 | 93,000,000  |
| 4  | 2003 | 99,000,000  |
| 5  | 2004 | 103,000,000 |
| 6  | 2005 | 108,000,000 |
| 7  | 2006 | 113,000,000 |
| 8  | 2007 | 119,000,000 |
| 9  | 2008 | 126,000,000 |
| 10 | 2009 | 132,000,000 |
| 11 | 2010 | 139,000,000 |
| 12 | 2011 | 146,000,000 |
| 13 | 2012 | 153,000,000 |
| 14 | 2013 | 161,000,000 |
| 15 | 2014 | 170,000,000 |
| 16 | 2015 | 179,000,000 |
| 17 | 2016 | 189,000,000 |
| 18 | 2017 | 199,000,000 |
| 19 | 2018 | 210,000,000 |
| 20 | 2019 | 221,000,000 |
| 21 | 2020 | 233,000,000 |
| 22 | 2021 | 246,000,000 |
| 23 | 2022 | 260,000,000 |
| 24 | 2023 | 275,000,000 |
| 25 | 2024 | 275,000,000 |
| 26 | 2025 | 275,000,000 |

|   |      |             |
|---|------|-------------|
| 1 | 2026 | 279,000,000 |
| 2 | 2027 | 292,000,000 |
| 3 | 2028 | 307,000,000 |
| 4 | 2029 | 322,000,000 |
| 5 | 2030 | 338,000,000 |
| 6 | 2031 | 350,000,000 |
| 7 | 2032 | 350,000,000 |

8 and

9 each fiscal year

10 thereafter that bonds

11 are outstanding under

12 Section 13.2 of the

13 Metropolitan Pier and

14 Exposition Authority Act,

15 but not after fiscal year 2060.

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

1 not in excess of the amount specified above as "Total Deposit",  
2 has been deposited.

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

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

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

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

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

24 The Department may, upon separate written notice to a  
25 taxpayer, require the taxpayer to prepare and file with the  
26 Department on a form prescribed by the Department within not



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

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

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

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

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

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

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

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

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

17 Section 45. The Retailers' Occupation Tax Act is amended by  
18 changing Sections 2-5.5, 3, and 5j as follows:

19 (35 ILCS 120/2-5.5)

20 Sec. 2-5.5. Food and drugs sold by not-for-profit  
21 organizations; exemption. The Department shall not collect the  
22 1% tax imposed under this Act on sales of tangible personal  
23 property (including but not limited to, food for human  
24 consumption that is to be consumed off the premises where it is

1 sold (other than alcoholic beverages, soft drinks, and food  
2 that has been prepared for immediate consumption) and  
3 prescription and nonprescription medicines, drugs, medical  
4 appliances, products classified as Class III medical devices by  
5 the United States Food and Drug Administration that are used  
6 for cancer treatment pursuant to a prescription, as well as any  
7 accessories and components related to those devices,  
8 modifications to a motor vehicle for the purpose of rendering  
9 it usable by a person with a disability, and insulin, urine  
10 testing materials, syringes, and needles used by diabetics, for  
11 human use) from any not-for-profit organization, that sells  
12 food in a food distribution program at a price below the retail  
13 cost of the food to purchasers who, as a condition of  
14 participation in the program, are required to perform community  
15 service, located in a county or municipality that notifies the  
16 Department, in writing, that the county or municipality does  
17 not want the tax to be collected from any of such organizations  
18 located in the county or municipality.

19 (Source: P.A. 88-374.)

20 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

- 1           1. The name of the seller;
- 2           2. His residence address and the address of his  
3           principal place of business and the address of the  
4           principal place of business (if that is a different  
5           address) from which he engages in the business of selling  
6           tangible personal property at retail in this State;
- 7           3. Total amount of receipts received by him during the  
8           preceding calendar month or quarter, as the case may be,  
9           from sales of tangible personal property, and from services  
10          furnished, by him during such preceding calendar month or  
11          quarter;
- 12          4. Total amount received by him during the preceding  
13          calendar month or quarter on charge and time sales of  
14          tangible personal property, and from services furnished,  
15          by him prior to the month or quarter for which the return  
16          is filed;
- 17          5. Deductions allowed by law;
- 18          6. Gross receipts which were received by him during the  
19          preceding calendar month or quarter and upon the basis of  
20          which the tax is imposed;
- 21          7. The amount of credit provided in Section 2d of this  
22          Act;
- 23          8. The amount of tax due;
- 24          9. The signature of the taxpayer; and
- 25          10. Such other reasonable information as the  
26          Department 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           Each return shall be accompanied by the statement of  
6 prepaid tax issued pursuant to Section 2e for which credit is  
7 claimed.

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

1 satisfy any tax liability imposed under this Act, including any  
2 audit liability.

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 the business of selling tangible  
13 personal property at retail in this State;
- 14 3. The total amount of taxable receipts received by him  
15 during the preceding calendar month from sales of tangible  
16 personal property by him during such preceding calendar  
17 month, including receipts from charge and time sales, but  
18 less all deductions allowed by law;
- 19 4. The amount of credit provided in Section 2d of this  
20 Act;
- 21 5. The amount of tax due; and
- 22 6. Such other reasonable information as the Department  
23 may require.

24 Beginning on October 1, 2003, any person who is not a  
25 licensed distributor, importing distributor, or manufacturer,  
26 as defined in the Liquor Control Act of 1934, but is engaged in

1 the business of selling, at retail, alcoholic liquor shall file  
2 a statement with the Department of Revenue, in a format and at  
3 a time prescribed by the Department, showing the total amount  
4 paid for alcoholic liquor purchased during the preceding month  
5 and such other information as is reasonably required by the  
6 Department. The Department may adopt rules to require that this  
7 statement be filed in an electronic or telephonic format. Such  
8 rules may provide for exceptions from the filing requirements  
9 of this paragraph. For the purposes of this paragraph, the term  
10 "alcoholic liquor" shall have the meaning prescribed in the  
11 Liquor Control Act of 1934.

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



1 distributor's, or manufacturer's total sales of alcoholic  
2 liquor to that retailer no later than the 10th day of the month  
3 for the preceding month during which the transaction occurred.  
4 The distributor, importing distributor, or manufacturer shall  
5 notify the retailer as to the method by which the distributor,  
6 importing distributor, or manufacturer will provide the sales  
7 information. If the retailer is unable to receive the sales  
8 information by electronic means, the distributor, importing  
9 distributor, or manufacturer shall furnish the sales  
10 information by personal delivery or by mail. For purposes of  
11 this paragraph, the term "electronic means" includes, but is  
12 not limited to, the use of a secure Internet website, e-mail,  
13 or facsimile.

14 If a total amount of less than \$1 is payable, refundable or  
15 creditable, such amount shall be disregarded if it is less than  
16 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

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

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

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

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

1 in the manner authorized by the Department.

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

5 Any amount which is required to be shown or reported on any  
6 return or other document under this Act shall, if such amount  
7 is not a whole-dollar amount, be increased to the nearest  
8 whole-dollar amount in any case where the fractional part of a  
9 dollar is 50 cents or more, and decreased to the nearest  
10 whole-dollar amount where the fractional part of a dollar is  
11 less than 50 cents.

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

23 If the retailer is otherwise required to file a monthly or  
24 quarterly return and if the retailer's average monthly tax  
25 liability with the Department does not exceed \$50, the  
26 Department may authorize his returns to be filed on an annual

1 basis, with the return for a given year being due by January 20  
2 of the following year.

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

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

13 Where the same person has more than one business registered  
14 with the Department under separate registrations under this  
15 Act, such person may not file each return that is due as a  
16 single return covering all such registered businesses, but  
17 shall file separate returns for each such registered business.

18 In addition, with respect to motor vehicles, watercraft,  
19 aircraft, and trailers that are required to be registered with  
20 an agency of this State, every retailer selling this kind of  
21 tangible personal property shall file, with the Department,  
22 upon a form to be prescribed and supplied by the Department, a  
23 separate return for each such item of tangible personal  
24 property which the retailer sells, except that if, in the same  
25 transaction, (i) a retailer of aircraft, watercraft, motor  
26 vehicles or trailers transfers more than one aircraft,

1 watercraft, motor vehicle or trailer to another aircraft,  
2 watercraft, motor vehicle retailer or trailer retailer for the  
3 purpose of resale or (ii) a retailer of aircraft, watercraft,  
4 motor vehicles, or trailers transfers more than one aircraft,  
5 watercraft, motor vehicle, or trailer to a purchaser for use as  
6 a qualifying rolling stock as provided in Section 2-5 of this  
7 Act, then that seller may report the transfer of all aircraft,  
8 watercraft, motor vehicles or trailers involved in that  
9 transaction to the Department on the same uniform  
10 invoice-transaction reporting return form. For purposes of  
11 this Section, "watercraft" means a Class 2, Class 3, or Class 4  
12 watercraft as defined in Section 3-2 of the Boat Registration  
13 and Safety Act, a personal watercraft, or any boat equipped  
14 with an inboard motor.

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

23 The transaction reporting return, in the case of motor  
24 vehicles or trailers that are required to be registered with an  
25 agency of this State, shall be the same document as the Uniform  
26 Invoice referred to in Section 5-402 of The Illinois Vehicle

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

18 The transaction reporting return in the case of watercraft  
19 or aircraft must show the name and address of the seller; the  
20 name and address of the purchaser; the amount of the selling  
21 price including the amount allowed by the retailer for  
22 traded-in property, if any; the amount allowed by the retailer  
23 for the traded-in tangible personal property, if any, to the  
24 extent to which Section 1 of this Act allows an exemption for  
25 the value of traded-in property; the balance payable after  
26 deducting such trade-in allowance from the total selling price;

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

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

20 With each such transaction reporting return, the retailer  
21 shall remit the proper amount of tax due (or shall submit  
22 satisfactory evidence that the sale is not taxable if that is  
23 the case), to the Department or its agents, whereupon the  
24 Department shall issue, in the purchaser's name, a use tax  
25 receipt (or a certificate of exemption if the Department is  
26 satisfied that the particular sale is tax exempt) which such

1 purchaser may submit to the agency with which, or State officer  
2 with whom, he must title or register the tangible personal  
3 property that is involved (if titling or registration is  
4 required) in support of such purchaser's application for an  
5 Illinois certificate or other evidence of title or registration  
6 to such tangible personal property.

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

15 If the user who would otherwise pay tax to the retailer  
16 wants the transaction reporting return filed and the payment of  
17 the tax or proof of exemption made to the Department before the  
18 retailer is willing to take these actions and such user has not  
19 paid the tax to the retailer, such user may certify to the fact  
20 of such delay by the retailer and may (upon the Department  
21 being satisfied of the truth of such certification) transmit  
22 the information required by the transaction reporting return  
23 and the remittance for tax or proof of exemption directly to  
24 the Department and obtain his tax receipt or exemption  
25 determination, in which event the transaction reporting return  
26 and tax remittance (if a tax payment was required) shall be



1 credited by the Department to the proper retailer's account  
2 with the Department, but without the 2.1% or 1.75% discount  
3 provided for in this Section being allowed. When the user pays  
4 the tax directly to the Department, he shall pay the tax in the  
5 same amount and in the same form in which it would be remitted  
6 if the tax had been remitted to the Department by the retailer.

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

15 Where the seller is a corporation, the return filed on  
16 behalf of such corporation shall be signed by the president,  
17 vice-president, secretary or treasurer or by the properly  
18 accredited agent of such corporation.

19 Where the seller is a limited liability company, the return  
20 filed on behalf of the limited liability company shall be  
21 signed by a manager, member, or properly accredited agent of  
22 the limited liability company.

23 Except as provided in this Section, the retailer filing the  
24 return under this Section shall, at the time of filing such  
25 return, pay to the Department the amount of tax imposed by this  
26 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%

1 on and after January 1, 1990, or \$5 per calendar year,  
2 whichever is greater, which is allowed to reimburse the  
3 retailer for the expenses incurred in keeping records,  
4 preparing and filing returns, remitting the tax and supplying  
5 data to the Department on request. Any prepayment made pursuant  
6 to Section 2d of this Act shall be included in the amount on  
7 which such 2.1% or 1.75% discount is computed. In the case of  
8 retailers who report and pay the tax on a transaction by  
9 transaction basis, as provided in this Section, such discount  
10 shall be taken with each such tax remittance instead of when  
11 such retailer files his periodic return. 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.

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

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

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

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

1 long term. If any such quarter monthly payment is not paid at  
2 the time or in the amount required by this Section, then the  
3 taxpayer shall be liable for penalties and interest on the  
4 difference between the minimum amount due as a payment and the  
5 amount of such quarter monthly payment actually and timely  
6 paid, except insofar as the taxpayer has previously made  
7 payments for that month to the Department in excess of the  
8 minimum payments previously due as provided in this Section.  
9 The Department shall make reasonable rules and regulations to  
10 govern the quarter monthly payment amount and quarter monthly  
11 payment dates for taxpayers who file on other than a calendar  
12 monthly basis.

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

1 Section 2d. If the month during which such tax liability is  
2 incurred begins on or after January 1, 1986, each payment shall  
3 be in an amount equal to 22.5% of the taxpayer's actual  
4 liability for the month or 27.5% of the taxpayer's liability  
5 for the same calendar month of the preceding calendar year. If  
6 the month during which such tax liability is incurred begins on  
7 or after January 1, 1987, each payment shall be in an amount  
8 equal to 22.5% of the taxpayer's actual liability for the month  
9 or 26.25% of the taxpayer's liability for the same calendar  
10 month of the preceding year. The amount of such quarter monthly  
11 payments shall be credited against the final tax liability of  
12 the taxpayer's return for that month filed under this Section  
13 or Section 2f, as the case may be. Once applicable, the  
14 requirement of the making of quarter monthly payments to the  
15 Department pursuant to this paragraph shall continue until such  
16 taxpayer's average monthly prepaid tax collections during the  
17 preceding 2 complete calendar quarters is \$25,000 or less. If  
18 any such quarter monthly payment is not paid at the time or in  
19 the amount required, the taxpayer shall be liable for penalties  
20 and interest on such difference, except insofar as the taxpayer  
21 has previously made payments for that month in excess of the  
22 minimum payments previously due.

23 The provisions of this paragraph apply on and after October  
24 1, 2001. Without regard to whether a taxpayer is required to  
25 make quarter monthly payments as specified above, any taxpayer  
26 who is required by Section 2d of this Act to collect and remit

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



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

23           If a retailer of motor fuel is entitled to a credit under  
24 Section 2d of this Act which exceeds the taxpayer's liability  
25 to the Department under this Act for the month which the  
26 taxpayer is filing a return, the Department shall issue the

1 taxpayer a credit memorandum for the excess.

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

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

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

1 September 1, 2010, each month the Department shall pay into the  
2 County and Mass Transit District Fund 20% of the net revenue  
3 realized for the preceding month from the 1.25% rate on the  
4 selling price of sales tax holiday items.

5 Beginning January 1, 1990, each month the Department shall  
6 pay into the Local Government Tax Fund 16% of the net revenue  
7 realized for the preceding month from the 6.25% general rate on  
8 the selling price of tangible personal property.

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

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, 2011, each month the Department shall pay  
25 into the Clean Air Act Permit Fund 80% of the net revenue  
26 realized for the preceding month from the 6.25% general rate on

1 the selling price of sorbents used in Illinois in the process  
2 of sorbent injection as used to comply with the Environmental  
3 Protection Act or the federal Clean Air Act, but the total  
4 payment into the Clean Air Act Permit Fund under this Act and  
5 the Use Tax Act shall not exceed \$2,000,000 in any fiscal year.

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

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

26 Of the remainder of the moneys received by the Department

1 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
2 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
3 and after July 1, 1989, 3.8% thereof shall be paid into the  
4 Build Illinois Fund; provided, however, that if in any fiscal  
5 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
6 may be, of the moneys received by the Department and required  
7 to be paid into the Build Illinois Fund pursuant to this Act,  
8 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax  
9 Act, and Section 9 of the Service Occupation Tax Act, such Acts  
10 being hereinafter called the "Tax Acts" and such aggregate of  
11 2.2% or 3.8%, as the case may be, of moneys being hereinafter  
12 called the "Tax Act Amount", and (2) the amount transferred to  
13 the Build Illinois Fund from the State and Local Sales Tax  
14 Reform Fund shall be less than the Annual Specified Amount (as  
15 hereinafter defined), an amount equal to the difference shall  
16 be immediately paid into the Build Illinois Fund from other  
17 moneys received by the Department pursuant to the Tax Acts; the  
18 "Annual Specified Amount" means the amounts specified below for  
19 fiscal years 1986 through 1993:

| 20 | Fiscal Year | Annual Specified Amount |
|----|-------------|-------------------------|
| 21 | 1986        | \$54,800,000            |
| 22 | 1987        | \$76,650,000            |
| 23 | 1988        | \$80,480,000            |
| 24 | 1989        | \$88,510,000            |
| 25 | 1990        | \$115,330,000           |
| 26 | 1991        | \$145,470,000           |

1                   1992                                   \$182,730,000

2                   1993                                   \$206,520,000;

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

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

26 Subject to payment of amounts into the Build Illinois Fund

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

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



|    |      |             |
|----|------|-------------|
| 1  | 2006 | 113,000,000 |
| 2  | 2007 | 119,000,000 |
| 3  | 2008 | 126,000,000 |
| 4  | 2009 | 132,000,000 |
| 5  | 2010 | 139,000,000 |
| 6  | 2011 | 146,000,000 |
| 7  | 2012 | 153,000,000 |
| 8  | 2013 | 161,000,000 |
| 9  | 2014 | 170,000,000 |
| 10 | 2015 | 179,000,000 |
| 11 | 2016 | 189,000,000 |
| 12 | 2017 | 199,000,000 |
| 13 | 2018 | 210,000,000 |
| 14 | 2019 | 221,000,000 |
| 15 | 2020 | 233,000,000 |
| 16 | 2021 | 246,000,000 |
| 17 | 2022 | 260,000,000 |
| 18 | 2023 | 275,000,000 |
| 19 | 2024 | 275,000,000 |
| 20 | 2025 | 275,000,000 |
| 21 | 2026 | 279,000,000 |
| 22 | 2027 | 292,000,000 |
| 23 | 2028 | 307,000,000 |
| 24 | 2029 | 322,000,000 |
| 25 | 2030 | 338,000,000 |
| 26 | 2031 | 350,000,000 |

1                                   2032                                   350,000,000  
2                                   and  
3                                   each fiscal year  
4                                   thereafter that bonds  
5                                   are outstanding under  
6                                   Section 13.2 of the  
7                                   Metropolitan Pier and  
8                                   Exposition Authority Act,  
9                                   but not after fiscal year 2060.

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

23                   Subject to payment of amounts into the Build Illinois Fund  
24                   and the McCormick Place Expansion Project Fund pursuant to the  
25                   preceding paragraphs or in any amendments thereto hereafter  
26                   enacted, beginning July 1, 1993 and ending on September 30,

1 2013, the Department shall each month pay into the Illinois Tax  
2 Increment Fund 0.27% of 80% of the net revenue realized for the  
3 preceding month from the 6.25% general rate on the selling  
4 price of tangible personal property.

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

18 Subject to payment of amounts into the Build Illinois Fund,  
19 the McCormick Place Expansion Project Fund, the Illinois Tax  
20 Increment Fund, and the Energy Infrastructure Fund pursuant to  
21 the preceding paragraphs or in any amendments to this Section  
22 hereafter enacted, beginning on the first day of the first  
23 calendar month to occur on or after August 26, 2014 (the  
24 effective date of Public Act 98-1098) ~~this amendatory Act of~~  
25 ~~the 98th General Assembly~~, each month, from the collections  
26 made under Section 9 of the Use Tax Act, Section 9 of the

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

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

18 The Department may, upon separate written notice to a  
19 taxpayer, require the taxpayer to prepare and file with the  
20 Department on a form prescribed by the Department within not  
21 less than 60 days after receipt of the notice an annual  
22 information return for the tax year specified in the notice.  
23 Such annual return to the Department shall include a statement  
24 of gross receipts as shown by the retailer's last Federal  
25 income tax return. If the total receipts of the business as  
26 reported in the Federal income tax return do not agree with the

1 gross receipts reported to the Department of Revenue for the  
2 same period, the retailer shall attach to his annual return a  
3 schedule showing a reconciliation of the 2 amounts and the  
4 reasons for the difference. The retailer's annual return to the  
5 Department shall also disclose the cost of goods sold by the  
6 retailer during the year covered by such return, opening and  
7 closing inventories of such goods for such year, costs of goods  
8 used from stock or taken from stock and given away by the  
9 retailer during such year, payroll information of the  
10 retailer's business during such year and any additional  
11 reasonable information which the Department deems would be  
12 helpful in determining the accuracy of the monthly, quarterly  
13 or annual returns filed by such retailer as provided for in  
14 this Section.

15 If the annual information return required by this Section  
16 is not filed when and as required, the taxpayer shall be liable  
17 as follows:

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

25 (ii) On and after January 1, 1994, the taxpayer shall  
26 be liable for a penalty as described in Section 3-4 of the

1 Uniform Penalty and Interest Act.

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

10 The provisions of this Section concerning the filing of an  
11 annual information return do not apply to a retailer who is not  
12 required to file an income tax return with the United States  
13 Government.

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

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

25 For greater simplicity of administration, manufacturers,  
26 importers and wholesalers whose products are sold at retail in

1 Illinois by numerous retailers, and who wish to do so, may  
2 assume the responsibility for accounting and paying to the  
3 Department all tax accruing under this Act with respect to such  
4 sales, if the retailers who are affected do not make written  
5 objection to the Department to this arrangement.

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

23 Any person engaged in the business of selling tangible  
24 personal property at retail as a concessionaire or other type  
25 of seller at the Illinois State Fair, county fairs, art shows,  
26 flea markets and similar exhibitions or events, or any

1 transient merchants, as defined by Section 2 of the Transient  
2 Merchant Act of 1987, may be required to make a daily report of  
3 the amount of such sales to the Department and to make a daily  
4 payment of the full amount of tax due. The Department shall  
5 impose this requirement when it finds that there is a  
6 significant risk of loss of revenue to the State at such an  
7 exhibition or event. Such a finding shall be based on evidence  
8 that a substantial number of concessionaires or other sellers  
9 who are not residents of Illinois will be engaging in the  
10 business of selling tangible personal property at retail at the  
11 exhibition or event, or other evidence of a significant risk of  
12 loss of revenue to the State. The Department shall notify  
13 concessionaires and other sellers affected by the imposition of  
14 this requirement. In the absence of notification by the  
15 Department, the concessionaires and other sellers shall file  
16 their returns as otherwise required in this Section.

17 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
18 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.  
19 8-26-14; 99-352, eff. 8-12-15; 99-858, eff. 8-19-16; 99-933,  
20 eff. 1-27-17; revised 2-3-17.)

21 (35 ILCS 120/5j) (from Ch. 120, par. 444j)

22 Sec. 5j. If any taxpayer, outside the usual course of his  
23 business, sells or transfers the major part of any one or more  
24 of (A) the stock of goods which he is engaged in the business  
25 of selling, or (B) the furniture or fixtures, (C) the machinery



1 and equipment, or (D) the real property, of any business that  
2 is subject to the provisions of this Act, the purchaser or  
3 transferee of such asset shall, no later than 10 business days  
4 prior to ~~after~~ the sale or transfer, file a notice of sale or  
5 transfer of business assets with the ~~Chicago office of the~~  
6 Department disclosing the name and address of the seller or  
7 transferor, the name and address of the purchaser or  
8 transferee, the date of the sale or transfer, a copy of the  
9 sales contract and financing agreements which shall include a  
10 description of the property sold, the amount of the purchase  
11 price or a statement of other consideration for the sale or  
12 transfer, the terms for payment of the purchase price, and such  
13 other information as the Department may reasonably require. If  
14 the purchaser or transferee fails to file the above described  
15 notice of sale with the Department within the prescribed time,  
16 the purchaser or transferee shall be personally liable for the  
17 amount owed hereunder by the seller or transferor to the  
18 Department up to the amount of the reasonable value of the  
19 property acquired by the purchaser or transferee. The seller or  
20 transferor shall pay the Department the amount of tax, penalty  
21 and interest (if any) due from him under this Act up to the  
22 date of the payment of tax. The seller or transferor, or the  
23 purchaser or transferee, at least 10 business days before the  
24 date of the sale or transfer, may notify the Department of the  
25 intended sale or transfer and request the Department to audit  
26 the books and records of the seller or transferor, or to do

1 whatever else may be necessary to determine how much the seller  
2 or transferor owes to the Department hereunder up to the date  
3 of the sale or transfer. The Department shall take such steps  
4 as may be appropriate to comply with such request.

5 Any order issued by the Department pursuant to this Section  
6 to withhold from the purchase price shall be issued within 10  
7 business days after the Department receives notification of a  
8 sale as provided in this Section. The purchaser or transferee  
9 shall withhold such portion of the purchase price as may be  
10 directed by the Department, but not to exceed a minimum amount  
11 varying by type of business, as determined by the Department  
12 pursuant to regulations, plus twice the outstanding unpaid  
13 liabilities and twice the average liability of preceding  
14 filings times the number of unfiled returns, to cover the  
15 amount of all tax, penalty and interest due and unpaid by the  
16 seller or transferor under this Act or, if the payment of money  
17 or property is not involved, shall withhold the performance of  
18 the condition that constitutes the consideration for the sale  
19 or transfer. Within 60 business days after issuance of the  
20 initial order to withhold, the Department shall provide written  
21 notice to the purchaser or transferee of the actual amount of  
22 all taxes, penalties and interest then due and whether or not  
23 additional amounts may become due as a result of unfiled  
24 returns, pending assessments and audits not completed. The  
25 purchaser or transferee shall continue to withhold the amount  
26 directed to be withheld by the initial order or such lesser

1 amount as is specified by the final withholding order or to  
2 withhold the performance of the condition which constitutes the  
3 consideration for the sale or transfer until the purchaser or  
4 transferee receives from the Department a certificate showing  
5 that such tax, penalty and interest have been paid or a  
6 certificate from the Department showing that no tax, penalty or  
7 interest is due from the seller or transferor under this Act.

8 The purchaser or transferee is relieved of any duty to  
9 continue to withhold from the purchase price and of any  
10 liability for tax, penalty or interest due hereunder from the  
11 seller or transferor if the Department fails to notify the  
12 purchaser or transferee in the manner provided herein of the  
13 amount to be withheld within 10 business days after the sale or  
14 transfer has been reported to the Department or within 60  
15 business days after issuance of the initial order to withhold,  
16 as the case may be. The Department shall have the right to  
17 determine amounts claimed on an estimated basis to allow for  
18 non-filed periods, pending assessments and audits not  
19 completed, however the purchaser or transferee shall be  
20 personally liable only for the actual amount due when  
21 determined.

22 If the seller or transferor fails to pay the tax, penalty  
23 and interest (if any) due from him hereunder and the Department  
24 makes timely claim therefor against the purchaser or transferee  
25 as hereinabove provided, then the purchaser or transferee shall  
26 pay the amount so withheld from the purchase price to the

1 Department. If the purchaser or transferee fails to comply with  
2 the requirements of this Section, the purchaser or transferee  
3 shall be personally liable to the Department for the amount  
4 owed hereunder by the seller or transferor to the Department up  
5 to the amount of the reasonable value of the property acquired  
6 by the purchaser or transferee.

7 Any person who shall acquire any property or rights thereto  
8 which, at the time of such acquisition, is subject to a valid  
9 lien in favor of the Department shall be personally liable to  
10 the Department for a sum equal to the amount of taxes secured  
11 by such lien but not to exceed the reasonable value of such  
12 property acquired by him.

13 (Source: P.A. 94-776, eff. 5-19-06.)

14 Section 50. The Cigarette Machine Operators' Occupation  
15 Tax Act is amended by changing Section 1-40 as follows:

16 (35 ILCS 128/1-40)

17 Sec. 1-40. Returns.

18 (a) Cigarette machine operators shall file a return and  
19 remit the tax imposed by Section 1-10 by the 15th day of each  
20 month covering the preceding calendar month. Each such return  
21 shall show: the quantity of cigarettes made or fabricated  
22 during the period covered by the return; the beginning and  
23 ending meter reading for each cigarette machine for the period  
24 covered by the return; the quantity of such cigarettes sold or

1 otherwise disposed of during the period covered by the return;  
2 the brand family and manufacturer and quantity of tobacco  
3 products used to make or fabricate cigarettes by use of a  
4 cigarette machine; the license number of each distributor from  
5 whom tobacco products are purchased; the type and quantity of  
6 cigarette tubes purchased for use in a cigarette machine; the  
7 type and quantity of cigarette tubes used in a cigarette  
8 machine; and such other information as the Department may  
9 require. Such returns shall be filed on forms prescribed and  
10 furnished by the Department. The Department may promulgate  
11 rules to require that the cigarette machine operator's return  
12 be accompanied by appropriate computer-generated magnetic  
13 media supporting schedule data in the format required by the  
14 Department, unless, as provided by rule, the Department grants  
15 an exception upon petition of a cigarette machine operator.

16 Cigarette machine operators shall send a copy of those  
17 returns, together with supporting schedule data, to the  
18 Attorney General's Office by the 15th day of each month for the  
19 period covering the preceding calendar month.

20 (b) Cigarette machine operators may take a credit against  
21 any tax due under Section 1-10 of this Act for taxes imposed  
22 and paid under the Tobacco Products Tax Act of 1995 on tobacco  
23 products sold to a customer and used in a rolling machine  
24 located at the cigarette machine operator's place of business.  
25 To be eligible for such credit, the tobacco product must meet  
26 the requirements of subsection (a) of Section 1-25 of this Act.

1 This subsection (b) is exempt from the provisions of Section  
2 1-155 of this Act.

3 (c) If any payment provided for in this Section exceeds the  
4 cigarette machine operator's liabilities under this Act, as  
5 shown on an original return, the cigarette machine operator may  
6 credit such excess payment against liability subsequently to be  
7 remitted to the Department under this Act, in accordance with  
8 reasonable rules adopted by the Department.

9 (Source: P.A. 97-688, eff. 6-14-12.)

10 Section 55. The Cigarette Tax Act is amended by changing  
11 Section 2 as follows:

12 (35 ILCS 130/2) (from Ch. 120, par. 453.2)

13 Sec. 2. Tax imposed; rate; collection, payment, and  
14 distribution; discount.

15 (a) A tax is imposed upon any person engaged in business as  
16 a retailer of cigarettes in this State at the rate of 5 1/2  
17 mills per cigarette sold, or otherwise disposed of in the  
18 course of such business in this State. In addition to any other  
19 tax imposed by this Act, a tax is imposed upon any person  
20 engaged in business as a retailer of cigarettes in this State  
21 at a rate of 1/2 mill per cigarette sold or otherwise disposed  
22 of in the course of such business in this State on and after  
23 January 1, 1947, and shall be paid into the Metropolitan Fair  
24 and Exposition Authority Reconstruction Fund or as otherwise

1 provided in Section 29. On and after December 1, 1985, in  
2 addition to any other tax imposed by this Act, a tax is imposed  
3 upon any person engaged in business as a retailer of cigarettes  
4 in this State at a rate of 4 mills per cigarette sold or  
5 otherwise disposed of in the course of such business in this  
6 State. Of the additional tax imposed by this amendatory Act of  
7 1985, \$9,000,000 of the moneys received by the Department of  
8 Revenue pursuant to this Act shall be paid each month into the  
9 Common School Fund. On and after the effective date of this  
10 amendatory Act of 1989, in addition to any other tax imposed by  
11 this Act, a tax is imposed upon any person engaged in business  
12 as a retailer of cigarettes at the rate of 5 mills per  
13 cigarette sold or otherwise disposed of in the course of such  
14 business in this State. On and after the effective date of this  
15 amendatory Act of 1993, in addition to any other tax imposed by  
16 this Act, a tax is imposed upon any person engaged in business  
17 as a retailer of cigarettes at the rate of 7 mills per  
18 cigarette sold or otherwise disposed of in the course of such  
19 business in this State. On and after December 15, 1997, in  
20 addition to any other tax imposed by this Act, a tax is imposed  
21 upon any person engaged in business as a retailer of cigarettes  
22 at the rate of 7 mills per cigarette sold or otherwise disposed  
23 of in the course of such business of this State. All of the  
24 moneys received by the Department of Revenue pursuant to this  
25 Act and the Cigarette Use Tax Act from the additional taxes  
26 imposed by this amendatory Act of 1997, shall be paid each

1 month into the Common School Fund. On and after July 1, 2002,  
2 in addition to any other tax imposed by this Act, a tax is  
3 imposed upon any person engaged in business as a retailer of  
4 cigarettes at the rate of 20.0 mills per cigarette sold or  
5 otherwise disposed of in the course of such business in this  
6 State. Beginning on June 24, 2012, in addition to any other tax  
7 imposed by this Act, a tax is imposed upon any person engaged  
8 in business as a retailer of cigarettes at the rate of 50 mills  
9 per cigarette sold or otherwise disposed of in the course of  
10 such business in this State. All moneys received by the  
11 Department of Revenue under this Act and the Cigarette Use Tax  
12 Act from the additional taxes imposed by this amendatory Act of  
13 the 97th General Assembly shall be paid each month into the  
14 Healthcare Provider Relief Fund. The payment of such taxes  
15 shall be evidenced by a stamp affixed to each original package  
16 of cigarettes, or an authorized substitute for such stamp  
17 imprinted on each original package of such cigarettes  
18 underneath the sealed transparent outside wrapper of such  
19 original package, as hereinafter provided. However, such taxes  
20 are not imposed upon any activity in such business in  
21 interstate commerce or otherwise, which activity may not under  
22 the Constitution and statutes of the United States be made the  
23 subject of taxation by this State.

24 Beginning on the effective date of this amendatory Act of  
25 the 92nd General Assembly and through June 30, 2006, all of the  
26 moneys received by the Department of Revenue pursuant to this



1 Act and the Cigarette Use Tax Act, other than the moneys that  
2 are dedicated to the Common School Fund, shall be distributed  
3 each month as follows: first, there shall be paid into the  
4 General Revenue Fund an amount which, when added to the amount  
5 paid into the Common School Fund for that month, equals  
6 \$33,300,000, except that in the month of August of 2004, this  
7 amount shall equal \$83,300,000; then, from the moneys  
8 remaining, if any amounts required to be paid into the General  
9 Revenue Fund in previous months remain unpaid, those amounts  
10 shall be paid into the General Revenue Fund; then, beginning on  
11 April 1, 2003, from the moneys remaining, \$5,000,000 per month  
12 shall be paid into the School Infrastructure Fund; then, if any  
13 amounts required to be paid into the School Infrastructure Fund  
14 in previous months remain unpaid, those amounts shall be paid  
15 into the School Infrastructure Fund; then the moneys remaining,  
16 if any, shall be paid into the Long-Term Care Provider Fund. To  
17 the extent that more than \$25,000,000 has been paid into the  
18 General Revenue Fund and Common School Fund per month for the  
19 period of July 1, 1993 through the effective date of this  
20 amendatory Act of 1994 from combined receipts of the Cigarette  
21 Tax Act and the Cigarette Use Tax Act, notwithstanding the  
22 distribution provided in this Section, the Department of  
23 Revenue is hereby directed to adjust the distribution provided  
24 in this Section to increase the next monthly payments to the  
25 Long Term Care Provider Fund by the amount paid to the General  
26 Revenue Fund and Common School Fund in excess of \$25,000,000

1 per month and to decrease the next monthly payments to the  
2 General Revenue Fund and Common School Fund by that same excess  
3 amount.

4 Beginning on July 1, 2006, all of the moneys received by  
5 the Department of Revenue pursuant to this Act and the  
6 Cigarette Use Tax Act, other than the moneys that are dedicated  
7 to the Common School Fund and, beginning on the effective date  
8 of this amendatory Act of the 97th General Assembly, other than  
9 the moneys from the additional taxes imposed by this amendatory  
10 Act of the 97th General Assembly that must be paid each month  
11 into the Healthcare Provider Relief Fund, shall be distributed  
12 each month as follows: first, there shall be paid into the  
13 General Revenue Fund an amount that, when added to the amount  
14 paid into the Common School Fund for that month, equals  
15 \$29,200,000; then, from the moneys remaining, if any amounts  
16 required to be paid into the General Revenue Fund in previous  
17 months remain unpaid, those amounts shall be paid into the  
18 General Revenue Fund; then from the moneys remaining,  
19 \$5,000,000 per month shall be paid into the School  
20 Infrastructure Fund; then, if any amounts required to be paid  
21 into the School Infrastructure Fund in previous months remain  
22 unpaid, those amounts shall be paid into the School  
23 Infrastructure Fund; then the moneys remaining, if any, shall  
24 be paid into the Long-Term Care Provider Fund.

25 Moneys collected from the tax imposed on little cigars  
26 under Section 10-10 of the Tobacco Products Tax Act of 1995

1 shall be included with the moneys collected under the Cigarette  
2 Tax Act and the Cigarette Use Tax Act when making distributions  
3 to the Common School Fund, the Healthcare Provider Relief Fund,  
4 the General Revenue Fund, the School Infrastructure Fund, and  
5 the Long-Term Care Provider Fund under this Section.

6 When any tax imposed herein terminates or has terminated,  
7 distributors who have bought stamps while such tax was in  
8 effect and who therefore paid such tax, but who can show, to  
9 the Department's satisfaction, that they sold the cigarettes to  
10 which they affixed such stamps after such tax had terminated  
11 and did not recover the tax or its equivalent from purchasers,  
12 shall be allowed by the Department to take credit for such  
13 absorbed tax against subsequent tax stamp purchases from the  
14 Department by such distributor.

15 The impact of the tax levied by this Act is imposed upon  
16 the retailer and shall be prepaid or pre-collected by the  
17 distributor for the purpose of convenience and facility only,  
18 and the amount of the tax shall be added to the price of the  
19 cigarettes sold by such distributor. Collection of the tax  
20 shall be evidenced by a stamp or stamps affixed to each  
21 original package of cigarettes, as hereinafter provided. Any  
22 distributor who purchases stamps may credit any excess payments  
23 verified by the Department against amounts subsequently due for  
24 the purchase of additional stamps, until such time as no excess  
25 payment remains.

26 Each distributor shall collect the tax from the retailer at

1 or before the time of the sale, shall affix the stamps as  
2 hereinafter required, and shall remit the tax collected from  
3 retailers to the Department, as hereinafter provided. Any  
4 distributor who fails to properly collect and pay the tax  
5 imposed by this Act shall be liable for the tax. Any  
6 distributor having cigarettes to which stamps have been affixed  
7 in his possession for sale on the effective date of this  
8 amendatory Act of 1989 shall not be required to pay the  
9 additional tax imposed by this amendatory Act of 1989 on such  
10 stamped cigarettes. Any distributor having cigarettes to which  
11 stamps have been affixed in his or her possession for sale at  
12 12:01 a.m. on the effective date of this amendatory Act of  
13 1993, is required to pay the additional tax imposed by this  
14 amendatory Act of 1993 on such stamped cigarettes. This  
15 payment, less the discount provided in subsection (b), shall be  
16 due when the distributor first makes a purchase of cigarette  
17 tax stamps after the effective date of this amendatory Act of  
18 1993, or on the first due date of a return under this Act after  
19 the effective date of this amendatory Act of 1993, whichever  
20 occurs first. Any distributor having cigarettes to which stamps  
21 have been affixed in his possession for sale on December 15,  
22 1997 shall not be required to pay the additional tax imposed by  
23 this amendatory Act of 1997 on such stamped cigarettes.

24 Any distributor having cigarettes to which stamps have been  
25 affixed in his or her possession for sale on July 1, 2002 shall  
26 not be required to pay the additional tax imposed by this

1 amendatory Act of the 92nd General Assembly on those stamped  
2 cigarettes.

3 Any retailer having cigarettes in his or her possession on  
4 June 24, 2012 to which tax stamps have been affixed is not  
5 required to pay the additional tax that begins on June 24, 2012  
6 imposed by this amendatory Act of the 97th General Assembly on  
7 those stamped cigarettes. Any distributor having cigarettes in  
8 his or her possession on June 24, 2012 to which tax stamps have  
9 been affixed, and any distributor having stamps in his or her  
10 possession on June 24, 2012 that have not been affixed to  
11 packages of cigarettes before June 24, 2012, is required to pay  
12 the additional tax that begins on June 24, 2012 imposed by this  
13 amendatory Act of the 97th General Assembly to the extent the  
14 calendar year 2012 average monthly volume of cigarette stamps  
15 in the distributor's possession exceeds the average monthly  
16 volume of cigarette stamps purchased by the distributor in  
17 calendar year 2011. This payment, less the discount provided in  
18 subsection (b), is due when the distributor first makes a  
19 purchase of cigarette stamps on or after June 24, 2012 or on  
20 the first due date of a return under this Act occurring on or  
21 after June 24, 2012, whichever occurs first. Those distributors  
22 may elect to pay the additional tax on packages of cigarettes  
23 to which stamps have been affixed and on any stamps in the  
24 distributor's possession that have not been affixed to packages  
25 of cigarettes over a period not to exceed 12 months from the  
26 due date of the additional tax by notifying the Department in

1 writing. The first payment for distributors making such  
2 election is due when the distributor first makes a purchase of  
3 cigarette tax stamps on or after June 24, 2012 or on the first  
4 due date of a return under this Act occurring on or after June  
5 24, 2012, whichever occurs first. Distributors making such an  
6 election are not entitled to take the discount provided in  
7 subsection (b) on such payments.

8 Distributors making sales of cigarettes to secondary  
9 distributors shall add the amount of the tax to the price of  
10 the cigarettes sold by the distributors. Secondary  
11 distributors making sales of cigarettes to retailers shall  
12 include the amount of the tax in the price of the cigarettes  
13 sold to retailers. The amount of tax shall not be less than the  
14 amount of taxes imposed by the State and all local  
15 jurisdictions. The amount of local taxes shall be calculated  
16 based on the location of the retailer's place of business shown  
17 on the retailer's certificate of registration or  
18 sub-registration issued to the retailer pursuant to Section 2a  
19 of the Retailers' Occupation Tax Act. The original packages of  
20 cigarettes sold to the retailer shall bear all the required  
21 stamps, or other indicia, for the taxes included in the price  
22 of cigarettes.

23 The amount of the Cigarette Tax imposed by this Act shall  
24 be separately stated, apart from the price of the goods, by  
25 distributors, manufacturer representatives, secondary  
26 distributors, and retailers, in all bills and sales invoices.

1 (b) The distributor shall be required to collect the taxes  
2 provided under paragraph (a) hereof, and, to cover the costs of  
3 such collection, shall be allowed a discount during any year  
4 commencing July 1st and ending the following June 30th in  
5 accordance with the schedule set out hereinbelow, which  
6 discount shall be allowed at the time of purchase of the stamps  
7 when purchase is required by this Act, or at the time when the  
8 tax is remitted to the Department without the purchase of  
9 stamps from the Department when that method of paying the tax  
10 is required or authorized by this Act. Prior to December 1,  
11 1985, a discount equal to  $1\frac{2}{3}\%$  of the amount of the tax up to  
12 and including the first \$700,000 paid hereunder by such  
13 distributor to the Department during any such year;  $1\frac{1}{3}\%$  of  
14 the next \$700,000 of tax or any part thereof, paid hereunder by  
15 such distributor to the Department during any such year; 1% of  
16 the next \$700,000 of tax, or any part thereof, paid hereunder  
17 by such distributor to the Department during any such year, and  
18  $\frac{2}{3}$  of 1% of the amount of any additional tax paid hereunder by  
19 such distributor to the Department during any such year shall  
20 apply. On and after December 1, 1985, a discount equal to 1.75%  
21 of the amount of the tax payable under this Act up to and  
22 including the first \$3,000,000 paid hereunder by such  
23 distributor to the Department during any such year and 1.5% of  
24 the amount of any additional tax paid hereunder by such  
25 distributor to the Department during any such year shall apply.

26 Two or more distributors that use a common means of

1 affixing revenue tax stamps or that are owned or controlled by  
2 the same interests shall be treated as a single distributor for  
3 the purpose of computing the discount.

4 (c) The taxes herein imposed are in addition to all other  
5 occupation or privilege taxes imposed by the State of Illinois,  
6 or by any political subdivision thereof, or by any municipal  
7 corporation.

8 (Source: P.A. 97-587, eff. 8-26-11; 97-688, eff. 6-14-12;  
9 98-273, eff. 8-9-13.)

10 Section 60. The Cigarette Use Tax Act is amended by  
11 changing Section 3 as follows:

12 (35 ILCS 135/3) (from Ch. 120, par. 453.33)

13 Sec. 3. Stamp payment. The tax hereby imposed shall be  
14 collected by a distributor maintaining a place of business in  
15 this State or a distributor authorized by the Department  
16 pursuant to Section 7 hereof to collect the tax, and the amount  
17 of the tax shall be added to the price of the cigarettes sold  
18 by such distributor. Collection of the tax shall be evidenced  
19 by a stamp or stamps affixed to each original package of  
20 cigarettes or by an authorized substitute for such stamp  
21 imprinted on each original package of such cigarettes  
22 underneath the sealed transparent outside wrapper of such  
23 original package, except as hereinafter provided. Each  
24 distributor who is required or authorized to collect the tax



1 herein imposed, before delivering or causing to be delivered  
2 any original packages of cigarettes in this State to any  
3 purchaser, shall firmly affix a proper stamp or stamps to each  
4 such package, or (in the case of manufacturers of cigarettes in  
5 original packages which are contained inside a sealed  
6 transparent wrapper) shall imprint the required language on the  
7 original package of cigarettes beneath such outside wrapper as  
8 hereinafter provided. Such stamp or stamps need not be affixed  
9 to the original package of any cigarettes with respect to which  
10 the distributor is required to affix a like stamp or stamps by  
11 virtue of the Cigarette Tax Act, however, and no tax imprint  
12 need be placed underneath the sealed transparent wrapper of an  
13 original package of cigarettes with respect to which the  
14 distributor is required or authorized to employ a like tax  
15 imprint by virtue of the Cigarette Tax Act. Any distributor who  
16 purchases stamps may credit any excess payments verified by the  
17 Department against amounts subsequently due for the purchase of  
18 additional stamps, until such time as no excess payment  
19 remains.

20 No stamp or imprint may be affixed to, or made upon, any  
21 package of cigarettes unless that package complies with all  
22 requirements of the federal Cigarette Labeling and Advertising  
23 Act, 15 U.S.C. 1331 and following, for the placement of labels,  
24 warnings, or any other information upon a package of cigarettes  
25 that is sold within the United States. Under the authority of  
26 Section 6, the Department shall revoke the license of any

1 distributor that is determined to have violated this paragraph.  
2 A person may not affix a stamp on a package of cigarettes,  
3 cigarette papers, wrappers, or tubes if that individual package  
4 has been marked for export outside the United States with a  
5 label or notice in compliance with Section 290.185 of Title 27  
6 of the Code of Federal Regulations. It is not a defense to a  
7 proceeding for violation of this paragraph that the label or  
8 notice has been removed, mutilated, obliterated, or altered in  
9 any manner.

10 Only distributors licensed under this Act and  
11 transporters, as defined in Section 9c of the Cigarette Tax  
12 Act, may possess unstamped original packages of cigarettes.  
13 Prior to shipment to an Illinois retailer or secondary  
14 distributor, a stamp shall be applied to each original package  
15 of cigarettes sold to the retailer or secondary distributor. A  
16 distributor may apply a tax stamp only to an original package  
17 of cigarettes purchased or obtained directly from an in-state  
18 maker, manufacturer, or fabricator licensed as a distributor  
19 under Section 4 of this Act or an out-of-state maker,  
20 manufacturer, or fabricator holding a permit under Section 7 of  
21 this Act. A licensed distributor may ship or otherwise cause to  
22 be delivered unstamped original packages of cigarettes in,  
23 into, or from this State. A licensed distributor may transport  
24 unstamped original packages of cigarettes to a facility,  
25 wherever located, owned or controlled by such distributor;  
26 however, a distributor may not transport unstamped original

1 packages of cigarettes to a facility where retail sales of  
2 cigarettes take place or to a facility where a secondary  
3 distributor makes sales for resale. Any licensed distributor  
4 that ships or otherwise causes to be delivered unstamped  
5 original packages of cigarettes into, within, or from this  
6 State shall ensure that the invoice or equivalent documentation  
7 and the bill of lading or freight bill for the shipment  
8 identifies the true name and address of the consignor or  
9 seller, the true name and address of the consignee or  
10 purchaser, and the quantity by brand style of the cigarettes so  
11 transported, provided that this Section shall not be construed  
12 as to impose any requirement or liability upon any common or  
13 contract carrier.

14 Distributors making sales of cigarettes to secondary  
15 distributors shall add the amount of the tax to the price of  
16 the cigarettes sold by the distributors. Secondary  
17 distributors making sales of cigarettes to retailers shall  
18 include the amount of the tax in the price of the cigarettes  
19 sold to retailers. The amount of tax shall not be less than the  
20 amount of taxes imposed by the State and all local  
21 jurisdictions. The amount of local taxes shall be calculated  
22 based on the location of the retailer's place of business shown  
23 on the retailer's certificate of registration or  
24 sub-registration issued to the retailer pursuant to Section 2a  
25 of the Retailers' Occupation Tax Act. The original packages of  
26 cigarettes sold by the retailer shall bear all the required

1 stamps, or other indicia, for the taxes included in the price  
2 of cigarettes.

3 Stamps, when required hereunder, shall be purchased from  
4 the Department, or any person authorized by the Department, by  
5 distributors. On and after July 1, 2003, payment for such  
6 stamps must be made by means of electronic funds transfer. The  
7 Department may refuse to sell stamps to any person who does not  
8 comply with the provisions of this Act. Beginning on June 6,  
9 2002 and through June 30, 2002, persons holding valid licenses  
10 as distributors may purchase cigarette tax stamps up to an  
11 amount equal to 115% of the distributor's average monthly  
12 cigarette tax stamp purchases over the 12 calendar months prior  
13 to June 6, 2002.

14 Prior to December 1, 1985, the Department shall allow a  
15 distributor 21 days in which to make final payment of the  
16 amount to be paid for such stamps, by allowing the distributor  
17 to make payment for the stamps at the time of purchasing them  
18 with a draft which shall be in such form as the Department  
19 prescribes, and which shall be payable within 21 days  
20 thereafter: Provided that such distributor has filed with the  
21 Department, and has received the Department's approval of, a  
22 bond, which is in addition to the bond required under Section 4  
23 of this Act, payable to the Department in an amount equal to  
24 80% of such distributor's average monthly tax liability to the  
25 Department under this Act during the preceding calendar year or  
26 \$500,000, whichever is less. The bond shall be joint and

1 several and shall be in the form of a surety company bond in  
2 such form as the Department prescribes, or it may be in the  
3 form of a bank certificate of deposit or bank letter of credit.  
4 The bond shall be conditioned upon the distributor's payment of  
5 the amount of any 21-day draft which the Department accepts  
6 from that distributor for the delivery of stamps to that  
7 distributor under this Act. The distributor's failure to pay  
8 any such draft, when due, shall also make such distributor  
9 automatically liable to the Department for a penalty equal to  
10 25% of the amount of such draft.

11 On and after December 1, 1985 and until July 1, 2003, the  
12 Department shall allow a distributor 30 days in which to make  
13 final payment of the amount to be paid for such stamps, by  
14 allowing the distributor to make payment for the stamps at the  
15 time of purchasing them with a draft which shall be in such  
16 form as the Department prescribes, and which shall be payable  
17 within 30 days thereafter, and beginning on January 1, 2003 and  
18 thereafter, the draft shall be payable by means of electronic  
19 funds transfer: Provided that such distributor has filed with  
20 the Department, and has received the Department's approval of,  
21 a bond, which is in addition to the bond required under Section  
22 4 of this Act, payable to the Department in an amount equal to  
23 150% of such distributor's average monthly tax liability to the  
24 Department under this Act during the preceding calendar year or  
25 \$750,000, whichever is less, except that as to bonds filed on  
26 or after January 1, 1987, such additional bond shall be in an

1 amount equal to 100% of such distributor's average monthly tax  
2 liability under this Act during the preceding calendar year or  
3 \$750,000, whichever is less. The bond shall be joint and  
4 several and shall be in the form of a surety company bond in  
5 such form as the Department prescribes, or it may be in the  
6 form of a bank certificate of deposit or bank letter of credit.  
7 The bond shall be conditioned upon the distributor's payment of  
8 the amount of any 30-day draft which the Department accepts  
9 from that distributor for the delivery of stamps to that  
10 distributor under this Act. The distributor's failure to pay  
11 any such draft, when due, shall also make such distributor  
12 automatically liable to the Department for a penalty equal to  
13 25% of the amount of such draft.

14 Every prior continuous compliance taxpayer shall be exempt  
15 from all requirements under this Section concerning the  
16 furnishing of such bond, as defined in this Section, as a  
17 condition precedent to his being authorized to engage in the  
18 business licensed under this Act. This exemption shall continue  
19 for each such taxpayer until such time as he may be determined  
20 by the Department to be delinquent in the filing of any  
21 returns, or is determined by the Department (either through the  
22 Department's issuance of a final assessment which has become  
23 final under the Act, or by the taxpayer's filing of a return  
24 which admits tax to be due that is not paid) to be delinquent  
25 or deficient in the paying of any tax under this Act, at which  
26 time that taxpayer shall become subject to the bond

1 requirements of this Section and, as a condition of being  
2 allowed to continue to engage in the business licensed under  
3 this Act, shall be required to furnish bond to the Department  
4 in such form as provided in this Section. Such taxpayer shall  
5 furnish such bond for a period of 2 years, after which, if the  
6 taxpayer has not been delinquent in the filing of any returns,  
7 or delinquent or deficient in the paying of any tax under this  
8 Act, the Department may reinstate such person as a prior  
9 continuance compliance taxpayer. Any taxpayer who fails to pay  
10 an admitted or established liability under this Act may also be  
11 required to post bond or other acceptable security with the  
12 Department guaranteeing the payment of such admitted or  
13 established liability.

14 Except as otherwise provided in this Section, any person  
15 aggrieved by any decision of the Department under this Section  
16 may, within the time allowed by law, protest and request a  
17 hearing before the Department, whereupon the Department shall  
18 give notice and shall hold a hearing in conformity with the  
19 provisions of this Act and then issue its final administrative  
20 decision in the matter to such person. Effective July 1, 2013,  
21 protests concerning matters that are subject to the  
22 jurisdiction of the Illinois Independent Tax Tribunal shall be  
23 filed in accordance with the Illinois Independent Tax Tribunal  
24 Act of 2012, and hearings concerning those matters shall be  
25 held before the Tribunal in accordance with that Act. With  
26 respect to protests filed with the Department prior to July 1,

1 2013 that would otherwise be subject to the jurisdiction of the  
2 Illinois Independent Tax Tribunal, the person filing the  
3 protest may elect to be subject to the provisions of the  
4 Illinois Independent Tax Tribunal Act of 2012 at any time on or  
5 after July 1, 2013, but not later than 30 days after the date  
6 on which the protest was filed. If made, the election shall be  
7 irrevocable. In the absence of such a protest filed within the  
8 time allowed by law, the Department's decision shall become  
9 final without any further determination being made or notice  
10 given.

11 The Department shall discharge any surety and shall release  
12 and return any bond or security deposited, assigned, pledged,  
13 or otherwise provided to it by a taxpayer under this Section  
14 within 30 days after:

15 (1) such Taxpayer becomes a prior continuous  
16 compliance taxpayer; or

17 (2) such taxpayer has ceased to collect receipts on  
18 which he is required to remit tax to the Department, has  
19 filed a final tax return, and has paid to the Department an  
20 amount sufficient to discharge his remaining tax liability  
21 as determined by the Department under this Act. The  
22 Department shall make a final determination of the  
23 taxpayer's outstanding tax liability as expeditiously as  
24 possible 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 At the time of purchasing such stamps from the Department  
4 when purchase is required by this Act, or at the time when the  
5 tax which he has collected is remitted by a distributor to the  
6 Department without the purchase of stamps from the Department  
7 when that method of remitting the tax that has been collected  
8 is required or authorized by this Act, the distributor shall be  
9 allowed a discount during any year commencing July 1 and ending  
10 the following June 30 in accordance with the schedule set out  
11 hereinbelow, from the amount to be paid by him to the  
12 Department for such stamps, or to be paid by him to the  
13 Department on the basis of monthly remittances (as the case may  
14 be), to cover the cost, to such distributor, of collecting the  
15 tax herein imposed by affixing such stamps to the original  
16 packages of cigarettes sold by such distributor or by placing  
17 tax imprints underneath the sealed transparent wrapper of  
18 original packages of cigarettes sold by such distributor (as  
19 the case may be): (1) Prior to December 1, 1985, a discount  
20 equal to 1-2/3% of the amount of the tax up to and including  
21 the first \$700,000 paid hereunder by such distributor to the  
22 Department during any such year; 1-1/3% of the next \$700,000 of  
23 tax or any part thereof, paid hereunder by such distributor to  
24 the Department during any such year; 1% of the next \$700,000 of  
25 tax, or any part thereof, paid hereunder by such distributor to  
26 the Department during any such year; and 2/3 of 1% of the

1 amount of any additional tax paid hereunder by such distributor  
2 to the Department during any such year or (2) On and after  
3 December 1, 1985, a discount equal to 1.75% of the amount of  
4 the tax payable under this Act up to and including the first  
5 \$3,000,000 paid hereunder by such distributor to the Department  
6 during any such year and 1.5% of the amount of any additional  
7 tax paid hereunder by such distributor to the Department during  
8 any such year.

9 Two or more distributors that use a common means of  
10 affixing revenue tax stamps or that are owned or controlled by  
11 the same interests shall be treated as a single distributor for  
12 the purpose of computing the discount.

13 Cigarette manufacturers who are distributors under Section  
14 7(a) of this Act, and who place their cigarettes in original  
15 packages which are contained inside a sealed transparent  
16 wrapper, shall be required to remit the tax which they are  
17 required to collect under this Act to the Department by  
18 remitting the amount thereof to the Department by the 5th day  
19 of each month, covering cigarettes shipped or otherwise  
20 delivered to points in Illinois to purchasers during the  
21 preceding calendar month, but a distributor need not remit to  
22 the Department the tax so collected by him from purchasers  
23 under this Act to the extent to which such distributor is  
24 required to remit the tax imposed by the Cigarette Tax Act to  
25 the Department with respect to the same cigarettes. All taxes  
26 upon cigarettes under this Act are a direct tax upon the retail

1 consumer and shall conclusively be presumed to be precollected  
2 for the purpose of convenience and facility only. Cigarette  
3 manufacturers that are distributors licensed under Section  
4 7(a) of this Act and who place their cigarettes in original  
5 packages which are contained inside a sealed transparent  
6 wrapper, before delivering such cigarettes or causing such  
7 cigarettes to be delivered in this State to purchasers, shall  
8 evidence their obligation to collect and remit the tax due with  
9 respect to such cigarettes by imprinting language to be  
10 prescribed by the Department on each original package of such  
11 cigarettes underneath the sealed transparent outside wrapper  
12 of such original package, in such place thereon and in such  
13 manner as the Department may prescribe; provided (as stated  
14 hereinbefore) that this requirement does not apply when such  
15 distributor is required or authorized by the Cigarette Tax Act  
16 to place the tax imprint provided for in the last paragraph of  
17 Section 3 of that Act underneath the sealed transparent wrapper  
18 of such original package of cigarettes. Such imprinted language  
19 shall acknowledge the manufacturer's collection and payment of  
20 or liability for the tax imposed by this Act with respect to  
21 such cigarettes.

22 The Department shall adopt the design or designs of the tax  
23 stamps and shall procure the printing of such stamps in such  
24 amounts and denominations as it deems necessary to provide for  
25 the affixation of the proper amount of tax stamps to each  
26 original package of cigarettes.

1           Where tax stamps are required, the Department may authorize  
2 distributors to affix revenue tax stamps by imprinting tax  
3 meter stamps upon original packages of cigarettes. The  
4 Department shall adopt rules and regulations relating to the  
5 imprinting of such tax meter stamps as will result in payment  
6 of the proper taxes as herein imposed. No distributor may affix  
7 revenue tax stamps to original packages of cigarettes by  
8 imprinting meter stamps thereon unless such distributor has  
9 first obtained permission from the Department to employ this  
10 method of affixation. The Department shall regulate the use of  
11 tax meters and may, to assure the proper collection of the  
12 taxes imposed by this Act, revoke or suspend the privilege,  
13 theretofore granted by the Department to any distributor, to  
14 imprint tax meter stamps upon original packages of cigarettes.

15           The tax hereby imposed and not paid pursuant to this  
16 Section shall be paid to the Department directly by any person  
17 using such cigarettes within this State, pursuant to Section 12  
18 hereof.

19           A distributor shall not affix, or cause to be affixed, any  
20 stamp or imprint to a package of cigarettes, as provided for in  
21 this Section, if the tobacco product manufacturer, as defined  
22 in Section 10 of the Tobacco Product Manufacturers' Escrow Act,  
23 that made or sold the cigarettes has failed to become a  
24 participating manufacturer, as defined in subdivision (a)(1)  
25 of Section 15 of the Tobacco Product Manufacturers' Escrow Act,  
26 or has failed to create a qualified escrow fund for any

1 cigarettes manufactured by the tobacco product manufacturer  
2 and sold in this State or otherwise failed to bring itself into  
3 compliance with subdivision (a) (2) of Section 15 of the Tobacco  
4 Product Manufacturers' Escrow Act.

5 (Source: P.A. 96-782, eff. 1-1-10; 96-1027, eff. 7-12-10;  
6 97-1129, eff. 8-28-12.)

7 Section 65. The Tobacco Products Tax Act of 1995 is amended  
8 by changing Section 10-30 as follows:

9 (35 ILCS 143/10-30)

10 Sec. 10-30. Returns.

11 (a) Every distributor shall, on or before the 15th day of  
12 each month, file a return with the Department covering the  
13 preceding calendar month. The return shall disclose the  
14 wholesale price for all tobacco products other than moist snuff  
15 and the quantity in ounces of moist snuff sold or otherwise  
16 disposed of and other information that the Department may  
17 reasonably require. The return shall be filed upon a form  
18 prescribed and furnished by the Department.

19 (b) In addition to the information required under  
20 subsection (a), on or before the 15th day of each month,  
21 covering the preceding calendar month, each stamping  
22 distributor shall, on forms prescribed and furnished by the  
23 Department, report the quantity of little cigars sold or  
24 otherwise disposed of, including the number of packages of

1 little cigars sold or disposed of during the month containing  
2 20 or 25 little cigars.

3 (c) At the time when any return of any distributor is due  
4 to be filed with the Department, the distributor shall also  
5 remit to the Department the tax liability that the distributor  
6 has incurred for transactions occurring in the preceding  
7 calendar month.

8 (d) The Department may adopt rules to require the  
9 electronic filing of any return or document required to be  
10 filed under this Act. Those rules may provide for exceptions  
11 from the filing requirement set forth in this paragraph for  
12 persons who demonstrate that they do not have access to the  
13 Internet and petition the Department to waive the electronic  
14 filing requirement.

15 (e) If any payment provided for in this Section exceeds the  
16 distributor's liabilities under this Act, as shown on an  
17 original return, the distributor may credit such excess payment  
18 against liability subsequently to be remitted to the Department  
19 under this Act, in accordance with reasonable rules adopted by  
20 the Department.

21 (Source: P.A. 97-688, eff. 6-14-12; 98-273, eff. 8-9-13.)

22 Section 70. The Hotel Operators' Occupation Tax Act is  
23 amended by changing Section 6 as follows:

24 (35 ILCS 145/6) (from Ch. 120, par. 481b.36)

1           Sec. 6. Except as provided hereinafter in this Section, on  
2 or before the last day of each calendar month, every person  
3 engaged in the business of renting, leasing or letting rooms in  
4 a hotel in this State during the preceding calendar month shall  
5 file a return with the Department, stating:

6           1. The name of the operator;

7           2. His residence address and the address of his  
8 principal place of business and the address of the  
9 principal place of business (if that is a different  
10 address) from which he engages in the business of renting,  
11 leasing or letting rooms in a hotel in this State;

12           3. Total amount of rental receipts received by him  
13 during the preceding calendar month from renting, leasing  
14 or letting rooms during such preceding calendar month;

15           4. Total amount of rental receipts received by him  
16 during the preceding calendar month from renting, leasing  
17 or letting rooms to permanent residents during such  
18 preceding calendar month;

19           5. Total amount of other exclusions from gross rental  
20 receipts allowed by this Act;

21           6. Gross rental receipts which were received by him  
22 during the preceding calendar month and upon the basis of  
23 which the tax is imposed;

24           7. The amount of tax due;

25           8. Such other reasonable information as the Department  
26 may require.

1           If the operator's average monthly tax liability to the  
2 Department does not exceed \$200, the Department may authorize  
3 his returns to be filed on a quarter annual basis, with the  
4 return for January, February and March of a given year being  
5 due by April 30 of such year; with the return for April, May  
6 and June of a given year being due by July 31 of such year; with  
7 the return for July, August and September of a given year being  
8 due by October 31 of such year, and with the return for  
9 October, November and December of a given year being due by  
10 January 31 of the following year.

11           If the operator's average monthly tax liability to the  
12 Department does not exceed \$50, the Department may authorize  
13 his returns to be filed on an annual basis, with the return for  
14 a given year being due by January 31 of the following year.

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

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

25           Where the same person has more than 1 business registered  
26 with the Department under separate registrations under this



1 Act, such person shall not file each return that is due as a  
2 single return covering all such registered businesses, but  
3 shall file separate returns for each such registered business.

4 In his return, the operator shall determine the value of  
5 any consideration other than money received by him in  
6 connection with the renting, leasing or letting of rooms in the  
7 course of his business and he shall include such value in his  
8 return. Such determination shall be subject to review and  
9 revision by the Department in the manner hereinafter provided  
10 for the correction of returns.

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

15 The person filing the return herein provided for shall, at  
16 the time of filing such return, pay to the Department the  
17 amount of tax herein imposed. The operator filing the return  
18 under this Section shall, at the time of filing such return,  
19 pay to the Department the amount of tax imposed by this Act  
20 less a discount of 2.1% or \$25 per calendar year, whichever is  
21 greater, which is allowed to reimburse the operator for the  
22 expenses incurred in keeping records, preparing and filing  
23 returns, remitting the tax and supplying data to the Department  
24 on request.

25 If any payment provided for in this Section exceeds the  
26 operator's liabilities under this Act, as shown on an original

1 return, the Department may authorize the operator to credit  
2 such excess payment against liability subsequently to be  
3 remitted to the Department under this Act, in accordance with  
4 reasonable rules adopted by the Department. If the Department  
5 subsequently determines that all or any part of the credit  
6 taken was not actually due to the operator, the operator's  
7 discount shall be reduced by an amount equal to the difference  
8 between the discount as applied to the credit taken and that  
9 actually due, and that operator shall be liable for penalties  
10 and interest on such difference.

11       There shall be deposited in the Build Illinois Fund in the  
12 State Treasury for each State fiscal year 40% of the amount of  
13 total net proceeds from the tax imposed by subsection (a) of  
14 Section 3. Of the remaining 60%, \$5,000,000 shall be deposited  
15 in the Illinois Sports Facilities Fund and credited to the  
16 Subsidy Account each fiscal year by making monthly deposits in  
17 the amount of 1/8 of \$5,000,000 plus cumulative deficiencies in  
18 such deposits for prior months, and an additional \$8,000,000  
19 shall be deposited in the Illinois Sports Facilities Fund and  
20 credited to the Advance Account each fiscal year by making  
21 monthly deposits in the amount of 1/8 of \$8,000,000 plus any  
22 cumulative deficiencies in such deposits for prior months;  
23 provided, that for fiscal years ending after June 30, 2001, the  
24 amount to be so deposited into the Illinois Sports Facilities  
25 Fund and credited to the Advance Account each fiscal year shall  
26 be increased from \$8,000,000 to the then applicable Advance

1 Amount and the required monthly deposits beginning with July  
2 2001 shall be in the amount of 1/8 of the then applicable  
3 Advance Amount plus any cumulative deficiencies in those  
4 deposits for prior months. (The deposits of the additional  
5 \$8,000,000 or the then applicable Advance Amount, as  
6 applicable, during each fiscal year shall be treated as  
7 advances of funds to the Illinois Sports Facilities Authority  
8 for its corporate purposes to the extent paid to the Authority  
9 or its trustee and shall be repaid into the General Revenue  
10 Fund in the State Treasury by the State Treasurer on behalf of  
11 the Authority pursuant to Section 19 of the Illinois Sports  
12 Facilities Authority Act, as amended. If in any fiscal year the  
13 full amount of the then applicable Advance Amount is not repaid  
14 into the General Revenue Fund, then the deficiency shall be  
15 paid from the amount in the Local Government Distributive Fund  
16 that would otherwise be allocated to the City of Chicago under  
17 the State Revenue Sharing Act.)

18 For purposes of the foregoing paragraph, the term "Advance  
19 Amount" means, for fiscal year 2002, \$22,179,000, and for  
20 subsequent fiscal years through fiscal year 2032, 105.615% of  
21 the Advance Amount for the immediately preceding fiscal year,  
22 rounded up to the nearest \$1,000.

23 Of the remaining 60% of the amount of total net proceeds  
24 prior to August 1, 2011 from the tax imposed by subsection (a)  
25 of Section 3 after all required deposits in the Illinois Sports  
26 Facilities Fund, the amount equal to 8% of the net revenue

1 realized from this Act plus an amount equal to 8% of the net  
2 revenue realized from any tax imposed under Section 4.05 of the  
3 Chicago World's Fair-1992 Authority Act during the preceding  
4 month shall be deposited in the Local Tourism Fund each month  
5 for purposes authorized by Section 605-705 of the Department of  
6 Commerce and Economic Opportunity Law (20 ILCS 605/605-705). Of  
7 the remaining 60% of the amount of total net proceeds beginning  
8 on August 1, 2011 from the tax imposed by subsection (a) of  
9 Section 3 after all required deposits in the Illinois Sports  
10 Facilities Fund, an amount equal to 8% of the net revenue  
11 realized from this Act plus an amount equal to 8% of the net  
12 revenue realized from any tax imposed under Section 4.05 of the  
13 Chicago World's Fair-1992 Authority Act during the preceding  
14 month shall be deposited as follows: 18% of such amount shall  
15 be deposited into the Chicago Travel Industry Promotion Fund  
16 for the purposes described in subsection (n) of Section 5 of  
17 the Metropolitan Pier and Exposition Authority Act and the  
18 remaining 82% of such amount shall be deposited into the Local  
19 Tourism Fund each month for purposes authorized by Section  
20 605-705 of the Department of Commerce and Economic Opportunity  
21 Law. Beginning on August 1, 1999 and ending on July 31, 2011,  
22 an amount equal to 4.5% of the net revenue realized from the  
23 Hotel Operators' Occupation Tax Act during the preceding month  
24 shall be deposited into the International Tourism Fund for the  
25 purposes authorized in Section 605-707 of the Department of  
26 Commerce and Economic Opportunity Law. Beginning on August 1,

1 2011, an amount equal to 4.5% of the net revenue realized from  
2 this Act during the preceding month shall be deposited as  
3 follows: 55% of such amount shall be deposited into the Chicago  
4 Travel Industry Promotion Fund for the purposes described in  
5 subsection (n) of Section 5 of the Metropolitan Pier and  
6 Exposition Authority Act and the remaining 45% of such amount  
7 deposited into the International Tourism Fund for the purposes  
8 authorized in Section 605-707 of the Department of Commerce and  
9 Economic Opportunity Law. "Net revenue realized for a month"  
10 means the revenue collected by the State under that Act during  
11 the previous month less the amount paid out during that same  
12 month as refunds to taxpayers for overpayment of liability  
13 under that Act.

14 After making all these deposits, all other proceeds of the  
15 tax imposed under subsection (a) of Section 3 shall be  
16 deposited in the General Revenue Fund in the State Treasury.  
17 All moneys received by the Department from the additional tax  
18 imposed under subsection (b) of Section 3 shall be deposited  
19 into the Build Illinois Fund in the State Treasury.

20 The Department may, upon separate written notice to a  
21 taxpayer, require the taxpayer to prepare and file with the  
22 Department on a form prescribed by the Department within not  
23 less than 60 days after receipt of the notice an annual  
24 information return for the tax year specified in the notice.  
25 Such annual return to the Department shall include a statement  
26 of gross receipts as shown by the operator's last State income

1 tax return. If the total receipts of the business as reported  
2 in the State income tax return do not agree with the gross  
3 receipts reported to the Department for the same period, the  
4 operator shall attach to his annual information return a  
5 schedule showing a reconciliation of the 2 amounts and the  
6 reasons for the difference. The operator's annual information  
7 return to the Department shall also disclose pay roll  
8 information of the operator's business during the year covered  
9 by such return and any additional reasonable information which  
10 the Department deems would be helpful in determining the  
11 accuracy of the monthly, quarterly or annual tax returns by  
12 such operator as hereinbefore provided for in this Section.

13 If the annual information return required by this Section  
14 is not filed when and as required the taxpayer shall be liable  
15 for a penalty in an amount determined in accordance with  
16 Section 3-4 of the Uniform Penalty and Interest Act until such  
17 return is filed as required, the penalty to be assessed and  
18 collected in the same manner as any other penalty provided for  
19 in this Act.

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

1 return may be liable for perjury.

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

6 (Source: P.A. 97-617, eff. 10-26-11.)

7 Section 75. The Live Adult Entertainment Facility  
8 Surcharge Act is amended by changing Section 10 as follows:

9 (35 ILCS 175/10)

10 Sec. 10. Surcharge imposed; returns.

11 (a) An annual surcharge is imposed upon each operator who  
12 operates a live adult entertainment facility in this State. By  
13 January 20, 2014, and by January 20 of each year thereafter,  
14 each operator shall elect to pay the surcharge according to  
15 either item (1) or item (2) of this subsection.

16 (1) An operator who elects to be subject to this item  
17 (1) shall pay to the Department a surcharge imposed upon  
18 admissions to a live adult entertainment facility operated  
19 by the operator in this State in an amount equal to \$3 per  
20 person admitted to that live adult entertainment facility.  
21 This item (1) does not require a live entertainment  
22 facility to impose a fee on a customer of the facility. An  
23 operator has the discretion to determine the manner in  
24 which the facility derives the moneys required to pay the

1 surcharge imposed under this Section. In the event that an  
2 operator has not filed the applicable returns under the  
3 Retailers' Occupation Tax Act for a full calendar year  
4 prior to any January 20, then such operator shall pay the  
5 surcharge under this Act pursuant to this item (1) for  
6 moneys owed to the Department subject to this Act for the  
7 previous calendar year.

8 (2) An operator may, in the alternative, pay to the  
9 Department the surcharge as follows:

10 (A) If the gross receipts received by the live  
11 adult entertainment facility during the preceding  
12 calendar year, upon the basis of which a tax is imposed  
13 under Section 2 of the Retailers' Occupation Tax Act,  
14 are equal or greater than \$2,000,000 during the  
15 preceding calendar year, and if the operator elects to  
16 be subject to this item (2), then the operator shall  
17 pay the Department a surcharge of \$25,000.

18 (B) If the gross receipts received by the live  
19 adult entertainment facility during the preceding  
20 calendar year, upon the basis of which a tax is imposed  
21 under Section 2 of the Retailers' Occupation Tax Act,  
22 are equal to or greater than \$500,000 but less than  
23 \$2,000,000 during the preceding calendar year, and if  
24 the operator elects to be subject to this item (2),  
25 then the operator shall pay to the Department a  
26 surcharge of \$15,000.



1           (C) If the gross receipts received by the live  
2 adult entertainment facility during the preceding  
3 calendar year, upon the basis of which a tax is imposed  
4 under Section 2 of the Retailers' Occupation Tax Act,  
5 are less than \$500,000 during the preceding calendar  
6 year, and if the operator elects to be subject to this  
7 item (2), then the operator shall pay the Department a  
8 surcharge of \$5,000.

9           (b) For each live adult entertainment facility paying the  
10 surcharge as set forth in item (1) of subsection (a) of this  
11 Section, the operator must file a return electronically as  
12 provided by the Department and remit payment to the Department  
13 on an annual basis no later than January 20 covering the  
14 previous calendar year. Each return made to the Department must  
15 state the following:

16           (1) the name of the operator;

17           (2) the address of the live adult entertainment  
18 facility and the address of the principal place of business  
19 (if that is a different address) of the operator;

20           (3) the total number of admissions to the facility in  
21 the preceding calendar year; and

22           (4) the total amount of surcharge collected in the  
23 preceding calendar year.

24           Notwithstanding any other provision of this subsection  
25 concerning the time within which an operator may file his or  
26 her return, if an operator ceases to operate a live adult

1 entertainment facility, then he or she must file a final return  
2 under this Act with the Department not more than one calendar  
3 month after discontinuing that business.

4 (c) For each live adult entertainment facility paying the  
5 surcharge as set forth in item (2) of subsection (a) of this  
6 Section, the operator must file a return electronically as  
7 provided by the Department and remit payment to the Department  
8 on an annual basis no later than January 20 covering the  
9 previous calendar year. Each return made to the Department must  
10 state the following:

11 (1) the name of the operator;

12 (2) the address of the live adult entertainment  
13 facility and the address of the principal place of business  
14 (if that is a different address) of the operator;

15 (3) the gross receipts received by the live adult  
16 entertainment facility during the preceding calendar year,  
17 upon the basis of which tax is imposed under Section 2 of  
18 the Retailers' Occupation Tax Act; and

19 (4) the applicable surcharge from Section 10(a)(2) of  
20 this Act to be paid by the operator.

21 Notwithstanding any other provision of this subsection  
22 concerning the time within which an operator may file his or  
23 her return, if an operator ceases to operate a live adult  
24 entertainment facility, then he or she must file a final return  
25 under this Act with the Department not more than one calendar  
26 month after discontinuing that business.

1 (d) Beginning January 1, 2014, the Department shall pay all  
2 proceeds collected from the surcharge imposed under this Act  
3 into the Sexual Assault Services and Prevention Fund, less 2%  
4 of those proceeds, which shall be paid into the Tax Compliance  
5 and Administration Fund in the State treasury from which it  
6 shall be appropriated to the Department to cover the costs of  
7 the Department in administering and enforcing the provisions of  
8 this Act.

9 (e) If any payment provided for in this Section exceeds the  
10 operator's liabilities under this Act, as shown on an original  
11 return, the operator may credit such excess payment against  
12 liability subsequently to be remitted to the Department under  
13 this Act, in accordance with reasonable rules adopted by the  
14 Department.

15 (Source: P.A. 97-1035, eff. 1-1-13.)

16 Section 80. The Property Tax Code is amended by changing  
17 Sections 8-35, 17-20, and 17-40 as follows:

18 (35 ILCS 200/8-35)

19 Sec. 8-35. Notification requirements; procedure on  
20 protest.

21 (a) Assessments made by the Department. Upon completion of  
22 its original assessments, the Department shall publish a  
23 complete list of the assessments on its website. ~~in the State~~  
24 ~~"official newspaper."~~ Any person feeling aggrieved by any such

1 assessment may, within 10 days of the date of publication of  
2 the list, apply to the Department for a review and correction  
3 of that assessment. Upon review of the assessment, the  
4 Department shall make any correction as it considers just.

5 If review of an assessment has been made and notice has  
6 been given of the Department's decision, any party to the  
7 proceeding who feels aggrieved by the decision, may file an  
8 application for hearing. The application shall be in writing  
9 and shall be filed with the Department within 20 days after  
10 notice of the decision has been given by certified mail.  
11 Petitions for hearing shall state concisely the mistakes  
12 alleged to have been made or the new evidence to be presented.

13 No action for the judicial review of any assessment  
14 decision of the Department shall be allowed unless the party  
15 commencing such action has filed an application for a hearing  
16 and the Department has acted upon the application.

17 The extension of taxes on an assessment shall not be  
18 delayed by any proceeding under this Section. In cases where  
19 the assessment is revised, the taxes extended upon the  
20 assessment, or that part of the taxes as may be appropriate,  
21 shall be abated or, if already paid, refunded.

22 (b) Exemption decisions made by the Department. Notice of  
23 each exemption decision made by the Department under Section  
24 15-25, 16-70, or 16-130 shall be given by certified mail to the  
25 applicant for exemption.

26 If an exemption decision has been made by the Department

1 and notice has been given of the Department's decision, any  
2 party to the proceeding who feels aggrieved by the decision may  
3 file an application for hearing. The application shall be in  
4 writing and shall be filed with the Department within 60 days  
5 after notice of the decision has been given by certified mail.  
6 Petitions for hearing shall state concisely the mistakes  
7 alleged to have been made or the new evidence to be presented.

8 If a petition for hearing is filed, the Department shall  
9 reconsider the exemption decision and shall grant any party to  
10 the proceeding a hearing. As soon as practical after the  
11 reconsideration and hearing, the Department shall issue a  
12 notice of decision by mailing the notice by certified mail. The  
13 notice shall set forth the Department's findings of fact and  
14 the basis of the decision.

15 Within 30 days after the mailing of a notice of decision,  
16 any party to the proceeding may file with the Director a  
17 written request for rehearing in such form as the Department  
18 may by rule prescribe, setting forth the grounds on which  
19 rehearing is requested. If rehearing or Departmental review is  
20 granted, as soon as practical after the rehearing or  
21 Departmental review has been held, the Department shall issue a  
22 revised decision to the party or the party's legal  
23 representative as a result of the rehearing. The action of the  
24 Department on a petition for hearing shall become final the  
25 later of (i) 30 days after issuance of a notice of decision, if  
26 no request for rehearing is made, or (ii) if a timely request

1 for rehearing is made, upon the issuance of the denial of the  
2 request or the issuance of a notice of final decision.

3 No action for the judicial review of any exemption decision  
4 of the Department shall be allowed unless the party commencing  
5 the action has filed an application for a hearing and the  
6 Department has acted upon the application.

7 The extension of taxes on an assessment shall not be  
8 delayed by any proceeding under this Section. In cases when the  
9 exemption is granted, in whole or in part, the taxes extended  
10 upon the assessment, or that part of the taxes as may be  
11 appropriate, shall be abated or, if already paid, refunded.

12 (Source: P.A. 92-658, eff. 7-16-02.)

13 (35 ILCS 200/17-20)

14 Sec. 17-20. Hearing on tentative equalization factor. The  
15 Department shall, after publishing on its website the ~~its~~  
16 tentative equalization factor and giving notice of hearing to  
17 the public ~~in a newspaper of general circulation in the county,~~  
18 hold a hearing on its estimate not less than 10 days nor more  
19 than 30 days from the date of the publication. The notice shall  
20 state the date and time of the hearing, which shall be held in  
21 either Chicago or Springfield, the basis for the estimate of  
22 the Department, and further information as the Department may  
23 prescribe. The Department shall, after giving a hearing to all  
24 interested parties and opportunity for submitting testimony  
25 and evidence in support of or adverse to the estimate as the

1 Department considers requisite, either confirm or revise the  
2 estimate so as to correctly represent the considered judgment  
3 of the Department respecting the estimated percentage to be  
4 added to or deducted from the aggregate assessment of all  
5 locally assessed property in the county except property  
6 assessed under Sections 10-110 through 10-140 or 10-170 through  
7 10-200. Within 30 days after the conclusion of the hearing the  
8 Department shall mail to the County Clerk, by certified mail,  
9 its determination with respect to such estimated percentage to  
10 be added to or deducted from the aggregate assessment.

11 (Source: P.A. 91-555, eff. 1-1-00.)

12 (35 ILCS 200/17-40)

13 Sec. 17-40. Publication of final equalization factor. The  
14 Department shall publish on its website ~~in each county~~ the  
15 percentage and equalization factor certified to each county  
16 clerk under Section 17-30. If the percentage differs from the  
17 percentage derived from the initial estimate certified under  
18 Section 17-15, a statement as to the basis for the final  
19 percentage shall also be published. The Department shall  
20 provide the statement to any member of the public upon request.

21 (Source: P.A. 79-703; 88-455.)

22 Section 85. The Illinois Hydraulic Fracturing Tax Act is  
23 amended by changing Sections 2-45 and 2-50 as follows:

1 (35 ILCS 450/2-45)

2 Sec. 2-45. Purchaser's return and tax remittance. Each  
3 purchaser shall make a return to the Department showing the  
4 quantity of oil or gas purchased during the month for which the  
5 return is filed, the price paid therefor, total value, the name  
6 and address of the operator or other person from whom the same  
7 was purchased, a description of the production unit in the  
8 manner prescribed by the Department from which such oil or gas  
9 was severed and the amount of tax due from each production unit  
10 for each calendar month. All taxes due, or to be remitted, by  
11 the purchaser shall accompany this return. The return shall be  
12 filed on or before the last day of the month after the calendar  
13 month for which the return is required. The Department shall  
14 forward the necessary information to each Chief County  
15 Assessment Officer for the administration and application of ad  
16 valorem real property taxes at the county level. This  
17 information shall be forwarded to the Chief County Assessment  
18 Officers in a yearly summary before March 1 of the following  
19 calendar year. The Department may require any additional report  
20 or information it may deem necessary for the proper  
21 administration of this Act.

22 Such returns shall be filed electronically in the manner  
23 prescribed by the Department. Purchasers shall make all  
24 payments of that tax to the Department by electronic funds  
25 transfer unless, as provided by rule, the Department grants an  
26 exception upon petition of a purchaser. Purchasers' returns



1 must be accompanied by appropriate computer generated magnetic  
2 media supporting schedule data in the format required by the  
3 Department, unless, as provided by rule, the Department grants  
4 an exception upon petition of a purchaser.

5 If any payment provided for in this Section exceeds the  
6 purchaser's liabilities under this Act, as shown on an original  
7 return, the purchaser may credit such excess payment against  
8 liability subsequently to be remitted to the Department under  
9 this Act, in accordance with reasonable rules adopted by the  
10 Department.

11 (Source: P.A. 98-22, eff. 6-17-13; 98-23, eff. 6-17-13; 98-756,  
12 eff. 7-16-14.)

13 (35 ILCS 450/2-50)

14 Sec. 2-50. Operator returns; payment of tax.

15 (a) If, on or after July 1, 2013, oil or gas is transported  
16 off the production unit where severed by the operator, used on  
17 the production unit where severed, or if the manufacture and  
18 conversion of oil and gas into refined products occurs on the  
19 production unit where severed, the operator is responsible for  
20 remitting the tax imposed under subsection (a) of Section 2-15,  
21 on or before the last day of the month following the end of the  
22 calendar month in which the oil and gas is removed from the  
23 production unit, and such payment shall be accompanied by a  
24 return to the Department showing the gross quantity of oil or  
25 gas removed during the month for which the return is filed, the

1 price paid therefor, and if no price is paid therefor, the  
2 value of the oil and gas, a description of the production unit  
3 from which such oil or gas was severed, and the amount of tax.  
4 The Department may require any additional information it may  
5 deem necessary for the proper administration of this Act.

6 (b) Operators shall file all returns electronically in the  
7 manner prescribed by the Department unless, as provided by  
8 rule, the Department grants an exception upon petition of an  
9 operator. Operators shall make all payments of that tax to the  
10 Department by electronic funds transfer unless, as provided by  
11 rule, the Department grants an exception upon petition of an  
12 operator. Operators' returns must be accompanied by  
13 appropriate computer generated magnetic media supporting  
14 schedule data in the format required by the Department, unless,  
15 as provided by rule, the Department grants an exception upon  
16 petition of a purchaser.

17 (c) Any operator who makes a monetary payment to a producer  
18 for his or her portion of the value of products from a  
19 production unit shall withhold from such payment the amount of  
20 tax due from the producer. Any operator who pays any tax due  
21 from a producer shall be entitled to reimbursement from the  
22 producer for the tax so paid and may take credit for such  
23 amount from any monetary payment to the producer for the value  
24 of products. To the extent that an operator required to collect  
25 the tax imposed by this Act has actually collected that tax,  
26 such tax is held in trust for the benefit of the State of

1 Illinois.

2 (d) In the event the operator fails to make payment of the  
3 tax to the State as required herein, the operator shall be  
4 liable for the tax. A producer shall be entitled to bring an  
5 action against such operator to recover the amount of tax so  
6 withheld together with penalties and interest which may have  
7 accrued by failure to make such payment. A producer shall be  
8 entitled to all attorney fees and court costs incurred in such  
9 action. To the extent that a producer liable for the tax  
10 imposed by this Act collects the tax, and any penalties and  
11 interest, from an operator, such tax, penalties, and interest  
12 are held in trust by the producer for the benefit of the State  
13 of Illinois.

14 (e) When the title to any oil or gas severed from the earth  
15 or water is in dispute and the operator of such oil or gas is  
16 withholding payments on account of litigation, or for any other  
17 reason, such operator is hereby authorized, empowered and  
18 required to deduct from the gross amount thus held the amount  
19 of the tax imposed and to make remittance thereof to the  
20 Department as provided in this Section.

21 (f) An operator required to file a return and pay the tax  
22 under this Section shall register with the Department.  
23 Application for a certificate of registration shall be made to  
24 the Department upon forms furnished by the Department and shall  
25 contain any reasonable information the Department may require.  
26 Upon receipt of the application for a certificate of

1 registration in proper form, the Department shall issue to the  
2 applicant a certificate of registration.

3 (g) If oil or gas is transported off the production unit  
4 where severed by the operator and sold to a purchaser or  
5 refiner, the State shall have a lien on all the oil or gas  
6 severed from the production unit in this State in the hands of  
7 the operator, the first or any subsequent purchaser thereof, or  
8 refiner to secure the payment of the tax. If a lien is filed by  
9 the Department, the purchaser or refiner shall withhold from  
10 the operator the amount of tax, penalty and interest identified  
11 in the lien.

12 (h) If any payment provided for in this Section exceeds the  
13 operator's liabilities under this Act, as shown on an original  
14 return, the operator may credit such excess payment against  
15 liability subsequently to be remitted to the Department under  
16 this Act, in accordance with reasonable rules adopted by the  
17 Department.

18 (Source: P.A. 98-22, eff. 6-17-13; 98-756, eff. 7-16-14.)

19 Section 90. The Motor Fuel Tax Law is amended by changing  
20 Sections 2b, 5, 5a, and 13 as follows:

21 (35 ILCS 505/2b) (from Ch. 120, par. 418b)

22 Sec. 2b. Receiver's monthly return. In addition to the tax  
23 collection and reporting responsibilities imposed elsewhere in  
24 this Act, a person who is required to pay the tax imposed by

1 Section 2a of this Act shall pay the tax to the Department by  
2 return showing all fuel purchased, acquired or received and  
3 sold, distributed or used during the preceding calendar month  
4 including losses of fuel as the result of evaporation or  
5 shrinkage due to temperature variations, and such other  
6 reasonable information as the Department may require. Losses of  
7 fuel as the result of evaporation or shrinkage due to  
8 temperature variations may not exceed 1% of the total gallons  
9 in storage at the beginning of the month, plus the receipts of  
10 gallonage during the month, minus the gallonage remaining in  
11 storage at the end of the month. Any loss reported that is in  
12 excess of this amount shall be subject to the tax imposed by  
13 Section 2a of this Law. On and after July 1, 2001, for each  
14 6-month period January through June, net losses of fuel (for  
15 each category of fuel that is required to be reported on a  
16 return) as the result of evaporation or shrinkage due to  
17 temperature variations may not exceed 1% of the total gallons  
18 in storage at the beginning of each January, plus the receipts  
19 of gallonage each January through June, minus the gallonage  
20 remaining in storage at the end of each June. On and after July  
21 1, 2001, for each 6-month period July through December, net  
22 losses of fuel (for each category of fuel that is required to  
23 be reported on a return) as the result of evaporation or  
24 shrinkage due to temperature variations may not exceed 1% of  
25 the total gallons in storage at the beginning of each July,  
26 plus the receipts of gallonage each July through December,

1 minus the gallonage remaining in storage at the end of each  
2 December. Any net loss reported that is in excess of this  
3 amount shall be subject to the tax imposed by Section 2a of  
4 this Law. For purposes of this Section, "net loss" means the  
5 number of gallons gained through temperature variations minus  
6 the number of gallons lost through temperature variations or  
7 evaporation for each of the respective 6-month periods.

8 The return shall be prescribed by the Department and shall  
9 be filed between the 1st and 20th days of each calendar month.  
10 The Department may, in its discretion, combine the returns  
11 filed under this Section, Section 5, and Section 5a of this  
12 Act. The return must be accompanied by appropriate  
13 computer-generated magnetic media supporting schedule data in  
14 the format required by the Department, unless, as provided by  
15 rule, the Department grants an exception upon petition of a  
16 taxpayer. If the return is filed timely, the seller shall take  
17 a discount of 2% through June 30, 2003 and 1.75% thereafter  
18 which is allowed to reimburse the seller for the expenses  
19 incurred in keeping records, preparing and filing returns,  
20 collecting and remitting the tax and supplying data to the  
21 Department on request. The discount, however, shall be  
22 applicable only to the amount of payment which accompanies a  
23 return that is filed timely in accordance with this Section.

24 If any payment provided for in this Section exceeds the  
25 receiver's liabilities under this Act, as shown on an original  
26 return, the Department may authorize the receiver to credit

1 such excess payment against liability subsequently to be  
2 remitted to the Department under this Act, in accordance with  
3 reasonable rules adopted by the Department. If the Department  
4 subsequently determines that all or any part of the credit  
5 taken was not actually due to the receiver, the receiver's  
6 discount shall be reduced by an amount equal to the difference  
7 between the discount as applied to the credit taken and that  
8 actually due, and that receiver shall be liable for penalties  
9 and interest on such difference.

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

11 (35 ILCS 505/5) (from Ch. 120, par. 421)

12 Sec. 5. Distributor's monthly return. Except as  
13 hereinafter provided, a person holding a valid unrevoked  
14 license to act as a distributor of motor fuel shall, between  
15 the 1st and 20th days of each calendar month, make return to  
16 the Department, showing an itemized statement of the number of  
17 invoiced gallons of motor fuel of the types specified in this  
18 Section which were purchased, acquired, received, or exported  
19 during the preceding calendar month; the amount of such motor  
20 fuel produced, refined, compounded, manufactured, blended,  
21 sold, distributed, exported, and used by the licensed  
22 distributor during the preceding calendar month; the amount of  
23 such motor fuel lost or destroyed during the preceding calendar  
24 month; the amount of such motor fuel on hand at the close of  
25 business for such month; and such other reasonable information

1 as the Department may require. If a distributor's only  
2 activities with respect to motor fuel are either: (1)  
3 production of alcohol in quantities of less than 10,000 proof  
4 gallons per year or (2) blending alcohol in quantities of less  
5 than 10,000 proof gallons per year which such distributor has  
6 produced, he shall file returns on an annual basis with the  
7 return for a given year being due by January 20 of the  
8 following year. Distributors whose total production of alcohol  
9 (whether blended or not) exceeds 10,000 proof gallons per year,  
10 based on production during the preceding (calendar) year or as  
11 reasonably projected by the Department if one calendar year's  
12 record of production cannot be established, shall file returns  
13 between the 1st and 20th days of each calendar month as  
14 hereinabove provided.

15 The types of motor fuel referred to in the preceding  
16 paragraph are: (A) All products commonly or commercially known  
17 or sold as gasoline (including casing-head and absorption or  
18 natural gasoline), gasohol, motor benzol or motor benzene  
19 regardless of their classification or uses; and (B) all  
20 combustible gases which exist in a gaseous state at 60 degrees  
21 Fahrenheit and at 14.7 pounds per square inch absolute  
22 including, but not limited to, liquefied petroleum gases used  
23 for highway purposes; and (C) special fuel. Only those  
24 quantities of combustible gases (example (B) above) which are  
25 used or sold by the distributor to be used to propel motor  
26 vehicles on the public highways, or which are delivered into a



1 storage tank that is located at a facility that has withdrawal  
2 facilities which are readily accessible to and are capable of  
3 dispensing combustible gases into the fuel supply tanks of  
4 motor vehicles, shall be subject to return. For purposes of  
5 this Section, a facility is considered to have withdrawal  
6 facilities that are not "readily accessible to and capable of  
7 dispensing combustible gases into the fuel supply tanks of  
8 motor vehicles" only if the combustible gases are delivered  
9 from: (i) a dispenser hose that is short enough so that it will  
10 not reach the fuel supply tank of a motor vehicle or (ii) a  
11 dispenser that is enclosed by a fence or other physical barrier  
12 so that a vehicle cannot pull alongside the dispenser to permit  
13 fueling. For the purposes of this Act, liquefied petroleum  
14 gases shall mean and include any material having a vapor  
15 pressure not exceeding that allowed for commercial propane  
16 composed predominantly of the following hydrocarbons, either  
17 by themselves or as mixtures: Propane, Propylene, Butane  
18 (normal butane or iso-butane) and Butylene (including  
19 isomers).

20 In case of a sale of special fuel to someone other than a  
21 licensed distributor, or a licensed supplier, for a use other  
22 than in motor vehicles, the distributor shall show in his  
23 return the amount of invoiced gallons sold and the name and  
24 address of the purchaser in addition to any other information  
25 the Department may require.

26 All special fuel sold or used for non-highway purposes must

1 have a dye added in accordance with Section 4d of this Law.

2 In case of a tax-free sale, as provided in Section 6, of  
3 motor fuel which the distributor is required by this Section to  
4 include in his return to the Department, the distributor in his  
5 return shall show: (1) If the sale is made to another licensed  
6 distributor the amount sold and the name, address and license  
7 number of the purchasing distributor; (2) if the sale is made  
8 to a person where delivery is made outside of this State the  
9 name and address of such purchaser and the point of delivery  
10 together with the date and amount delivered; (3) if the sale is  
11 made to the Federal Government or its instrumentalities the  
12 amount sold; (4) if the sale is made to a municipal corporation  
13 owning and operating a local transportation system for public  
14 service in this State the name and address of such purchaser,  
15 and the amount sold, as evidenced by official forms of  
16 exemption certificates properly executed and furnished by such  
17 purchaser; (5) if the sale is made to a privately owned public  
18 utility owning and operating 2-axle vehicles designed and used  
19 for transporting more than 7 passengers, which vehicles are  
20 used as common carriers in general transportation of  
21 passengers, are not devoted to any specialized purpose and are  
22 operated entirely within the territorial limits of a single  
23 municipality or of any group of contiguous municipalities or in  
24 a close radius thereof, and the operations of which are subject  
25 to the regulations of the Illinois Commerce Commission, then  
26 the name and address of such purchaser and the amount sold as

1 evidenced by official forms of exemption certificates properly  
2 executed and furnished by the purchaser; (6) if the product  
3 sold is special fuel and if the sale is made to a licensed  
4 supplier under conditions which qualify the sale for tax  
5 exemption under Section 6 of this Act, the amount sold and the  
6 name, address and license number of the purchaser; and (7) if a  
7 sale of special fuel is made to someone other than a licensed  
8 distributor, or a licensed supplier, for a use other than in  
9 motor vehicles, by making a specific notation thereof on the  
10 invoice or sales slip covering such sales and obtaining such  
11 supporting documentation as may be required by the Department.

12 All special fuel sold or used for non-highway purposes must  
13 have a dye added in accordance with Section 4d of this Law.

14 A person whose license to act as a distributor of motor  
15 fuel has been revoked shall make a return to the Department  
16 covering the period from the date of the last return to the  
17 date of the revocation of the license, which return shall be  
18 delivered to the Department not later than 10 days from the  
19 date of the revocation or termination of the license of such  
20 distributor; the return shall in all other respects be subject  
21 to the same provisions and conditions as returns by  
22 distributors licensed under the provisions of this Act.

23 The records, waybills and supporting documents kept by  
24 railroads and other common carriers in the regular course of  
25 business shall be prima facie evidence of the contents and  
26 receipt of cars or tanks covered by those records, waybills or

1 supporting documents.

2 If the Department has reason to believe and does believe  
3 that the amount shown on the return as purchased, acquired,  
4 received, exported, sold, used, lost or destroyed is incorrect,  
5 or that an amount of motor fuel of the types required by the  
6 second paragraph of this Section to be reported to the  
7 Department has not been correctly reported the Department shall  
8 fix an amount for such receipt, sales, export, use, loss or  
9 destruction according to its best judgment and information,  
10 which amount so fixed by the Department shall be prima facie  
11 correct. All returns shall be made on forms prepared and  
12 furnished by the Department, and shall contain such other  
13 information as the Department may reasonably require. The  
14 return must be accompanied by appropriate computer-generated  
15 magnetic media supporting schedule data in the format required  
16 by the Department, unless, as provided by rule, the Department  
17 grants an exception upon petition of a taxpayer. All licensed  
18 distributors shall report all losses of motor fuel sustained on  
19 account of fire, theft, spillage, spoilage, leakage, or any  
20 other provable cause when filing the return for the period  
21 during which the loss occurred. If the distributor reports  
22 losses due to fire or theft, then the distributor must include  
23 fire department or police department reports and any other  
24 documentation that the Department may require. The mere making  
25 of the report does not assure the allowance of the loss as a  
26 reduction in tax liability. Losses of motor fuel as the result

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

1       respective 6-month periods.

2       If any payment provided for in this Section exceeds the  
3 distributor's liabilities under this Act, as shown on an  
4 original return, the Department may authorize the distributor  
5 to credit such excess payment against liability subsequently to  
6 be remitted to the Department under this Act, in accordance  
7 with reasonable rules adopted by the Department. If the  
8 Department subsequently determines that all or any part of the  
9 credit taken was not actually due to the distributor, the  
10 distributor's discount shall be reduced by an amount equal to  
11 the difference between the discount as applied to the credit  
12 taken and that actually due, and that distributor shall be  
13 liable for penalties and interest on such difference.

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

15       (35 ILCS 505/5a) (from Ch. 120, par. 421a)

16       Sec. 5a. Supplier's monthly return. A person holding a  
17 valid unrevoked license to act as a supplier of special fuel  
18 shall, between the 1st and 20th days of each calendar month,  
19 make return to the Department showing an itemized statement of  
20 the number of invoiced gallons of special fuel acquired,  
21 received, purchased, sold, exported, or used during the  
22 preceding calendar month; the amount of special fuel sold,  
23 distributed, exported, and used by the licensed supplier during  
24 the preceding calendar month; the amount of special fuel lost  
25 or destroyed during the preceding calendar month; the amount of

1 special fuel on hand at the close of business for the preceding  
2 calendar month; and such other reasonable information as the  
3 Department may require.

4 A person whose license to act as a supplier of special fuel  
5 has been revoked shall make a return to the Department covering  
6 the period from the date of the last return to the date of the  
7 revocation of the license, which return shall be delivered to  
8 the Department not later than 10 days from the date of the  
9 revocation or termination of the license of such supplier. The  
10 return shall in all other respects be subject to the same  
11 provisions and conditions as returns by suppliers licensed  
12 under this Act.

13 The records, waybills and supporting documents kept by  
14 railroads and other common carriers in the regular course of  
15 business shall be prima facie evidence of the contents and  
16 receipt of cars or tanks covered by those records, waybills or  
17 supporting documents.

18 If the Department has reason to believe and does believe  
19 that the amount shown on the return as purchased, acquired,  
20 received, sold, exported, used, or lost is incorrect, or that  
21 an amount of special fuel of the type required by the 1st  
22 paragraph of this Section to be reported to the Department by  
23 suppliers has not been correctly reported as a purchase,  
24 receipt, sale, use, export, or loss the Department shall fix an  
25 amount for such purchase, receipt, sale, use, export, or loss  
26 according to its best judgment and information, which amount so

1 fixed by the Department shall be prima facie correct. All  
2 licensed suppliers shall report all losses of special fuel  
3 sustained on account of fire, theft, spillage, spoilage,  
4 leakage, or any other provable cause when filing the return for  
5 the period during which the loss occurred. If the supplier  
6 reports losses due to fire or theft, then the supplier must  
7 include fire department or police department reports and any  
8 other documentation that the Department may require. The mere  
9 making of the report does not assure the allowance of the loss  
10 as a reduction in tax liability. Losses of special fuel as the  
11 result of evaporation or shrinkage due to temperature  
12 variations may not exceed 1% of the total gallons in storage at  
13 the beginning of the month, plus the receipts of gallonage  
14 during the month, minus the gallonage remaining in storage at  
15 the end of the month.

16 Any loss reported that is in excess of 1% shall be subject  
17 to the tax imposed by Section 2 of this Law. On and after July  
18 1, 2001, for each 6-month period January through June, net  
19 losses of special fuel (for each category of special fuel that  
20 is required to be reported on a return) as the result of  
21 evaporation or shrinkage due to temperature variations may not  
22 exceed 1% of the total gallons in storage at the beginning of  
23 each January, plus the receipts of gallonage each January  
24 through June, minus the gallonage remaining in storage at the  
25 end of each June. On and after July 1, 2001, for each 6-month  
26 period July through December, net losses of special fuel (for



1 each category of special fuel that is required to be reported  
2 on a return) as the result of evaporation or shrinkage due to  
3 temperature variations may not exceed 1% of the total gallons  
4 in storage at the beginning of each July, plus the receipts of  
5 gallonage each July through December, minus the gallonage  
6 remaining in storage at the end of each December. Any net loss  
7 reported that is in excess of this amount shall be subject to  
8 the tax imposed by Section 2 of this Law. For purposes of this  
9 Section, "net loss" means the number of gallons gained through  
10 temperature variations minus the number of gallons lost through  
11 temperature variations or evaporation for each of the  
12 respective 6-month periods.

13 In case of a sale of special fuel to someone other than a  
14 licensed distributor or licensed supplier for a use other than  
15 in motor vehicles, the supplier shall show in his return the  
16 amount of invoiced gallons sold and the name and address of the  
17 purchaser in addition to any other information the Department  
18 may require.

19 All special fuel sold or used for non-highway purposes must  
20 have a dye added in accordance with Section 4d of this Law.

21 All returns shall be made on forms prepared and furnished  
22 by the Department and shall contain such other information as  
23 the Department may reasonably require. The return must be  
24 accompanied by appropriate computer-generated magnetic media  
25 supporting schedule data in the format required by the  
26 Department, unless, as provided by rule, the Department grants

1 an exception upon petition of a taxpayer.

2 In case of a tax-free sale, as provided in Section 6a, of  
3 special fuel which the supplier is required by this Section to  
4 include in his return to the Department, the supplier in his  
5 return shall show: (1) If the sale of special fuel is made to  
6 the Federal Government or its instrumentalities; (2) if the  
7 sale of special fuel is made to a municipal corporation owning  
8 and operating a local transportation system for public service  
9 in this State, the name and address of such purchaser and the  
10 amount sold, as evidenced by official forms of exemption  
11 certificates properly executed and furnished by such  
12 purchaser; (3) if the sale of special fuel is made to a  
13 privately owned public utility owning and operating 2-axle  
14 vehicles designed and used for transporting more than 7  
15 passengers, which vehicles are used as common carriers in  
16 general transportation of passengers, are not devoted to any  
17 specialized purpose and are operated entirely within the  
18 territorial limits of a single municipality or of any group of  
19 contiguous municipalities or in a close radius thereof, and the  
20 operations of which are subject to the regulations of the  
21 Illinois Commerce Commission, then the name and address of such  
22 purchaser and the amount sold, as evidenced by official forms  
23 of exemption certificates properly executed and furnished by  
24 such purchaser; (4) if the product sold is special fuel and if  
25 the sale is made to a licensed supplier or to a licensed  
26 distributor under conditions which qualify the sale for tax

1 exemption under Section 6a of this Act, the amount sold and the  
2 name, address and license number of such purchaser; (5) if a  
3 sale of special fuel is made to a person where delivery is made  
4 outside of this State, the name and address of such purchaser  
5 and the point of delivery together with the date and amount of  
6 invoiced gallons delivered; and (6) if a sale of special fuel  
7 is made to someone other than a licensed distributor or a  
8 licensed supplier, for a use other than in motor vehicles, by  
9 making a specific notation thereof on the invoice or sales slip  
10 covering that sale and obtaining such supporting documentation  
11 as may be required by the Department.

12 All special fuel sold or used for non-highway purposes must  
13 have a dye added in accordance with Section 4d of this Law.

14 If any payment provided for in this Section exceeds the  
15 supplier's liabilities under this Act, as shown on an original  
16 return, the Department may authorize the supplier to credit  
17 such excess payment against liability subsequently to be  
18 remitted to the Department under this Act, in accordance with  
19 reasonable rules adopted by the Department. If the Department  
20 subsequently determines that all or any part of the credit  
21 taken was not actually due to the supplier, the supplier's  
22 discount shall be reduced by an amount equal to the difference  
23 between the discount as applied to the credit taken and that  
24 actually due, and that supplier shall be liable for penalties  
25 and interest on such difference.

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

1 (35 ILCS 505/13) (from Ch. 120, par. 429)

2 Sec. 13. Refund of tax paid. Any person other than a  
3 distributor or supplier, who loses motor fuel through any cause  
4 or uses motor fuel (upon which he has paid the amount required  
5 to be collected under Section 2 of this Act) for any purpose  
6 other than operating a motor vehicle upon the public highways  
7 or waters, shall be reimbursed and repaid the amount so paid.

8 Any person who purchases motor fuel in Illinois and uses  
9 that motor fuel in another state and that other state imposes a  
10 tax on the use of such motor fuel shall be reimbursed and  
11 repaid the amount of Illinois tax paid under Section 2 of this  
12 Act on the motor fuel used in such other state. Reimbursement  
13 and repayment shall be made by the Department upon receipt of  
14 adequate proof of taxes directly paid to another state and the  
15 amount of motor fuel used in that state.

16 Claims based in whole or in part on taxes paid to another  
17 state shall include (i) a certified copy of the tax return  
18 filed with such other state by the claimant; (ii) a copy of  
19 either the cancelled check paying the tax due on such return,  
20 or a receipt acknowledging payment of the tax due on such tax  
21 return; and (iii) such other information as the Department may  
22 reasonably require. This paragraph shall not apply to taxes  
23 paid on returns filed under Section 13a.3 of this Act.

24 Any person who purchases motor fuel use tax decals as  
25 required by Section 13a.4 and pays an amount of fees for such

1 decals that exceeds the amount due shall be reimbursed and  
2 repaid the amount of the decal fees that are deemed by the  
3 department to be in excess of the amount due. Alternatively,  
4 any person who purchases motor fuel use tax decals as required  
5 by Section 13a.4 may credit any excess decal payment verified  
6 by the Department against amounts subsequently due for the  
7 purchase of additional decals, until such time as no excess  
8 payment remains.

9 Claims for such reimbursement must be made to the  
10 Department of Revenue, duly verified by the claimant (or by the  
11 claimant's legal representative if the claimant has died or  
12 become a person under legal disability), upon forms prescribed  
13 by the Department. The claim must state such facts relating to  
14 the purchase, importation, manufacture or production of the  
15 motor fuel by the claimant as the Department may deem  
16 necessary, and the time when, and the circumstances of its loss  
17 or the specific purpose for which it was used (as the case may  
18 be), together with such other information as the Department may  
19 reasonably require. No claim based upon idle time shall be  
20 allowed. Claims for reimbursement for overpayment of decal fees  
21 shall be made to the Department of Revenue, duly verified by  
22 the claimant (or by the claimant's legal representative if the  
23 claimant has died or become a person under legal disability),  
24 upon forms prescribed by the Department. The claim shall state  
25 facts relating to the overpayment of decal fees, together with  
26 such other information as the Department may reasonably

1 require. Claims for reimbursement of overpayment of decal fees  
2 paid on or after January 1, 2011 must be filed not later than  
3 one year after the date on which the fees were paid by the  
4 claimant. If it is determined that the Department should  
5 reimburse a claimant for overpayment of decal fees, the  
6 Department shall first apply the amount of such refund against  
7 any tax or penalty or interest due by the claimant under  
8 Section 13a of this Act.

9 Claims for full reimbursement for taxes paid on or before  
10 December 31, 1999 must be filed not later than one year after  
11 the date on which the tax was paid by the claimant. If,  
12 however, a claim for such reimbursement otherwise meeting the  
13 requirements of this Section is filed more than one year but  
14 less than 2 years after that date, the claimant shall be  
15 reimbursed at the rate of 80% of the amount to which he would  
16 have been entitled if his claim had been timely filed.

17 Claims for full reimbursement for taxes paid on or after  
18 January 1, 2000 must be filed not later than 2 years after the  
19 date on which the tax was paid by the claimant.

20 The Department may make such investigation of the  
21 correctness of the facts stated in such claims as it deems  
22 necessary. When the Department has approved any such claim, it  
23 shall pay to the claimant (or to the claimant's legal  
24 representative, as such if the claimant has died or become a  
25 person under legal disability) the reimbursement provided in  
26 this Section, out of any moneys appropriated to it for that

1 purpose.

2 Any distributor or supplier who has paid the tax imposed by  
3 Section 2 of this Act upon motor fuel lost or used by such  
4 distributor or supplier for any purpose other than operating a  
5 motor vehicle upon the public highways or waters may file a  
6 claim for credit or refund to recover the amount so paid. Such  
7 claims shall be filed on forms prescribed by the Department.  
8 Such claims shall be made to the Department, duly verified by  
9 the claimant (or by the claimant's legal representative if the  
10 claimant has died or become a person under legal disability),  
11 upon forms prescribed by the Department. The claim shall state  
12 such facts relating to the purchase, importation, manufacture  
13 or production of the motor fuel by the claimant as the  
14 Department may deem necessary and the time when the loss or  
15 nontaxable use occurred, and the circumstances of its loss or  
16 the specific purpose for which it was used (as the case may  
17 be), together with such other information as the Department may  
18 reasonably require. Claims must be filed not later than one  
19 year after the date on which the tax was paid by the claimant.

20 The Department may make such investigation of the  
21 correctness of the facts stated in such claims as it deems  
22 necessary. When the Department approves a claim, the Department  
23 shall issue a refund or credit memorandum as requested by the  
24 taxpayer, to the distributor or supplier who made the payment  
25 for which the refund or credit is being given or, if the  
26 distributor or supplier has died or become incompetent, to such

1 distributor's or supplier's legal representative, as such. The  
2 amount of such credit memorandum shall be credited against any  
3 tax due or to become due under this Act from the distributor or  
4 supplier who made the payment for which credit has been given.

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

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

18 In any case in which there has been an erroneous refund of  
19 tax or fees payable under this Section, a notice of tax  
20 liability may be issued at any time within 3 years from the  
21 making of that refund, or within 5 years from the making of  
22 that refund if it appears that any part of the refund was  
23 induced by fraud or the misrepresentation of material fact. The  
24 amount of any proposed assessment set forth by the Department  
25 shall be limited to the amount of the erroneous refund.

26 If no tax is due and no proceeding is pending to determine



1 whether such distributor or supplier is indebted to the  
2 Department for tax, the credit memorandum so issued may be  
3 assigned and set over by the lawful holder thereof, subject to  
4 reasonable rules of the Department, to any other licensed  
5 distributor or supplier who is subject to this Act, and the  
6 amount thereof applied by the Department against any tax due or  
7 to become due under this Act from such assignee.

8 If the payment for which the distributor's or supplier's  
9 claim is filed is held in the protest fund of the State  
10 Treasury during the pendency of the claim for credit  
11 proceedings pursuant to the order of the court in accordance  
12 with Section 2a of the State Officers and Employees Money  
13 Disposition Act and if it is determined by the Department or by  
14 the final order of a reviewing court under the Administrative  
15 Review Law that the claimant is entitled to all or a part of  
16 the credit claimed, the claimant, instead of receiving a credit  
17 memorandum from the Department, shall receive a cash refund  
18 from the protest fund as provided for in Section 2a of the  
19 State Officers and Employees Money Disposition Act.

20 If any person ceases to be licensed as a distributor or  
21 supplier while still holding an unused credit memorandum issued  
22 under this Act, such person may, at his election (instead of  
23 assigning the credit memorandum to a licensed distributor or  
24 licensed supplier under this Act), surrender such unused credit  
25 memorandum to the Department and receive a refund of the amount  
26 to which such person is entitled.

1           For claims based upon taxes paid on or before December 31,  
2 2000, a claim based upon the use of undyed diesel fuel shall  
3 not be allowed except (i) if allowed under the following  
4 paragraph or (ii) for undyed diesel fuel used by a commercial  
5 vehicle, as that term is defined in Section 1-111.8 of the  
6 Illinois Vehicle Code, for any purpose other than operating the  
7 commercial vehicle upon the public highways and unlicensed  
8 commercial vehicles operating on private property. Claims  
9 shall be limited to commercial vehicles that are operated for  
10 both highway purposes and any purposes other than operating  
11 such vehicles upon the public highways.

12           For claims based upon taxes paid on or after January 1,  
13 2000, a claim based upon the use of undyed diesel fuel shall  
14 not be allowed except (i) if allowed under the preceding  
15 paragraph or (ii) for claims for the following:

16           (1) Undyed diesel fuel used (i) in a manufacturing  
17 process, as defined in Section 2-45 of the Retailers'  
18 Occupation Tax Act, wherein the undyed diesel fuel becomes  
19 a component part of a product or by-product, other than  
20 fuel or motor fuel, when the use of dyed diesel fuel in  
21 that manufacturing process results in a product that is  
22 unsuitable for its intended use or (ii) for testing  
23 machinery and equipment in a manufacturing process, as  
24 defined in Section 2-45 of the Retailers' Occupation Tax  
25 Act, wherein the testing takes place on private property.

26           (2) Undyed diesel fuel used by a manufacturer on

1 private property in the research and development, as  
2 defined in Section 1.29, of machinery or equipment intended  
3 for manufacture.

4 (3) Undyed diesel fuel used by a single unit  
5 self-propelled agricultural fertilizer implement, designed  
6 for on and off road use, equipped with flotation tires and  
7 specially adapted for the application of plant food  
8 materials or agricultural chemicals.

9 (4) Undyed diesel fuel used by a commercial motor  
10 vehicle for any purpose other than operating the commercial  
11 motor vehicle upon the public highways. Claims shall be  
12 limited to commercial motor vehicles that are operated for  
13 both highway purposes and any purposes other than operating  
14 such vehicles upon the public highways.

15 (5) Undyed diesel fuel used by a unit of local  
16 government in its operation of an airport if the undyed  
17 diesel fuel is used directly in airport operations on  
18 airport property.

19 (6) Undyed diesel fuel used by refrigeration units that  
20 are permanently mounted to a semitrailer, as defined in  
21 Section 1.28 of this Law, wherein the refrigeration units  
22 have a fuel supply system dedicated solely for the  
23 operation of the refrigeration units.

24 (7) Undyed diesel fuel used by power take-off equipment  
25 as defined in Section 1.27 of this Law.

26 (8) Beginning on the effective date of this amendatory

1 Act of the 94th General Assembly, undyed diesel fuel used  
2 by tugs and spotter equipment to shift vehicles or parcels  
3 on both private and airport property. Any claim under this  
4 item (8) may be made only by a claimant that owns tugs and  
5 spotter equipment and operates that equipment on both  
6 private and airport property. The aggregate of all credits  
7 or refunds resulting from claims filed under this item (8)  
8 by a claimant in any calendar year may not exceed \$100,000.  
9 A claim may not be made under this item (8) by the same  
10 claimant more often than once each quarter. For the  
11 purposes of this item (8), "tug" means a vehicle designed  
12 for use on airport property that shifts custom-designed  
13 containers of parcels from loading docks to aircraft, and  
14 "spotter equipment" means a vehicle designed for use on  
15 both private and airport property that shifts trailers  
16 containing parcels between staging areas and loading  
17 docks.

18 Any person who has paid the tax imposed by Section 2 of  
19 this Law upon undyed diesel fuel that is unintentionally mixed  
20 with dyed diesel fuel and who owns or controls the mixture of  
21 undyed diesel fuel and dyed diesel fuel may file a claim for  
22 refund to recover the amount paid. The amount of undyed diesel  
23 fuel unintentionally mixed must equal 500 gallons or more. Any  
24 claim for refund of unintentionally mixed undyed diesel fuel  
25 and dyed diesel fuel shall be supported by documentation  
26 showing the date and location of the unintentional mixing, the

1 number of gallons involved, the disposition of the mixed diesel  
2 fuel, and any other information that the Department may  
3 reasonably require. Any unintentional mixture of undyed diesel  
4 fuel and dyed diesel fuel shall be sold or used only for  
5 non-highway purposes.

6 The Department shall promulgate regulations establishing  
7 specific limits on the amount of undyed diesel fuel that may be  
8 claimed for refund.

9 For purposes of claims for refund, "loss" means the  
10 reduction of motor fuel resulting from fire, theft, spillage,  
11 spoilage, leakage, or any other provable cause, but does not  
12 include a reduction resulting from evaporation, or shrinkage  
13 due to temperature variations. In the case of losses due to  
14 fire or theft, the claimant must include fire department or  
15 police department reports and any other documentation that the  
16 Department may require.

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

18 Section 95. The Gas Revenue Tax Act is amended by changing  
19 Sections 2a.2 and 3 as follows:

20 (35 ILCS 615/2a.2) (from Ch. 120, par. 467.17a.2)

21 Sec. 2a.2. Annual return, collection and payment. - A  
22 return with respect to the tax imposed by Section 2a.1 shall be  
23 made by every person for any taxable period for which such  
24 person is liable for such tax. Such return shall be made on

1 such forms as the Department shall prescribe and shall contain  
2 the following information:

3 1. Taxpayer's name;

4 2. Address of taxpayer's principal place of business,  
5 and address of the principal place of business (if that is  
6 a different address) from which the taxpayer engages in the  
7 business of distributing, supplying, furnishing or selling  
8 gas in this State;

9 3. The total proprietary capital and total long-term  
10 debt as of the beginning and end of the taxable period as  
11 set forth on the balance sheets included in the taxpayer's  
12 annual report to the Illinois Commerce Commission for the  
13 taxable period;

14 4. The taxpayer's base income allocable to Illinois  
15 under Sections 301 and 304(a) of the "Illinois Income Tax  
16 Act", for the period covered by the return;

17 5. The amount of tax due for the taxable period  
18 (computed on the basis of the amounts set forth in Items 3  
19 and 4); and

20 6. Such other reasonable information as may be required  
21 by forms or regulations prescribed by the Department.

22 The returns prescribed by this Section shall be due and  
23 shall be filed with the Department not later than the 15th day  
24 of the third month following the close of the taxable period.  
25 The taxpayer making the return herein provided for shall, at  
26 the time of making such return, pay to the Department the

1 remaining amount of tax herein imposed and due for the taxable  
2 period. Each taxpayer shall make estimated quarterly payments  
3 on the 15th day of the third, sixth, ninth and twelfth months  
4 of each taxable period. Such estimated payments shall be 25% of  
5 the tax liability for the immediately preceding taxable period  
6 or the tax liability that would have been imposed in the  
7 immediately preceding taxable period if this amendatory Act of  
8 1979 had been in effect. All moneys received by the Department  
9 under Sections 2a.1 and 2a.2 shall be paid into the Personal  
10 Property Tax Replacement Fund in the State Treasury.

11 If any payment provided for in this Section exceeds the  
12 taxpayer's liabilities under this Act, as shown on an original  
13 return, the Department may authorize the taxpayer to credit  
14 such excess payment against liability subsequently to be  
15 remitted to the Department under this Act, in accordance with  
16 reasonable rules adopted by the Department.

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

18 (35 ILCS 615/3) (from Ch. 120, par. 467.18)

19 Sec. 3. Return of taxpayer; payment of tax. Except as  
20 provided in this Section, on or before the 15th day of each  
21 month, each taxpayer shall make a return to the Department for  
22 the preceding calendar month, stating:

23 1. His name;

24 2. The address of his principal place of business, and  
25 the address of the principal place of business (if that is

1 a different address) from which he engages in the business  
2 of distributing, supplying, furnishing or selling gas in  
3 this State;

4 3. The total number of therms for which payment was  
5 received by him from customers during the preceding  
6 calendar month and upon the basis of which the tax is  
7 imposed;

8 4. Gross receipts which were received by him from  
9 customers during the preceding calendar month from such  
10 business, including budget plan and other customer-owned  
11 amounts applied during such month in payment of charges  
12 includible in gross receipts, and upon the basis of which  
13 the tax is imposed;

14 5. Amount of tax (computed upon Items 3 and 4);

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

17 In making such return the taxpayer may use any reasonable  
18 method to derive reportable "therms" and "gross receipts" from  
19 his billing and payment records.

20 Any taxpayer required to make payments under this Section  
21 may make the payments by electronic funds transfer. The  
22 Department shall adopt rules necessary to effectuate a program  
23 of electronic funds transfer.

24 If the taxpayer's average monthly tax liability to the  
25 Department does not exceed \$100.00, 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 year  
2 being due by April 30 of such year; with the return for April,  
3 May and June of a given year being due by July 31 of such year;  
4 with the return for July, August and September of a given year  
5 being due by October 31 of such year, and with the return for  
6 October, November and December of a given year being due by  
7 January 31 of the following year.

8 If the taxpayer's average monthly tax liability to the  
9 Department does not exceed \$20.00, the Department may authorize  
10 his returns to be filed on an annual basis, with the return for  
11 a given year being due by January 31 of the following year.

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

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

22 In making such return the taxpayer shall determine the  
23 value of any reportable consideration other than money received  
24 by him and shall include such value in his return. Such  
25 determination shall be subject to review and revision by the  
26 Department in the same manner as is provided in this Act for

1 the correction of returns.

2 Each taxpayer whose average monthly liability to the  
3 Department under this Act was \$10,000 or more during the  
4 preceding calendar year, excluding the month of highest  
5 liability and the month of lowest liability in such calendar  
6 year, and who is not operated by a unit of local government,  
7 shall make estimated payments to the Department on or before  
8 the 7th, 15th, 22nd and last day of the month during which tax  
9 liability to the Department is incurred in an amount not less  
10 than the lower of either 22.5% of the taxpayer's actual tax  
11 liability for the month or 25% of the taxpayer's actual tax  
12 liability for the same calendar month of the preceding year.  
13 The amount of such quarter monthly payments shall be credited  
14 against the final tax liability of the taxpayer's return for  
15 that month. Any outstanding credit, approved by the Department,  
16 arising from the taxpayer's overpayment of its final tax  
17 liability for any month may be applied to reduce the amount of  
18 any subsequent quarter monthly payment or credited against the  
19 final tax liability of the taxpayer's return for any subsequent  
20 month. If any quarter monthly payment is not paid at the time  
21 or in the amount required by this Section, the taxpayer shall  
22 be liable for penalty and interest on the difference between  
23 the minimum amount due as a payment and the amount of such  
24 payment actually and timely paid, except insofar as the  
25 taxpayer has previously made payments for that month to the  
26 Department in excess of the minimum payments previously due.

1           If the Director finds that the information required for the  
2 making of an accurate return cannot reasonably be compiled by a  
3 taxpayer within 15 days after the close of the calendar month  
4 for which a return is to be made, he may grant an extension of  
5 time for the filing of such return for a period of not to  
6 exceed 31 calendar days. The granting of such an extension may  
7 be conditioned upon the deposit by the taxpayer with the  
8 Department of an amount of money not exceeding the amount  
9 estimated by the Director to be due with the return so  
10 extended. All such deposits, including any made before the  
11 effective date of this amendatory Act of 1975 with the  
12 Department, shall be credited against the taxpayer's  
13 liabilities under this Act. If any such deposit exceeds the  
14 taxpayer's present and probable future liabilities under this  
15 Act, the Department shall issue to the taxpayer a credit  
16 memorandum, which may be assigned by the taxpayer to a similar  
17 taxpayer under this Act, in accordance with reasonable rules  
18 and regulations to be prescribed by the Department.

19           The taxpayer making the return provided for in this Section  
20 shall, at the time of making such return, pay to the Department  
21 the amount of tax imposed by this Act. All moneys received by  
22 the Department under this Act shall be paid into the General  
23 Revenue Fund in the State Treasury, except as otherwise  
24 provided.

25           If any payment provided for in this Section exceeds the  
26 taxpayer's liabilities under this Act, as shown on an original

1 return, the Department may authorize the taxpayer to credit  
2 such excess payment against liability subsequently to be  
3 remitted to the Department under this Act, in accordance with  
4 reasonable rules adopted by the Department.

5 (Source: P.A. 90-16, eff. 6-16-97.)

6 Section 100. The Public Utilities Revenue Act is amended by  
7 changing Section 2a.2 as follows:

8 (35 ILCS 620/2a.2) (from Ch. 120, par. 469a.2)

9 Sec. 2a.2. Annual return, collection and payment. A return  
10 with respect to the tax imposed by Section 2a.1 shall be made  
11 by every person for any taxable period for which such person is  
12 liable for such tax. Such return shall be made on such forms as  
13 the Department shall prescribe and shall contain the following  
14 information:

15 1. Taxpayer's name;

16 2. Address of taxpayer's principal place of business,  
17 and address of the principal place of business (if that is  
18 a different address) from which the taxpayer engages in the  
19 business of distributing electricity in this State;

20 3. The total equity, in the case of electric  
21 cooperatives, in the annual reports filed with the Rural  
22 Utilities Service for the taxable period;

23 3a. The total kilowatt-hours of electricity  
24 distributed by a taxpayer, other than an electric

1 cooperative, in this State for the taxable period covered  
2 by the return;

3 4. The amount of tax due for the taxable period  
4 (computed on the basis of the amounts set forth in Items 3  
5 and 3a); and

6 5. Such other reasonable information as may be required  
7 by forms or regulations prescribed by the Department.

8 The returns prescribed by this Section shall be due and  
9 shall be filed with the Department not later than the 15th day  
10 of the third month following the close of the taxable period.  
11 The taxpayer making the return herein provided for shall, at  
12 the time of making such return, pay to the Department the  
13 remaining amount of tax herein imposed and due for the taxable  
14 period. Each taxpayer shall make estimated quarterly payments  
15 on the 15th day of the third, sixth, ninth and twelfth months  
16 of each taxable period. Such estimated payments shall be 25% of  
17 the tax liability for the immediately preceding taxable period  
18 or the tax liability that would have been imposed in the  
19 immediately preceding taxable period if this amendatory Act of  
20 1979 had been in effect. All moneys received by the Department  
21 under Sections 2a.1 and 2a.2 shall be paid into the Personal  
22 Property Tax Replacement Fund in the State Treasury.

23 If any payment provided for in this Section exceeds the  
24 taxpayer's liabilities under this Act, as shown on an original  
25 return, the taxpayer may credit such excess payment against  
26 liability subsequently to be remitted to the Department under

1 this Act, in accordance with reasonable rules adopted by the  
2 Department.

3 (Source: P.A. 90-561, eff. 1-1-98.)

4 Section 105. The Telecommunications Excise Tax Act is  
5 amended by changing Section 6 as follows:

6 (35 ILCS 630/6) (from Ch. 120, par. 2006)

7 Sec. 6. Returns; payments. Except as provided hereinafter  
8 in this Section, on or before the last day of each month, each  
9 retailer maintaining a place of business in this State shall  
10 make a return to the Department for the preceding calendar  
11 month, stating:

12 1. His name;

13 2. The address of his principal place of business, or  
14 the address of the principal place of business (if that is  
15 a different address) from which he engages in the business  
16 of transmitting telecommunications;

17 3. Total amount of gross charges billed by him during  
18 the preceding calendar month for providing  
19 telecommunications during such calendar month;

20 4. Total amount received by him during the preceding  
21 calendar month on credit extended;

22 5. Deductions allowed by law;

23 6. Gross charges which were billed by him during the  
24 preceding calendar month and upon the basis of which the

1 tax is imposed;

2 7. Amount of tax (computed upon Item 6);

3 8. Such other reasonable information as the Department  
4 may require.

5 Any taxpayer required to make payments under this Section  
6 may make the payments by electronic funds transfer. The  
7 Department shall adopt rules necessary to effectuate a program  
8 of electronic funds transfer. Any taxpayer who has average  
9 monthly tax billings due to the Department under this Act and  
10 the Simplified Municipal Telecommunications Tax Act that  
11 exceed \$1,000 shall make all payments by electronic funds  
12 transfer as required by rules of the Department and shall file  
13 the return required by this Section by electronic means as  
14 required by rules of the Department.

15 If the retailer's average monthly tax billings due to the  
16 Department under this Act and the Simplified Municipal  
17 Telecommunications Tax Act do not exceed \$1,000, the Department  
18 may authorize his returns to be filed on a quarter annual  
19 basis, with the return for January, February and March of a  
20 given year being due by April 30 of such year; with the return  
21 for April, May and June of a given year being due by July 31st  
22 of such year; with the return for July, August and September of  
23 a given year being due by October 31st of such year; and with  
24 the return of October, November and December of a given year  
25 being due by January 31st of the following year.

26 If the retailer is otherwise required to file a monthly or

1 quarterly return and if the retailer's average monthly tax  
2 billings due to the Department under this Act and the  
3 Simplified Municipal Telecommunications Tax Act do not exceed  
4 \$400, the Department may authorize his or her return to be  
5 filed on an annual basis, with the return for a given year  
6 being due by January 31st of the following year.

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

14 In making such return, the retailer shall determine the  
15 value of any consideration other than money received by him and  
16 he shall include such value in his return. Such determination  
17 shall be subject to review and revision by the Department in  
18 the manner hereinafter provided for the correction of returns.

19 Each retailer whose average monthly liability to the  
20 Department under this Article and the Simplified Municipal  
21 Telecommunications Tax Act was \$25,000 or more during the  
22 preceding calendar year, excluding the month of highest  
23 liability and the month of lowest liability in such calendar  
24 year, and who is not operated by a unit of local government,  
25 shall make estimated payments to the Department on or before  
26 the 7th, 15th, 22nd and last day of the month during which tax



1 collection liability to the Department is incurred in an amount  
2 not less than the lower of either 22.5% of the retailer's  
3 actual tax collections for the month or 25% of the retailer's  
4 actual tax collections for the same calendar month of the  
5 preceding year. The amount of such quarter monthly payments  
6 shall be credited against the final liability of the retailer's  
7 return for that month. Any outstanding credit, approved by the  
8 Department, arising from the retailer's overpayment of its  
9 final liability for any month may be applied to reduce the  
10 amount of any subsequent quarter monthly payment or credited  
11 against the final liability of the retailer's return for any  
12 subsequent month. If any quarter monthly payment is not paid at  
13 the time or in the amount required by this Section, the  
14 retailer shall be liable for penalty and interest on the  
15 difference between the minimum amount due as a payment and the  
16 amount of such payment actually and timely paid, except insofar  
17 as the retailer has previously made payments for that month to  
18 the Department in excess of the minimum payments previously  
19 due.

20 The retailer making the return herein provided for shall,  
21 at the time of making such return, pay to the Department the  
22 amount of tax herein imposed, less a discount of 1% which is  
23 allowed to reimburse the retailer for the expenses incurred in  
24 keeping records, billing the customer, preparing and filing  
25 returns, remitting the tax, and supplying data to the  
26 Department upon request. No discount may be claimed by a

1 retailer on returns not timely filed and for taxes not timely  
2 remitted.

3 If any payment provided for in this Section exceeds the  
4 retailer's liabilities under this Act, as shown on an original  
5 return, the Department may authorize the retailer to credit  
6 such excess payment against liability subsequently to be  
7 remitted to the Department under this Act, in accordance with  
8 reasonable rules adopted by the Department. If the Department  
9 subsequently determines that all or any part of the credit  
10 taken was not actually due to the retailer, the retailer's  
11 discount shall be reduced by an amount equal to the difference  
12 between the discount as applied to the credit taken and that  
13 actually due, and that retailer shall be liable for penalties  
14 and interest on such difference.

15 On and after the effective date of this Article of 1985, of  
16 the moneys received by the Department of Revenue pursuant to  
17 this Article, other than moneys received pursuant to the  
18 additional taxes imposed by Public Act 90-548:

19 (1) \$1,000,000 shall be paid each month into the Common  
20 School Fund;

21 (2) beginning on the first day of the first calendar  
22 month to occur on or after the effective date of this  
23 amendatory Act of the 98th General Assembly, an amount  
24 equal to 1/12 of 5% of the cash receipts collected during  
25 the preceding fiscal year by the Audit Bureau of the  
26 Department from the tax under this Act and the Simplified

1 Municipal Telecommunications Tax Act shall be paid each  
2 month into the Tax Compliance and Administration Fund;  
3 those moneys shall be used, subject to appropriation, to  
4 fund additional auditors and compliance personnel at the  
5 Department of Revenue; and

6 (3) the remainder shall be deposited into the General  
7 Revenue Fund.

8 On and after February 1, 1998, however, of the moneys  
9 received by the Department of Revenue pursuant to the  
10 additional taxes imposed by Public Act 90-548, one-half shall  
11 be deposited into the School Infrastructure Fund and one-half  
12 shall be deposited into the Common School Fund. On and after  
13 the effective date of this amendatory Act of the 91st General  
14 Assembly, if in any fiscal year the total of the moneys  
15 deposited into the School Infrastructure Fund under this Act is  
16 less than the total of the moneys deposited into that Fund from  
17 the additional taxes imposed by Public Act 90-548 during fiscal  
18 year 1999, then, as soon as possible after the close of the  
19 fiscal year, the Comptroller shall order transferred and the  
20 Treasurer shall transfer from the General Revenue Fund to the  
21 School Infrastructure Fund an amount equal to the difference  
22 between the fiscal year total deposits and the total amount  
23 deposited into the Fund in fiscal year 1999.

24 (Source: P.A. 98-1098, eff. 8-26-14.)

25 Section 110. The Simplified Municipal Telecommunications

1 Tax Act is amended by changing Section 5-50 as follows:

2 (35 ILCS 636/5-50)

3 Sec. 5-50. Returns to the Department.

4 (a) Commencing on February 1, 2003, for the tax imposed  
5 under subsection (a) of Section 5-20 of this Act, every  
6 retailer maintaining a place of business in this State shall,  
7 on or before the last day of each month make a return to the  
8 Department for the preceding calendar month, stating:

9 (1) Its name;

10 (2) The address of its principal place of business or  
11 the address of the principal place of business (if that is  
12 a different address) from which it engages in the business  
13 of transmitting telecommunications;

14 (3) Total amount of gross charges billed by it during  
15 the preceding calendar month for providing  
16 telecommunications during the calendar month;

17 (4) Total amount received by it during the preceding  
18 calendar month on credit extended;

19 (5) Deductions allowed by law;

20 (6) Gross charges that were billed by it during the  
21 preceding calendar month and upon the basis of which the  
22 tax is imposed;

23 (7) Amount of tax (computed upon Item 6);

24 (8) The municipalities to which the Department shall  
25 remit the taxes and the amount of such remittances;

1           (9) Such other reasonable information as the  
2           Department may require.

3           (b) Any retailer required to make payments under this  
4           Section may make the payments by electronic funds transfer. The  
5           Department shall adopt rules necessary to effectuate a program  
6           of electronic funds transfer. Any retailer who has average  
7           monthly tax billings due to the Department under this Act and  
8           the Telecommunications Excise Tax Act that exceed \$1,000 shall  
9           make all payments by electronic funds transfer as required by  
10          rules of the Department.

11          (c) If the retailer's average monthly tax billings due to  
12          the Department under this Act and the Telecommunications Excise  
13          Tax Act do not exceed \$1,000, the Department may authorize such  
14          retailer's returns to be filed on a quarter-annual basis, with  
15          the return for January, February, and March of a given year  
16          being due by April 30th of that year; with the return for  
17          April, May, and June of a given year being due by July 31st of  
18          that year; with the return for July, August, and September of a  
19          given year being due by October 31st of that year; and with the  
20          return for October, November, and December of a given year  
21          being due by January 31st of the following year.

22          (d) If the retailer is otherwise required to file a monthly  
23          or quarterly return and if the retailer's average monthly tax  
24          billings due to the Department under this Act and the  
25          Telecommunications Excise Tax Act do not exceed \$400, the  
26          Department may authorize such retailer's return to be filed on

1 an annual basis, with the return for a given year being due by  
2 January 31st of the following year.

3 (e) Each retailer whose average monthly remittance to the  
4 Department under this Act and the Telecommunications Excise Tax  
5 Act was \$25,000 or more during the preceding calendar year,  
6 excluding the month of highest remittance and the month of  
7 lowest remittance in such calendar year, and who is not  
8 operated by a unit of local government, shall make estimated  
9 payments to the Department on or before the 7th, 15th, 22nd,  
10 and last day of the month during which the tax remittance is  
11 owed to the Department in an amount not less than the lower of  
12 either 22.5% of the retailer's actual tax collections for the  
13 month or 25% of the retailer's actual tax collections for the  
14 same calendar month of the preceding year. The amount of such  
15 quarter-monthly payments shall be credited against the final  
16 remittance of the retailer's return for that month. Any  
17 outstanding credit, approved by the Department, arising from  
18 the retailer's overpayment of its final remittance for any  
19 month may be applied to reduce the amount of any subsequent  
20 quarter-monthly payment or credited against the final  
21 remittance of the retailer's return for any subsequent month.  
22 If any quarter-monthly payment is not paid at the time or in  
23 the amount required by this Section, the retailer shall be  
24 liable for penalty and interest on the difference between the  
25 minimum amount due as a payment and the amount of such payment  
26 actually and timely paid, except insofar as the retailer has

1 previously made payments for that month to the Department or  
2 received credits in excess of the minimum payments previously  
3 due.

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

11 (g) In making such return, the retailer shall determine the  
12 value of any consideration other than money received by it and  
13 such retailer shall include the value in its return. Such  
14 determination shall be subject to review and revision by the  
15 Department in the manner hereinafter provided for the  
16 correction of returns.

17 (h) Any retailer who has average monthly tax billings due  
18 to the Department under this Act and the Telecommunications  
19 Excise Tax Act that exceed \$1,000 shall file the return  
20 required by this Section by electronic means as required by  
21 rules of the Department.

22 (i) The retailer filing the return herein provided for  
23 shall, at the time of filing the return, pay to the Department  
24 the amounts due pursuant to this Act. The Department shall  
25 immediately pay over to the State Treasurer, ex officio, as  
26 trustee, ~~99.5% of~~ all taxes, penalties, and interest collected

1 hereunder for deposit into the Municipal Telecommunications  
2 Fund, which is hereby created. ~~The remaining 0.5% received by~~  
3 ~~the Department pursuant to this Act shall be deposited into the~~  
4 ~~Tax Compliance and Administration Fund and shall be used by the~~  
5 ~~Department, subject to appropriation, to cover the costs of the~~  
6 ~~Department.~~

7 On or before the 25th day of each calendar month, the  
8 Department shall prepare and certify to the Comptroller the  
9 disbursement of stated sums of money to be paid to named  
10 municipalities from the Municipal Telecommunications Fund for  
11 amounts collected during the second preceding calendar month.  
12 The named municipalities shall be those municipalities  
13 identified by a retailer in such retailer's return as having  
14 imposed the tax authorized by the Act. The amount of money to  
15 be paid to each municipality shall be the amount (not including  
16 credit memoranda) collected hereunder during the second  
17 preceding calendar month by the Department, plus an amount the  
18 Department determines is necessary to offset any amounts that  
19 were erroneously paid to a different taxing body, and not  
20 including an amount equal to the amount of refunds made during  
21 the second preceding calendar month by the Department on behalf  
22 of such municipality, and not including any amount that the  
23 Department determines is necessary to offset any amounts ~~amount~~  
24 that were payable to a different taxing body but were  
25 erroneously paid to the municipality, less 0.5% of the amount  
26 to be paid to each municipality, which shall be transferred



1 into the Tax Compliance and Administration Fund and shall be  
2 used by the Department, subject to appropriation, to cover the  
3 costs of the Department in administering and enforcing the  
4 provisions of this Act, on behalf of such municipality. Within  
5 10 days after receipt by the Comptroller of the disbursement  
6 certification from the Department, the Comptroller shall cause  
7 the orders to be drawn for the respective amounts in accordance  
8 with the directions contained in the certification. When  
9 certifying to the Comptroller the amount of a monthly  
10 disbursement to a municipality under this Section, the  
11 Department shall increase or decrease the amount by an amount  
12 necessary to offset any misallocation of previous  
13 disbursements. The offset amount shall be the amount  
14 erroneously disbursed within the previous 6 months from the  
15 time a misallocation is discovered.

16 (j) For municipalities with populations of less than  
17 500,000, whenever the Department determines that a refund shall  
18 be made under this Section to a claimant instead of issuing a  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the order to be drawn for the  
21 amount specified and to the person named in the notification  
22 from the Department. The refund shall be paid by the State  
23 Treasurer out of the Municipal Telecommunications Fund.

24 (Source: P.A. 95-331, eff. 8-21-07.)

25 Section 115. The Electricity Excise Tax Law is amended by

1 changing Sections 2-9 and 2-11 as follows:

2 (35 ILCS 640/2-9)

3 Sec. 2-9. Return and payment of tax by delivering supplier.  
4 Each delivering supplier who is required or authorized to  
5 collect the tax imposed by this Law shall make a return to the  
6 Department on or before the 15th day of each month for the  
7 preceding calendar month stating the following:

8 (1) The delivering supplier's name.

9 (2) The address of the delivering supplier's principal  
10 place of business and the address of the principal place of  
11 business (if that is a different address) from which the  
12 delivering supplier engaged in the business of delivering  
13 electricity in this State.

14 (3) The total number of kilowatt-hours which the  
15 supplier delivered to or for purchasers during the  
16 preceding calendar month and upon the basis of which the  
17 tax is imposed.

18 (4) Amount of tax, computed upon Item (3) at the rates  
19 stated in Section 2-4.

20 (5) An adjustment for uncollectible amounts of tax in  
21 respect of prior period kilowatt-hour deliveries,  
22 determined in accordance with rules and regulations  
23 promulgated by the Department.

24 (5.5) The amount of credits to which the taxpayer is  
25 entitled on account of purchases made under Section 8-403.1

1 of the Public Utilities Act.

2 (6) Such other information as the Department  
3 reasonably may require.

4 In making such return the delivering supplier may use any  
5 reasonable method to derive reportable "kilowatt-hours" from  
6 the delivering supplier's records.

7 If the average monthly tax liability to the Department of  
8 the delivering supplier does not exceed \$2,500, the Department  
9 may authorize the delivering supplier's returns to be filed on  
10 a quarter-annual basis, with the return for January, February  
11 and March of a given year being due by April 30 of such year;  
12 with the return for April, May and June of a given year being  
13 due by July 31 of such year; with the return for July, August  
14 and September of a given year being due by October 31 of such  
15 year; and with the return for October, November and December of  
16 a given year being due by January 31 of the following year.

17 If the average monthly tax liability to the Department of  
18 the delivering supplier does not exceed \$1,000, the Department  
19 may authorize the delivering supplier's returns to be filed on  
20 an annual basis, with the return for a given year being due by  
21 January 31 of the following year.

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

25 Notwithstanding any other provision in this Law concerning  
26 the time within which a delivering supplier may file a return,

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

6 Each delivering supplier whose average monthly liability  
7 to the Department under this Law was \$10,000 or more during the  
8 preceding calendar year, excluding the month of highest  
9 liability and the month of lowest liability in such calendar  
10 year, and who is not operated by a unit of local government,  
11 shall make estimated payments to the Department on or before  
12 the 7th, 15th, 22nd and last day of the month during which tax  
13 liability to the Department is incurred in an amount not less  
14 than the lower of either 22.5% of such delivering supplier's  
15 actual tax liability for the month or 25% of such delivering  
16 supplier's actual tax liability for the same calendar month of  
17 the preceding year. The amount of such quarter-monthly payments  
18 shall be credited against the final tax liability of such  
19 delivering supplier's return for that month. An outstanding  
20 credit approved by the Department or a credit memorandum issued  
21 by the Department arising from such delivering supplier's  
22 overpayment of his or her final tax liability for any month may  
23 be applied to reduce the amount of any subsequent  
24 quarter-monthly payment or credited against the final tax  
25 liability of such delivering supplier's return for any  
26 subsequent month. If any quarter-monthly payment is not paid at

1 the time or in the amount required by this Section, such  
2 delivering supplier shall be liable for penalty and interest on  
3 the difference between the minimum amount due as a payment and  
4 the amount of such payment actually and timely paid, except  
5 insofar as such delivering supplier has previously made  
6 payments for that month to the Department in excess of the  
7 minimum payments previously due.

8 If the Director finds that the information required for the  
9 making of an accurate return cannot reasonably be compiled by  
10 such delivering supplier within 15 days after the close of the  
11 calendar month for which a return is to be made, the Director  
12 may grant an extension of time for the filing of such return  
13 for a period not to exceed 31 calendar days. The granting of  
14 such an extension may be conditioned upon the deposit by such  
15 delivering supplier with the Department of an amount of money  
16 not exceeding the amount estimated by the Director to be due  
17 with the return so extended. All such deposits shall be  
18 credited against such delivering supplier's liabilities under  
19 this Law. If the deposit exceeds such delivering supplier's  
20 present and probable future liabilities under this Law, the  
21 Department shall issue to such delivering supplier a credit  
22 memorandum, which may be assigned by such delivering supplier  
23 to a similar person under this Law, in accordance with  
24 reasonable rules and regulations to be prescribed by the  
25 Department.

26 The delivering supplier making the return provided for in

1 this Section shall, at the time of making such return, pay to  
2 the Department the amount of tax imposed by this Law.

3       Until October 1, 2002, a delivering supplier who has an  
4 average monthly tax liability of \$10,000 or more shall make all  
5 payments required by rules of the Department by electronic  
6 funds transfer. The term "average monthly tax liability" shall  
7 be the sum of the delivering supplier's liabilities under this  
8 Law for the immediately preceding calendar year divided by 12.  
9 Beginning on October 1, 2002, a taxpayer who has a tax  
10 liability in the amount set forth in subsection (b) of Section  
11 2505-210 of the Department of Revenue Law shall make all  
12 payments required by rules of the Department by electronic  
13 funds transfer. Any delivering supplier not required to make  
14 payments by electronic funds transfer may make payments by  
15 electronic funds transfer with the permission of the  
16 Department. All delivering suppliers required to make payments  
17 by electronic funds transfer and any delivering suppliers  
18 authorized to voluntarily make payments by electronic funds  
19 transfer shall make those payments in the manner authorized by  
20 the Department.

21       If any payment provided for in this Section exceeds the  
22 delivering supplier's liabilities under this Act, as shown on  
23 an original return, the Department may authorize the delivering  
24 supplier to credit such excess payment against liability  
25 subsequently to be remitted to the Department under this Act,  
26 in accordance with reasonable rules adopted by the Department.

1 Through June 30, 2004, each month the Department shall pay  
2 into the Public Utility Fund in the State treasury an amount  
3 determined by the Director to be equal to 3.0% of the funds  
4 received by the Department pursuant to this Section. Through  
5 June 30, 2004, the remainder of all moneys received by the  
6 Department under this Section shall be paid into the General  
7 Revenue Fund in the State treasury. Beginning on July 1, 2004,  
8 of the 3% of the funds received pursuant to this Section, each  
9 month the Department shall pay \$416,667 into the General  
10 Revenue Fund and the balance shall be paid into the Public  
11 Utility Fund in the State treasury.

12 (Source: P.A. 92-492, eff. 1-1-02; 93-839, eff. 7-30-04.)

13 (35 ILCS 640/2-11)

14 Sec. 2-11. Direct return and payment by self-assessing  
15 purchaser. When electricity is used or consumed by a  
16 self-assessing purchaser subject to the tax imposed by this Law  
17 who did not pay the tax to a delivering supplier maintaining a  
18 place of business within this State and required or authorized  
19 to collect the tax, that self-assessing purchaser shall, on or  
20 before the 15th day of each month, make a return to the  
21 Department for the preceding calendar month, stating all of the  
22 following:

23 (1) The self-assessing purchaser's name and principal  
24 address.

25 (2) The aggregate purchase price paid by the

1 self-assessing purchaser for the distribution, supply,  
2 furnishing, sale, transmission and delivery of such  
3 electricity to or for the purchaser during the preceding  
4 calendar month, including budget plan and other  
5 purchaser-owned amounts applied during such month in  
6 payment of charges includible in the purchase price, and  
7 upon the basis of which the tax is imposed.

8 (3) Amount of tax, computed upon item (2) at the rate  
9 stated in Section 2-4.

10 (4) Such other information as the Department  
11 reasonably may require.

12 In making such return the self-assessing purchaser may use  
13 any reasonable method to derive reportable "purchase price"  
14 from the self-assessing purchaser's records.

15 If the average monthly tax liability of the self-assessing  
16 purchaser to the Department does not exceed \$2,500, the  
17 Department may authorize the self-assessing purchaser's  
18 returns to be filed on a quarter-annual basis, with the return  
19 for January, February and March of a given year being due by  
20 April 30 of such year; with the return for April, May and June  
21 of a given year being due by July 31 of such year; with the  
22 return for July, August, and September of a given year being  
23 due by October 31 of such year; and with the return for  
24 October, November and December of a given year being due by  
25 January 31 of the following year.

26 If the average monthly tax liability of the self-assessing



1 purchaser to the Department does not exceed \$1,000, the  
2 Department may authorize the self-assessing purchaser's  
3 returns to be filed on an annual basis, with the return for a  
4 given year being due by January 31 of the following year.

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

8 Notwithstanding any other provision in this Law concerning  
9 the time within which a self-assessing purchaser may file a  
10 return, any such self-assessing purchaser who ceases to be  
11 responsible for filing returns under this Law shall file a  
12 final return under this Law with the Department not more than  
13 one month thereafter.

14 Each self-assessing purchaser whose average monthly  
15 liability to the Department pursuant to this Section was  
16 \$10,000 or more during the preceding calendar year, excluding  
17 the month of highest liability and the month of lowest  
18 liability during such calendar year, and which is not operated  
19 by a unit of local government, shall make estimated payments to  
20 the Department on or before the 7th, 15th, 22nd and last day of  
21 the month during which tax liability to the Department is  
22 incurred in an amount not less than the lower of either 22.5%  
23 of such self-assessing purchaser's actual tax liability for the  
24 month or 25% of such self-assessing purchaser's actual tax  
25 liability for the same calendar month of the preceding year.  
26 The amount of such quarter-monthly payments shall be credited

1 against the final tax liability of the self-assessing  
2 purchaser's return for that month. An outstanding credit  
3 approved by the Department or a credit memorandum issued by the  
4 Department arising from the self-assessing purchaser's  
5 overpayment of the self-assessing purchaser's final tax  
6 liability for any month may be applied to reduce the amount of  
7 any subsequent quarter-monthly payment or credited against the  
8 final tax liability of such self-assessing purchaser's return  
9 for any subsequent month. If any quarter-monthly payment is not  
10 paid at the time or in the amount required by this Section,  
11 such person shall be liable for penalty and interest on the  
12 difference between the minimum amount due as a payment and the  
13 amount of such payment actually and timely paid, except insofar  
14 as such person has previously made payments for that month to  
15 the Department in excess of the minimum payments previously  
16 due.

17 If the Director finds that the information required for the  
18 making of an accurate return cannot reasonably be compiled by a  
19 self-assessing purchaser within 15 days after the close of the  
20 calendar month for which a return is to be made, the Director  
21 may grant an extension of time for the filing of such return  
22 for a period of not to exceed 31 calendar days. The granting of  
23 such an extension may be conditioned upon the deposit by such  
24 self-assessing purchaser with the Department of an amount of  
25 money not exceeding the amount estimated by the Director to be  
26 due with the return so extended. All such deposits shall be

1 credited against such self-assessing purchaser's liabilities  
2 under this Law. If the deposit exceeds such self-assessing  
3 purchaser's present and probable future liabilities under this  
4 Law, the Department shall issue to such self-assessing  
5 purchaser a credit memorandum, which may be assigned by such  
6 self-assessing purchaser to a similar person under this Law, in  
7 accordance with reasonable rules and regulations to be  
8 prescribed by the Department.

9 The self-assessing purchaser making the return provided  
10 for in this Section shall, at the time of making such return,  
11 pay to the Department the amount of tax imposed by this Law.

12 Until October 1, 2002, a self-assessing purchaser who has  
13 an average monthly tax liability of \$10,000 or more shall make  
14 all payments required by rules of the Department by electronic  
15 funds transfer. The term "average monthly tax liability" shall  
16 be the sum of the self-assessing purchaser's liabilities under  
17 this Law for the immediately preceding calendar year divided by  
18 12. Beginning on October 1, 2002, a taxpayer who has a tax  
19 liability in the amount set forth in subsection (b) of Section  
20 2505-210 of the Department of Revenue Law shall make all  
21 payments required by rules of the Department by electronic  
22 funds transfer. Any self-assessing purchaser not required to  
23 make payments by electronic funds transfer may make payments by  
24 electronic funds transfer with the permission of the  
25 Department. All self-assessing purchasers required to make  
26 payments by electronic funds transfer and any self-assessing

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

4 If any payment provided for in this Section exceeds the  
5 self-assessing purchaser's liabilities under this Act, as  
6 shown on an original return, the Department may authorize the  
7 self-assessing purchaser to credit such excess payment against  
8 liability subsequently to be remitted to the Department under  
9 this Act, in accordance with reasonable rules adopted by the  
10 Department.

11 Through June 30, 2004, each month the Department shall pay  
12 into the Public Utility Fund in the State treasury an amount  
13 determined by the Director to be equal to 3.0% of the funds  
14 received by the Department pursuant to this Section. Through  
15 June 30, 2004, the remainder of all moneys received by the  
16 Department under this Section shall be paid into the General  
17 Revenue Fund in the State treasury. Beginning on July 1, 2004,  
18 of the 3% of the funds received pursuant to this Section, each  
19 month the Department shall pay \$416,667 into the General  
20 Revenue Fund and the balance shall be paid into the Public  
21 Utility Fund in the State treasury.

22 (Source: P.A. 92-492, eff. 1-1-02; 93-839, eff. 7-30-04.)

23 Section 120. The Innovation Development and Economy Act is  
24 amended by changing Section 31 as follows:

1 (50 ILCS 470/31)

2 Sec. 31. STAR bond occupation taxes.

3 (a) If the corporate authorities of a political subdivision  
4 have established a STAR bond district and have elected to  
5 impose a tax by ordinance pursuant to subsection (b) or (c) of  
6 this Section, each year after the date of the adoption of the  
7 ordinance and until all STAR bond project costs and all  
8 political subdivision obligations financing the STAR bond  
9 project costs, if any, have been paid in accordance with the  
10 STAR bond project plans, but in no event longer than the  
11 maximum maturity date of the last of the STAR bonds issued for  
12 projects in the STAR bond district, all amounts generated by  
13 the retailers' occupation tax and service occupation tax shall  
14 be collected and the tax shall be enforced by the Department of  
15 Revenue in the same manner as all retailers' occupation taxes  
16 and service occupation taxes imposed in the political  
17 subdivision imposing the tax. The corporate authorities of the  
18 political subdivision shall deposit the proceeds of the taxes  
19 imposed under subsections (b) and (c) into either (i) a special  
20 fund held by the corporate authorities of the political  
21 subdivision called the STAR Bonds Tax Allocation Fund for the  
22 purpose of paying STAR bond project costs and obligations  
23 incurred in the payment of those costs if such taxes are  
24 designated as pledged STAR revenues by resolution or ordinance  
25 of the political subdivision or (ii) the political  
26 subdivision's general corporate fund if such taxes are not

1 designated as pledged STAR revenues by resolution or ordinance.

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

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

1 drugs, medical appliances, products classified as Class III  
2 medical devices by the United States Food and Drug  
3 Administration that are used for cancer treatment pursuant to a  
4 prescription, as well as any accessories and components related  
5 to those devices, modifications to a motor vehicle for the  
6 purpose of rendering it usable by a person with a disability,  
7 and insulin, urine testing materials, syringes, and needles  
8 used by diabetics, for human use.

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

1 conditions, restrictions, limitations, penalties, exclusions,  
2 exemptions, and definitions of terms and employ the same modes  
3 of procedure, as are prescribed in Sections 1, 1a through 1o, 2  
4 through 2-65 (in respect to all provisions therein other than  
5 the State rate of tax), 2c through 2h, 3 (except as to the  
6 disposition of taxes and penalties collected), 4, 5, 5a, 5b,  
7 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,  
8 11, 12, 13, and 14 of the Retailers' Occupation Tax Act and all  
9 provisions of the Uniform Penalty and Interest Act, as fully as  
10 if those provisions were set forth herein.

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

13 (c) If a tax has been imposed under subsection (b), a STAR  
14 Bond Service Occupation Tax shall also be imposed upon all  
15 persons engaged, in the STAR bond district, in the business of  
16 making sales of service, who, as an incident to making those  
17 sales of service, transfer tangible personal property within  
18 the STAR bond district, either in the form of tangible personal  
19 property or in the form of real estate as an incident to a sale  
20 of service. The tax shall be imposed at the same rate as the  
21 tax imposed in subsection (b) and shall not exceed 1% of the  
22 selling price of tangible personal property so transferred  
23 within the STAR bond district, to be imposed only in 0.25%  
24 increments. The tax may not be imposed on sales of tangible  
25 personal property taxed at the 1% rate under the Service  
26 Occupation Tax Act, including but not limited to, food for



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

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

1 all rights to credit memoranda arising on account of the  
2 erroneous payment of tax or penalty under this subsection. In  
3 the administration of, and compliance with this subsection, the  
4 Department and persons who are subject to this subsection shall  
5 have the same rights, remedies, privileges, immunities,  
6 powers, and duties, and be subject to the same conditions,  
7 restrictions, limitations, penalties, exclusions, exemptions,  
8 and definitions of terms and employ the same modes of procedure  
9 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
10 (in respect to all provisions therein other than the State rate  
11 of tax), 4 (except that the reference to the State shall be to  
12 the STAR bond district), 5, 7, 8 (except that the jurisdiction  
13 to which the tax shall be a debt to the extent indicated in  
14 that Section 8 shall be the political subdivision), 9 (except  
15 as to the disposition of taxes and penalties collected, and  
16 except that the returned merchandise credit for this tax may  
17 not be taken against any State tax), 10, 11, 12 (except the  
18 reference therein to Section 2b of the Retailers' Occupation  
19 Tax Act), 13 (except that any reference to the State shall mean  
20 the political subdivision), the first paragraph of Section 15,  
21 and Sections 16, 17, 18, 19 and 20 of the Service Occupation  
22 Tax Act and all provisions of the Uniform Penalty and Interest  
23 Act, as fully as if those provisions were set forth herein.

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

26 (d) Persons subject to any tax imposed under this Section

1 may reimburse themselves for their seller's tax liability under  
2 this Section by separately stating the tax as an additional  
3 charge, which charge may be stated in combination, in a single  
4 amount, with State taxes that sellers are required to collect  
5 under the Use Tax Act, in accordance with such bracket  
6 schedules as the Department may prescribe.

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

14 The Department shall immediately pay over to the State  
15 Treasurer, ex officio, as trustee, all taxes, penalties, and  
16 interest collected under this Section for deposit into the STAR  
17 Bond Retailers' Occupation Tax Fund. On or before the 25th day  
18 of each calendar month, the Department shall prepare and  
19 certify to the Comptroller the disbursement of stated sums of  
20 money to named political subdivisions from the STAR Bond  
21 Retailers' Occupation Tax Fund, the political subdivisions to  
22 be those from which retailers have paid taxes or penalties  
23 under this Section to the Department during the second  
24 preceding calendar month. The amount to be paid to each  
25 political subdivision shall be the amount (not including credit  
26 memoranda) collected under this Section during the second

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

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

14           The Department of Revenue shall not administer or enforce  
15 an ordinance imposing, discontinuing, or changing the rate of  
16 the tax under this Section until the political subdivision also  
17 provides, in the manner prescribed by the Department, the  
18 boundaries of the STAR bond district and each address in the  
19 STAR bond district in such a way that the Department can  
20 determine by its address whether a business is located in the  
21 STAR bond district. The political subdivision must provide this  
22 boundary and address information to the Department on or before  
23 April 1 for administration and enforcement of the tax under  
24 this Section by the Department beginning on the following July  
25 1 and on or before October 1 for administration and enforcement  
26 of the tax under this Section by the Department beginning on

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

20 A political subdivision that imposes the tax under this  
21 Section must submit to the Department of Revenue any other  
22 information as the Department may require that is necessary for  
23 the administration and enforcement of the tax.

24 When certifying the amount of a monthly disbursement to a  
25 political subdivision under this Section, the Department shall  
26 increase or decrease the amount by an amount necessary to

1 offset any misallocation of previous disbursements. The offset  
2 amount shall be the amount erroneously disbursed within the  
3 previous 6 months from the time a misallocation is discovered.

4 Nothing in this Section shall be construed to authorize the  
5 political subdivision to impose a tax upon the privilege of  
6 engaging in any business which under the Constitution of the  
7 United States may not be made the subject of taxation by this  
8 State.

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

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

24 Section 125. The Counties Code is amended by changing  
25 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, and 5-1008.5 as

1 follows:

2 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

3 Sec. 5-1006. Home Rule County Retailers' Occupation Tax  
4 Law. Any county that is a home rule unit may impose a tax upon  
5 all persons engaged in the business of selling tangible  
6 personal property, other than an item of tangible personal  
7 property titled or registered with an agency of this State's  
8 government, at retail in the county on the gross receipts from  
9 such sales made in the course of their business. If imposed,  
10 this tax shall only be imposed in 1/4% increments. On and after  
11 September 1, 1991, this additional tax may not be imposed on  
12 the sales of tangible personal property taxed at the 1% rate  
13 under the Retailers' Occupation Tax Act, including but not  
14 limited to, food for human consumption that ~~which~~ is to be  
15 consumed off the premises where it is sold (other than  
16 alcoholic beverages, soft drinks and food that ~~which~~ has been  
17 prepared for immediate consumption) and prescription and  
18 nonprescription medicines, drugs, medical appliances, products  
19 classified as Class III medical devices by the United States  
20 Food and Drug Administration that are used for cancer treatment  
21 pursuant to a prescription, as well as any accessories and  
22 components related to those devices, modifications to a motor  
23 vehicle for the purpose of rendering it usable by a person with  
24 a disability, and insulin, urine testing materials, syringes  
25 and needles used by diabetics, for human use. The tax imposed



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

1 as if those provisions were set forth herein.

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

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

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

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

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

1 local sales tax increment, as defined in the Innovation  
2 Development and Economy Act, collected under this Section  
3 during the second preceding calendar month for sales within a  
4 STAR bond district.

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

1 drawn for the respective amounts in accordance with the  
2 directions contained in the certification.

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

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

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

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

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

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

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

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

18               (55 ILCS 5/5-1006.5)

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

21               (a) The county board of any county may impose a tax upon  
22       all persons engaged in the business of selling tangible  
23       personal property, other than personal property titled or  
24       registered with an agency of this State's government, at retail  
25       in the county on the gross receipts from the sales made in the

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

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

26 The county clerk shall certify the question to the proper

1 election authority, who shall submit the proposition at an  
2 election in accordance with the general election law.

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

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

8 As additional information on the ballot below the  
9 question shall appear the following:

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

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

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

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

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



1           tangible personal property bought at retail. If imposed,  
2           the additional tax would cease being collected at the end  
3           of (insert number of years), if not terminated earlier by a  
4           vote of the county board."

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

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

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

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

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

25          As additional information on the ballot below the  
26          question shall appear the following:

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

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

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

14           As additional information on the ballot below the  
15 question shall appear the following:

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

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

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

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

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

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

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

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

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

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

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

1 the additional tax would cease being collected at the end  
2 of (insert number of years), if not terminated earlier by a  
3 vote of the county board."

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

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

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

20 This additional tax may not be imposed on the sales of  
21 tangible personal property taxed at the 1% rate under the  
22 Retailers' Occupation Tax Act, including but not limited to,  
23 food for human consumption that is to be consumed off the  
24 premises where it is sold (other than alcoholic beverages, soft  
25 drinks, and food that ~~which~~ has been prepared for immediate  
26 consumption) and prescription and non-prescription medicines,

1 drugs, medical appliances, products classified as Class III  
2 medical devices by the United States Food and Drug  
3 Administration that are used for cancer treatment pursuant to a  
4 prescription, as well as any accessories and components related  
5 to those devices, modifications to a motor vehicle for the  
6 purpose of rendering it usable by a person with a disability,  
7 and insulin, urine testing materials, syringes, and needles  
8 used by diabetics, for human use. The tax imposed by a county  
9 under this Section and all civil penalties that may be assessed  
10 as an incident of the tax shall be collected and enforced by  
11 the Illinois Department of Revenue and deposited into a special  
12 fund created for that purpose. The certificate of registration  
13 that is issued by the Department to a retailer under the  
14 Retailers' Occupation Tax Act shall permit the retailer to  
15 engage in a business that is taxable without registering  
16 separately with the Department under an ordinance or resolution  
17 under this Section. The Department has full power to administer  
18 and enforce this Section, to collect all taxes and penalties  
19 due under this Section, to dispose of taxes and penalties so  
20 collected in the manner provided in this Section, and to  
21 determine all rights to credit memoranda arising on account of  
22 the erroneous payment of a tax or penalty under this Section.  
23 In the administration of and compliance with this Section, the  
24 Department and persons who are subject to this Section shall  
25 (i) have the same rights, remedies, privileges, immunities,  
26 powers, and duties, (ii) be subject to the same conditions,

1 restrictions, limitations, penalties, and definitions of  
2 terms, and (iii) employ the same modes of procedure as are  
3 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
4 1n, 2 through 2-70 (in respect to all provisions contained in  
5 those Sections other than the State rate of tax), 2a, 2b, 2c, 3  
6 (except provisions relating to transaction returns and quarter  
7 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
8 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13  
9 of the Retailers' Occupation Tax Act and Section 3-7 of the  
10 Uniform Penalty and Interest Act as if those provisions were  
11 set forth in this Section.

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

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

1 (b) If a tax has been imposed under subsection (a), a  
2 service occupation tax shall also be imposed at the same rate  
3 upon all persons engaged, in the county, in the business of  
4 making sales of service, who, as an incident to making those  
5 sales of service, transfer tangible personal property within  
6 the county as an incident to a sale of service. This tax may  
7 not be imposed on sales of tangible personal property taxed at  
8 the 1% rate under the Retailers' Occupation Tax Act, including  
9 but not limited to, food for human consumption that is to be  
10 consumed off the premises where it is sold (other than  
11 alcoholic beverages, soft drinks, and food that has been  
12 prepared for immediate consumption) and prescription and  
13 non-prescription medicines, drugs, medical appliances,  
14 products classified as Class III medical devices by the United  
15 States Food and Drug Administration that are used for cancer  
16 treatment pursuant to a prescription, as well as any  
17 accessories and components related to those devices,  
18 modifications to a motor vehicle for the purpose of rendering  
19 it usable by a person with a disability, and insulin, urine  
20 testing materials, syringes, and needles used by diabetics, for  
21 human use. The tax imposed under this subsection and all civil  
22 penalties that may be assessed as an incident thereof shall be  
23 collected and enforced by the Department of Revenue. The  
24 Department has full power to administer and enforce this  
25 subsection; to collect all taxes and penalties due hereunder;  
26 to dispose of taxes and penalties so collected in the manner

1 hereinafter provided; and to determine all rights to credit  
2 memoranda arising on account of the erroneous payment of tax or  
3 penalty hereunder. In the administration of, and compliance  
4 with this subsection, the Department and persons who are  
5 subject to this paragraph shall (i) have the same rights,  
6 remedies, privileges, immunities, powers, and duties, (ii) be  
7 subject to the same conditions, restrictions, limitations,  
8 penalties, exclusions, exemptions, and definitions of terms,  
9 and (iii) employ the same modes of procedure as are prescribed  
10 in Sections 2 (except that the reference to State in the  
11 definition of supplier maintaining a place of business in this  
12 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in  
13 respect to all provisions therein other than the State rate of  
14 tax), 4 (except that the reference to the State shall be to the  
15 county), 5, 7, 8 (except that the jurisdiction to which the tax  
16 shall be a debt to the extent indicated in that Section 8 shall  
17 be the county), 9 (except as to the disposition of taxes and  
18 penalties collected), 10, 11, 12 (except the reference therein  
19 to Section 2b of the Retailers' Occupation Tax Act), 13 (except  
20 that any reference to the State shall mean the county), Section  
21 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and  
22 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
23 as if those provisions were set forth herein.

24 Persons subject to any tax imposed under the authority  
25 granted in this subsection may reimburse themselves for their  
26 serviceman's tax liability by separately stating the tax as an



1 additional charge, which charge may be stated in combination,  
2 in a single amount, with State tax that servicemen are  
3 authorized to collect under the Service Use Tax Act, in  
4 accordance with such bracket schedules as the Department may  
5 prescribe.

6 Whenever the Department determines that a refund should be  
7 made under this subsection to a claimant instead of issuing a  
8 credit memorandum, the Department shall notify the State  
9 Comptroller, who shall cause the warrant to be drawn for the  
10 amount specified, and to the person named, in the notification  
11 from the Department. The refund shall be paid by the State  
12 Treasurer out of the County Public Safety or Transportation  
13 Retailers' Occupation Fund.

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

18 (c) The Department shall immediately pay over to the State  
19 Treasurer, ex officio, as trustee, all taxes and penalties  
20 collected under this Section to be deposited into the County  
21 Public Safety or Transportation Retailers' Occupation Tax  
22 Fund, which shall be an unappropriated trust fund held outside  
23 of the State treasury.

24 As soon as possible after the first day of each month,  
25 beginning January 1, 2011, upon certification of the Department  
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
2 local sales tax increment, as defined in the Innovation  
3 Development and Economy Act, collected under this Section  
4 during the second preceding calendar month for sales within a  
5 STAR bond district.

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

1 Comptroller by the Department, the Comptroller shall cause the  
2 orders to be drawn for the respective amounts in accordance  
3 with directions contained in the certification.

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

19 A county may direct, by ordinance, that all or a portion of  
20 the taxes and penalties collected under the Special County  
21 Retailers' Occupation Tax For Public Safety or Transportation  
22 be deposited into the Transportation Development Partnership  
23 Trust Fund.

24 (d) For the purpose of determining the local governmental  
25 unit whose tax is applicable, a retail sale by a producer of  
26 coal or another mineral mined in Illinois is a sale at retail

1 at the place where the coal or other mineral mined in Illinois  
2 is extracted from the earth. This paragraph does not apply to  
3 coal or another mineral when it is delivered or shipped by the  
4 seller to the purchaser at a point outside Illinois so that the  
5 sale is exempt under the United States Constitution as a sale  
6 in interstate or foreign commerce.

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

11 (e-5) If a county imposes a tax under this Section, the  
12 county board may, by ordinance, discontinue or lower the rate  
13 of the tax. If the county board lowers the tax rate or  
14 discontinues the tax, a referendum must be held in accordance  
15 with subsection (a) of this Section in order to increase the  
16 rate of the tax or to reimpose the discontinued tax.

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

1 and enforce the tax as of the first day of January next  
2 following the filing.

3 Beginning January 1, 2014, the results of any election  
4 authorizing a proposition to impose a tax under this Section or  
5 effecting an increase in the rate of tax, along with the  
6 ordinance adopted to impose the tax or increase the rate of the  
7 tax, or any ordinance adopted to lower the rate or discontinue  
8 the tax, shall be certified by the county clerk and filed with  
9 the Illinois Department of Revenue either (i) on or before the  
10 first day of May, whereupon the Department shall proceed to  
11 administer and enforce the tax as of the first day of July next  
12 following the adoption and filing; or (ii) on or before the  
13 first day of October, whereupon the Department shall proceed to  
14 administer and enforce the tax as of the first day of January  
15 next following the adoption and filing.

16 (g) When certifying the amount of a monthly disbursement to  
17 a county under this Section, the Department shall increase or  
18 decrease the amounts by an amount necessary to offset any  
19 miscalculation of previous disbursements. The offset amount  
20 shall be the amount erroneously disbursed within the previous 6  
21 months from the time a miscalculation is discovered.

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

25 (i) For purposes of this Section, "public safety" includes,  
26 but is not limited to, crime prevention, detention, fire

1 fighting, police, medical, ambulance, or other emergency  
2 services. The county may share tax proceeds received under this  
3 Section for public safety purposes, including proceeds  
4 received before August 4, 2009 (the effective date of Public  
5 Act 96-124), with any fire protection district located in the  
6 county. For the purposes of this Section, "transportation"  
7 includes, but is not limited to, the construction, maintenance,  
8 operation, and improvement of public highways, any other  
9 purpose for which a county may expend funds under the Illinois  
10 Highway Code, and passenger rail transportation. For the  
11 purposes of this Section, "public facilities purposes"  
12 includes, but is not limited to, the acquisition, development,  
13 construction, reconstruction, rehabilitation, improvement,  
14 financing, architectural planning, and installation of capital  
15 facilities consisting of buildings, structures, and durable  
16 equipment and for the acquisition and improvement of real  
17 property and interest in real property required, or expected to  
18 be required, in connection with the public facilities, for use  
19 by the county for the furnishing of governmental services to  
20 its citizens, including but not limited to museums and nursing  
21 homes.

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

26 (Source: P.A. 98-584, eff. 8-27-13; 99-4, eff. 5-31-15; 99-217,

1 eff. 7-31-15; 99-642, eff. 7-28-16.)

2 (55 ILCS 5/5-1006.7)

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

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

15 This additional tax may not be imposed on the sale of  
16 tangible personal property taxed at the 1% rate under the  
17 Retailers' Occupation Tax Act, including but not limited to,  
18 food for human consumption that is to be consumed off the  
19 premises where it is sold (other than alcoholic beverages, soft  
20 drinks, and food that has been prepared for immediate  
21 consumption) and prescription and non-prescription 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

1 to those devices, modifications to a motor vehicle for the  
2 purpose of rendering it usable by a person with a disability,  
3 and insulin, urine testing materials, syringes and needles used  
4 by diabetics, for human use. The Department of Revenue has full  
5 power to administer and enforce this subsection, to collect all  
6 taxes and penalties due under this subsection, to dispose of  
7 taxes and penalties so collected in the manner provided in this  
8 subsection, and to determine all rights to credit memoranda  
9 arising on account of the erroneous payment of a tax or penalty  
10 under this subsection. The Department shall deposit all taxes  
11 and penalties collected under this subsection into a special  
12 fund created for that purpose.

13 In the administration of and compliance with this  
14 subsection, the Department and persons who are subject to this  
15 subsection (i) have the same rights, remedies, privileges,  
16 immunities, powers, and duties, (ii) are subject to the same  
17 conditions, restrictions, limitations, penalties, and  
18 definitions of terms, and (iii) shall employ the same modes of  
19 procedure as are set forth in Sections 1 through 10, 2 through  
20 2-70 (in respect to all provisions contained in those Sections  
21 other than the State rate of tax), 2a through 2h, 3 (except as  
22 to the disposition of taxes and penalties collected), 4, 5, 5a,  
23 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
24 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation  
25 Tax Act and all provisions of the Uniform Penalty and Interest  
26 Act as if those provisions were set forth in this subsection.



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

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

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

19           This tax may not be imposed on sales of tangible personal  
20 property taxed at the 1% rate under the Service Occupation Tax  
21 Act, including but not limited to, food for human consumption  
22 that is to be consumed off the premises where it is sold (other  
23 than alcoholic beverages, soft drinks, and food prepared for  
24 immediate consumption) and prescription and non-prescription  
25 medicines, drugs, medical appliances, products classified as  
26 Class III medical devices by the United States Food and Drug

1 Administration that are used for cancer treatment pursuant to a  
2 prescription, as well as any accessories and components related  
3 to those devices, modifications to a motor vehicle for the  
4 purpose of rendering it usable by a person with a disability,  
5 and insulin, urine testing materials, syringes, and needles  
6 used by diabetics, for human use.

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

17 In the administration of and compliance with this  
18 subsection, the Department and persons who are subject to this  
19 subsection shall (i) have the same rights, remedies,  
20 privileges, immunities, powers and duties, (ii) be subject to  
21 the same conditions, restrictions, limitations, penalties and  
22 definition of terms, and (iii) employ the same modes of  
23 procedure as are set forth in Sections 2 (except that that  
24 reference to State in the definition of supplier maintaining a  
25 place of business in this State means the county), 2a through  
26 2d, 3 through 3-50 (in respect to all provisions contained in

1 those Sections other than the State rate of tax), 4 (except  
2 that the reference to the State shall be to the county), 5, 7,  
3 8 (except that the jurisdiction to which the tax is a debt to  
4 the extent indicated in that Section 8 is the county), 9  
5 (except as to the disposition of taxes and penalties  
6 collected), 10, 11, 12 (except the reference therein to Section  
7 2b of the Retailers' Occupation Tax Act), 13 (except that any  
8 reference to the State means the county), Section 15, 16, 17,  
9 18, 19, and 20 of the Service Occupation Tax Act and all  
10 provisions of the Uniform Penalty and Interest Act, as fully as  
11 if those provisions were set forth herein.

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

19 (c) The tax under this Section may not be imposed until the  
20 question of imposing the tax has been submitted to the electors  
21 of the county at a regular election and approved by a majority  
22 of the electors voting on the question. For all regular  
23 elections held prior to August 23, 2011 (the effective date of  
24 Public Act 97-542), upon a resolution by the county board or a  
25 resolution by school district boards that represent at least  
26 51% of the student enrollment within the county, the county

1 board must certify the question to the proper election  
2 authority in accordance with the Election Code.

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

7 Shall (name of county) be authorized to impose a  
8 retailers' occupation tax and a service occupation tax  
9 (commonly referred to as a "sales tax") at a rate of  
10 (insert rate) to be used exclusively for school facility  
11 purposes?

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

13 If a majority of the electors voting on the question vote  
14 in the affirmative, then the county may, thereafter, impose the  
15 tax.

16 For all regular elections held on or after August 23, 2011  
17 (the effective date of Public Act 97-542), the regional  
18 superintendent of schools for the county must, upon receipt of  
19 a resolution or resolutions of school district boards that  
20 represent more than 50% of the student enrollment within the  
21 county, certify the question to the proper election authority  
22 for submission to the electors of the county at the next  
23 regular election at which the question lawfully may be  
24 submitted to the electors, all in accordance with the Election  
25 Code.

26 For all regular elections held on or after August 23, 2011

1 (the effective date of Public Act 97-542), the election  
2 authority must submit the question in substantially the  
3 following form:

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

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

9 If a majority of the electors voting on the question vote  
10 in the affirmative, then the tax shall be imposed at the rate  
11 set forth in the question.

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

17 (d) The Department shall immediately pay over to the State  
18 Treasurer, ex officio, as trustee, all taxes and penalties  
19 collected under this Section to be deposited into the School  
20 Facility Occupation Tax Fund, which shall be an unappropriated  
21 trust fund held outside the State treasury.

22 On or before the 25th day of each calendar month, the  
23 Department shall prepare and certify to the Comptroller the  
24 disbursement of stated sums of money to the regional  
25 superintendents of schools in counties from which retailers or  
26 servicemen have paid taxes or penalties to the Department

1 during the second preceding calendar month. The amount to be  
2 paid to each regional superintendent of schools and disbursed  
3 to him or her in accordance with Section 3-14.31 of the School  
4 Code, is equal to the amount (not including credit memoranda)  
5 collected from the county under this Section during the second  
6 preceding calendar month by the Department, (i) less 2% of that  
7 amount, which shall be transferred ~~deposited~~ into the Tax  
8 Compliance and Administration Fund and shall be used by the  
9 Department, subject to appropriation, to cover the costs of the  
10 Department in administering and enforcing the provisions of  
11 this Section, on behalf of the county, (ii) plus an amount that  
12 the Department determines is necessary to offset any amounts  
13 that were erroneously paid to a different taxing body; (iii)  
14 less an amount equal to the amount of refunds made during the  
15 second preceding calendar month by the Department on behalf of  
16 the county; and (iv) less any amount that the Department  
17 determines is necessary to offset any amounts that were payable  
18 to a different taxing body but were erroneously paid to the  
19 county. When certifying the amount of a monthly disbursement to  
20 a regional superintendent of schools under this Section, the  
21 Department shall increase or decrease the amounts by an amount  
22 necessary to offset any miscalculation of previous  
23 disbursements within the previous 6 months from the time a  
24 miscalculation is discovered.

25 Within 10 days after receipt by the Comptroller from the  
26 Department of the disbursement certification to the regional

1 superintendents of the schools provided for in this Section,  
2 the Comptroller shall cause the orders to be drawn for the  
3 respective amounts in accordance with directions contained in  
4 the certification.

5 If the Department determines that a refund should be made  
6 under this Section to a claimant instead of issuing a credit  
7 memorandum, then the Department shall notify the Comptroller,  
8 who shall cause the order to be drawn for the amount specified  
9 and to the person named in the notification from the  
10 Department. The refund shall be paid by the Treasurer out of  
11 the School Facility Occupation Tax Fund.

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

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

25 (g) If a county board imposes a tax under this Section  
26 pursuant to a referendum held before August 23, 2011 (the

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



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

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

25           (h) For purposes of this Section, "school facility  
26 purposes" means (i) the acquisition, development,

1 construction, reconstruction, rehabilitation, improvement,  
2 financing, architectural planning, and installation of capital  
3 facilities consisting of buildings, structures, and durable  
4 equipment and for the acquisition and improvement of real  
5 property and interest in real property required, or expected to  
6 be required, in connection with the capital facilities and (ii)  
7 the payment of bonds or other obligations heretofore or  
8 hereafter issued, including bonds or other obligations  
9 heretofore or hereafter issued to refund or to continue to  
10 refund bonds or other obligations issued, for school facility  
11 purposes, provided that the taxes levied to pay those bonds are  
12 abated by the amount of the taxes imposed under this Section  
13 that are used to pay those bonds. "School-facility purposes"  
14 also includes fire prevention, safety, energy conservation,  
15 accessibility, school security, and specified repair purposes  
16 set forth under Section 17-2.11 of the School Code.

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

26 Shall the school facility retailers' occupation tax

1 and service occupation tax (commonly referred to as the  
2 "school facility sales tax") currently imposed in (name of  
3 county) at a rate of (insert rate) be (reduced to (insert  
4 rate)) (discontinued)?

5 If a majority of the electors voting on the question vote in  
6 the affirmative, then, subject to the provisions of subsection  
7 (g) of this Section, the tax shall be reduced or discontinued  
8 as set forth in the question.

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

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

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

14 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

15 Sec. 5-1007. Home Rule County Service Occupation Tax Law.  
16 The corporate authorities of a home rule county may impose a  
17 tax upon all persons engaged, in such county, in the business  
18 of making sales of service at the same rate of tax imposed  
19 pursuant to Section 5-1006 of the selling price of all tangible  
20 personal property transferred by such servicemen either in the  
21 form of tangible personal property or in the form of real  
22 estate as an incident to a sale of service. If imposed, such  
23 tax shall only be imposed in 1/4% increments. On and after  
24 September 1, 1991, this additional tax may not be imposed on  
25 the sales of tangible personal property taxed at the 1% rate

1 under the Service Occupation Tax Act, including but not limited  
2 to, food for human consumption ~~that~~ ~~which~~ is to be consumed off  
3 the premises where it is sold (other than alcoholic beverages,  
4 soft drinks and food ~~that~~ ~~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, modifications to a motor vehicle for the  
11 purpose of rendering it usable by a person with a disability,  
12 and insulin, urine testing materials, syringes and needles used  
13 by diabetics, for human use. The tax imposed by a home rule  
14 county pursuant to this Section and all civil penalties that  
15 may be assessed as an incident thereof shall be collected and  
16 enforced by the State Department of Revenue. The certificate of  
17 registration which is issued by the Department to a retailer  
18 under the Retailers' Occupation Tax Act or under the Service  
19 Occupation Tax Act shall permit such registrant to engage in a  
20 business which is taxable under any ordinance or resolution  
21 enacted pursuant to this Section without registering  
22 separately with the Department under such ordinance or  
23 resolution or under this Section. The Department shall have  
24 full power to administer and enforce this Section; to collect  
25 all taxes and penalties due hereunder; to dispose of taxes and  
26 penalties so collected in the manner hereinafter provided; and

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

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

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

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

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

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

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

20          In addition to the disbursement required by the preceding  
21          paragraph, an allocation shall be made in each year to each  
22          county which received more than \$500,000 in disbursements under  
23          the preceding paragraph in the preceding calendar year. The  
24          allocation shall be in an amount equal to the average monthly  
25          distribution made to each such county under the preceding  
26          paragraph during the preceding calendar year (excluding the 2

1 months of highest receipts). The distribution made in March of  
2 each year subsequent to the year in which an allocation was  
3 made pursuant to this paragraph and the preceding paragraph  
4 shall be reduced by the amount allocated and disbursed under  
5 this paragraph in the preceding calendar year. The Department  
6 shall prepare and certify to the Comptroller for disbursement  
7 the allocations made in accordance with this paragraph.

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

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



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

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

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

19 (55 ILCS 5/5-1008.5)

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

21 (a) The Rock Island County Board may adopt a resolution  
22 that authorizes a referendum on the question of whether the  
23 county shall be authorized to impose a retailers' occupation  
24 tax, a service occupation tax, and a use tax at a rate of 1/4 of  
25 1% on behalf of the economic development activities of Rock

1 Island County and communities located within the county. The  
2 county board shall certify the question to the proper election  
3 authorities who shall submit the question to the voters of the  
4 county at the next regularly scheduled election in accordance  
5 with the general election law. The question shall be in  
6 substantially the following form:

7           Shall Rock Island County be authorized to impose a  
8           retailers' occupation tax, a service occupation tax, and a  
9           use tax at the rate of 1/4 of 1% for the sole purpose of  
10          economic development activities, including creation and  
11          retention of job opportunities, support of affordable  
12          housing opportunities, and enhancement of quality of life  
13          improvements?

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

17          (b) The county shall impose the retailers' occupation tax  
18          upon all persons engaged in the business of selling tangible  
19          personal property at retail in the county, at the rate approved  
20          by referendum, on the gross receipts from the sales made in the  
21          course of those businesses within the county. This additional  
22          tax may not be imposed on the sale of tangible personal  
23          property taxed at the 1% rate under the Retailers' Occupation  
24          Tax Act, including but not limited to, food for human  
25          consumption that is to be consumed off the premises where it is  
26          sold (other than alcoholic beverages, soft drinks, and food

1 that has been prepared for immediate consumption) and  
2 prescription and non-prescription medicines, drugs, medical  
3 appliances, products classified as Class III medical devices by  
4 the United States Food and Drug Administration that are used  
5 for cancer treatment pursuant to a prescription, as well as any  
6 accessories and components related to those devices,  
7 modifications to a motor vehicle for the purpose of rendering  
8 it usable by a person with a disability, and insulin, urine  
9 testing materials, syringes, and needles used by diabetics, for  
10 human use. The tax imposed under this Section and all civil  
11 penalties that may be assessed as an incident of the tax shall  
12 be collected and enforced by the Department of Revenue. The  
13 Department has full power to administer and enforce this  
14 Section; to collect all taxes and penalties so collected in the  
15 manner provided in this Section; and to determine all rights to  
16 credit memoranda arising on account of the erroneous payment of  
17 tax or penalty under this Section. In the administration of,  
18 and compliance with, this Section, the Department and persons  
19 who are subject to this Section shall (i) have the same rights,  
20 remedies, privileges, immunities, powers and duties, (ii) be  
21 subject to the same conditions, restrictions, limitations,  
22 penalties, exclusions, exemptions, and definitions of terms,  
23 and (iii) employ the same modes of procedure as are prescribed  
24 in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,  
25 2-5, 2-5.5, 2-10 (in respect to all provisions other than the  
26 State rate of tax), 2-15 through 2-70, 2a, 2b, 2c, 3 (except as

1 to the disposition of taxes and penalties collected and  
2 provisions related to quarter monthly payments), 4, 5, 5a, 5b,  
3 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,  
4 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act and  
5 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
6 as if those provisions were set forth in this subsection.

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

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

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

24 For the purpose of determining whether a tax authorized  
25 under this Section is applicable, a retail sale, by a producer  
26 of coal or another mineral mined in Illinois, is a sale at

1 retail at the place where the coal or other mineral mined in  
2 Illinois is extracted from the earth. This paragraph does not  
3 apply to coal or another mineral when it is delivered or  
4 shipped by the seller to the purchaser at a point outside  
5 Illinois so that the sale is exempt under the federal  
6 Constitution as a sale in interstate or foreign commerce.

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

11 (c) If a tax has been imposed under subsection (b), a  
12 service occupation tax shall also be imposed at the same rate  
13 upon all persons engaged, in the county, in the business of  
14 making sales of service, who, as an incident to making those  
15 sales of service, transfer tangible personal property within  
16 the county as an incident to a sale of service. This additional  
17 tax may not be imposed on the sale of tangible personal  
18 property taxed at the 1% rate under the Service Occupation Tax  
19 Act, including but not limited to, food for human consumption  
20 that is to be consumed off the premises where it is sold (other  
21 than alcoholic beverages, soft drinks, and food that has been  
22 prepared for immediate consumption) and prescription and  
23 non-prescription medicines, drugs, medical appliances,  
24 products classified as Class III medical devices by the United  
25 States Food and Drug Administration that are used for cancer  
26 treatment pursuant to a prescription, as well as any

1 accessories and components related to those devices,  
2 modifications to a motor vehicle for the purpose of rendering  
3 it usable by a person with a disability, and insulin, urine  
4 testing materials, syringes, and needles used by diabetics, for  
5 human use. The tax imposed under this subsection and all civil  
6 penalties that may be assessed as an incident of the tax shall  
7 be collected and enforced by the Department of Revenue. The  
8 Department has full power to administer and enforce this  
9 paragraph; to collect all taxes and penalties due under this  
10 Section; to dispose of taxes and penalties so collected in the  
11 manner provided in this Section; and to determine all rights to  
12 credit memoranda arising on account of the erroneous payment of  
13 tax or penalty under this Section. In the administration of,  
14 and compliance with this paragraph, the Department and persons  
15 who are subject to this paragraph shall (i) have the same  
16 rights, remedies, privileges, immunities, powers, and duties,  
17 (ii) be subject to the same conditions, restrictions,  
18 limitations, penalties, exclusions, exemptions, and  
19 definitions of terms, and (iii) employ the same modes of  
20 procedure as are prescribed in Sections 2 (except that the  
21 reference to State in the definition of supplier maintaining a  
22 place of business in this State shall mean the county), 2a, 2b,  
23 3 through 3-55 (in respect to all provisions other than the  
24 State rate of tax), 4 (except that the reference to the State  
25 shall be to the county), 5, 7, 8 (except that the jurisdiction  
26 to which the tax shall be a debt to the extent indicated in

1 that Section 8 shall be the county), 9 (except as to the  
2 disposition of taxes and penalties collected, and except that  
3 the returned merchandise credit for this tax may not be taken  
4 against any State tax), 11, 12 (except the reference to Section  
5 2b of the Retailers' Occupation Tax Act), 13 (except that any  
6 reference to the State shall mean the county), 15, 16, 17, 18,  
7 19 and 20 of the Service Occupation Tax Act and Section 3-7 of  
8 the Uniform Penalty and Interest Act, as fully as if those  
9 provisions were set forth in this subsection.

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

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

26 Nothing in this paragraph shall be construed to authorize

1 the county to impose a tax upon the privilege of engaging in  
2 any business that under the Constitution of the United States  
3 may not be made the subject of taxation by the State.

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



1 Department and the State agency or State officer determine that  
2 this procedure will expedite the processing of applications for  
3 title or registration.

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

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

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

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

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

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

21 (h) When certifying the amount of a monthly disbursement to  
22 the county under this Section, the Department shall increase or  
23 decrease the amounts by an amount necessary to offset any  
24 miscalculation of previous disbursements. The offset amount  
25 shall be the amount erroneously disbursed within the previous 6  
26 months from the time a miscalculation is discovered.

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

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

4 Section 130. The Illinois Municipal Code is amended by  
5 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,  
6 8-11-1.7, 8-11-5, 8-11-6b and 11-74.3-6 as follows:

7 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

8 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
9 Act. The corporate authorities of a home rule municipality may  
10 impose a tax upon all persons engaged in the business of  
11 selling tangible personal property, other than an item of  
12 tangible personal property titled or registered with an agency  
13 of this State's government, at retail in the municipality on  
14 the gross receipts from these sales made in the course of such  
15 business. If imposed, the tax shall only be imposed in 1/4%  
16 increments. On and after September 1, 1991, this additional tax  
17 may not be imposed on the sales of tangible personal property  
18 taxed at the 1% rate under the Retailers' Occupation Tax Act,  
19 including but not limited to, food for human consumption that  
20 is to be consumed off the premises where it is sold (other than  
21 alcoholic beverages, soft drinks and food that has been  
22 prepared for immediate consumption) and prescription and  
23 nonprescription medicines, drugs, medical appliances, products  
24 classified as Class III medical devices by the United States

1 Food and Drug Administration that are used for cancer treatment  
2 pursuant to a prescription, as well as any accessories and  
3 components related to those devices, modifications to a motor  
4 vehicle for the purpose of rendering it usable by a person with  
5 a disability, and insulin, urine testing materials, syringes  
6 and needles used by diabetics, for human use. The tax imposed  
7 by a home rule municipality under this Section and all civil  
8 penalties that may be assessed as an incident of the tax shall  
9 be collected and enforced by the State Department of Revenue.  
10 The certificate of registration that is issued by the  
11 Department to a retailer under the Retailers' Occupation Tax  
12 Act shall permit the retailer to engage in a business that is  
13 taxable under any ordinance or resolution enacted pursuant to  
14 this Section without registering separately with the  
15 Department under such ordinance or resolution or under this  
16 Section. The Department shall have full power to administer and  
17 enforce this Section; to collect all taxes and penalties due  
18 hereunder; to dispose of taxes and penalties so collected in  
19 the manner hereinafter provided; and to determine all rights to  
20 credit memoranda arising on account of the erroneous payment of  
21 tax or penalty hereunder. In the administration of, and  
22 compliance with, this Section the Department and persons who  
23 are subject to this Section shall have the same rights,  
24 remedies, privileges, immunities, powers and duties, and be  
25 subject to the same conditions, restrictions, limitations,  
26 penalties and definitions of terms, and employ the same modes

1 of procedure, as are prescribed in Sections 1, 1a, 1d, 1e, 1f,  
2 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all  
3 provisions therein other than the State rate of tax), 2c, 3  
4 (except as to the disposition of taxes and penalties  
5 collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,  
6 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the  
7 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
8 Penalty and Interest Act, as fully as if those provisions were  
9 set forth herein.

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

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

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

1 tax fund.

2 The Department shall immediately pay over to the State  
3 Treasurer, ex officio, as trustee, all taxes and penalties  
4 collected hereunder.

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

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on or before the 25th day of each calendar month, the  
15 Department shall prepare and certify to the Comptroller the  
16 disbursement of stated sums of money to named municipalities,  
17 the municipalities to be those from which retailers have paid  
18 taxes or penalties hereunder to the Department during the  
19 second preceding calendar month. The amount to be paid to each  
20 municipality shall be the amount (not including credit  
21 memoranda) collected hereunder during the second preceding  
22 calendar month by the Department plus an amount the Department  
23 determines is necessary to offset any amounts that were  
24 erroneously paid to a different taxing body, and not including  
25 an amount equal to the amount of refunds made during the second  
26 preceding calendar month by the Department on behalf of such

1 municipality, and not including any amount that the Department  
2 determines is necessary to offset any amounts that were payable  
3 to a different taxing body but were erroneously paid to the  
4 municipality, and not including any amounts that are  
5 transferred to the STAR Bonds Revenue Fund. Within 10 days  
6 after receipt by the Comptroller of the disbursement  
7 certification to the municipalities provided for in this  
8 Section to be given to the Comptroller by the Department, the  
9 Comptroller shall cause the orders to be drawn for the  
10 respective amounts in accordance with the directions contained  
11 in the certification.

12 In addition to the disbursement required by the preceding  
13 paragraph and in order to mitigate delays caused by  
14 distribution procedures, an allocation shall, if requested, be  
15 made within 10 days after January 14, 1991, and in November of  
16 1991 and each year thereafter, to each municipality that  
17 received more than \$500,000 during the preceding fiscal year,  
18 (July 1 through June 30) whether collected by the municipality  
19 or disbursed by the Department as required by this Section.  
20 Within 10 days after January 14, 1991, participating  
21 municipalities shall notify the Department in writing of their  
22 intent to participate. In addition, for the initial  
23 distribution, participating municipalities shall certify to  
24 the Department the amounts collected by the municipality for  
25 each month under its home rule occupation and service  
26 occupation tax during the period July 1, 1989 through June 30,



1 1990. The allocation within 10 days after January 14, 1991,  
2 shall be in an amount equal to the monthly average of these  
3 amounts, excluding the 2 months of highest receipts. The  
4 monthly average for the period of July 1, 1990 through June 30,  
5 1991 will be determined as follows: the amounts collected by  
6 the municipality under its home rule occupation and service  
7 occupation tax during the period of July 1, 1990 through  
8 September 30, 1990, plus amounts collected by the Department  
9 and paid to such municipality through June 30, 1991, excluding  
10 the 2 months of highest receipts. The monthly average for each  
11 subsequent period of July 1 through June 30 shall be an amount  
12 equal to the monthly distribution made to each such  
13 municipality under the preceding paragraph during this period,  
14 excluding the 2 months of highest receipts. The distribution  
15 made in November 1991 and each year thereafter under this  
16 paragraph and the preceding paragraph shall be reduced by the  
17 amount allocated and disbursed under this paragraph in the  
18 preceding period of July 1 through June 30. The Department  
19 shall prepare and certify to the Comptroller for disbursement  
20 the allocations made in accordance with this paragraph.

21 For the purpose of determining the local governmental unit  
22 whose tax is applicable, a retail sale by a producer of coal or  
23 other mineral mined in Illinois is a sale at retail at the  
24 place where the coal or other mineral mined in Illinois is  
25 extracted from the earth. This paragraph does not apply to coal  
26 or other mineral when it is delivered or shipped by the seller

1 to the purchaser at a point outside Illinois so that the sale  
2 is exempt under the United States Constitution as a sale in  
3 interstate or foreign commerce.

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

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

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

19 When certifying the amount of a monthly disbursement to a  
20 municipality under this Section, the Department shall increase  
21 or decrease the amount by an amount necessary to offset any  
22 misallocation of previous disbursements. The offset amount  
23 shall be the amount erroneously disbursed within the previous 6  
24 months from the time a misallocation is discovered.

25 Any unobligated balance remaining in the Municipal  
26 Retailers' Occupation Tax Fund on December 31, 1989, which fund

1 was abolished by Public Act 85-1135, and all receipts of  
2 municipal tax as a result of audits of liability periods prior  
3 to January 1, 1990, shall be paid into the Local Government Tax  
4 Fund for distribution as provided by this Section prior to the  
5 enactment of Public Act 85-1135. All receipts of municipal tax  
6 as a result of an assessment not arising from an audit, for  
7 liability periods prior to January 1, 1990, shall be paid into  
8 the Local Government Tax Fund for distribution before July 1,  
9 1990, as provided by this Section prior to the enactment of  
10 Public Act 85-1135; and on and after July 1, 1990, all such  
11 receipts shall be distributed as provided in Section 6z-18 of  
12 the State Finance Act.

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

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

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

19 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

20 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
21 Occupation Tax Act. The corporate authorities of a non-home  
22 rule municipality may impose a tax upon all persons engaged in  
23 the business of selling tangible personal property, other than  
24 on an item of tangible personal property which is titled and  
25 registered by an agency of this State's Government, at retail

1 in the municipality for expenditure on public infrastructure or  
2 for property tax relief or both as defined in Section 8-11-1.2  
3 if approved by referendum as provided in Section 8-11-1.1, of  
4 the gross receipts from such sales made in the course of such  
5 business. If the tax is approved by referendum on or after July  
6 14, 2010 (the effective date of Public Act 96-1057), the  
7 corporate authorities of a non-home rule municipality may,  
8 until December 31, 2020, use the proceeds of the tax for  
9 expenditure on municipal operations, in addition to or in lieu  
10 of any expenditure on public infrastructure or for property tax  
11 relief. The tax imposed may not be more than 1% and may be  
12 imposed only in 1/4% increments. The tax may not be imposed on  
13 the sale of tangible personal property taxed at the 1% rate  
14 under the Retailers' Occupation Tax Act, including but not  
15 limited to, food for human consumption that is to be consumed  
16 off the premises where it is sold (other than alcoholic  
17 beverages, soft drinks, and food that has been prepared for  
18 immediate consumption) and prescription and nonprescription  
19 medicines, drugs, medical appliances, products classified as  
20 Class III medical devices by the United States Food and Drug  
21 Administration that are used for cancer treatment pursuant to a  
22 prescription, as well as any accessories and components related  
23 to those devices, modifications to a motor vehicle for the  
24 purpose of rendering it usable by a person with a disability,  
25 and insulin, urine testing materials, syringes, and needles  
26 used by diabetics, for human use. The tax imposed by a

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

1 the Uniform Penalty and Interest Act as fully as if those  
2 provisions were set forth herein.

3 No municipality may impose a tax under this Section unless  
4 the municipality also imposes a tax at the same rate under  
5 Section 8-11-1.4 of this Code.

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

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

21 The Department shall forthwith pay over to the State  
22 Treasurer, ex officio, as trustee, all taxes and penalties  
23 collected hereunder.

24 As soon as possible after the first day of each month,  
25 beginning January 1, 2011, upon certification of the Department  
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
2 local sales tax increment, as defined in the Innovation  
3 Development and Economy Act, collected under this Section  
4 during the second preceding calendar month for sales within a  
5 STAR bond district.

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



1 Section to be given to the Comptroller by the Department, the  
2 Comptroller shall cause the orders to be drawn for the  
3 respective amounts in accordance with the directions contained  
4 in such certification.

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

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

18 When certifying the amount of a monthly disbursement to a  
19 municipality under this Section, the Department shall increase  
20 or decrease such amount by an amount necessary to offset any  
21 misallocation of previous disbursements. The offset amount  
22 shall be the amount erroneously disbursed within the previous 6  
23 months from the time a misallocation is discovered.

24 The Department of Revenue shall implement this amendatory  
25 Act of the 91st General Assembly so as to collect the tax on  
26 and after January 1, 2002.

1           As used in this Section, "municipal" and "municipality"  
2 means a city, village or incorporated town, including an  
3 incorporated town which has superseded a civil township.

4           This Section shall be known and may be cited as the  
5 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

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

7           (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

8           Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation  
9 Tax Act. The corporate authorities of a non-home rule  
10 municipality may impose a tax upon all persons engaged, in such  
11 municipality, in the business of making sales of service for  
12 expenditure on public infrastructure or for property tax relief  
13 or both as defined in Section 8-11-1.2 if approved by  
14 referendum as provided in Section 8-11-1.1, of the selling  
15 price of all tangible personal property transferred by such  
16 servicemen either in the form of tangible personal property or  
17 in the form of real estate as an incident to a sale of service.  
18 If the tax is approved by referendum on or after July 14, 2010  
19 (the effective date of Public Act 96-1057), the corporate  
20 authorities of a non-home rule municipality may, until December  
21 31, 2020, use the proceeds of the tax for expenditure on  
22 municipal operations, in addition to or in lieu of any  
23 expenditure on public infrastructure or for property tax  
24 relief. The tax imposed may not be more than 1% and may be  
25 imposed only in 1/4% increments. The tax may not be imposed on

1 the sale of tangible personal property taxed at the 1% rate  
2 under the Service Occupation Tax Act, including but not limited  
3 to, food for human consumption that is to be consumed off the  
4 premises where it is sold (other than alcoholic beverages, soft  
5 drinks, and food that has been prepared for immediate  
6 consumption) and prescription and nonprescription medicines,  
7 drugs, medical appliances, products classified as Class III  
8 medical devices by the United States Food and Drug  
9 Administration that are used for cancer treatment pursuant to a  
10 prescription, as well as any accessories and components related  
11 to those devices, modifications to a motor vehicle for the  
12 purpose of rendering it usable by a person with a disability,  
13 and insulin, urine testing materials, syringes, and needles  
14 used by diabetics, for human use. The tax imposed by a  
15 municipality pursuant to this Section and all civil penalties  
16 that may be assessed as an incident thereof shall be collected  
17 and enforced by the State Department of Revenue. The  
18 certificate of registration which is issued by the Department  
19 to a retailer under the Retailers' Occupation Tax Act or under  
20 the Service Occupation Tax Act shall permit such registrant to  
21 engage in a business which is taxable under any ordinance or  
22 resolution enacted pursuant to this Section without  
23 registering separately with the Department under such  
24 ordinance or resolution or under this Section. The Department  
25 shall have full power to administer and enforce this Section;  
26 to collect all taxes and penalties due hereunder; to dispose of

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

25 No municipality may impose a tax under this Section unless  
26 the municipality also imposes a tax at the same rate under

1 Section 8-11-1.3 of this Code.

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

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

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

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

1 STAR bond district.

2 After the monthly transfer to the STAR Bonds Revenue Fund,  
3 on or before the 25th day of each calendar month, the  
4 Department shall prepare and certify to the Comptroller the  
5 disbursement of stated sums of money to named municipalities,  
6 the municipalities to be those from which suppliers and  
7 servicemen have paid taxes or penalties hereunder to the  
8 Department during the second preceding calendar month. The  
9 amount to be paid to each municipality shall be the amount (not  
10 including credit memoranda) collected hereunder during the  
11 second preceding calendar month by the Department, and not  
12 including an amount equal to the amount of refunds made during  
13 the second preceding calendar month by the Department on behalf  
14 of such municipality, and not including any amounts that are  
15 transferred to the STAR Bonds Revenue Fund. Within 10 days  
16 after receipt, by the Comptroller, of the disbursement  
17 certification to the municipalities and the General Revenue  
18 Fund, provided for in this Section to be given to the  
19 Comptroller by the Department, the Comptroller shall cause the  
20 orders to be drawn for the respective amounts in accordance  
21 with the directions contained in such certification.

22 The Department of Revenue shall implement this amendatory  
23 Act of the 91st General Assembly so as to collect the tax on  
24 and after January 1, 2002.

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

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

3 As used in this Section, "municipal" or "municipality"  
4 means or refers to a city, village or incorporated town,  
5 including an incorporated town which has superseded a civil  
6 township.

7 This Section shall be known and may be cited as the  
8 "Non-Home Rule Municipal Service Occupation Tax Act".

9 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;  
10 97-333, eff. 8-12-11; 97-837, eff. 7-20-12.)

11 (65 ILCS 5/8-11-1.6)

12 Sec. 8-11-1.6. Non-home rule municipal retailers'  
13 ~~retailers~~ occupation tax; municipalities between 20,000 and  
14 25,000. The corporate authorities of a non-home rule  
15 municipality with a population of more than 20,000 but less  
16 than 25,000 that has, prior to January 1, 1987, established a  
17 Redevelopment Project Area that has been certified as a State  
18 Sales Tax Boundary and has issued bonds or otherwise incurred  
19 indebtedness to pay for costs in excess of \$5,000,000, which is  
20 secured in part by a tax increment allocation fund, in  
21 accordance with the provisions of Division 11-74.4 of this Code  
22 may, by passage of an ordinance, impose a tax upon all persons  
23 engaged in the business of selling tangible personal property,  
24 other than on an item of tangible personal property that is  
25 titled and registered by an agency of this State's Government,

1 at retail in the municipality. This tax may not be imposed on  
2 the sales of tangible personal property taxed at the 1% rate  
3 under the Retailers' Occupation Tax Act, including but not  
4 limited to, food for human consumption that is to be consumed  
5 off the premises where it is sold (other than alcoholic  
6 beverages, soft drinks, and food that has been prepared for  
7 immediate consumption) and prescription and nonprescription  
8 medicines, drugs, medical appliances, products classified as  
9 Class III medical devices by the United States Food and Drug  
10 Administration that are used for cancer treatment pursuant to a  
11 prescription, as well as any accessories and components related  
12 to those devices, modifications to a motor vehicle for the  
13 purpose of rendering it usable by a person with a disability,  
14 and insulin, urine testing materials, syringes, and needles  
15 used by diabetics, for human use. If imposed, the tax shall  
16 only be imposed in .25% increments of the gross receipts from  
17 such sales made in the course of business. Any tax imposed by a  
18 municipality under this Section and all civil penalties that  
19 may be assessed as an incident thereof shall be collected and  
20 enforced by the State Department of Revenue. An ordinance  
21 imposing a tax hereunder or effecting a change in the rate  
22 thereof shall be adopted and a certified copy thereof filed  
23 with the Department on or before the first day of October,  
24 whereupon the Department shall proceed to administer and  
25 enforce this Section as of the first day of January next  
26 following such adoption and filing. The certificate of



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

26 A tax may not be imposed by a municipality under this

1 Section unless the municipality also imposes a tax at the same  
2 rate under Section 8-11-1.7 of this Act.

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

10 Whenever the Department determines that a refund should be  
11 made under this Section to a claimant, instead of issuing a  
12 credit memorandum, the Department shall notify the State  
13 Comptroller, who shall cause the order to be drawn for the  
14 amount specified, and to the person named in the notification  
15 from the Department. The refund shall be paid by the State  
16 Treasurer out of the Non-Home Rule Municipal Retailers'  
17 Occupation Tax Fund, which is hereby created.

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

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

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

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

1 in the certification.

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

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

15 When certifying the amount of a monthly disbursement to a  
16 municipality under this Section, the Department shall increase  
17 or decrease the amount by an amount necessary to offset any  
18 misallocation of previous disbursements. The offset amount  
19 shall be the amount erroneously disbursed within the previous 6  
20 months from the time a misallocation is discovered.

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

24 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

25 (65 ILCS 5/8-11-1.7)

1           Sec. 8-11-1.7. Non-home rule municipal service occupation  
2 tax; municipalities between 20,000 and 25,000. The corporate  
3 authorities of a non-home rule municipality with a population  
4 of more than 20,000 but less than 25,000 as determined by the  
5 last preceding decennial census that has, prior to January 1,  
6 1987, established a Redevelopment Project Area that has been  
7 certified as a State Sales Tax Boundary and has issued bonds or  
8 otherwise incurred indebtedness to pay for costs in excess of  
9 \$5,000,000, which is secured in part by a tax increment  
10 allocation fund, in accordance with the provisions of Division  
11 11-74.4 of this Code may, by passage of an ordinance, impose a  
12 tax upon all persons engaged in the municipality in the  
13 business of making sales of service. If imposed, the tax shall  
14 only be imposed in .25% increments of the selling price of all  
15 tangible personal property transferred by such servicemen  
16 either in the form of tangible personal property or in the form  
17 of real estate as an incident to a sale of service. This tax  
18 may not be imposed on the sales of tangible personal property  
19 taxed at the 1% rate under the Service Occupation Tax Act,  
20 including but not limited to, food for human consumption that  
21 is to be consumed off the premises where it is sold (other than  
22 alcoholic beverages, soft drinks, and food that has been  
23 prepared for immediate consumption) and prescription and  
24 nonprescription medicines, drugs, medical appliances, products  
25 classified as Class III medical devices by the United States  
26 Food and Drug Administration that are used for cancer treatment

1 pursuant to a prescription, as well as any accessories and  
2 components related to those devices, modifications to a motor  
3 vehicle for the purpose of rendering it usable by a person with  
4 a disability, and insulin, urine testing materials, syringes,  
5 and needles used by diabetics, for human use. The tax imposed  
6 by a municipality under this Sec. and all civil penalties that  
7 may be assessed as an incident thereof shall be collected and  
8 enforced by the State Department of Revenue. An ordinance  
9 imposing a tax hereunder or effecting a change in the rate  
10 thereof shall be adopted and a certified copy thereof filed  
11 with the Department on or before the first day of October,  
12 whereupon the Department shall proceed to administer and  
13 enforce this Section as of the first day of January next  
14 following such adoption and filing. The certificate of  
15 registration that is issued by the Department to a retailer  
16 under the Retailers' Occupation Tax Act or under the Service  
17 Occupation Tax Act shall permit the registrant to engage in a  
18 business that is taxable under any ordinance or resolution  
19 enacted under this Section without registering separately with  
20 the Department under the ordinance or resolution or under this  
21 Section. The Department shall have full power to administer and  
22 enforce this Section, to collect all taxes and penalties due  
23 hereunder, to dispose of taxes and penalties so collected in a  
24 manner hereinafter provided, and to determine all rights to  
25 credit memoranda arising on account of the erroneous payment of  
26 tax or penalty hereunder. In the administration of and

1 compliance with this Section, the Department and persons who  
2 are subject to this Section shall have the same rights,  
3 remedies, privileges, immunities, powers, and duties, and be  
4 subject to the same conditions, restrictions, limitations,  
5 penalties and definitions of terms, and employ the same modes  
6 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3  
7 through 3-50 (in respect to all provisions therein other than  
8 the State rate of tax), 4 (except that the reference to the  
9 State shall be to the taxing municipality), 5, 7, 8 (except  
10 that the jurisdiction to which the tax shall be a debt to the  
11 extent indicated in that Section 8 shall be the taxing  
12 municipality), 9 (except as to the disposition of taxes and  
13 penalties collected, and except that the returned merchandise  
14 credit for this municipal tax may not be taken against any  
15 State tax), 10, 11, 12, (except the reference therein to  
16 Section 2b of the Retailers' Occupation Tax Act), 13 (except  
17 that any reference to the State shall mean the taxing  
18 municipality), the first paragraph of Sections 15, 16, 17, 18,  
19 19, and 20 of the Service Occupation Tax Act and Section 3-7 of  
20 the Uniform Penalty and Interest Act, as fully as if those  
21 provisions were set forth herein.

22 A tax may not be imposed by a municipality under this  
23 Section unless the municipality also imposes a tax at the same  
24 rate under Section 8-11-1.6 of this Act.

25 Person subject to any tax imposed under the authority  
26 granted in this Section may reimburse themselves for their

1 servicemen's tax liability hereunder by separately stating the  
2 tax as an additional charge, which charge may be stated in  
3 combination, in a single amount, with State tax that servicemen  
4 are authorized to collect under the Service Use Tax Act, under  
5 such bracket schedules as the Department may prescribe.

6 Whenever the Department determines that a refund should be  
7 made under this Section to a claimant instead of issuing credit  
8 memorandum, the Department shall notify the State Comptroller,  
9 who shall cause the order to be drawn for the amount specified,  
10 and to the person named, in such notification from the  
11 Department. The refund shall be paid by the State Treasurer out  
12 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

13 The Department shall forthwith pay over to the State  
14 Treasurer, ex officio, as trustee, all taxes and penalties  
15 collected hereunder.

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

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



1 disbursement of stated sums of money to named municipalities,  
2 the municipalities to be those from which suppliers and  
3 servicemen have paid taxes or penalties hereunder to the  
4 Department during the second preceding calendar month. The  
5 amount to be paid to each municipality shall be the amount (not  
6 including credit memoranda) collected hereunder during the  
7 second preceding calendar month by the Department, and not  
8 including an amount equal to the amount of refunds made during  
9 the second preceding calendar month by the Department on behalf  
10 of such municipality, and not including any amounts that are  
11 transferred to the STAR Bonds Revenue Fund. Within 10 days  
12 after receipt by the Comptroller of the disbursement  
13 certification to the municipalities and the General Revenue  
14 Fund, provided for in this Section to be given to the  
15 Comptroller by the Department, the Comptroller shall cause the  
16 orders to be drawn for the respective amounts in accordance  
17 with the directions contained in the certification.

18 When certifying the amount of a monthly disbursement to a  
19 municipality under this Section, the Department shall increase  
20 or decrease the amount by an amount necessary to offset any  
21 misallocation of previous disbursements. The offset amount  
22 shall be the amount erroneously disbursed within the previous 6  
23 months from the time a misallocation is discovered.

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

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

2 (Source: P.A. 96-939, eff. 6-24-10; 97-813, eff. 7-13-12.)

3 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

4 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax  
5 Act. The corporate authorities of a home rule municipality may  
6 impose a tax upon all persons engaged, in such municipality, in  
7 the business of making sales of service at the same rate of tax  
8 imposed pursuant to Section 8-11-1, of the selling price of all  
9 tangible personal property transferred by such servicemen  
10 either in the form of tangible personal property or in the form  
11 of real estate as an incident to a sale of service. If imposed,  
12 such tax shall only be imposed in 1/4% increments. On and after  
13 September 1, 1991, this additional tax may not be imposed on  
14 the sales of tangible personal property taxed at the 1% rate  
15 under the Service Occupation Tax Act, including but not limited  
16 to, food for human consumption ~~that~~ ~~which~~ is to be consumed off  
17 the premises where it is sold (other than alcoholic beverages,  
18 soft drinks and food ~~that~~ ~~which~~ has been prepared for immediate  
19 consumption) and prescription and nonprescription medicines,  
20 drugs, medical appliances, products classified as Class III  
21 medical devices by the United States Food and Drug  
22 Administration that are used for cancer treatment pursuant to a  
23 prescription, as well as any accessories and components related  
24 to those devices, modifications to a motor vehicle for the  
25 purpose of rendering it usable by a person with a disability,

1 and insulin, urine testing materials, syringes and needles used  
2 by diabetics, for human use. The tax imposed by a home rule  
3 municipality pursuant to this Section and all civil penalties  
4 that may be assessed as an incident thereof shall be collected  
5 and enforced by the State Department of Revenue. The  
6 certificate of registration which is issued by the Department  
7 to a retailer under the Retailers' Occupation Tax Act or under  
8 the Service Occupation Tax Act shall permit such registrant to  
9 engage in a business which is taxable under any ordinance or  
10 resolution enacted pursuant to this Section without  
11 registering separately with the Department under such  
12 ordinance or resolution or under this Section. The Department  
13 shall have full power to administer and enforce this Section;  
14 to collect all taxes and penalties due hereunder; to dispose of  
15 taxes and penalties so collected in the manner hereinafter  
16 provided, and to determine all rights to credit memoranda  
17 arising on account of the erroneous payment of tax or penalty  
18 hereunder. In the administration of, and compliance with, this  
19 Section the Department and persons who are subject to this  
20 Section shall have the same rights, remedies, privileges,  
21 immunities, powers and duties, and be subject to the same  
22 conditions, restrictions, limitations, penalties and  
23 definitions of terms, and employ the same modes of procedure,  
24 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
25 respect to all provisions therein other than the State rate of  
26 tax), 4 (except that the reference to the State shall be to the

1 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
2 which the tax shall be a debt to the extent indicated in that  
3 Section 8 shall be the taxing municipality), 9 (except as to  
4 the disposition of taxes and penalties collected, and except  
5 that the returned merchandise credit for this municipal tax may  
6 not be taken against any State tax), 10, 11, 12 (except the  
7 reference therein to Section 2b of the Retailers' Occupation  
8 Tax Act), 13 (except that any reference to the State shall mean  
9 the taxing municipality), the first paragraph of Section 15,  
10 16, 17 (except that credit memoranda issued hereunder may not  
11 be used to discharge any State tax liability), 18, 19 and 20 of  
12 the Service Occupation Tax Act and Section 3-7 of the Uniform  
13 Penalty and Interest Act, as fully as if those provisions were  
14 set forth herein.

15 No tax may be imposed by a home rule municipality pursuant  
16 to this Section unless such municipality also imposes a tax at  
17 the same rate pursuant to Section 8-11-1 of this Act.

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

26 Whenever the Department determines that a refund should be

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

7 The Department shall forthwith pay over to the State  
8 Treasurer, ex-officio, as trustee, all taxes and penalties  
9 collected hereunder.

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

18 After the monthly transfer to the STAR Bonds Revenue Fund,  
19 on or before the 25th day of each calendar month, the  
20 Department shall prepare and certify to the Comptroller the  
21 disbursement of stated sums of money to named municipalities,  
22 the municipalities to be those from which suppliers and  
23 servicemen have paid taxes or penalties hereunder to the  
24 Department during the second preceding calendar month. The  
25 amount to be paid to each municipality shall be the amount (not  
26 including credit memoranda) collected hereunder during the

1 second preceding calendar month by the Department, and not  
2 including an amount equal to the amount of refunds made during  
3 the second preceding calendar month by the Department on behalf  
4 of such municipality, and not including any amounts that are  
5 transferred to the STAR Bonds Revenue Fund. Within 10 days  
6 after receipt, by the Comptroller, of the disbursement  
7 certification to the municipalities, provided for in this  
8 Section to be given to the Comptroller by the Department, the  
9 Comptroller shall cause the orders to be drawn for the  
10 respective amounts in accordance with the directions contained  
11 in such certification.

12 In addition to the disbursement required by the preceding  
13 paragraph and in order to mitigate delays caused by  
14 distribution procedures, an allocation shall, if requested, be  
15 made within 10 days after January 14, 1991, and in November of  
16 1991 and each year thereafter, to each municipality that  
17 received more than \$500,000 during the preceding fiscal year,  
18 (July 1 through June 30) whether collected by the municipality  
19 or disbursed by the Department as required by this Section.  
20 Within 10 days after January 14, 1991, participating  
21 municipalities shall notify the Department in writing of their  
22 intent to participate. In addition, for the initial  
23 distribution, participating municipalities shall certify to  
24 the Department the amounts collected by the municipality for  
25 each month under its home rule occupation and service  
26 occupation tax during the period July 1, 1989 through June 30,

1 1990. The allocation within 10 days after January 14, 1991,  
2 shall be in an amount equal to the monthly average of these  
3 amounts, excluding the 2 months of highest receipts. Monthly  
4 average for the period of July 1, 1990 through June 30, 1991  
5 will be determined as follows: the amounts collected by the  
6 municipality under its home rule occupation and service  
7 occupation tax during the period of July 1, 1990 through  
8 September 30, 1990, plus amounts collected by the Department  
9 and paid to such municipality through June 30, 1991, excluding  
10 the 2 months of highest receipts. The monthly average for each  
11 subsequent period of July 1 through June 30 shall be an amount  
12 equal to the monthly distribution made to each such  
13 municipality under the preceding paragraph during this period,  
14 excluding the 2 months of highest receipts. The distribution  
15 made in November 1991 and each year thereafter under this  
16 paragraph and the preceding paragraph shall be reduced by the  
17 amount allocated and disbursed under this paragraph in the  
18 preceding period of July 1 through June 30. The Department  
19 shall prepare and certify to the Comptroller for disbursement  
20 the allocations made in accordance with this paragraph.

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

25 An ordinance or resolution imposing or discontinuing a tax  
26 hereunder or effecting a change in the rate thereof shall be

1 adopted and a certified copy thereof filed with the Department  
2 on or before the first day of June, whereupon the Department  
3 shall proceed to administer and enforce this Section as of the  
4 first day of September next following such adoption and filing.  
5 Beginning January 1, 1992, an ordinance or resolution imposing  
6 or discontinuing the tax hereunder or effecting a change in the  
7 rate thereof shall be adopted and a certified copy thereof  
8 filed with the Department on or before the first day of July,  
9 whereupon the Department shall proceed to administer and  
10 enforce this Section as of the first day of October next  
11 following such adoption and filing. Beginning January 1, 1993,  
12 an ordinance or resolution imposing or discontinuing the tax  
13 hereunder or effecting a change in the rate thereof shall be  
14 adopted and a certified copy thereof filed with the Department  
15 on or before the first day of October, whereupon the Department  
16 shall proceed to administer and enforce this Section as of the  
17 first day of January next following such adoption and filing.  
18 However, a municipality located in a county with a population  
19 in excess of 3,000,000 that elected to become a home rule unit  
20 at the general primary election in 1994 may adopt an ordinance  
21 or resolution imposing the tax under this Section and file a  
22 certified copy of the ordinance or resolution with the  
23 Department on or before July 1, 1994. The Department shall then  
24 proceed to administer and enforce this Section as of October 1,  
25 1994. Beginning April 1, 1998, an ordinance or resolution  
26 imposing or discontinuing the tax hereunder or effecting a



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

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

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

1           This Section shall be known and may be cited as the Home  
2 Rule Municipal Service Occupation Tax Act.

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

4           (65 ILCS 5/8-11-6b)

5           Sec. 8-11-6b. Home rule soft drink taxes.

6           (a) Except as provided in Sections 8-11-1, 8-11-5 and  
7 8-11-6, or as provided in this Section, no home rule  
8 municipality has the authority to impose, pursuant to its home  
9 rule authority, a tax on the sale, purchase, or use of soft  
10 drinks regardless of whether the measure of the tax is selling  
11 price, purchase price, gross receipts, unit of volumetric  
12 measure, or any other measure. For purposes of this subsection,  
13 the term "soft drink" has the meaning set forth in Section 2-10  
14 of the Retailers' Occupation Tax Act, as may be amended from  
15 time to time, except that the term shall not be limited to  
16 drinks contained in a closed or sealed bottle, can, carton, or  
17 container. This Section is a denial and limitation, under  
18 subsection (g) of Section 6 of Article VII of the Illinois  
19 Constitution, on the power of home rule units to tax.

20           (b) The corporate authorities of a home rule municipality  
21 with a population in excess of 1,000,000 may impose a tax,  
22 which shall not take effect prior to April 1, 1994, upon all  
23 persons engaged in the business of selling soft drinks (other  
24 than fountain soft drinks) at retail in the municipality based  
25 on the gross receipts from those sales made in the course of

1 such business. If imposed, the tax shall only be in 1/4%  
2 increments and shall not exceed 3%. For purposes of this  
3 subsection, the term "soft drink" has the meaning set forth in  
4 Section 2-10 of the Retailers' Occupation Tax Act, as may be  
5 amended from time to time, except that the term shall not be  
6 limited to drinks contained in a closed or sealed bottle, can,  
7 carton or container; the term "fountain soft drinks" means soft  
8 drinks which are prepared by the retail seller of the soft  
9 drinks by mixing syrup or concentrate with water, by hand or  
10 through a soft drink dispensing machine, at or near the point  
11 and time of sale to the retail purchaser; and the term "soft  
12 drink dispensing machine" means a device which mixes soft drink  
13 syrup or concentrate with water and dispenses the mixture into  
14 an open container as a ready to drink soft drink.

15 The tax imposed under this subsection and all civil  
16 penalties that may be assessed as an incident to that tax shall  
17 be collected and enforced by the Illinois Department of  
18 Revenue. The Department shall have full power to administer and  
19 enforce this subsection, to collect all taxes and penalties so  
20 collected in the manner provided in this subsection, and to  
21 determine all rights to credit memoranda arising on account of  
22 the erroneous payment of tax or penalty under this subsection.  
23 In the administration of and compliance with this subsection,  
24 the Department and persons who are subject to this subsection  
25 shall have the same rights, remedies, privileges, immunities,  
26 powers and duties, shall be subject to the same conditions,

1 restrictions, limitations, penalties, exclusions, exemptions,  
2 and definitions of terms, and shall employ the same modes of  
3 procedure applicable to the Retailers' Occupation Tax as are  
4 prescribed in Sections 1, 2 through 2-65 (in respect to all  
5 provisions of those Sections other than the State rate of  
6 taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes  
7 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i,  
8 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13 and, until January 1,  
9 1994, 13.5 of the Retailers' Occupation Tax Act, and on and  
10 after January 1, 1994, all applicable provisions of the Uniform  
11 Penalty and Interest Act that are not inconsistent with this  
12 subsection, as fully as if provisions contained in those  
13 Sections of the Retailers' Occupation Tax Act were set forth in  
14 this subsection.

15 Persons subject to any tax imposed under the authority  
16 granted by this subsection may reimburse themselves for their  
17 seller's tax liability under this subsection by separately  
18 stating that tax as an additional charge, which charge may be  
19 stated in combination, in a single amount, with State taxes  
20 that sellers are required to collect under the Use Tax Act  
21 pursuant to bracket schedules as the Department may prescribe.  
22 The retailer filing the return shall, at the time of filing the  
23 return, pay to the Department the amount of tax imposed under  
24 this subsection, less the discount of 1.75%, which is allowed  
25 to reimburse the retailer for the expenses incurred in keeping  
26 records, preparing the filing returns, remitting the tax, and

1 supplying data to the Department on request.

2 Whenever the Department determines that a refund should be  
3 made under this subsection to a claimant instead of issuing a  
4 credit memoranda, the Department shall notify the State  
5 Comptroller, who shall cause a warrant to be drawn for the  
6 amount specified and to the person named in the notification  
7 from the Department. The refund shall be paid by the State  
8 Treasurer out of the Home Rule Municipal Soft Drink Retailers'  
9 Occupation Tax Fund.

10 The Department shall forthwith pay over to the State  
11 Treasurer, ex officio, as trustee, all taxes and penalties  
12 collected hereunder. On or before the 25th day of each calendar  
13 month, the Department shall prepare and certify to the  
14 Comptroller the amount to be paid to named municipalities, the  
15 municipalities to be those from which retailers have paid taxes  
16 or penalties hereunder to the Department during the second  
17 preceding calendar month. The amount to be paid to each  
18 municipality shall be the amount collected hereunder during the  
19 second preceding calendar month by the Department, less any  
20 amounts determined by the Department to be necessary for the  
21 payment of refunds, and less 4% for the first year the tax is  
22 in effect and 2% thereafter of such balance, which sum shall be  
23 transferred ~~deposited~~ by the State Treasurer into the Tax  
24 Compliance and Administration Fund in the State treasury from  
25 which it shall be appropriated to the Department to cover the  
26 costs of the Department in administering and enforcing the

1 provisions of this subsection. Within 10 days after receipt by  
2 the Comptroller of the certification, the Comptroller shall  
3 cause the orders to be drawn for the respective amount in  
4 accordance with the directions contained in such  
5 certification.

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

10 A certificate of registration issued by the Illinois  
11 Department of Revenue to a retailer under the Retailers'  
12 Occupation Tax Act shall permit the registrant to engage in a  
13 business that is taxed under the tax imposed under this  
14 subsection and no additional registration shall be required  
15 under the ordinance imposing a tax or under this subsection.

16 A certified copy of any ordinance imposing or discontinuing  
17 any tax under this subsection or effecting a change in the rate  
18 of that tax shall be filed with the Department, whereupon the  
19 Department shall proceed to administer and enforce this  
20 subsection on behalf of such municipality as of the first day  
21 of February following the date of filing. This tax shall be  
22 known and cited as the Home Rule Municipal Soft Drink  
23 Retailers' Occupation Tax.

24 (c) The corporate authorities of a home rule municipality  
25 with a population in excess of 1,000,000 may impose a tax,  
26 which shall not take effect prior to April 1, 1994, on persons

1 engaged in the business of selling fountain soft drinks at  
2 retail at a rate not to exceed 9% of the cost price of the  
3 fountain soft drinks at retail in such municipality. For  
4 purposes of this subsection, the term "soft drink" has the  
5 meaning set forth in Section 2-10 of the Retailers' Occupation  
6 Tax Act, as may be amended from time to time, except that the  
7 term shall not be limited to drinks contained in a closed or  
8 sealed bottle, can, carton, or container; the term "fountain  
9 soft drinks" means soft drinks which are prepared by the retail  
10 seller of the soft drinks by mixing soft drink syrup or  
11 concentrate with water, by hand or through a soft drink  
12 dispensing machine at or near the point and time of sale to the  
13 retail purchaser; the term "soft drink dispensing machine"  
14 means a device which mixes soft drink syrup or concentrate with  
15 water and dispenses such mixture into an open container as a  
16 ready to drink soft drink; the term "sold at retail" shall mean  
17 any transfer of the ownership or title to tangible personal  
18 property to a purchaser, for the purpose of use or consumption,  
19 and not for the purpose of resale, for valuable consideration;  
20 the term "cost price of the fountain soft drinks" means the  
21 consideration paid by the retail seller of the fountain soft  
22 drink, valued in money, whether paid in money or otherwise,  
23 including cash, credits and services, and shall be determined  
24 without any deduction on account of the supplier's cost of the  
25 property sold or on account or any other expenses incurred by  
26 the supplier, for the purchase of soft drink syrup or

1 concentrate which is designed to be further mixed with water  
2 before it is consumed as a soft drink; and the term "supplier"  
3 means any person who makes sales of soft drink syrup or  
4 concentrate to a retail seller of fountain soft drinks for  
5 purposes of resale as fountain soft drinks. The tax authorized  
6 by this subsection shall be collected, enforced, and  
7 administered by the municipality imposing the tax. Persons  
8 subject to the tax may reimburse themselves for their tax  
9 liability hereunder by separately stating an amount equal to  
10 the tax as an additional charge to their retail purchasers or  
11 may include such amount as part of the selling price of the  
12 soft drink. The municipality imposing the tax shall provide for  
13 its collection from the person subject to the tax by requiring  
14 that the supplier to the person subject to the tax collect and  
15 remit the tax to the municipality. If the supplier fails to  
16 collect the tax or if the person subject to the tax fails to  
17 pay the tax to its supplier, the person subject to the tax  
18 shall make the tax payment directly to the municipality.  
19 Payment of the tax by the retailer to the supplier shall  
20 relieve the retailer of any further liability for the tax.

21 (d) If either tax imposed or authorized by this Section  
22 8-11-6b is repealed by the General Assembly or has its maximum  
23 rate reduced by the General Assembly, or is declared unlawful  
24 or unconstitutional on its face by any court of competent  
25 jurisdiction after all appeals have been exhausted or the time  
26 to appeal has expired, then this Section 8-11-6b is



1 automatically repealed and no longer effective without further  
2 action by the General Assembly.

3 (e) Notwithstanding the preemption of taxes on the sale,  
4 purchase or use of soft drinks, taxes on the sale, purchase, or  
5 use of soft drinks which had been imposed by a municipality  
6 prior to the effective date of this amendatory Act of 1993 are  
7 specifically authorized under this Section for sales made on or  
8 after the effective date of this amendatory Act of 1993 through  
9 March 31, 1994.

10 (Source: P.A. 88-507.)

11 (65 ILCS 5/11-74.3-6)

12 Sec. 11-74.3-6. Business district revenue and obligations;  
13 business district tax allocation fund.

14 (a) If the corporate authorities of a municipality have  
15 approved a business district plan, have designated a business  
16 district, and have elected to impose a tax by ordinance  
17 pursuant to subsection (10) or (11) of Section 11-74.3-3, then  
18 each year after the date of the approval of the ordinance but  
19 terminating upon the date all business district project costs  
20 and all obligations paying or reimbursing business district  
21 project costs, if any, have been paid, but in no event later  
22 than the dissolution date, all amounts generated by the  
23 retailers' occupation tax and service occupation tax shall be  
24 collected and the tax shall be enforced by the Department of  
25 Revenue in the same manner as all retailers' occupation taxes

1 and service occupation taxes imposed in the municipality  
2 imposing the tax and all amounts generated by the hotel  
3 operators' occupation tax shall be collected and the tax shall  
4 be enforced by the municipality in the same manner as all hotel  
5 operators' occupation taxes imposed in the municipality  
6 imposing the tax. The corporate authorities of the municipality  
7 shall deposit the proceeds of the taxes imposed under  
8 subsections (10) and (11) of Section 11-74.3-3 into a special  
9 fund of the municipality called the "[Name of] Business  
10 District Tax Allocation Fund" for the purpose of paying or  
11 reimbursing business district project costs and obligations  
12 incurred in the payment of those costs.

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

1 that has been prepared for immediate consumption),  
2 prescription and nonprescription medicines, drugs, medical  
3 appliances products classified as Class III medical devices by  
4 the United States Food and Drug Administration that are used  
5 for cancer treatment pursuant to a prescription, as well as any  
6 accessories and components related to those devices,  
7 modifications to a motor vehicle for the purpose of rendering  
8 it usable by a person with a disability, and insulin, urine  
9 testing materials, syringes, and needles used by diabetics, for  
10 human use.

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

1 subsection shall have the same rights, remedies, privileges,  
2 immunities, powers and duties, and be subject to the same  
3 conditions, restrictions, limitations, penalties, exclusions,  
4 exemptions, and definitions of terms and employ the same modes  
5 of procedure, as are prescribed in Sections 1, 1a through 1o, 2  
6 through 2-65 (in respect to all provisions therein other than  
7 the State rate of tax), 2c through 2h, 3 (except as to the  
8 disposition of taxes and penalties collected), 4, 5, 5a, 5c,  
9 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,  
10 12, 13, and 14 of the Retailers' Occupation Tax Act and all  
11 provisions of the Uniform Penalty and Interest Act, as fully as  
12 if those provisions were set forth herein.

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

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

1 tax fund.

2 The Department shall immediately pay over to the State  
3 Treasurer, ex officio, as trustee, all taxes, penalties, and  
4 interest collected under this subsection for deposit into the  
5 business district retailers' occupation tax fund.

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

14 After the monthly transfer to the STAR Bonds Revenue Fund,  
15 on or before the 25th day of each calendar month, the  
16 Department shall prepare and certify to the Comptroller the  
17 disbursement of stated sums of money to named municipalities  
18 from the business district retailers' occupation tax fund, the  
19 municipalities to be those from which retailers have paid taxes  
20 or penalties under this subsection to the Department during the  
21 second preceding calendar month. The amount to be paid to each  
22 municipality shall be the amount (not including credit  
23 memoranda) collected under this subsection during the second  
24 preceding calendar month by the Department plus an amount the  
25 Department determines is necessary to offset any amounts that  
26 were erroneously paid to a different taxing body, and not

1 including an amount equal to the amount of refunds made during  
2 the second preceding calendar month by the Department, less 2%  
3 of that amount, which shall be transferred ~~deposited~~ into the  
4 Tax Compliance and Administration Fund and shall be used by the  
5 Department, subject to appropriation, to cover the costs of the  
6 Department in administering and enforcing the provisions of  
7 this subsection, on behalf of such municipality, and not  
8 including any amount that the Department determines is  
9 necessary to offset any amounts that were payable to a  
10 different taxing body but were erroneously paid to the  
11 municipality, and not including any amounts that are  
12 transferred to the STAR Bonds Revenue Fund. Within 10 days  
13 after receipt by the Comptroller of the disbursement  
14 certification to the municipalities provided for in this  
15 subsection to be given to the Comptroller by the Department,  
16 the Comptroller shall cause the orders to be drawn for the  
17 respective amounts in accordance with the directions contained  
18 in the certification. The proceeds of the tax paid to  
19 municipalities under this subsection shall be deposited into  
20 the Business District Tax Allocation Fund by the municipality.

21 An ordinance imposing or discontinuing the tax under this  
22 subsection or effecting a change in the rate thereof shall  
23 either (i) be adopted and a certified copy thereof filed with  
24 the Department on or before the first day of April, whereupon  
25 the Department, if all other requirements of this subsection  
26 are met, shall proceed to administer and enforce this

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

8       The Department of Revenue shall not administer or enforce  
9 an ordinance imposing, discontinuing, or changing the rate of  
10 the tax under this subsection, until the municipality also  
11 provides, in the manner prescribed by the Department, the  
12 boundaries of the business district and each address in the  
13 business district in such a way that the Department can  
14 determine by its address whether a business is located in the  
15 business district. The municipality must provide this boundary  
16 and address information to the Department on or before April 1  
17 for administration and enforcement of the tax under this  
18 subsection by the Department beginning on the following July 1  
19 and on or before October 1 for administration and enforcement  
20 of the tax under this subsection by the Department beginning on  
21 the following January 1. The Department of Revenue shall not  
22 administer or enforce any change made to the boundaries of a  
23 business district or address change, addition, or deletion  
24 until the municipality reports the boundary change or address  
25 change, addition, or deletion to the Department in the manner  
26 prescribed by the Department. The municipality must provide

1 this boundary change information or address change, addition,  
2 or deletion to the Department on or before April 1 for  
3 administration and enforcement by the Department of the change  
4 beginning on the following July 1 and on or before October 1  
5 for administration and enforcement by the Department of the  
6 change beginning on the following January 1. The retailers in  
7 the business district shall be responsible for charging the tax  
8 imposed under this subsection. If a retailer is incorrectly  
9 included or excluded from the list of those required to collect  
10 the tax under this subsection, both the Department of Revenue  
11 and the retailer shall be held harmless if they reasonably  
12 relied on information provided by the municipality.

13 A municipality that imposes the tax under this subsection  
14 must submit to the Department of Revenue any other information  
15 as the Department may require for the administration and  
16 enforcement of the tax.

17 When certifying the amount of a monthly disbursement to a  
18 municipality under this subsection, the Department shall  
19 increase or decrease the amount by an amount necessary to  
20 offset any misallocation of previous disbursements. The offset  
21 amount shall be the amount erroneously disbursed within the  
22 previous 6 months from the time a misallocation is discovered.

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



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

3           (c) If a tax has been imposed under subsection (b), a  
4 Business District Service Occupation Tax shall also be imposed  
5 upon all persons engaged, in the business district, in the  
6 business of making sales of service, who, as an incident to  
7 making those sales of service, transfer tangible personal  
8 property within the business district, either in the form of  
9 tangible personal property or in the form of real estate as an  
10 incident to a sale of service. The tax shall be imposed at the  
11 same rate as the tax imposed in subsection (b) and shall not  
12 exceed 1% of the selling price of tangible personal property so  
13 transferred within the business district, to be imposed only in  
14 0.25% increments. The tax may not be imposed on tangible  
15 personal property taxed at the 1% rate under the Service  
16 Occupation Tax Act, including but not limited to, food for  
17 human consumption that is to be consumed off the premises where  
18 it is sold (other than alcoholic beverages, soft drinks, and  
19 food that has been prepared for immediate consumption),  
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,  
25 modifications to a motor vehicle for the purpose of rendering  
26 it usable by a person with a disability, and insulin, urine

1 testing materials, syringes, and needles used by diabetics, for  
2 human use.

3 The tax imposed under this subsection and all civil  
4 penalties that may be assessed as an incident thereof shall be  
5 collected and enforced by the Department of Revenue. The  
6 certificate of registration which is issued by the Department  
7 to a retailer under the Retailers' Occupation Tax Act or under  
8 the Service Occupation Tax Act shall permit such registrant to  
9 engage in a business which is taxable under any ordinance or  
10 resolution enacted pursuant to this subsection without  
11 registering separately with the Department under such  
12 ordinance or resolution or under this subsection. The  
13 Department of Revenue shall have full power to administer and  
14 enforce this subsection; to collect all taxes and penalties due  
15 under this subsection; to dispose of taxes and penalties so  
16 collected in the manner hereinafter provided; and to determine  
17 all rights to credit memoranda arising on account of the  
18 erroneous payment of tax or penalty under this subsection. In  
19 the administration of, and compliance with this subsection, the  
20 Department and persons who are subject to this subsection shall  
21 have the same rights, remedies, privileges, immunities, powers  
22 and duties, and be subject to the same conditions,  
23 restrictions, limitations, penalties, exclusions, exemptions,  
24 and definitions of terms and employ the same modes of procedure  
25 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
26 (in respect to all provisions therein other than the State rate

1 of tax), 4 (except that the reference to the State shall be to  
2 the business district), 5, 7, 8 (except that the jurisdiction  
3 to which the tax shall be a debt to the extent indicated in  
4 that Section 8 shall be the municipality), 9 (except as to the  
5 disposition of taxes and penalties collected, and except that  
6 the returned merchandise credit for this tax may not be taken  
7 against any State tax), 10, 11, 12 (except the reference  
8 therein to Section 2b of the Retailers' Occupation Tax Act), 13  
9 (except that any reference to the State shall mean the  
10 municipality), the first paragraph of Section 15, and Sections  
11 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all  
12 provisions of the Uniform Penalty and Interest Act, as fully as  
13 if those provisions were set forth herein.

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

22 Whenever the Department determines that a refund should be  
23 made under this subsection to a claimant instead of issuing  
24 credit memorandum, the Department shall notify the State  
25 Comptroller, who shall cause the order to be drawn for the  
26 amount specified, and to the person named, in such notification

1 from the Department. Such refund shall be paid by the State  
2 Treasurer out of the business district retailers' occupation  
3 tax fund.

4 The Department shall forthwith pay over to the State  
5 Treasurer, ex-officio, as trustee, all taxes, penalties, and  
6 interest collected under this subsection for deposit into the  
7 business district retailers' occupation tax fund.

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

16 After the monthly transfer to the STAR Bonds Revenue Fund,  
17 on or before the 25th day of each calendar month, the  
18 Department shall prepare and certify to the Comptroller the  
19 disbursement of stated sums of money to named municipalities  
20 from the business district retailers' occupation tax fund, the  
21 municipalities to be those from which suppliers and servicemen  
22 have paid taxes or penalties under this subsection to the  
23 Department during the second preceding calendar month. The  
24 amount to be paid to each municipality shall be the amount (not  
25 including credit memoranda) collected under this subsection  
26 during the second preceding calendar month by the Department,

1 less 2% of that amount, which shall be transferred ~~deposited~~  
2 into the Tax Compliance and Administration Fund and shall be  
3 used by the Department, subject to appropriation, to cover the  
4 costs of the Department in administering and enforcing the  
5 provisions of this subsection, and not including an amount  
6 equal to the amount of refunds made during the second preceding  
7 calendar month by the Department on behalf of such  
8 municipality, and not including any amounts that are  
9 transferred to the STAR Bonds Revenue Fund. Within 10 days  
10 after receipt, by the Comptroller, of the disbursement  
11 certification to the municipalities, provided for in this  
12 subsection to be given to the Comptroller by the Department,  
13 the Comptroller shall cause the orders to be drawn for the  
14 respective amounts in accordance with the directions contained  
15 in such certification. The proceeds of the tax paid to  
16 municipalities under this subsection shall be deposited into  
17 the Business District Tax Allocation Fund by the municipality.

18 An ordinance imposing or discontinuing the tax under this  
19 subsection or effecting a change in the rate thereof shall  
20 either (i) be adopted and a certified copy thereof filed with  
21 the Department on or before the first day of April, whereupon  
22 the Department, if all other requirements of this subsection  
23 are met, shall proceed to administer and enforce this  
24 subsection as of the first day of July next following the  
25 adoption and filing; or (ii) be adopted and a certified copy  
26 thereof filed with the Department on or before the first day of

1 October, whereupon, if all other conditions of this subsection  
2 are met, the Department shall proceed to administer and enforce  
3 this subsection as of the first day of January next following  
4 the adoption and filing.

5 The Department of Revenue shall not administer or enforce  
6 an ordinance imposing, discontinuing, or changing the rate of  
7 the tax under this subsection, until the municipality also  
8 provides, in the manner prescribed by the Department, the  
9 boundaries of the business district in such a way that the  
10 Department can determine by its address whether a business is  
11 located in the business district. The municipality must provide  
12 this boundary and address information to the Department on or  
13 before April 1 for administration and enforcement of the tax  
14 under this subsection by the Department beginning on the  
15 following July 1 and on or before October 1 for administration  
16 and enforcement of the tax under this subsection by the  
17 Department beginning on the following January 1. The Department  
18 of Revenue shall not administer or enforce any change made to  
19 the boundaries of a business district or address change,  
20 addition, or deletion until the municipality reports the  
21 boundary change or address change, addition, or deletion to the  
22 Department in the manner prescribed by the Department. The  
23 municipality must provide this boundary change information or  
24 address change, addition, or deletion to the Department on or  
25 before April 1 for administration and enforcement by the  
26 Department of the change beginning on the following July 1 and

1 on or before October 1 for administration and enforcement by  
2 the Department of the change beginning on the following January  
3 1. The retailers in the business district shall be responsible  
4 for charging the tax imposed under this subsection. If a  
5 retailer is incorrectly included or excluded from the list of  
6 those required to collect the tax under this subsection, both  
7 the Department of Revenue and the retailer shall be held  
8 harmless if they reasonably relied on information provided by  
9 the municipality.

10 A municipality that imposes the tax under this subsection  
11 must submit to the Department of Revenue any other information  
12 as the Department may require for the administration and  
13 enforcement of the tax.

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

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

20 (d) By ordinance, a municipality that has designated a  
21 business district under this Law may impose an occupation tax  
22 upon all persons engaged in the business district in the  
23 business of renting, leasing, or letting rooms in a hotel, as  
24 defined in the Hotel Operators' Occupation Tax Act, at a rate  
25 not to exceed 1% of the gross rental receipts from the renting,  
26 leasing, or letting of hotel rooms within the business

1 district, to be imposed only in 0.25% increments, excluding,  
2 however, from gross rental receipts the proceeds of renting,  
3 leasing, or letting to permanent residents of a hotel, as  
4 defined in the Hotel Operators' Occupation Tax Act, and  
5 proceeds from the tax imposed under subsection (c) of Section  
6 13 of the Metropolitan Pier and Exposition Authority Act.

7 The tax imposed by the municipality under this subsection  
8 and all civil penalties that may be assessed as an incident to  
9 that tax shall be collected and enforced by the municipality  
10 imposing the tax. The municipality shall have full power to  
11 administer and enforce this subsection, to collect all taxes  
12 and penalties due under this subsection, to dispose of taxes  
13 and penalties so collected in the manner provided in this  
14 subsection, and to determine all rights to credit memoranda  
15 arising on account of the erroneous payment of tax or penalty  
16 under this subsection. In the administration of and compliance  
17 with this subsection, the municipality and persons who are  
18 subject to this subsection shall have the same rights,  
19 remedies, privileges, immunities, powers, and duties, shall be  
20 subject to the same conditions, restrictions, limitations,  
21 penalties, and definitions of terms, and shall employ the same  
22 modes of procedure as are employed with respect to a tax  
23 adopted by the municipality under Section 8-3-14 of this Code.

24 Persons subject to any tax imposed under the authority  
25 granted in this subsection may reimburse themselves for their  
26 tax liability for that tax by separately stating that tax as an



1 additional charge, which charge may be stated in combination,  
2 in a single amount, with State taxes imposed under the Hotel  
3 Operators' Occupation Tax Act, and with any other tax.

4 Nothing in this subsection shall be construed to authorize  
5 a municipality to impose a tax upon the privilege of engaging  
6 in any business which under the Constitution of the United  
7 States may not be made the subject of taxation by this State.

8 The proceeds of the tax imposed under this subsection shall  
9 be deposited into the Business District Tax Allocation Fund.

10 (e) Obligations secured by the Business District Tax  
11 Allocation Fund may be issued to provide for the payment or  
12 reimbursement of business district project costs. Those  
13 obligations, when so issued, shall be retired in the manner  
14 provided in the ordinance authorizing the issuance of those  
15 obligations by the receipts of taxes imposed pursuant to  
16 subsections (10) and (11) of Section 11-74.3-3 and by other  
17 revenue designated or pledged by the municipality. A  
18 municipality may in the ordinance pledge, for any period of  
19 time up to and including the dissolution date, all or any part  
20 of the funds in and to be deposited in the Business District  
21 Tax Allocation Fund to the payment of business district project  
22 costs and obligations. Whenever a municipality pledges all of  
23 the funds to the credit of a business district tax allocation  
24 fund to secure obligations issued or to be issued to pay or  
25 reimburse business district project costs, the municipality  
26 may specifically provide that funds remaining to the credit of

1 such business district tax allocation fund after the payment of  
2 such obligations shall be accounted for annually and shall be  
3 deemed to be "surplus" funds, and such "surplus" funds shall be  
4 expended by the municipality for any business district project  
5 cost as approved in the business district plan. Whenever a  
6 municipality pledges less than all of the monies to the credit  
7 of a business district tax allocation fund to secure  
8 obligations issued or to be issued to pay or reimburse business  
9 district project costs, the municipality shall provide that  
10 monies to the credit of the business district tax allocation  
11 fund and not subject to such pledge or otherwise encumbered or  
12 required for payment of contractual obligations for specific  
13 business district project costs shall be calculated annually  
14 and shall be deemed to be "surplus" funds, and such "surplus"  
15 funds shall be expended by the municipality for any business  
16 district project cost as approved in the business district  
17 plan.

18 No obligation issued pursuant to this Law and secured by a  
19 pledge of all or any portion of any revenues received or to be  
20 received by the municipality from the imposition of taxes  
21 pursuant to subsection (10) of Section 11-74.3-3, shall be  
22 deemed to constitute an economic incentive agreement under  
23 Section 8-11-20, notwithstanding the fact that such pledge  
24 provides for the sharing, rebate, or payment of retailers'  
25 occupation taxes or service occupation taxes imposed pursuant  
26 to subsection (10) of Section 11-74.3-3 and received or to be

1 received by the municipality from the development or  
2 redevelopment of properties in the business district.

3 Without limiting the foregoing in this Section, the  
4 municipality may further secure obligations secured by the  
5 business district tax allocation fund with a pledge, for a  
6 period not greater than the term of the obligations and in any  
7 case not longer than the dissolution date, of any part or any  
8 combination of the following: (i) net revenues of all or part  
9 of any business district project; (ii) taxes levied or imposed  
10 by the municipality on any or all property in the municipality,  
11 including, specifically, taxes levied or imposed by the  
12 municipality in a special service area pursuant to the Special  
13 Service Area Tax Law; (iii) the full faith and credit of the  
14 municipality; (iv) a mortgage on part or all of the business  
15 district project; or (v) any other taxes or anticipated  
16 receipts that the municipality may lawfully pledge.

17 Such obligations may be issued in one or more series, bear  
18 such date or dates, become due at such time or times as therein  
19 provided, but in any case not later than (i) 20 years after the  
20 date of issue or (ii) the dissolution date, whichever is  
21 earlier, bear interest payable at such intervals and at such  
22 rate or rates as set forth therein, except as may be limited by  
23 applicable law, which rate or rates may be fixed or variable,  
24 be in such denominations, be in such form, either coupon,  
25 registered, or book-entry, carry such conversion, registration  
26 and exchange privileges, be subject to defeasance upon such

1 terms, have such rank or priority, be executed in such manner,  
2 be payable in such medium or payment at such place or places  
3 within or without the State, make provision for a corporate  
4 trustee within or without the State with respect to such  
5 obligations, prescribe the rights, powers, and duties thereof  
6 to be exercised for the benefit of the municipality and the  
7 benefit of the owners of such obligations, provide for the  
8 holding in trust, investment, and use of moneys, funds, and  
9 accounts held under an ordinance, provide for assignment of and  
10 direct payment of the moneys to pay such obligations or to be  
11 deposited into such funds or accounts directly to such trustee,  
12 be subject to such terms of redemption with or without premium,  
13 and be sold at such price, all as the corporate authorities  
14 shall determine. No referendum approval of the electors shall  
15 be required as a condition to the issuance of obligations  
16 pursuant to this Law except as provided in this Section.

17 In the event the municipality authorizes the issuance of  
18 obligations pursuant to the authority of this Law secured by  
19 the full faith and credit of the municipality, or pledges ad  
20 valorem taxes pursuant to this subsection, which obligations  
21 are other than obligations which may be issued under home rule  
22 powers provided by Section 6 of Article VII of the Illinois  
23 Constitution or which ad valorem taxes are other than ad  
24 valorem taxes which may be pledged under home rule powers  
25 provided by Section 6 of Article VII of the Illinois  
26 Constitution or which are levied in a special service area

1 pursuant to the Special Service Area Tax Law, the ordinance  
2 authorizing the issuance of those obligations or pledging those  
3 taxes shall be published within 10 days after the ordinance has  
4 been adopted, in a newspaper having a general circulation  
5 within the municipality. The publication of the ordinance shall  
6 be accompanied by a notice of (i) the specific number of voters  
7 required to sign a petition requesting the question of the  
8 issuance of the obligations or pledging such ad valorem taxes  
9 to be submitted to the electors; (ii) the time within which the  
10 petition must be filed; and (iii) the date of the prospective  
11 referendum. The municipal clerk shall provide a petition form  
12 to any individual requesting one.

13 If no petition is filed with the municipal clerk, as  
14 hereinafter provided in this Section, within 21 days after the  
15 publication of the ordinance, the ordinance shall be in effect.  
16 However, if within that 21-day period a petition is filed with  
17 the municipal clerk, signed by electors numbering not less than  
18 15% of the number of electors voting for the mayor or president  
19 at the last general municipal election, asking that the  
20 question of issuing obligations using full faith and credit of  
21 the municipality as security for the cost of paying or  
22 reimbursing business district project costs, or of pledging  
23 such ad valorem taxes for the payment of those obligations, or  
24 both, be submitted to the electors of the municipality, the  
25 municipality shall not be authorized to issue obligations of  
26 the municipality using the full faith and credit of the

1 municipality as security or pledging such ad valorem taxes for  
2 the payment of those obligations, or both, until the  
3 proposition has been submitted to and approved by a majority of  
4 the voters voting on the proposition at a regularly scheduled  
5 election. The municipality shall certify the proposition to the  
6 proper election authorities for submission in accordance with  
7 the general election law.

8         The ordinance authorizing the obligations may provide that  
9 the obligations shall contain a recital that they are issued  
10 pursuant to this Law, which recital shall be conclusive  
11 evidence of their validity and of the regularity of their  
12 issuance.

13         In the event the municipality authorizes issuance of  
14 obligations pursuant to this Law secured by the full faith and  
15 credit of the municipality, the ordinance authorizing the  
16 obligations may provide for the levy and collection of a direct  
17 annual tax upon all taxable property within the municipality  
18 sufficient to pay the principal thereof and interest thereon as  
19 it matures, which levy may be in addition to and exclusive of  
20 the maximum of all other taxes authorized to be levied by the  
21 municipality, which levy, however, shall be abated to the  
22 extent that monies from other sources are available for payment  
23 of the obligations and the municipality certifies the amount of  
24 those monies available to the county clerk.

25         A certified copy of the ordinance shall be filed with the  
26 county clerk of each county in which any portion of the

1 municipality is situated, and shall constitute the authority  
2 for the extension and collection of the taxes to be deposited  
3 in the business district tax allocation fund.

4 A municipality may also issue its obligations to refund, in  
5 whole or in part, obligations theretofore issued by the  
6 municipality under the authority of this Law, whether at or  
7 prior to maturity. However, the last maturity of the refunding  
8 obligations shall not be expressed to mature later than the  
9 dissolution date.

10 In the event a municipality issues obligations under home  
11 rule powers or other legislative authority, the proceeds of  
12 which are pledged to pay or reimburse business district project  
13 costs, the municipality may, if it has followed the procedures  
14 in conformance with this Law, retire those obligations from  
15 funds in the business district tax allocation fund in amounts  
16 and in such manner as if those obligations had been issued  
17 pursuant to the provisions of this Law.

18 No obligations issued pursuant to this Law shall be  
19 regarded as indebtedness of the municipality issuing those  
20 obligations or any other taxing district for the purpose of any  
21 limitation imposed by law.

22 Obligations issued pursuant to this Law shall not be  
23 subject to the provisions of the Bond Authorization Act.

24 (f) When business district project costs, including,  
25 without limitation, all obligations paying or reimbursing  
26 business district project costs have been paid, any surplus

1 funds then remaining in the Business District Tax Allocation  
2 Fund shall be distributed to the municipal treasurer for  
3 deposit into the general corporate fund of the municipality.  
4 Upon payment of all business district project costs and  
5 retirement of all obligations paying or reimbursing business  
6 district project costs, but in no event more than 23 years  
7 after the date of adoption of the ordinance imposing taxes  
8 pursuant to subsection (10) or (11) of Section 11-74.3-3, the  
9 municipality shall adopt an ordinance immediately rescinding  
10 the taxes imposed pursuant to subsection (10) or (11) of  
11 Section 11-74.3-3.

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

13 Section 135. The Metropolitan Pier and Exposition  
14 Authority Act is amended by changing Section 13 as follows:

15 (70 ILCS 210/13) (from Ch. 85, par. 1233)

16 Sec. 13. Taxing power of Authority.(a) The Authority shall  
17 not have power to levy taxes for any purpose, except as  
18 provided in subsections (b), (c), (d), (e), and (f).

19 (b) By ordinance the Authority shall, as soon as  
20 practicable after the effective date of this amendatory Act of  
21 1991, impose a Metropolitan Pier and Exposition Authority  
22 Retailers' Occupation Tax upon all persons engaged in the  
23 business of selling tangible personal property at retail within  
24 the territory described in this subsection at the rate of 1.0%



1 of the gross receipts (i) from the sale of food, alcoholic  
2 beverages, and soft drinks sold for consumption on the premises  
3 where sold and (ii) from the sale of food, alcoholic beverages,  
4 and soft drinks sold for consumption off the premises where  
5 sold by a retailer whose principal source of gross receipts is  
6 from the sale of food, alcoholic beverages, and soft drinks  
7 prepared for immediate consumption.

8 The tax imposed under this subsection and all civil  
9 penalties that may be assessed as an incident to that tax shall  
10 be collected and enforced by the Illinois Department of  
11 Revenue. The Department shall have full power to administer and  
12 enforce this subsection, to collect all taxes and penalties so  
13 collected in the manner provided in this subsection, and to  
14 determine all rights to credit memoranda arising on account of  
15 the erroneous payment of tax or penalty under this subsection.  
16 In the administration of and compliance with this subsection,  
17 the Department and persons who are subject to this subsection  
18 shall have the same rights, remedies, privileges, immunities,  
19 powers, and duties, shall be subject to the same conditions,  
20 restrictions, limitations, penalties, exclusions, exemptions,  
21 and definitions of terms, and shall employ the same modes of  
22 procedure applicable to this Retailers' Occupation Tax as are  
23 prescribed in Sections 1, 2 through 2-65 (in respect to all  
24 provisions of those Sections other than the State rate of  
25 taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes  
26 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i,

1 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and, until January  
2 1, 1994, 13.5 of the Retailers' Occupation Tax Act, and, on and  
3 after January 1, 1994, all applicable provisions of the Uniform  
4 Penalty and Interest Act that are not inconsistent with this  
5 Act, as fully as if provisions contained in those Sections of  
6 the Retailers' Occupation Tax Act were set forth in this  
7 subsection.

8 Persons subject to any tax imposed under the authority  
9 granted in this subsection may reimburse themselves for their  
10 seller's tax liability under this subsection by separately  
11 stating that tax as an additional charge, which charge may be  
12 stated in combination, in a single amount, with State taxes  
13 that sellers are required to collect under the Use Tax Act,  
14 pursuant to bracket schedules as the Department may prescribe.  
15 The retailer filing the return shall, at the time of filing the  
16 return, pay to the Department the amount of tax imposed under  
17 this subsection, less a discount of 1.75%, which is allowed to  
18 reimburse the retailer for the expenses incurred in keeping  
19 records, preparing and filing returns, remitting the tax, and  
20 supplying data to the Department on request.

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

1 Treasurer out of the Metropolitan Pier and Exposition Authority  
2 trust fund held by the State Treasurer as trustee for the  
3 Authority.

4 Nothing in this subsection authorizes the Authority to  
5 impose a tax upon the privilege of engaging in any business  
6 that under the Constitution of the United States may not be  
7 made the subject of taxation by this State.

8 The Department shall forthwith pay over to the State  
9 Treasurer, ex officio, as trustee for the Authority, all taxes  
10 and penalties collected under this subsection for deposit into  
11 a trust fund held outside of the State Treasury.

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

20 After the monthly transfer to the STAR Bonds Revenue Fund,  
21 on or before the 25th day of each calendar month, the  
22 Department shall prepare and certify to the Comptroller the  
23 amounts to be paid under subsection (g) of this Section, which  
24 shall be the amounts, not including credit memoranda, collected  
25 under this subsection during the second preceding calendar  
26 month by the Department, less any amounts determined by the

1 Department to be necessary for the payment of refunds, less 2%  
2 of such balance, which sum shall be transferred ~~deposited~~ by  
3 the State Treasurer into the Tax Compliance and Administration  
4 Fund in the State Treasury from which it shall be appropriated  
5 to the Department to cover the costs of the Department in  
6 administering and enforcing the provisions of this subsection,  
7 and less any amounts that are transferred to the STAR Bonds  
8 Revenue Fund. Within 10 days after receipt by the Comptroller  
9 of the certification, the Comptroller shall cause the orders to  
10 be drawn for the remaining amounts, and the Treasurer shall  
11 administer those amounts as required in subsection (g).

12 A certificate of registration issued by the Illinois  
13 Department of Revenue to a retailer under the Retailers'  
14 Occupation Tax Act shall permit the registrant to engage in a  
15 business that is taxed under the tax imposed under this  
16 subsection, and no additional registration shall be required  
17 under the ordinance imposing the tax or under this subsection.

18 A certified copy of any ordinance imposing or discontinuing  
19 any tax under this subsection or effecting a change in the rate  
20 of that tax shall be filed with the Department, whereupon the  
21 Department shall proceed to administer and enforce this  
22 subsection on behalf of the Authority as of the first day of  
23 the third calendar month following the date of filing.

24 The tax authorized to be levied under this subsection may  
25 be levied within all or any part of the following described  
26 portions of the metropolitan area:

1           (1) that portion of the City of Chicago located within  
2           the following area: Beginning at the point of intersection  
3           of the Cook County - DuPage County line and York Road, then  
4           North along York Road to its intersection with Touhy  
5           Avenue, then east along Touhy Avenue to its intersection  
6           with the Northwest Tollway, then southeast along the  
7           Northwest Tollway to its intersection with Lee Street, then  
8           south along Lee Street to Higgins Road, then south and east  
9           along Higgins Road to its intersection with Mannheim Road,  
10          then south along Mannheim Road to its intersection with  
11          Irving Park Road, then west along Irving Park Road to its  
12          intersection with the Cook County - DuPage County line,  
13          then north and west along the county line to the point of  
14          beginning; and

15          (2) that portion of the City of Chicago located within  
16          the following area: Beginning at the intersection of West  
17          55th Street with Central Avenue, then east along West 55th  
18          Street to its intersection with South Cicero Avenue, then  
19          south along South Cicero Avenue to its intersection with  
20          West 63rd Street, then west along West 63rd Street to its  
21          intersection with South Central Avenue, then north along  
22          South Central Avenue to the point of beginning; and

23          (3) that portion of the City of Chicago located within  
24          the following area: Beginning at the point 150 feet west of  
25          the intersection of the west line of North Ashland Avenue  
26          and the north line of West Diversey Avenue, then north 150

1 feet, then east along a line 150 feet north of the north  
2 line of West Diversey Avenue extended to the shoreline of  
3 Lake Michigan, then following the shoreline of Lake  
4 Michigan (including Navy Pier and all other improvements  
5 fixed to land, docks, or piers) to the point where the  
6 shoreline of Lake Michigan and the Adlai E. Stevenson  
7 Expressway extended east to that shoreline intersect, then  
8 west along the Adlai E. Stevenson Expressway to a point 150  
9 feet west of the west line of South Ashland Avenue, then  
10 north along a line 150 feet west of the west line of South  
11 and North Ashland Avenue to the point of beginning.

12 The tax authorized to be levied under this subsection may  
13 also be levied on food, alcoholic beverages, and soft drinks  
14 sold on boats and other watercraft departing from and returning  
15 to the shoreline of Lake Michigan (including Navy Pier and all  
16 other improvements fixed to land, docks, or piers) described in  
17 item (3).

18 (c) By ordinance the Authority shall, as soon as  
19 practicable after the effective date of this amendatory Act of  
20 1991, impose an occupation tax upon all persons engaged in the  
21 corporate limits of the City of Chicago in the business of  
22 renting, leasing, or letting rooms in a hotel, as defined in  
23 the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of  
24 the gross rental receipts from the renting, leasing, or letting  
25 of hotel rooms within the City of Chicago, excluding, however,  
26 from gross rental receipts the proceeds of renting, leasing, or

1 letting to permanent residents of a hotel, as defined in that  
2 Act. Gross rental receipts shall not include charges that are  
3 added on account of the liability arising from any tax imposed  
4 by the State or any governmental agency on the occupation of  
5 renting, leasing, or letting rooms in a hotel.

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

1 prescribed in the Hotel Operators' Occupation Tax Act (except  
2 where that Act is inconsistent with this subsection), as fully  
3 as if the provisions contained in the Hotel Operators'  
4 Occupation Tax Act were set out in this subsection.

5 Whenever the Department determines that a refund should be  
6 made under this subsection to a claimant instead of issuing a  
7 credit memorandum, the Department shall notify the State  
8 Comptroller, who shall cause a warrant to be drawn for the  
9 amount specified and to the person named in the notification  
10 from the Department. The refund shall be paid by the State  
11 Treasurer out of the Metropolitan Pier and Exposition Authority  
12 trust fund held by the State Treasurer as trustee for the  
13 Authority.

14 Persons subject to any tax imposed under the authority  
15 granted in this subsection may reimburse themselves for their  
16 tax liability for that tax by separately stating that tax as an  
17 additional charge, which charge may be stated in combination,  
18 in a single amount, with State taxes imposed under the Hotel  
19 Operators' Occupation Tax Act, the municipal tax imposed under  
20 Section 8-3-13 of the Illinois Municipal Code, and the tax  
21 imposed under Section 19 of the Illinois Sports Facilities  
22 Authority Act.

23 The person filing the return shall, at the time of filing  
24 the return, pay to the Department the amount of tax, less a  
25 discount of 2.1% or \$25 per calendar year, whichever is  
26 greater, which is allowed to reimburse the operator for the



1 expenses incurred in keeping records, preparing and filing  
2 returns, remitting the tax, and supplying data to the  
3 Department on request.

4 The Department shall forthwith pay over to the State  
5 Treasurer, ex officio, as trustee for the Authority, all taxes  
6 and penalties collected under this subsection for deposit into  
7 a trust fund held outside the State Treasury. On or before the  
8 25th day of each calendar month, the Department shall certify  
9 to the Comptroller the amounts to be paid under subsection (g)  
10 of this Section, which shall be the amounts (not including  
11 credit memoranda) collected under this subsection during the  
12 second preceding calendar month by the Department, less any  
13 amounts determined by the Department to be necessary for  
14 payment of refunds. Within 10 days after receipt by the  
15 Comptroller of the Department's certification, the Comptroller  
16 shall cause the orders to be drawn for such amounts, and the  
17 Treasurer shall administer those amounts as required in  
18 subsection (g).

19 A certified copy of any ordinance imposing or discontinuing  
20 a tax under this subsection or effecting a change in the rate  
21 of that tax shall be filed with the Illinois Department of  
22 Revenue, whereupon the Department shall proceed to administer  
23 and enforce this subsection on behalf of the Authority as of  
24 the first day of the third calendar month following the date of  
25 filing.

26 (d) By ordinance the Authority shall, as soon as

1 practicable after the effective date of this amendatory Act of  
2 1991, impose a tax upon all persons engaged in the business of  
3 renting automobiles in the metropolitan area at the rate of 6%  
4 of the gross receipts from that business, except that no tax  
5 shall be imposed on the business of renting automobiles for use  
6 as taxicabs or in livery service. The tax imposed under this  
7 subsection and all civil penalties that may be assessed as an  
8 incident to that tax shall be collected and enforced by the  
9 Illinois Department of Revenue. The certificate of  
10 registration issued by the Department to a retailer under the  
11 Retailers' Occupation Tax Act or under the Automobile Renting  
12 Occupation and Use Tax Act shall permit that person to engage  
13 in a business that is taxable under any ordinance enacted under  
14 this subsection without registering separately with the  
15 Department under that ordinance or under this subsection. The  
16 Department shall have full power to administer and enforce this  
17 subsection, to collect all taxes and penalties due under this  
18 subsection, to dispose of taxes and penalties so collected in  
19 the manner provided in this subsection, and to determine all  
20 rights to credit memoranda arising on account of the erroneous  
21 payment of tax or penalty under this subsection. In the  
22 administration of and compliance with this subsection, the  
23 Department and persons who are subject to this subsection shall  
24 have the same rights, remedies, privileges, immunities,  
25 powers, and duties, be subject to the same conditions,  
26 restrictions, limitations, penalties, and definitions of

1 terms, and employ the same modes of procedure as are prescribed  
2 in Sections 2 and 3 (in respect to all provisions of those  
3 Sections other than the State rate of tax; and in respect to  
4 the provisions of the Retailers' Occupation Tax Act referred to  
5 in those Sections, except as to the disposition of taxes and  
6 penalties collected, except for the provision allowing  
7 retailers a deduction from the tax to cover certain costs, and  
8 except that credit memoranda issued under this subsection may  
9 not be used to discharge any State tax liability) of the  
10 Automobile Renting Occupation and Use Tax Act, as fully as if  
11 provisions contained in those Sections of that Act were set  
12 forth in this subsection.

13 Persons subject to any tax imposed under the authority  
14 granted in this subsection may reimburse themselves for their  
15 tax liability under this subsection by separately stating that  
16 tax as an additional charge, which charge may be stated in  
17 combination, in a single amount, with State tax that sellers  
18 are required to collect under the Automobile Renting Occupation  
19 and Use Tax Act, pursuant to bracket schedules as the  
20 Department may prescribe.

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

1 Treasurer out of the Metropolitan Pier and Exposition Authority  
2 trust fund held by the State Treasurer as trustee for the  
3 Authority.

4 The Department shall forthwith pay over to the State  
5 Treasurer, ex officio, as trustee, all taxes and penalties  
6 collected under this subsection for deposit into a trust fund  
7 held outside the State Treasury. On or before the 25th day of  
8 each calendar month, the Department shall certify to the  
9 Comptroller the amounts to be paid under subsection (g) of this  
10 Section (not including credit memoranda) collected under this  
11 subsection during the second preceding calendar month by the  
12 Department, less any amount determined by the Department to be  
13 necessary for payment of refunds. Within 10 days after receipt  
14 by the Comptroller of the Department's certification, the  
15 Comptroller shall cause the orders to be drawn for such  
16 amounts, and the Treasurer shall administer those amounts as  
17 required in subsection (g).

18 Nothing in this subsection authorizes the Authority to  
19 impose a tax upon the privilege of engaging in any business  
20 that under the Constitution of the United States may not be  
21 made the subject of taxation by this State.

22 A certified copy of any ordinance imposing or discontinuing  
23 a tax under this subsection or effecting a change in the rate  
24 of that tax shall be filed with the Illinois Department of  
25 Revenue, whereupon the Department shall proceed to administer  
26 and enforce this subsection on behalf of the Authority as of

1 the first day of the third calendar month following the date of  
2 filing.

3 (e) By ordinance the Authority shall, as soon as  
4 practicable after the effective date of this amendatory Act of  
5 1991, impose a tax upon the privilege of using in the  
6 metropolitan area an automobile that is rented from a rentor  
7 outside Illinois and is titled or registered with an agency of  
8 this State's government at a rate of 6% of the rental price of  
9 that automobile, except that no tax shall be imposed on the  
10 privilege of using automobiles rented for use as taxicabs or in  
11 livery service. The tax shall be collected from persons whose  
12 Illinois address for titling or registration purposes is given  
13 as being in the metropolitan area. The tax shall be collected  
14 by the Department of Revenue for the Authority. The tax must be  
15 paid to the State or an exemption determination must be  
16 obtained from the Department of Revenue before the title or  
17 certificate of registration for the property may be issued. The  
18 tax or proof of exemption may be transmitted to the Department  
19 by way of the State agency with which or State officer with  
20 whom the tangible personal property must be titled or  
21 registered if the Department and that agency or State officer  
22 determine that this procedure will expedite the processing of  
23 applications for title or registration.

24 The Department shall have full power to administer and  
25 enforce this subsection, to collect all taxes, penalties, and  
26 interest due under this subsection, to dispose of taxes,

1 penalties, and interest so collected in the manner provided in  
2 this subsection, and to determine all rights to credit  
3 memoranda or refunds arising on account of the erroneous  
4 payment of tax, penalty, or interest under this subsection. In  
5 the administration of and compliance with this subsection, the  
6 Department and persons who are subject to this subsection shall  
7 have the same rights, remedies, privileges, immunities,  
8 powers, and duties, be subject to the same conditions,  
9 restrictions, limitations, penalties, and definitions of  
10 terms, and employ the same modes of procedure as are prescribed  
11 in Sections 2 and 4 (except provisions pertaining to the State  
12 rate of tax; and in respect to the provisions of the Use Tax  
13 Act referred to in that Section, except provisions concerning  
14 collection or refunding of the tax by retailers, except the  
15 provisions of Section 19 pertaining to claims by retailers,  
16 except the last paragraph concerning refunds, and except that  
17 credit memoranda issued under this subsection may not be used  
18 to discharge any State tax liability) of the Automobile Renting  
19 Occupation and Use Tax Act, as fully as if provisions contained  
20 in those Sections of that Act were set forth in this  
21 subsection.

22 Whenever the Department determines that a refund should be  
23 made under this subsection to a claimant instead of issuing a  
24 credit memorandum, the Department shall notify the State  
25 Comptroller, who shall cause a warrant to be drawn for the  
26 amount specified and to the person named in the notification

1 from the Department. The refund shall be paid by the State  
2 Treasurer out of the Metropolitan Pier and Exposition Authority  
3 trust fund held by the State Treasurer as trustee for the  
4 Authority.

5 The Department shall forthwith pay over to the State  
6 Treasurer, ex officio, as trustee, all taxes, penalties, and  
7 interest collected under this subsection for deposit into a  
8 trust fund held outside the State Treasury. On or before the  
9 25th day of each calendar month, the Department shall certify  
10 to the State Comptroller the amounts to be paid under  
11 subsection (g) of this Section, which shall be the amounts (not  
12 including credit memoranda) collected under this subsection  
13 during the second preceding calendar month by the Department,  
14 less any amounts determined by the Department to be necessary  
15 for payment of refunds. Within 10 days after receipt by the  
16 State Comptroller of the Department's certification, the  
17 Comptroller shall cause the orders to be drawn for such  
18 amounts, and the Treasurer shall administer those amounts as  
19 required in subsection (g).

20 A certified copy of any ordinance imposing or discontinuing  
21 a tax or effecting a change in the rate of that tax shall be  
22 filed with the Illinois Department of Revenue, whereupon the  
23 Department shall proceed to administer and enforce this  
24 subsection on behalf of the Authority as of the first day of  
25 the third calendar month following the date of filing.

26 (f) By ordinance the Authority shall, as soon as

1 practicable after the effective date of this amendatory Act of  
2 1991, impose an occupation tax on all persons, other than a  
3 governmental agency, engaged in the business of providing  
4 ground transportation for hire to passengers in the  
5 metropolitan area at a rate of (i) \$4 per taxi or livery  
6 vehicle departure with passengers for hire from commercial  
7 service airports in the metropolitan area, (ii) for each  
8 departure with passengers for hire from a commercial service  
9 airport in the metropolitan area in a bus or van operated by a  
10 person other than a person described in item (iii): \$18 per bus  
11 or van with a capacity of 1-12 passengers, \$36 per bus or van  
12 with a capacity of 13-24 passengers, and \$54 per bus or van  
13 with a capacity of over 24 passengers, and (iii) for each  
14 departure with passengers for hire from a commercial service  
15 airport in the metropolitan area in a bus or van operated by a  
16 person regulated by the Interstate Commerce Commission or  
17 Illinois Commerce Commission, operating scheduled service from  
18 the airport, and charging fares on a per passenger basis: \$2  
19 per passenger for hire in each bus or van. The term "commercial  
20 service airports" means those airports receiving scheduled  
21 passenger service and enplaning more than 100,000 passengers  
22 per year.

23 In the ordinance imposing the tax, the Authority may  
24 provide for the administration and enforcement of the tax and  
25 the collection of the tax from persons subject to the tax as  
26 the Authority determines to be necessary or practicable for the



1 effective administration of the tax. The Authority may enter  
2 into agreements as it deems appropriate with any governmental  
3 agency providing for that agency to act as the Authority's  
4 agent to collect the tax.

5 In the ordinance imposing the tax, the Authority may  
6 designate a method or methods for persons subject to the tax to  
7 reimburse themselves for the tax liability arising under the  
8 ordinance (i) by separately stating the full amount of the tax  
9 liability as an additional charge to passengers departing the  
10 airports, (ii) by separately stating one-half of the tax  
11 liability as an additional charge to both passengers departing  
12 from and to passengers arriving at the airports, or (iii) by  
13 some other method determined by the Authority.

14 All taxes, penalties, and interest collected under any  
15 ordinance adopted under this subsection, less any amounts  
16 determined to be necessary for the payment of refunds and less  
17 the taxes, penalties, and interest attributable to any increase  
18 in the rate of tax authorized by Public Act 96-898, shall be  
19 paid forthwith to the State Treasurer, ex officio, for deposit  
20 into a trust fund held outside the State Treasury and shall be  
21 administered by the State Treasurer as provided in subsection  
22 (g) of this Section. All taxes, penalties, and interest  
23 attributable to any increase in the rate of tax authorized by  
24 Public Act 96-898 shall be paid by the State Treasurer as  
25 follows: 25% for deposit into the Convention Center Support  
26 Fund, to be used by the Village of Rosemont for the repair,

1 maintenance, and improvement of the Donald E. Stephens  
2 Convention Center and for debt service on debt instruments  
3 issued for those purposes by the village and 75% to the  
4 Authority to be used for grants to an organization meeting the  
5 qualifications set out in Section 5.6 of this Act, provided the  
6 Metropolitan Pier and Exposition Authority has entered into a  
7 marketing agreement with such an organization.

8 (g) Amounts deposited from the proceeds of taxes imposed by  
9 the Authority under subsections (b), (c), (d), (e), and (f) of  
10 this Section and amounts deposited under Section 19 of the  
11 Illinois Sports Facilities Authority Act shall be held in a  
12 trust fund outside the State Treasury and shall be administered  
13 by the Treasurer as follows:

14 (1) An amount necessary for the payment of refunds with  
15 respect to those taxes shall be retained in the trust fund  
16 and used for those payments.

17 (2) On July 20 and on the 20th of each month  
18 thereafter, provided that the amount requested in the  
19 annual certificate of the Chairman of the Authority filed  
20 under Section 8.25f of the State Finance Act has been  
21 appropriated for payment to the Authority, 1/8 of the local  
22 tax transfer amount, together with any cumulative  
23 deficiencies in the amounts transferred into the McCormick  
24 Place Expansion Project Fund under this subparagraph (2)  
25 during the fiscal year for which the certificate has been  
26 filed, shall be transferred from the trust fund into the

1 McCormick Place Expansion Project Fund in the State  
2 treasury until 100% of the local tax transfer amount has  
3 been so transferred. "Local tax transfer amount" shall mean  
4 the amount requested in the annual certificate, minus the  
5 reduction amount. "Reduction amount" shall mean \$41.7  
6 million in fiscal year 2011, \$36.7 million in fiscal year  
7 2012, \$36.7 million in fiscal year 2013, \$36.7 million in  
8 fiscal year 2014, and \$31.7 million in each fiscal year  
9 thereafter until 2032, provided that the reduction amount  
10 shall be reduced by (i) the amount certified by the  
11 Authority to the State Comptroller and State Treasurer  
12 under Section 8.25 of the State Finance Act, as amended,  
13 with respect to that fiscal year and (ii) in any fiscal  
14 year in which the amounts deposited in the trust fund under  
15 this Section exceed \$318.3 million, exclusive of amounts  
16 set aside for refunds and for the reserve account, one  
17 dollar for each dollar of the deposits in the trust fund  
18 above \$318.3 million with respect to that year, exclusive  
19 of amounts set aside for refunds and for the reserve  
20 account.

21 (3) On July 20, 2010, the Comptroller shall certify to  
22 the Governor, the Treasurer, and the Chairman of the  
23 Authority the 2010 deficiency amount, which means the  
24 cumulative amount of transfers that were due from the trust  
25 fund to the McCormick Place Expansion Project Fund in  
26 fiscal years 2008, 2009, and 2010 under Section 13(g) of

1       this Act, as it existed prior to May 27, 2010 (the  
2       effective date of Public Act 96-898), but not made. On July  
3       20, 2011 and on July 20 of each year through July 20, 2014,  
4       the Treasurer shall calculate for the previous fiscal year  
5       the surplus revenues in the trust fund and pay that amount  
6       to the Authority. On July 20, 2015 and on July 20 of each  
7       year thereafter, as long as bonds and notes issued under  
8       Section 13.2 or bonds and notes issued to refund those  
9       bonds and notes are outstanding, the Treasurer shall  
10      calculate for the previous fiscal year the surplus revenues  
11      in the trust fund and pay one-half of that amount to the  
12      State Treasurer for deposit into the General Revenue Fund  
13      until the 2010 deficiency amount has been paid and shall  
14      pay the balance of the surplus revenues to the Authority.  
15      "Surplus revenues" means the amounts remaining in the trust  
16      fund on June 30 of the previous fiscal year (A) after the  
17      State Treasurer has set aside in the trust fund (i) amounts  
18      retained for refunds under subparagraph (1) and (ii) any  
19      amounts necessary to meet the reserve account amount and  
20      (B) after the State Treasurer has transferred from the  
21      trust fund to the General Revenue Fund 100% of any  
22      post-2010 deficiency amount. "Reserve account amount"  
23      means \$15 million in fiscal year 2011 and \$30 million in  
24      each fiscal year thereafter. The reserve account amount  
25      shall be set aside in the trust fund and used as a reserve  
26      to be transferred to the McCormick Place Expansion Project

1 Fund in the event the proceeds of taxes imposed under this  
2 Section 13 are not sufficient to fund the transfer required  
3 in subparagraph (2). "Post-2010 deficiency amount" means  
4 any deficiency in transfers from the trust fund to the  
5 McCormick Place Expansion Project Fund with respect to  
6 fiscal years 2011 and thereafter. It is the intention of  
7 this subparagraph (3) that no surplus revenues shall be  
8 paid to the Authority with respect to any year in which a  
9 post-2010 deficiency amount has not been satisfied by the  
10 Authority.

11 Moneys received by the Authority as surplus revenues may be  
12 used (i) for the purposes of paying debt service on the bonds  
13 and notes issued by the Authority, including early redemption  
14 of those bonds or notes, (ii) for the purposes of repair,  
15 replacement, and improvement of the grounds, buildings, and  
16 facilities of the Authority, and (iii) for the corporate  
17 purposes of the Authority in fiscal years 2011 through 2015 in  
18 an amount not to exceed \$20,000,000 annually or \$80,000,000  
19 total, which amount shall be reduced \$0.75 for each dollar of  
20 the receipts of the Authority in that year from any contract  
21 entered into with respect to naming rights at McCormick Place  
22 under Section 5(m) of this Act. When bonds and notes issued  
23 under Section 13.2, or bonds or notes issued to refund those  
24 bonds and notes, are no longer outstanding, the balance in the  
25 trust fund shall be paid to the Authority.

26 (h) The ordinances imposing the taxes authorized by this

1 Section shall be repealed when bonds and notes issued under  
2 Section 13.2 or bonds and notes issued to refund those bonds  
3 and notes are no longer outstanding.

4 (Source: P.A. 97-333, eff. 8-12-11; 98-463, eff. 8-16-13.)

5 Section 140. The Flood Prevention District Act is amended  
6 by changing Section 25 as follows:

7 (70 ILCS 750/25)

8 Sec. 25. Flood prevention retailers' and service  
9 occupation taxes.

10 (a) If the Board of Commissioners of a flood prevention  
11 district determines that an emergency situation exists  
12 regarding levee repair or flood prevention, and upon an  
13 ordinance confirming the determination adopted by the  
14 affirmative vote of a majority of the members of the county  
15 board of the county in which the district is situated, the  
16 county may impose a flood prevention retailers' occupation tax  
17 upon all persons engaged in the business of selling tangible  
18 personal property at retail within the territory of the  
19 district to provide revenue to pay the costs of providing  
20 emergency levee repair and flood prevention and to secure the  
21 payment of bonds, notes, and other evidences of indebtedness  
22 issued under this Act for a period not to exceed 25 years or as  
23 required to repay the bonds, notes, and other evidences of  
24 indebtedness issued under this Act. The tax rate shall be 0.25%

1 of the gross receipts from all taxable sales made in the course  
2 of that business. The tax imposed under this Section and all  
3 civil penalties that may be assessed as an incident thereof  
4 shall be collected and enforced by the State Department of  
5 Revenue. The Department shall have full power to administer and  
6 enforce this Section; to collect all taxes and penalties so  
7 collected in the manner hereinafter provided; and to determine  
8 all rights to credit memoranda arising on account of the  
9 erroneous payment of tax or penalty hereunder.

10 In the administration of and compliance with this  
11 subsection, the Department and persons who are subject to this  
12 subsection (i) have the same rights, remedies, privileges,  
13 immunities, powers, and duties, (ii) are subject to the same  
14 conditions, restrictions, limitations, penalties, and  
15 definitions of terms, and (iii) shall employ the same modes of  
16 procedure as are set forth in Sections 1 through 10, 2 through  
17 2-70 (in respect to all provisions contained in those Sections  
18 other than the State rate of tax), 2a through 2h, 3 (except as  
19 to the disposition of taxes and penalties collected), 4, 5, 5a,  
20 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
21 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
22 and all provisions of the Uniform Penalty and Interest Act as  
23 if those provisions were set forth in this subsection.

24 Persons subject to any tax imposed under this Section may  
25 reimburse themselves for their seller's tax liability  
26 hereunder by separately stating the tax as an additional

1 charge, which charge may be stated in combination in a single  
2 amount with State taxes that sellers are required to collect  
3 under the Use Tax Act, under any bracket schedules the  
4 Department may prescribe.

5 If a tax is imposed under this subsection (a), a tax shall  
6 also be imposed under subsection (b) of this Section.

7 (b) If a tax has been imposed under subsection (a), a flood  
8 prevention service occupation tax shall also be imposed upon  
9 all persons engaged within the territory of the district in the  
10 business of making sales of service, who, as an incident to  
11 making the sales of service, transfer tangible personal  
12 property, either in the form of tangible personal property or  
13 in the form of real estate as an incident to a sale of service  
14 to provide revenue to pay the costs of providing emergency  
15 levee repair and flood prevention and to secure the payment of  
16 bonds, notes, and other evidences of indebtedness issued under  
17 this Act for a period not to exceed 25 years or as required to  
18 repay the bonds, notes, and other evidences of indebtedness.  
19 The tax rate shall be 0.25% of the selling price of all  
20 tangible personal property transferred.

21 The tax imposed under this subsection and all civil  
22 penalties that may be assessed as an incident thereof shall be  
23 collected and enforced by the State Department of Revenue. The  
24 Department shall have full power to administer and enforce this  
25 subsection; to collect all taxes and penalties due hereunder;  
26 to dispose of taxes and penalties collected in the manner



1 hereinafter provided; and to determine all rights to credit  
2 memoranda arising on account of the erroneous payment of tax or  
3 penalty hereunder.

4 In the administration of and compliance with this  
5 subsection, the Department and persons who are subject to this  
6 subsection shall (i) have the same rights, remedies,  
7 privileges, immunities, powers, and duties, (ii) be subject to  
8 the same conditions, restrictions, limitations, penalties, and  
9 definitions of terms, and (iii) employ the same modes of  
10 procedure as are set forth in Sections 2 (except that the  
11 reference to State in the definition of supplier maintaining a  
12 place of business in this State means the district), 2a through  
13 2d, 3 through 3-50 (in respect to all provisions contained in  
14 those Sections other than the State rate of tax), 4 (except  
15 that the reference to the State shall be to the district), 5,  
16 7, 8 (except that the jurisdiction to which the tax is a debt  
17 to the extent indicated in that Section 8 is the district), 9  
18 (except as to the disposition of taxes and penalties  
19 collected), 10, 11, 12 (except the reference therein to Section  
20 2b of the Retailers' Occupation Tax Act), 13 (except that any  
21 reference to the State means the district), Section 15, 16, 17,  
22 18, 19, and 20 of the Service Occupation Tax Act and all  
23 provisions of the Uniform Penalty and Interest Act, as fully as  
24 if those provisions were set forth herein.

25 Persons subject to any tax imposed under the authority  
26 granted in this subsection may reimburse themselves for their

1 serviceman's tax liability hereunder by separately stating the  
2 tax as an additional charge, that charge may be stated in  
3 combination in a single amount with State tax that servicemen  
4 are authorized to collect under the Service Use Tax Act, under  
5 any bracket schedules the Department may prescribe.

6 (c) The taxes imposed in subsections (a) and (b) may not be  
7 imposed on personal property titled or registered with an  
8 agency of the State. → The taxes imposed in subsections (a) and  
9 (b) may not be imposed on personal property taxed at the 1%  
10 rate under the Retailers' Occupation Tax Act, including but not  
11 limited to, food for human consumption that is to be consumed  
12 off the premises where it is sold (other than alcoholic  
13 beverages, soft drinks, and food that has been prepared for  
14 immediate consumption); prescription and non-prescription  
15 medicines, drugs, and medical appliances; products classified  
16 as Class III medical devices by the United States Food and Drug  
17 Administration that are used for cancer treatment pursuant to a  
18 prescription, as well as any accessories and components related  
19 to those devices; modifications to a motor vehicle for the  
20 purpose of rendering it usable by a person with a disability;  
21 or insulin, urine testing materials, and syringes and needles  
22 used by diabetics, for human use.

23 (d) Nothing in this Section shall be construed to authorize  
24 the district to impose a tax upon the privilege of engaging in  
25 any business that under the Constitution of the United States  
26 may not be made the subject of taxation by the State.

1 (e) The certificate of registration that is issued by the  
2 Department to a retailer under the Retailers' Occupation Tax  
3 Act or a serviceman under the Service Occupation Tax Act  
4 permits the retailer or serviceman to engage in a business that  
5 is taxable without registering separately with the Department  
6 under an ordinance or resolution under this Section.

7 (f) The Department shall immediately pay over to the State  
8 Treasurer, ex officio, as trustee, all taxes and penalties  
9 collected under this Section to be deposited into the Flood  
10 Prevention Occupation Tax Fund, which shall be an  
11 unappropriated trust fund held outside the State treasury.

12 On or before the 25th day of each calendar month, the  
13 Department shall prepare and certify to the Comptroller the  
14 disbursement of stated sums of money to the counties from which  
15 retailers or servicemen have paid taxes or penalties to the  
16 Department during the second preceding calendar month. The  
17 amount to be paid to each county is equal to the amount (not  
18 including credit memoranda) collected from the county under  
19 this Section during the second preceding calendar month by the  
20 Department, (i) less 2% of that amount, which shall be  
21 transferred ~~deposited~~ into the Tax Compliance and  
22 Administration Fund and shall be used by the Department in  
23 administering and enforcing the provisions of this Section on  
24 behalf of the county, (ii) plus an amount that the Department  
25 determines is necessary to offset any amounts that were  
26 erroneously paid to a different taxing body; (iii) less an

1 amount equal to the amount of refunds made during the second  
2 preceding calendar month by the Department on behalf of the  
3 county; and (iv) less any amount that the Department determines  
4 is necessary to offset any amounts that were payable to a  
5 different taxing body but were erroneously paid to the county.  
6 When certifying the amount of a monthly disbursement to a  
7 county under this Section, the Department shall increase or  
8 decrease the amounts by an amount necessary to offset any  
9 miscalculation of previous disbursements within the previous 6  
10 months from the time a miscalculation is discovered.

11 Within 10 days after receipt by the Comptroller from the  
12 Department of the disbursement certification to the counties  
13 provided for in this Section, the Comptroller shall cause the  
14 orders to be drawn for the respective amounts in accordance  
15 with directions contained in the certification.

16 If the Department determines that a refund should be made  
17 under this Section to a claimant instead of issuing a credit  
18 memorandum, then the Department shall notify the Comptroller,  
19 who shall cause the order to be drawn for the amount specified  
20 and to the person named in the notification from the  
21 Department. The refund shall be paid by the Treasurer out of  
22 the Flood Prevention Occupation Tax Fund.

23 (g) If a county imposes a tax under this Section, then the  
24 county board shall, by ordinance, discontinue the tax upon the  
25 payment of all indebtedness of the flood prevention district.  
26 The tax shall not be discontinued until all indebtedness of the

1 District has been paid.

2 (h) Any ordinance imposing the tax under this Section, or  
3 any ordinance that discontinues the tax, must be certified by  
4 the county clerk and filed with the Illinois Department of  
5 Revenue either (i) on or before the first day of April,  
6 whereupon the Department shall proceed to administer and  
7 enforce the tax or change in the rate as of the first day of  
8 July next following the filing; or (ii) on or before the first  
9 day of October, whereupon the Department shall proceed to  
10 administer and enforce the tax or change in the rate as of the  
11 first day of January next following the filing.

12 (j) County Flood Prevention Occupation Tax Fund. All  
13 proceeds received by a county from a tax distribution under  
14 this Section must be maintained in a special fund known as the  
15 [name of county] flood prevention occupation tax fund. The  
16 county shall, at the direction of the flood prevention  
17 district, use moneys in the fund to pay the costs of providing  
18 emergency levee repair and flood prevention and to pay bonds,  
19 notes, and other evidences of indebtedness issued under this  
20 Act.

21 (k) This Section may be cited as the Flood Prevention  
22 Occupation Tax Law.

23 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;  
24 99-642, eff. 7-28-16.)

25 Section 145. The Metro-East Park and Recreation District

1 Act is amended by changing Section 30 as follows:

2 (70 ILCS 1605/30)

3 Sec. 30. Taxes.

4 (a) The board shall impose a tax upon all persons engaged  
5 in the business of selling tangible personal property, other  
6 than personal property titled or registered with an agency of  
7 this State's government, at retail in the District on the gross  
8 receipts from the sales made in the course of business. This  
9 tax shall be imposed only at the rate of one-tenth of one per  
10 cent.

11 This additional tax may not be imposed on the sales of  
12 tangible personal property taxed at the 1% rate under the  
13 Retailers' Occupation Tax Act, including but not limited to,  
14 food for human consumption that is to be consumed off the  
15 premises where it is sold (other than alcoholic beverages, soft  
16 drinks, and food that ~~which~~ has been prepared for immediate  
17 consumption) and prescription and non-prescription medicines,  
18 drugs, medical appliances, products classified as Class III  
19 medical devices by the United States Food and Drug  
20 Administration that are used for cancer treatment pursuant to a  
21 prescription, as well as any accessories and components related  
22 to those devices, modifications to a motor vehicle for the  
23 purpose of rendering it usable by a person with a disability,  
24 and insulin, urine testing materials, syringes, and needles  
25 used by diabetics, for human use. The tax imposed by the Board

1 under this Section and all civil penalties that may be assessed  
2 as an incident of the tax shall be collected and enforced by  
3 the Department of Revenue. The certificate of registration that  
4 is issued by the Department to a retailer under the Retailers'  
5 Occupation Tax Act shall permit the retailer to engage in a  
6 business that is taxable without registering separately with  
7 the Department under an ordinance or resolution under this  
8 Section. The Department has full power to administer and  
9 enforce this Section, to collect all taxes and penalties due  
10 under this Section, to dispose of taxes and penalties so  
11 collected in the manner provided in this Section, and to  
12 determine all rights to credit memoranda arising on account of  
13 the erroneous payment of a tax or penalty under this Section.  
14 In the administration of and compliance with this Section, the  
15 Department and persons who are subject to this Section shall  
16 (i) have the same rights, remedies, privileges, immunities,  
17 powers, and duties, (ii) be subject to the same conditions,  
18 restrictions, limitations, penalties, and definitions of  
19 terms, and (iii) employ the same modes of procedure as are  
20 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
21 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained  
22 in those Sections other than the State rate of tax), 2-12, 2-15  
23 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to  
24 transaction returns and quarter monthly payments), 4, 5, 5a,  
25 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
26 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation

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

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

10 Whenever the Department determines that a refund should be  
11 made under this Section to a claimant instead of issuing a  
12 credit memorandum, the Department shall notify the State  
13 Comptroller, who shall cause the order to be drawn for the  
14 amount specified and to the person named in the notification  
15 from the Department. The refund shall be paid by the State  
16 Treasurer out of the State Metro-East Park and Recreation  
17 District Fund.

18 (b) If a tax has been imposed under subsection (a), a  
19 service occupation tax shall also be imposed at the same rate  
20 upon all persons engaged, in the District, in the business of  
21 making sales of service, who, as an incident to making those  
22 sales of service, transfer tangible personal property within  
23 the District as an incident to a sale of service. This tax may  
24 not be imposed on sales of tangible personal property taxed at  
25 the 1% rate under the Service Occupation Tax Act, including but  
26 not limited to, food for human consumption that is to be



1 consumed off the premises where it is sold (other than  
2 alcoholic beverages, soft drinks, and food that has been  
3 prepared for immediate consumption) and prescription and  
4 non-prescription medicines, drugs, medical appliances,  
5 products classified as Class III medical devices by the United  
6 States Food and Drug Administration that are used for cancer  
7 treatment pursuant to a prescription, as well as any  
8 accessories and components related to those devices,  
9 modifications to a motor vehicle for the purpose of rendering  
10 it usable by a person with a disability, and insulin, urine  
11 testing materials, syringes, and needles used by diabetics, for  
12 human use. The tax imposed under this subsection and all civil  
13 penalties that may be assessed as an incident thereof shall be  
14 collected and enforced by the Department of Revenue. The  
15 Department has full power to administer and enforce this  
16 subsection; to collect all taxes and penalties due hereunder;  
17 to dispose of taxes and penalties so collected in the manner  
18 hereinafter provided; and to determine all rights to credit  
19 memoranda arising on account of the erroneous payment of tax or  
20 penalty hereunder. In the administration of, and compliance  
21 with this subsection, the Department and persons who are  
22 subject to this paragraph shall (i) have the same rights,  
23 remedies, privileges, immunities, powers, and duties, (ii) be  
24 subject to the same conditions, restrictions, limitations,  
25 penalties, exclusions, exemptions, and definitions of terms,  
26 and (iii) employ the same modes of procedure as are prescribed

1 in Sections 2 (except that the reference to State in the  
2 definition of supplier maintaining a place of business in this  
3 State shall mean the District), 2a, 2b, 2c, 3 through 3-50 (in  
4 respect to all provisions therein other than the State rate of  
5 tax), 4 (except that the reference to the State shall be to the  
6 District), 5, 7, 8 (except that the jurisdiction to which the  
7 tax shall be a debt to the extent indicated in that Section 8  
8 shall be the District), 9 (except as to the disposition of  
9 taxes and penalties collected), 10, 11, 12 (except the  
10 reference therein to Section 2b of the Retailers' Occupation  
11 Tax Act), 13 (except that any reference to the State shall mean  
12 the District), Sections 15, 16, 17, 18, 19 and 20 of the  
13 Service Occupation Tax Act and the Uniform Penalty and Interest  
14 Act, as fully as if those provisions were set forth herein.

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

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

1 amount specified, and to the person named, in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the State Metro-East Park and Recreation  
4 District Fund.

5 Nothing in this subsection shall be construed to authorize  
6 the board to impose a tax upon the privilege of engaging in any  
7 business which under the Constitution of the United States may  
8 not be made the subject of taxation by the State.

9 (c) The Department shall immediately pay over to the State  
10 Treasurer, ex officio, as trustee, all taxes and penalties  
11 collected under this Section to be deposited into the State  
12 Metro-East Park and Recreation District Fund, which shall be an  
13 unappropriated trust fund held outside of the State treasury.

14 As soon as possible after the first day of each month,  
15 beginning January 1, 2011, upon certification of the Department  
16 of Revenue, the Comptroller shall order transferred, and the  
17 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
18 local sales tax increment, as defined in the Innovation  
19 Development and Economy Act, collected under this Section  
20 during the second preceding calendar month for sales within a  
21 STAR bond district. The Department shall make this  
22 certification only if the Metro East Park and Recreation  
23 District imposes a tax on real property as provided in the  
24 definition of "local sales taxes" under the Innovation  
25 Development and Economy Act.

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

1 on or before the 25th day of each calendar month, the  
2 Department shall prepare and certify to the Comptroller the  
3 disbursement of stated sums of money pursuant to Section 35 of  
4 this Act to the District from which retailers have paid taxes  
5 or penalties to the Department during the second preceding  
6 calendar month. The amount to be paid to the District shall be  
7 the amount (not including credit memoranda) collected under  
8 this Section during the second preceding calendar month by the  
9 Department plus an amount the Department determines is  
10 necessary to offset any amounts that were erroneously paid to a  
11 different taxing body, and not including (i) an amount equal to  
12 the amount of refunds made during the second preceding calendar  
13 month by the Department on behalf of the District, (ii) any  
14 amount that the Department determines is necessary to offset  
15 any amounts that were payable to a different taxing body but  
16 were erroneously paid to the District, and (iii) any amounts  
17 that are transferred to the STAR Bonds Revenue Fund. Within 10  
18 days after receipt by the Comptroller of the disbursement  
19 certification to the District provided for in this Section to  
20 be given to the Comptroller by the Department, the Comptroller  
21 shall cause the orders to be drawn for the respective amounts  
22 in accordance with directions contained in the certification.

23 (d) For the purpose of determining whether a tax authorized  
24 under this Section is applicable, a retail sale by a producer  
25 of coal or another mineral mined in Illinois is a sale at  
26 retail at the place where the coal or other mineral mined in

1 Illinois is extracted from the earth. This paragraph does not  
2 apply to coal or another mineral when it is delivered or  
3 shipped by the seller to the purchaser at a point outside  
4 Illinois so that the sale is exempt under the United States  
5 Constitution as a sale in interstate or foreign commerce.

6 (e) Nothing in this Section shall be construed to authorize  
7 the board to impose a tax upon the privilege of engaging in any  
8 business that under the Constitution of the United States may  
9 not be made the subject of taxation by this State.

10 (f) An ordinance imposing a tax under this Section or an  
11 ordinance extending the imposition of a tax to an additional  
12 county or counties shall be certified by the board and filed  
13 with the Department of Revenue either (i) on or before the  
14 first day of April, whereupon the Department shall proceed to  
15 administer and enforce the tax as of the first day of July next  
16 following the filing; or (ii) on or before the first day of  
17 October, whereupon the Department shall proceed to administer  
18 and enforce the tax as of the first day of January next  
19 following the filing.

20 (g) When certifying the amount of a monthly disbursement to  
21 the District under this Section, the Department shall increase  
22 or decrease the amounts by an amount necessary to offset any  
23 misallocation of previous disbursements. The offset amount  
24 shall be the amount erroneously disbursed within the previous 6  
25 months from the time a misallocation is discovered.

26 (Source: P.A. 98-1098, eff. 8-26-14; 99-217, eff. 7-31-15.)

1           Section 150. The Local Mass Transit District Act is amended  
2 by changing Section 5.01 as follows:

3           (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

4           Sec. 5.01. Metro East Mass Transit District; use and  
5 occupation taxes.

6           (a) The Board of Trustees of any Metro East Mass Transit  
7 District may, by ordinance adopted with the concurrence of  
8 two-thirds of the then trustees, impose throughout the District  
9 any or all of the taxes and fees provided in this Section. All  
10 taxes and fees imposed under this Section shall be used only  
11 for public mass transportation systems, and the amount used to  
12 provide mass transit service to unserved areas of the District  
13 shall be in the same proportion to the total proceeds as the  
14 number of persons residing in the unserved areas is to the  
15 total population of the District. Except as otherwise provided  
16 in this Act, taxes imposed under this Section and civil  
17 penalties imposed incident thereto shall be collected and  
18 enforced by the State Department of Revenue. The Department  
19 shall have the power to administer and enforce the taxes and to  
20 determine all rights for refunds for erroneous payments of the  
21 taxes.

22           (b) The Board may impose a Metro East Mass Transit District  
23 Retailers' Occupation Tax upon all persons engaged in the  
24 business of selling tangible personal property at retail in the

1 district at a rate of 1/4 of 1%, or as authorized under  
2 subsection (d-5) of this Section, of the gross receipts from  
3 the sales made in the course of such business within the  
4 district. The tax imposed under this Section and all civil  
5 penalties that may be assessed as an incident thereof shall be  
6 collected and enforced by the State Department of Revenue. The  
7 Department shall have full power to administer and enforce this  
8 Section; to collect all taxes and penalties so collected in the  
9 manner hereinafter provided; and to determine all rights to  
10 credit memoranda arising on account of the erroneous payment of  
11 tax or penalty hereunder. In the administration of, and  
12 compliance with, this Section, the Department and persons who  
13 are subject to this Section shall have the same rights,  
14 remedies, privileges, immunities, powers and duties, and be  
15 subject to the same conditions, restrictions, limitations,  
16 penalties, exclusions, exemptions and definitions of terms and  
17 employ the same modes of procedure, as are prescribed in  
18 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65  
19 (in respect to all provisions therein other than the State rate  
20 of tax), 2c, 3 (except as to the disposition of taxes and  
21 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,  
22 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of  
23 the Retailers' Occupation Tax Act and Section 3-7 of the  
24 Uniform Penalty and Interest Act, as fully as if those  
25 provisions were set forth herein.

26 Persons subject to any tax imposed under the Section may

1 reimburse themselves for their seller's tax liability  
2 hereunder by separately stating the tax as an additional  
3 charge, which charge may be stated in combination, in a single  
4 amount, with State taxes that sellers are required to collect  
5 under the Use Tax Act, in accordance with such bracket  
6 schedules as the Department may prescribe.

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

15 If a tax is imposed under this subsection (b), a tax shall  
16 also be imposed under subsections (c) and (d) of this Section.

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

26 No tax shall be imposed or collected under this subsection



1 on the sale of a motor vehicle in this State to a resident of  
2 another state if that motor vehicle will not be titled in this  
3 State.

4 Nothing in this Section shall be construed to authorize the  
5 Metro East Mass Transit District to impose a tax upon the  
6 privilege of engaging in any business which under the  
7 Constitution of the United States may not be made the subject  
8 of taxation by this State.

9 (c) If a tax has been imposed under subsection (b), a Metro  
10 East Mass Transit District Service Occupation Tax shall also be  
11 imposed upon all persons engaged, in the district, in the  
12 business of making sales of service, who, as an incident to  
13 making those sales of service, transfer tangible personal  
14 property within the District, either in the form of tangible  
15 personal property or in the form of real estate as an incident  
16 to a sale of service. The tax rate shall be 1/4%, or as  
17 authorized under subsection (d-5) of this Section, of the  
18 selling price of tangible personal property so transferred  
19 within the district. The tax imposed under this paragraph and  
20 all civil penalties that may be assessed as an incident thereof  
21 shall be collected and enforced by the State Department of  
22 Revenue. The Department shall have full power to administer and  
23 enforce this paragraph; to collect all taxes and penalties due  
24 hereunder; to dispose of taxes and penalties so collected in  
25 the manner hereinafter provided; and to determine all rights to  
26 credit memoranda arising on account of the erroneous payment of

1 tax or penalty hereunder. In the administration of, and  
2 compliance with this paragraph, the Department and persons who  
3 are subject to this paragraph shall have the same rights,  
4 remedies, privileges, immunities, powers and duties, and be  
5 subject to the same conditions, restrictions, limitations,  
6 penalties, exclusions, exemptions and definitions of terms and  
7 employ the same modes of procedure as are prescribed in  
8 Sections 1a-1, 2 (except that the reference to State in the  
9 definition of supplier maintaining a place of business in this  
10 State shall mean the Authority), 2a, 3 through 3-50 (in respect  
11 to all provisions therein other than the State rate of tax), 4  
12 (except that the reference to the State shall be to the  
13 Authority), 5, 7, 8 (except that the jurisdiction to which the  
14 tax shall be a debt to the extent indicated in that Section 8  
15 shall be the District), 9 (except as to the disposition of  
16 taxes and penalties collected, and except that the returned  
17 merchandise credit for this tax may not be taken against any  
18 State tax), 10, 11, 12 (except the reference therein to Section  
19 2b of the Retailers' Occupation Tax Act), 13 (except that any  
20 reference to the State shall mean the District), the first  
21 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service  
22 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
23 Interest Act, as fully as if those provisions were set forth  
24 herein.

25 Persons subject to any tax imposed under the authority  
26 granted in this paragraph may reimburse themselves for their

1 serviceman's tax liability hereunder by separately stating the  
2 tax as an additional charge, which charge may be stated in  
3 combination, in a single amount, with State tax that servicemen  
4 are authorized to collect under the Service Use Tax Act, in  
5 accordance with such bracket schedules as the Department may  
6 prescribe.

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

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

19 (d) If a tax has been imposed under subsection (b), a Metro  
20 East Mass Transit District Use Tax shall also be imposed upon  
21 the privilege of using, in the district, any item of tangible  
22 personal property that is purchased outside the district at  
23 retail from a retailer, and that is titled or registered with  
24 an agency of this State's government, at a rate of 1/4%, or as  
25 authorized under subsection (d-5) of this Section, of the  
26 selling price of the tangible personal property within the

1 District, as "selling price" is defined in the Use Tax Act. The  
2 tax shall be collected from persons whose Illinois address for  
3 titling or registration purposes is given as being in the  
4 District. The tax shall be collected by the Department of  
5 Revenue for the Metro East Mass Transit District. The tax must  
6 be paid to the State, or an exemption determination must be  
7 obtained from the Department of Revenue, before the title or  
8 certificate of registration for the property may be issued. The  
9 tax or proof of exemption may be transmitted to the Department  
10 by way of the State agency with which, or the State officer  
11 with whom, the tangible personal property must be titled or  
12 registered if the Department and the State agency or State  
13 officer determine that this procedure will expedite the  
14 processing of applications for title or registration.

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

1 of procedure, as are prescribed in Sections 2 (except the  
2 definition of "retailer maintaining a place of business in this  
3 State"), 3 through 3-80 (except provisions pertaining to the  
4 State rate of tax, and except provisions concerning collection  
5 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
6 19 (except the portions pertaining to claims by retailers and  
7 except the last paragraph concerning refunds), 20, 21 and 22 of  
8 the Use Tax Act and Section 3-7 of the Uniform Penalty and  
9 Interest Act, that are not inconsistent with this paragraph, as  
10 fully as if those provisions were set forth herein.

11 Whenever the Department determines that a refund should be  
12 made under this paragraph to a claimant instead of issuing a  
13 credit memorandum, the Department shall notify the State  
14 Comptroller, who shall cause the order to be drawn for the  
15 amount specified, and to the person named, in the notification  
16 from the Department. The refund shall be paid by the State  
17 Treasurer out of the Metro East Mass Transit District tax fund  
18 established under paragraph (h) of this Section.

19 (d-5) (A) The county board of any county participating in  
20 the Metro East Mass Transit District may authorize, by  
21 ordinance, a referendum on the question of whether the tax  
22 rates for the Metro East Mass Transit District Retailers'  
23 Occupation Tax, the Metro East Mass Transit District Service  
24 Occupation Tax, and the Metro East Mass Transit District Use  
25 Tax for the District should be increased from 0.25% to 0.75%.  
26 Upon adopting the ordinance, the county board shall certify the

1 proposition to the proper election officials who shall submit  
2 the proposition to the voters of the District at the next  
3 election, in accordance with the general election law.

4 The proposition shall be in substantially the following  
5 form:

6 Shall the tax rates for the Metro East Mass Transit  
7 District Retailers' Occupation Tax, the Metro East Mass  
8 Transit District Service Occupation Tax, and the Metro East  
9 Mass Transit District Use Tax be increased from 0.25% to  
10 0.75%?

11 (B) Two thousand five hundred electors of any Metro East  
12 Mass Transit District may petition the Chief Judge of the  
13 Circuit Court, or any judge of that Circuit designated by the  
14 Chief Judge, in which that District is located to cause to be  
15 submitted to a vote of the electors the question whether the  
16 tax rates for the Metro East Mass Transit District Retailers'  
17 Occupation Tax, the Metro East Mass Transit District Service  
18 Occupation Tax, and the Metro East Mass Transit District Use  
19 Tax for the District should be increased from 0.25% to 0.75%.

20 Upon submission of such petition the court shall set a date  
21 not less than 10 nor more than 30 days thereafter for a hearing  
22 on the sufficiency thereof. Notice of the filing of such  
23 petition and of such date shall be given in writing to the  
24 District and the County Clerk at least 7 days before the date  
25 of such hearing.

26 If such petition is found sufficient, the court shall enter

1 an order to submit that proposition at the next election, in  
2 accordance with general election law.

3 The form of the petition shall be in substantially the  
4 following form: To the Circuit Court of the County of (name of  
5 county):

6 We, the undersigned electors of the (name of transit  
7 district), respectfully petition your honor to submit to a  
8 vote of the electors of (name of transit district) the  
9 following proposition:

10 Shall the tax rates for the Metro East Mass Transit  
11 District Retailers' Occupation Tax, the Metro East Mass  
12 Transit District Service Occupation Tax, and the Metro East  
13 Mass Transit District Use Tax be increased from 0.25% to  
14 0.75%?

15 Name Address, with Street and Number.

16 .....  
17 .....

18 (C) The votes shall be recorded as "YES" or "NO". If a  
19 majority of all votes cast on the proposition are for the  
20 increase in the tax rates, the Metro East Mass Transit District  
21 shall begin imposing the increased rates in the District, and  
22 the Department of Revenue shall begin collecting the increased  
23 amounts, as provided under this Section. An ordinance imposing  
24 or discontinuing a tax hereunder or effecting a change in the  
25 rate thereof shall be adopted and a certified copy thereof  
26 filed with the Department on or before the first day of

1     October, whereupon the Department shall proceed to administer  
2     and enforce this Section as of the first day of January next  
3     following the adoption and filing, or on or before the first  
4     day of April, whereupon the Department shall proceed to  
5     administer and enforce this Section as of the first day of July  
6     next following the adoption and filing.

7             (D) If the voters have approved a referendum under this  
8     subsection, before November 1, 1994, to increase the tax rate  
9     under this subsection, the Metro East Mass Transit District  
10    Board of Trustees may adopt by a majority vote an ordinance at  
11    any time before January 1, 1995 that excludes from the rate  
12    increase tangible personal property that is titled or  
13    registered with an agency of this State's government. The  
14    ordinance excluding titled or registered tangible personal  
15    property from the rate increase must be filed with the  
16    Department at least 15 days before its effective date. At any  
17    time after adopting an ordinance excluding from the rate  
18    increase tangible personal property that is titled or  
19    registered with an agency of this State's government, the Metro  
20    East Mass Transit District Board of Trustees may adopt an  
21    ordinance applying the rate increase to that tangible personal  
22    property. The ordinance shall be adopted, and a certified copy  
23    of that ordinance shall be filed with the Department, on or  
24    before October 1, whereupon the Department shall proceed to  
25    administer and enforce the rate increase against tangible  
26    personal property titled or registered with an agency of this



1 State's government as of the following January 1. After  
2 December 31, 1995, any reimposed rate increase in effect under  
3 this subsection shall no longer apply to tangible personal  
4 property titled or registered with an agency of this State's  
5 government. Beginning January 1, 1996, the Board of Trustees of  
6 any Metro East Mass Transit District may never reimpose a  
7 previously excluded tax rate increase on tangible personal  
8 property titled or registered with an agency of this State's  
9 government. After July 1, 2004, if the voters have approved a  
10 referendum under this subsection to increase the tax rate under  
11 this subsection, the Metro East Mass Transit District Board of  
12 Trustees may adopt by a majority vote an ordinance that  
13 excludes from the rate increase tangible personal property that  
14 is titled or registered with an agency of this State's  
15 government. The ordinance excluding titled or registered  
16 tangible personal property from the rate increase shall be  
17 adopted, and a certified copy of that ordinance shall be filed  
18 with the Department on or before October 1, whereupon the  
19 Department shall administer and enforce this exclusion from the  
20 rate increase as of the following January 1, or on or before  
21 April 1, whereupon the Department shall administer and enforce  
22 this exclusion from the rate increase as of the following July  
23 1. The Board of Trustees of any Metro East Mass Transit  
24 District may never reimpose a previously excluded tax rate  
25 increase on tangible personal property titled or registered  
26 with an agency of this State's government.

1 (d-6) If the Board of Trustees of any Metro East Mass  
2 Transit District has imposed a rate increase under subsection  
3 (d-5) and filed an ordinance with the Department of Revenue  
4 excluding titled property from the higher rate, then that Board  
5 may, by ordinance adopted with the concurrence of two-thirds of  
6 the then trustees, impose throughout the District a fee. The  
7 fee on the excluded property shall not exceed \$20 per retail  
8 transaction or an amount equal to the amount of tax excluded,  
9 whichever is less, on tangible personal property that is titled  
10 or registered with an agency of this State's government.  
11 Beginning July 1, 2004, the fee shall apply only to titled  
12 property that is subject to either the Metro East Mass Transit  
13 District Retailers' Occupation Tax or the Metro East Mass  
14 Transit District Service Occupation Tax. No fee shall be  
15 imposed or collected under this subsection on the sale of a  
16 motor vehicle in this State to a resident of another state if  
17 that motor vehicle will not be titled in this State.

18 (d-7) Until June 30, 2004, if a fee has been imposed under  
19 subsection (d-6), a fee shall also be imposed upon the  
20 privilege of using, in the district, any item of tangible  
21 personal property that is titled or registered with any agency  
22 of this State's government, in an amount equal to the amount of  
23 the fee imposed under subsection (d-6).

24 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
25 Board of Trustees of any Metro East Mass Transit District under  
26 subsection (d-6) and all civil penalties that may be assessed

1 as an incident of the fees shall be collected and enforced by  
2 the State Department of Revenue. Reference to "taxes" in this  
3 Section shall be construed to apply to the administration,  
4 payment, and remittance of all fees under this Section. For  
5 purposes of any fee imposed under subsection (d-6), 4% of the  
6 fee, penalty, and interest received by the Department in the  
7 first 12 months that the fee is collected and enforced by the  
8 Department and 2% of the fee, penalty, and interest following  
9 the first 12 months shall be transferred ~~deposited~~ into the Tax  
10 Compliance and Administration Fund and shall be used by the  
11 Department, subject to appropriation, to cover the costs of the  
12 Department. No retailers' discount shall apply to any fee  
13 imposed under subsection (d-6).

14 (d-8) No item of titled property shall be subject to both  
15 the higher rate approved by referendum, as authorized under  
16 subsection (d-5), and any fee imposed under subsection (d-6) or  
17 (d-7).

18 (d-9) (Blank).

19 (d-10) (Blank).

20 (e) A certificate of registration issued by the State  
21 Department of Revenue to a retailer under the Retailers'  
22 Occupation Tax Act or under the Service Occupation Tax Act  
23 shall permit the registrant to engage in a business that is  
24 taxed under the tax imposed under paragraphs (b), (c) or (d) of  
25 this Section and no additional registration shall be required  
26 under the tax. A certificate issued under the Use Tax Act or

1 the Service Use Tax Act shall be applicable with regard to any  
2 tax imposed under paragraph (c) of this Section.

3 (f) (Blank).

4 (g) Any ordinance imposing or discontinuing any tax under  
5 this Section shall be adopted and a certified copy thereof  
6 filed with the Department on or before June 1, whereupon the  
7 Department of Revenue shall proceed to administer and enforce  
8 this Section on behalf of the Metro East Mass Transit District  
9 as of September 1 next following such adoption and filing.  
10 Beginning January 1, 1992, an ordinance or resolution imposing  
11 or discontinuing the tax hereunder shall be adopted and a  
12 certified copy thereof filed with the Department on or before  
13 the first day of July, whereupon the Department shall proceed  
14 to administer and enforce this Section as of the first day of  
15 October next following such adoption and filing. Beginning  
16 January 1, 1993, except as provided in subsection (d-5) of this  
17 Section, an ordinance or resolution imposing or discontinuing  
18 the tax hereunder shall be adopted and a certified copy thereof  
19 filed with the Department on or before the first day of  
20 October, whereupon the Department shall proceed to administer  
21 and enforce this Section as of the first day of January next  
22 following such adoption and filing, or, beginning January 1,  
23 2004, on or before the first day of April, whereupon the  
24 Department shall proceed to administer and enforce this Section  
25 as of the first day of July next following the adoption and  
26 filing.

1           (h) Except as provided in subsection (d-7.1), the State  
2 Department of Revenue shall, upon collecting any taxes as  
3 provided in this Section, pay the taxes over to the State  
4 Treasurer as trustee for the District. The taxes shall be held  
5 in a trust fund outside the State Treasury.

6           As soon as possible after the first day of each month,  
7 beginning January 1, 2011, upon certification of the Department  
8 of Revenue, the Comptroller shall order transferred, and the  
9 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
10 local sales tax increment, as defined in the Innovation  
11 Development and Economy Act, collected under this Section  
12 during the second preceding calendar month for sales within a  
13 STAR bond district. The Department shall make this  
14 certification only if the local mass transit district imposes a  
15 tax on real property as provided in the definition of "local  
16 sales taxes" under the Innovation Development and Economy Act.

17           After the monthly transfer to the STAR Bonds Revenue Fund,  
18 on or before the 25th day of each calendar month, the State  
19 Department of Revenue shall prepare and certify to the  
20 Comptroller of the State of Illinois the amount to be paid to  
21 the District, which shall be the amount (not including credit  
22 memoranda) collected under this Section during the second  
23 preceding calendar month by the Department plus an amount the  
24 Department determines is necessary to offset any amounts that  
25 were erroneously paid to a different taxing body, and not  
26 including any amount equal to the amount of refunds made during

1 the second preceding calendar month by the Department on behalf  
2 of the District, and not including any amount that the  
3 Department determines is necessary to offset any amounts that  
4 were payable to a different taxing body but were erroneously  
5 paid to the District, less the amount to be transferred to the  
6 Tax Compliance and Administration Fund under subsection  
7 (d-7.1), and less any amounts that are transferred to the STAR  
8 Bonds Revenue Fund. Within 10 days after receipt by the  
9 Comptroller of the certification of the amount to be paid to  
10 the District, the Comptroller shall cause an order to be drawn  
11 for payment for the amount in accordance with the direction in  
12 the certification.

13 (Source: P.A. 98-298, eff. 8-9-13; 99-217, eff. 7-31-15.)

14 Section 155. The Regional Transportation Authority Act is  
15 amended by changing Section 4.03 as follows:

16 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

17 Sec. 4.03. Taxes.

18 (a) In order to carry out any of the powers or purposes of  
19 the Authority, the Board may by ordinance adopted with the  
20 concurrence of 12 of the then Directors, impose throughout the  
21 metropolitan region any or all of the taxes provided in this  
22 Section. Except as otherwise provided in this Act, taxes  
23 imposed under this Section and civil penalties imposed incident  
24 thereto shall be collected and enforced by the State Department

1 of Revenue. The Department shall have the power to administer  
2 and enforce the taxes and to determine all rights for refunds  
3 for erroneous payments of the taxes. Nothing in Public Act  
4 95-708 is intended to invalidate any taxes currently imposed by  
5 the Authority. The increased vote requirements to impose a tax  
6 shall only apply to actions taken after January 1, 2008 (the  
7 effective date of Public Act 95-708).

8 (b) The Board may impose a public transportation tax upon  
9 all persons engaged in the metropolitan region in the business  
10 of selling at retail motor fuel for operation of motor vehicles  
11 upon public highways. The tax shall be at a rate not to exceed  
12 5% of the gross receipts from the sales of motor fuel in the  
13 course of the business. As used in this Act, the term "motor  
14 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
15 The Board may provide for details of the tax. The provisions of  
16 any tax shall conform, as closely as may be practicable, to the  
17 provisions of the Municipal Retailers Occupation Tax Act,  
18 including without limitation, conformity to penalties with  
19 respect to the tax imposed and as to the powers of the State  
20 Department of Revenue to promulgate and enforce rules and  
21 regulations relating to the administration and enforcement of  
22 the provisions of the tax imposed, except that reference in the  
23 Act to any municipality shall refer to the Authority and the  
24 tax shall be imposed only with regard to receipts from sales of  
25 motor fuel in the metropolitan region, at rates as limited by  
26 this Section.

1           (c) In connection with the tax imposed under paragraph (b)  
2 of this Section the Board may impose a tax upon the privilege  
3 of using in the metropolitan region motor fuel for the  
4 operation of a motor vehicle upon public highways, the tax to  
5 be at a rate not in excess of the rate of tax imposed under  
6 paragraph (b) of this Section. The Board may provide for  
7 details of the tax.

8           (d) The Board may impose a motor vehicle parking tax upon  
9 the privilege of parking motor vehicles at off-street parking  
10 facilities in the metropolitan region at which a fee is  
11 charged, and may provide for reasonable classifications in and  
12 exemptions to the tax, for administration and enforcement  
13 thereof and for civil penalties and refunds thereunder and may  
14 provide criminal penalties thereunder, the maximum penalties  
15 not to exceed the maximum criminal penalties provided in the  
16 Retailers' Occupation Tax Act. The Authority may collect and  
17 enforce the tax itself or by contract with any unit of local  
18 government. The State Department of Revenue shall have no  
19 responsibility for the collection and enforcement unless the  
20 Department agrees with the Authority to undertake the  
21 collection and enforcement. As used in this paragraph, the term  
22 "parking facility" means a parking area or structure having  
23 parking spaces for more than 2 vehicles at which motor vehicles  
24 are permitted to park in return for an hourly, daily, or other  
25 periodic fee, whether publicly or privately owned, but does not  
26 include parking spaces on a public street, the use of which is



1 regulated by parking meters.

2 (e) The Board may impose a Regional Transportation  
3 Authority Retailers' Occupation Tax upon all persons engaged in  
4 the business of selling tangible personal property at retail in  
5 the metropolitan region. In Cook County the tax rate shall be  
6 1.25% of the gross receipts from sales of tangible personal  
7 property taxed at the 1% rate under the Retailers' Occupation  
8 Tax Act, including but not limited to, food for human  
9 consumption that is to be consumed off the premises where it is  
10 sold (other than alcoholic beverages, soft drinks and food that  
11 has been prepared for immediate consumption) and prescription  
12 and nonprescription medicines, drugs, medical appliances ,  
13 products classified as Class III medical devices by the United  
14 States Food and Drug Administration that are used for cancer  
15 treatment pursuant to a prescription, as well as any  
16 accessories and components related to those devices,  
17 modifications to a motor vehicle for the purpose of rendering  
18 it usable by a person with a disability, and insulin, urine  
19 testing materials, syringes and needles used by diabetics, for  
20 human use, and 1% of the gross receipts from other taxable  
21 sales made in the course of that business. In DuPage, Kane,  
22 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%  
23 of the gross receipts from all taxable sales made in the course  
24 of that business. The tax imposed under this Section and all  
25 civil penalties that may be assessed as an incident thereof  
26 shall be collected and enforced by the State Department of

1 Revenue. The Department shall have full power to administer and  
2 enforce this Section; to collect all taxes and penalties so  
3 collected in the manner hereinafter provided; and to determine  
4 all rights to credit memoranda arising on account of the  
5 erroneous payment of tax or penalty hereunder. In the  
6 administration of, and compliance with this Section, the  
7 Department and persons who are subject to this Section shall  
8 have the same rights, remedies, privileges, immunities, powers  
9 and duties, and be subject to the same conditions,  
10 restrictions, limitations, penalties, exclusions, exemptions  
11 and definitions of terms, and employ the same modes of  
12 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
13 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
14 therein other than the State rate of tax), 2c, 3 (except as to  
15 the disposition of taxes and penalties collected), 4, 5, 5a,  
16 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
17 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act  
18 and Section 3-7 of the Uniform Penalty and Interest Act, as  
19 fully as if those provisions were set forth herein.

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

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

9           If a tax is imposed under this subsection (e), a tax shall  
10 also be imposed under subsections (f) and (g) of this Section.

11           For the purpose of determining whether a tax authorized  
12 under this Section is applicable, a retail sale by a producer  
13 of coal or other mineral mined in Illinois, is a sale at retail  
14 at the place where the coal or other mineral mined in Illinois  
15 is extracted from the earth. This paragraph does not apply to  
16 coal or other mineral when it is delivered or shipped by the  
17 seller to the purchaser at a point outside Illinois so that the  
18 sale is exempt under the Federal Constitution as a sale in  
19 interstate or foreign commerce.

20           No tax shall be imposed or collected under this subsection  
21 on the sale of a motor vehicle in this State to a resident of  
22 another state if that motor vehicle will not be titled in this  
23 State.

24           Nothing in this Section shall be construed to authorize the  
25 Regional Transportation Authority to impose a tax upon the  
26 privilege of engaging in any business that under the

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

3 (f) If a tax has been imposed under paragraph (e), a  
4 Regional Transportation Authority Service Occupation Tax shall  
5 also be imposed upon all persons engaged, in the metropolitan  
6 region in the business of making sales of service, who as an  
7 incident to making the sales of service, transfer tangible  
8 personal property within the metropolitan region, either in the  
9 form of tangible personal property or in the form of real  
10 estate as an incident to a sale of service. In Cook County, the  
11 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
12 food prepared for immediate consumption and transferred  
13 incident to a sale of service subject to the service occupation  
14 tax by an entity licensed under the Hospital Licensing Act, the  
15 Nursing Home Care Act, the Specialized Mental Health  
16 Rehabilitation Act of 2013, the ID/DD Community Care Act, or  
17 the MC/DD Act that is located in the metropolitan region; (2)  
18 1.25% of the selling price of tangible personal property taxed  
19 at the 1% rate under the Service Occupation Tax Act, including  
20 but not limited to, food for human consumption that is to be  
21 consumed off the premises where it is sold (other than  
22 alcoholic beverages, soft drinks and food that has been  
23 prepared for immediate consumption) and prescription and  
24 nonprescription medicines, drugs, medical appliances, products  
25 classified as Class III medical devices by the United States  
26 Food and Drug Administration that are used for cancer treatment

1 pursuant to a prescription, as well as any accessories and  
2 components related to those devices, modifications to a motor  
3 vehicle for the purpose of rendering it usable by a person with  
4 a disability, and insulin, urine testing materials, syringes  
5 and needles used by diabetics, for human use; and (3) 1% of the  
6 selling price from other taxable sales of tangible personal  
7 property transferred. In DuPage, Kane, Lake, McHenry and Will  
8 Counties the rate shall be 0.75% of the selling price of all  
9 tangible personal property transferred.

10 The tax imposed under this paragraph and all civil  
11 penalties that may be assessed as an incident thereof shall be  
12 collected and enforced by the State Department of Revenue. The  
13 Department shall have full power to administer and enforce this  
14 paragraph; to collect all taxes and penalties due hereunder; to  
15 dispose of taxes and penalties collected in the manner  
16 hereinafter provided; and to determine all rights to credit  
17 memoranda arising on account of the erroneous payment of tax or  
18 penalty hereunder. In the administration of and compliance with  
19 this paragraph, the Department and persons who are subject to  
20 this paragraph shall have the same rights, remedies,  
21 privileges, immunities, powers and duties, and be subject to  
22 the same conditions, restrictions, limitations, penalties,  
23 exclusions, exemptions and definitions of terms, and employ the  
24 same modes of procedure, as are prescribed in Sections 1a-1, 2,  
25 2a, 3 through 3-50 (in respect to all provisions therein other  
26 than the State rate of tax), 4 (except that the reference to

1 the State shall be to the Authority), 5, 7, 8 (except that the  
2 jurisdiction to which the tax shall be a debt to the extent  
3 indicated in that Section 8 shall be the Authority), 9 (except  
4 as to the disposition of taxes and penalties collected, and  
5 except that the returned merchandise credit for this tax may  
6 not be taken against any State tax), 10, 11, 12 (except the  
7 reference therein to Section 2b of the Retailers' Occupation  
8 Tax Act), 13 (except that any reference to the State shall mean  
9 the Authority), the first paragraph of Section 15, 16, 17, 18,  
10 19 and 20 of the Service Occupation Tax Act and Section 3-7 of  
11 the Uniform Penalty and Interest Act, as fully as if those  
12 provisions were set forth herein.

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

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

1 established under paragraph (n) of this Section.

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

6 (g) If a tax has been imposed under paragraph (e), a tax  
7 shall also be imposed upon the privilege of using in the  
8 metropolitan region, any item of tangible personal property  
9 that is purchased outside the metropolitan region at retail  
10 from a retailer, and that is titled or registered with an  
11 agency of this State's government. In Cook County the tax rate  
12 shall be 1% of the selling price of the tangible personal  
13 property, as "selling price" is defined in the Use Tax Act. In  
14 DuPage, Kane, Lake, McHenry and Will counties the tax rate  
15 shall be 0.75% of the selling price of the tangible personal  
16 property, as "selling price" is defined in the Use Tax Act. The  
17 tax shall be collected from persons whose Illinois address for  
18 titling or registration purposes is given as being in the  
19 metropolitan region. The tax shall be collected by the  
20 Department of Revenue for the Regional Transportation  
21 Authority. The tax must be paid to the State, or an exemption  
22 determination must be obtained from the Department of Revenue,  
23 before the title or certificate of registration for the  
24 property may be issued. The tax or proof of exemption may be  
25 transmitted to the Department by way of the State agency with  
26 which, or the State officer with whom, the tangible personal

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

5 The Department shall have full power to administer and  
6 enforce this paragraph; to collect all taxes, penalties and  
7 interest due hereunder; to dispose of taxes, penalties and  
8 interest collected in the manner hereinafter provided; and to  
9 determine all rights to credit memoranda or refunds arising on  
10 account of the erroneous payment of tax, penalty or interest  
11 hereunder. In the administration of and compliance with this  
12 paragraph, the Department and persons who are subject to this  
13 paragraph shall have the same rights, remedies, privileges,  
14 immunities, powers and duties, and be subject to the same  
15 conditions, restrictions, limitations, penalties, exclusions,  
16 exemptions and definitions of terms and employ the same modes  
17 of procedure, as are prescribed in Sections 2 (except the  
18 definition of "retailer maintaining a place of business in this  
19 State"), 3 through 3-80 (except provisions pertaining to the  
20 State rate of tax, and except provisions concerning collection  
21 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
22 19 (except the portions pertaining to claims by retailers and  
23 except the last paragraph concerning refunds), 20, 21 and 22 of  
24 the Use Tax Act, and are not inconsistent with this paragraph,  
25 as fully as if those provisions were set forth herein.

26 Whenever the Department determines that a refund should be



1 made under this paragraph to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the order to be drawn for the  
4 amount specified, and to the person named in the notification  
5 from the Department. The refund shall be paid by the State  
6 Treasurer out of the Regional Transportation Authority tax fund  
7 established under paragraph (n) of this Section.

8 (h) The Authority may impose a replacement vehicle tax of  
9 \$50 on any passenger car as defined in Section 1-157 of the  
10 Illinois Vehicle Code purchased within the metropolitan region  
11 by or on behalf of an insurance company to replace a passenger  
12 car of an insured person in settlement of a total loss claim.  
13 The tax imposed may not become effective before the first day  
14 of the month following the passage of the ordinance imposing  
15 the tax and receipt of a certified copy of the ordinance by the  
16 Department of Revenue. The Department of Revenue shall collect  
17 the tax for the Authority in accordance with Sections 3-2002  
18 and 3-2003 of the Illinois Vehicle Code.

19 The Department shall immediately pay over to the State  
20 Treasurer, ex officio, as trustee, all taxes collected  
21 hereunder.

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

1 Development and Economy Act, collected under this Section  
2 during the second preceding calendar month for sales within a  
3 STAR bond district.

4 After the monthly transfer to the STAR Bonds Revenue Fund,  
5 on or before the 25th day of each calendar month, the  
6 Department shall prepare and certify to the Comptroller the  
7 disbursement of stated sums of money to the Authority. The  
8 amount to be paid to the Authority shall be the amount  
9 collected hereunder during the second preceding calendar month  
10 by the Department, less any amount determined by the Department  
11 to be necessary for the payment of refunds, and less any  
12 amounts that are transferred to the STAR Bonds Revenue Fund.  
13 Within 10 days after receipt by the Comptroller of the  
14 disbursement certification to the Authority provided for in  
15 this Section to be given to the Comptroller by the Department,  
16 the Comptroller shall cause the orders to be drawn for that  
17 amount in accordance with the directions contained in the  
18 certification.

19 (i) The Board may not impose any other taxes except as it  
20 may from time to time be authorized by law to impose.

21 (j) A certificate of registration issued by the State  
22 Department of Revenue to a retailer under the Retailers'  
23 Occupation Tax Act or under the Service Occupation Tax Act  
24 shall permit the registrant to engage in a business that is  
25 taxed under the tax imposed under paragraphs (b), (e), (f) or  
26 (g) of this Section and no additional registration shall be

1 required under the tax. A certificate issued under the Use Tax  
2 Act or the Service Use Tax Act shall be applicable with regard  
3 to any tax imposed under paragraph (c) of this Section.

4 (k) The provisions of any tax imposed under paragraph (c)  
5 of this Section shall conform as closely as may be practicable  
6 to the provisions of the Use Tax Act, including without  
7 limitation conformity as to penalties with respect to the tax  
8 imposed and as to the powers of the State Department of Revenue  
9 to promulgate and enforce rules and regulations relating to the  
10 administration and enforcement of the provisions of the tax  
11 imposed. The taxes shall be imposed only on use within the  
12 metropolitan region and at rates as provided in the paragraph.

13 (l) The Board in imposing any tax as provided in paragraphs  
14 (b) and (c) of this Section, shall, after seeking the advice of  
15 the State Department of Revenue, provide means for retailers,  
16 users or purchasers of motor fuel for purposes other than those  
17 with regard to which the taxes may be imposed as provided in  
18 those paragraphs to receive refunds of taxes improperly paid,  
19 which provisions may be at variance with the refund provisions  
20 as applicable under the Municipal Retailers Occupation Tax Act.  
21 The State Department of Revenue may provide for certificates of  
22 registration for users or purchasers of motor fuel for purposes  
23 other than those with regard to which taxes may be imposed as  
24 provided in paragraphs (b) and (c) of this Section to  
25 facilitate the reporting and nontaxability of the exempt sales  
26 or uses.

1           (m) Any ordinance imposing or discontinuing any tax under  
2 this Section shall be adopted and a certified copy thereof  
3 filed with the Department on or before June 1, whereupon the  
4 Department of Revenue shall proceed to administer and enforce  
5 this Section on behalf of the Regional Transportation Authority  
6 as of September 1 next following such adoption and filing.  
7 Beginning January 1, 1992, an ordinance or resolution imposing  
8 or discontinuing the tax hereunder shall be adopted and a  
9 certified copy thereof filed with the Department on or before  
10 the first day of July, whereupon the Department shall proceed  
11 to administer and enforce this Section as of the first day of  
12 October next following such adoption and filing. Beginning  
13 January 1, 1993, an ordinance or resolution imposing,  
14 increasing, decreasing, or discontinuing the tax hereunder  
15 shall be adopted and a certified copy thereof filed with the  
16 Department, whereupon the Department shall proceed to  
17 administer and enforce this Section as of the first day of the  
18 first month to occur not less than 60 days following such  
19 adoption and filing. Any ordinance or resolution of the  
20 Authority imposing a tax under this Section and in effect on  
21 August 1, 2007 shall remain in full force and effect and shall  
22 be administered by the Department of Revenue under the terms  
23 and conditions and rates of tax established by such ordinance  
24 or resolution until the Department begins administering and  
25 enforcing an increased tax under this Section as authorized by  
26 Public Act 95-708. The tax rates authorized by Public Act

1 95-708 are effective only if imposed by ordinance of the  
2 Authority.

3 (n) The State Department of Revenue shall, upon collecting  
4 any taxes as provided in this Section, pay the taxes over to  
5 the State Treasurer as trustee for the Authority. The taxes  
6 shall be held in a trust fund outside the State Treasury. On or  
7 before the 25th day of each calendar month, the State  
8 Department of Revenue shall prepare and certify to the  
9 Comptroller of the State of Illinois and to the Authority (i)  
10 the amount of taxes collected in each County other than Cook  
11 County in the metropolitan region, (ii) the amount of taxes  
12 collected within the City of Chicago, and (iii) the amount  
13 collected in that portion of Cook County outside of Chicago,  
14 each amount less the amount necessary for the payment of  
15 refunds to taxpayers located in those areas described in items  
16 (i), (ii), and (iii). Within 10 days after receipt by the  
17 Comptroller of the certification of the amounts, the  
18 Comptroller shall cause an order to be drawn for the payment of  
19 two-thirds of the amounts certified in item (i) of this  
20 subsection to the Authority and one-third of the amounts  
21 certified in item (i) of this subsection to the respective  
22 counties other than Cook County and the amount certified in  
23 items (ii) and (iii) of this subsection to the Authority.

24 In addition to the disbursement required by the preceding  
25 paragraph, an allocation shall be made in July 1991 and each  
26 year thereafter to the Regional Transportation Authority. The

1 allocation shall be made in an amount equal to the average  
2 monthly distribution during the preceding calendar year  
3 (excluding the 2 months of lowest receipts) and the allocation  
4 shall include the amount of average monthly distribution from  
5 the Regional Transportation Authority Occupation and Use Tax  
6 Replacement Fund. The distribution made in July 1992 and each  
7 year thereafter under this paragraph and the preceding  
8 paragraph shall be reduced by the amount allocated and  
9 disbursed under this paragraph in the preceding calendar year.  
10 The Department of Revenue shall prepare and certify to the  
11 Comptroller for disbursement the allocations made in  
12 accordance with this paragraph.

13 (o) Failure to adopt a budget ordinance or otherwise to  
14 comply with Section 4.01 of this Act or to adopt a Five-year  
15 Capital Program or otherwise to comply with paragraph (b) of  
16 Section 2.01 of this Act shall not affect the validity of any  
17 tax imposed by the Authority otherwise in conformity with law.

18 (p) At no time shall a public transportation tax or motor  
19 vehicle parking tax authorized under paragraphs (b), (c) and  
20 (d) of this Section be in effect at the same time as any  
21 retailers' occupation, use or service occupation tax  
22 authorized under paragraphs (e), (f) and (g) of this Section is  
23 in effect.

24 Any taxes imposed under the authority provided in  
25 paragraphs (b), (c) and (d) shall remain in effect only until  
26 the time as any tax authorized by paragraphs (e), (f) or (g) of

1 this Section are imposed and becomes effective. Once any tax  
2 authorized by paragraphs (e), (f) or (g) is imposed the Board  
3 may not reimpose taxes as authorized in paragraphs (b), (c) and  
4 (d) of the Section unless any tax authorized by paragraphs (e),  
5 (f) or (g) of this Section becomes ineffective by means other  
6 than an ordinance of the Board.

7 (q) Any existing rights, remedies and obligations  
8 (including enforcement by the Regional Transportation  
9 Authority) arising under any tax imposed under paragraphs (b),  
10 (c) or (d) of this Section shall not be affected by the  
11 imposition of a tax under paragraphs (e), (f) or (g) of this  
12 Section.

13 (Source: P.A. 98-104, eff. 7-22-13; 99-180, eff. 7-29-15;  
14 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

15 Section 160. The Water Commission Act of 1985 is amended by  
16 changing Section 4 as follows:

17 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

18 Sec. 4. Taxes.

19 (a) The board of commissioners of any county water  
20 commission may, by ordinance, impose throughout the territory  
21 of the commission any or all of the taxes provided in this  
22 Section for its corporate purposes. However, no county water  
23 commission may impose any such tax unless the commission  
24 certifies the proposition of imposing the tax to the proper

1 election officials, who shall submit the proposition to the  
 2 voters residing in the territory at an election in accordance  
 3 with the general election law, and the proposition has been  
 4 approved by a majority of those voting on the proposition.

5 The proposition shall be in the form provided in Section 5  
 6 or shall be substantially in the following form:

7 -----

|    |                                  |       |
|----|----------------------------------|-------|
| 8  | Shall the (insert corporate      |       |
| 9  | name of county water commission) | YES   |
| 10 | impose (state type of tax or     | ----- |
| 11 | taxes to be imposed) at the      | NO    |
| 12 | rate of 1/4%?                    |       |

13 -----

14 Taxes imposed under this Section and civil penalties  
 15 imposed incident thereto shall be collected and enforced by the  
 16 State Department of Revenue. The Department shall have the  
 17 power to administer and enforce the taxes and to determine all  
 18 rights for refunds for erroneous payments of the taxes.

19 (b) The board of commissioners may impose a County Water  
 20 Commission Retailers' Occupation Tax upon all persons engaged  
 21 in the business of selling tangible personal property at retail  
 22 in the territory of the commission at a rate of 1/4% of the  
 23 gross receipts from the sales made in the course of such  
 24 business within the territory. The tax imposed under this  
 25 paragraph and all civil penalties that may be assessed as an  
 26 incident thereof shall be collected and enforced by the State



1 Department of Revenue. The Department shall have full power to  
2 administer and enforce this paragraph; to collect all taxes and  
3 penalties due hereunder; to dispose of taxes and penalties so  
4 collected in the manner hereinafter provided; and to determine  
5 all rights to credit memoranda arising on account of the  
6 erroneous payment of tax or penalty hereunder. In the  
7 administration of, and compliance with, this paragraph, the  
8 Department and persons who are subject to this paragraph shall  
9 have the same rights, remedies, privileges, immunities, powers  
10 and duties, and be subject to the same conditions,  
11 restrictions, limitations, penalties, exclusions, exemptions  
12 and definitions of terms, and employ the same modes of  
13 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
14 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
15 therein other than the State rate of tax except that food for  
16 human consumption that is to be consumed off the premises where  
17 it is sold (other than alcoholic beverages, soft drinks, and  
18 food that has been prepared for immediate consumption) and  
19 prescription and nonprescription medicine, drugs, medical  
20 appliances, products classified as Class III medical devices by  
21 the United States Food and Drug Administration that are used  
22 for cancer treatment pursuant to a prescription, as well as any  
23 accessories and components related to those devices,  
24 modifications to a motor vehicle for the purpose of rendering  
25 it usable by a person with a disability, and insulin, urine  
26 testing materials, syringes, and needles used by diabetics, for

1 human use, shall not be subject to tax hereunder), 2c, 3  
2 (except as to the disposition of taxes and penalties  
3 collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,  
4 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the  
5 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
6 Penalty and Interest Act, as fully as if those provisions were  
7 set forth herein.

8 Persons subject to any tax imposed under the authority  
9 granted in this paragraph may reimburse themselves for their  
10 seller's tax liability hereunder by separately stating the tax  
11 as an additional charge, which charge may be stated in  
12 combination, in a single amount, with State taxes that sellers  
13 are required to collect under the Use Tax Act and under  
14 subsection (e) of Section 4.03 of the Regional Transportation  
15 Authority Act, in accordance with such bracket schedules as the  
16 Department may prescribe.

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

25 For the purpose of determining whether a tax authorized  
26 under this paragraph is applicable, a retail sale by a producer

1 of coal or other mineral mined in Illinois is a sale at retail  
2 at the place where the coal or other mineral mined in Illinois  
3 is extracted from the earth. This paragraph does not apply to  
4 coal or other mineral when it is delivered or shipped by the  
5 seller to the purchaser at a point outside Illinois so that the  
6 sale is exempt under the Federal Constitution as a sale in  
7 interstate or foreign commerce.

8 If a tax is imposed under this subsection (b) a tax shall  
9 also be imposed under subsections (c) and (d) of this Section.

10 No tax shall be imposed or collected under this subsection  
11 on the sale of a motor vehicle in this State to a resident of  
12 another state if that motor vehicle will not be titled in this  
13 State.

14 Nothing in this paragraph shall be construed to authorize a  
15 county water commission to impose a tax upon the privilege of  
16 engaging in any business which under the Constitution of the  
17 United States may not be made the subject of taxation by this  
18 State.

19 (c) If a tax has been imposed under subsection (b), a  
20 County Water Commission Service Occupation Tax shall also be  
21 imposed upon all persons engaged, in the territory of the  
22 commission, in the business of making sales of service, who, as  
23 an incident to making the sales of service, transfer tangible  
24 personal property within the territory. The tax rate shall be  
25 1/4% of the selling price of tangible personal property so  
26 transferred within the territory. The tax imposed under this

1 paragraph and all civil penalties that may be assessed as an  
2 incident thereof shall be collected and enforced by the State  
3 Department of Revenue. The Department shall have full power to  
4 administer and enforce this paragraph; to collect all taxes and  
5 penalties due hereunder; to dispose of taxes and penalties so  
6 collected in the manner hereinafter provided; and to determine  
7 all rights to credit memoranda arising on account of the  
8 erroneous payment of tax or penalty hereunder. In the  
9 administration of, and compliance with, this paragraph, the  
10 Department and persons who are subject to this paragraph shall  
11 have the same rights, remedies, privileges, immunities, powers  
12 and duties, and be subject to the same conditions,  
13 restrictions, limitations, penalties, exclusions, exemptions  
14 and definitions of terms, and employ the same modes of  
15 procedure, as are prescribed in Sections 1a-1, 2 (except that  
16 the reference to State in the definition of supplier  
17 maintaining a place of business in this State shall mean the  
18 territory of the commission), 2a, 3 through 3-50 (in respect to  
19 all provisions therein other than the State rate of tax except  
20 that food for human consumption that is to be consumed off the  
21 premises where it is sold (other than alcoholic beverages, soft  
22 drinks, and food that has been prepared for immediate  
23 consumption) and prescription and nonprescription medicines,  
24 drugs, medical appliances, products classified as Class III  
25 medical devices by the United States Food and Drug  
26 Administration that are used for cancer treatment pursuant to a

1 prescription, as well as any accessories and components related  
2 to those devices, modifications to a motor vehicle for the  
3 purpose of rendering it usable by a person with a disability,  
4 and insulin, urine testing materials, syringes, and needles  
5 used by diabetics, for human use, shall not be subject to tax  
6 hereunder), 4 (except that the reference to the State shall be  
7 to the territory of the commission), 5, 7, 8 (except that the  
8 jurisdiction to which the tax shall be a debt to the extent  
9 indicated in that Section 8 shall be the commission), 9 (except  
10 as to the disposition of taxes and penalties collected and  
11 except that the returned merchandise credit for this tax may  
12 not be taken against any State tax), 10, 11, 12 (except the  
13 reference therein to Section 2b of the Retailers' Occupation  
14 Tax Act), 13 (except that any reference to the State shall mean  
15 the territory of the commission), the first paragraph of  
16 Section 15, 15.5, 16, 17, 18, 19 and 20 of the Service  
17 Occupation Tax Act as fully as if those provisions were set  
18 forth herein.

19 Persons subject to any tax imposed under the authority  
20 granted in this paragraph may reimburse themselves for their  
21 serviceman's tax liability hereunder by separately stating the  
22 tax as an additional charge, which charge may be stated in  
23 combination, in a single amount, with State tax that servicemen  
24 are authorized to collect under the Service Use Tax Act, and  
25 any tax for which servicemen may be liable under subsection (f)  
26 of Section 4.03 of the Regional Transportation Authority Act,

1 in accordance with such bracket schedules as the Department may  
2 prescribe.

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

11 Nothing in this paragraph shall be construed to authorize a  
12 county water commission to impose a tax upon the privilege of  
13 engaging in any business which under the Constitution of the  
14 United States may not be made the subject of taxation by the  
15 State.

16 (d) If a tax has been imposed under subsection (b), a tax  
17 shall also BE imposed upon the privilege of using, in the  
18 territory of the commission, any item of tangible personal  
19 property that is purchased outside the territory at retail from  
20 a retailer, and that is titled or registered with an agency of  
21 this State's government, at a rate of 1/4% of the selling price  
22 of the tangible personal property within the territory, as  
23 "selling price" is defined in the Use Tax Act. The tax shall be  
24 collected from persons whose Illinois address for titling or  
25 registration purposes is given as being in the territory. The  
26 tax shall be collected by the Department of Revenue for a

1 county water commission. The tax must be paid to the State, or  
2 an exemption determination must be obtained from the Department  
3 of Revenue, before the title or certificate of registration for  
4 the property may be issued. The tax or proof of exemption may  
5 be transmitted to the Department by way of the State agency  
6 with which, or the State officer with whom, the tangible  
7 personal property must be titled or registered if the  
8 Department and the State agency or State officer determine that  
9 this procedure will expedite the processing of applications for  
10 title or registration.

11 The Department shall have full power to administer and  
12 enforce this paragraph; to collect all taxes, penalties and  
13 interest due hereunder; to dispose of taxes, penalties and  
14 interest so collected in the manner hereinafter provided; and  
15 to determine all rights to credit memoranda or refunds arising  
16 on account of the erroneous payment of tax, penalty or interest  
17 hereunder. In the administration of, and compliance with this  
18 paragraph, the Department and persons who are subject to this  
19 paragraph shall have the same rights, remedies, privileges,  
20 immunities, powers and duties, and be subject to the same  
21 conditions, restrictions, limitations, penalties, exclusions,  
22 exemptions and definitions of terms and employ the same modes  
23 of procedure, as are prescribed in Sections 2 (except the  
24 definition of "retailer maintaining a place of business in this  
25 State"), 3 through 3-80 (except provisions pertaining to the  
26 State rate of tax, and except provisions concerning collection

1 or refunding of the tax by retailers, ~~and except that food for~~  
2 ~~human consumption that is to be consumed off the premises where~~  
3 ~~it is sold (other than alcoholic beverages, soft drinks, and~~  
4 ~~food that has been prepared for immediate consumption) and~~  
5 ~~prescription and nonprescription medicines, drugs, medical~~  
6 ~~appliances and insulin, urine testing materials, syringes, and~~  
7 ~~needles used by diabetics, for human use,~~ shall not be subject  
8 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the  
9 portions pertaining to claims by retailers and except the last  
10 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act  
11 and Section 3-7 of the Uniform Penalty and Interest Act that  
12 are not inconsistent with this paragraph, as fully as if those  
13 provisions were set forth herein.

14 Whenever the Department determines that a refund should be  
15 made under this paragraph to a claimant instead of issuing a  
16 credit memorandum, the Department shall notify the State  
17 Comptroller, who shall cause the order to be drawn for the  
18 amount specified, and to the person named, in the notification  
19 from the Department. The refund shall be paid by the State  
20 Treasurer out of a county water commission tax fund established  
21 under paragraph (g) of this Section.

22 (e) A certificate of registration issued by the State  
23 Department of Revenue to a retailer under the Retailers'  
24 Occupation Tax Act or under the Service Occupation Tax Act  
25 shall permit the registrant to engage in a business that is  
26 taxed under the tax imposed under paragraphs (b), (c) or (d) of



1 this Section and no additional registration shall be required  
2 under the tax. A certificate issued under the Use Tax Act or  
3 the Service Use Tax Act shall be applicable with regard to any  
4 tax imposed under paragraph (c) of this Section.

5 (f) Any ordinance imposing or discontinuing any tax under  
6 this Section shall be adopted and a certified copy thereof  
7 filed with the Department on or before June 1, whereupon the  
8 Department of Revenue shall proceed to administer and enforce  
9 this Section on behalf of the county water commission as of  
10 September 1 next following the adoption and filing. Beginning  
11 January 1, 1992, an ordinance or resolution imposing or  
12 discontinuing the tax hereunder shall be adopted and a  
13 certified copy thereof filed with the Department on or before  
14 the first day of July, whereupon the Department shall proceed  
15 to administer and enforce this Section as of the first day of  
16 October next following such adoption and filing. Beginning  
17 January 1, 1993, an ordinance or resolution imposing or  
18 discontinuing the tax hereunder shall be adopted and a  
19 certified copy thereof filed with the Department on or before  
20 the first day of October, whereupon the Department shall  
21 proceed to administer and enforce this Section as of the first  
22 day of January next following such adoption and filing.

23 (g) The State Department of Revenue shall, upon collecting  
24 any taxes as provided in this Section, pay the taxes over to  
25 the State Treasurer as trustee for the commission. The taxes  
26 shall be held in a trust fund outside the State Treasury.

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

9           After the monthly transfer to the STAR Bonds Revenue Fund,  
10 on or before the 25th day of each calendar month, the State  
11 Department of Revenue shall prepare and certify to the  
12 Comptroller of the State of Illinois the amount to be paid to  
13 the commission, which shall be the amount (not including credit  
14 memoranda) collected under this Section during the second  
15 preceding calendar month by the Department plus an amount the  
16 Department determines is necessary to offset any amounts that  
17 were erroneously paid to a different taxing body, and not  
18 including any amount equal to the amount of refunds made during  
19 the second preceding calendar month by the Department on behalf  
20 of the commission, and not including any amount that the  
21 Department determines is necessary to offset any amounts that  
22 were payable to a different taxing body but were erroneously  
23 paid to the commission, and less any amounts that are  
24 transferred to the STAR Bonds Revenue Fund. Within 10 days  
25 after receipt by the Comptroller of the certification of the  
26 amount to be paid to the commission, the Comptroller shall

1 cause an order to be drawn for the payment for the amount in  
2 accordance with the direction in the certification.

3 (h) Beginning June 1, 2016, any tax imposed pursuant to  
4 this Section may no longer be imposed or collected, unless a  
5 continuation of the tax is approved by the voters at a  
6 referendum as set forth in this Section.

7 (Source: P.A. 98-298, eff. 8-9-13; 99-217, eff. 7-31-15;  
8 99-642, eff. 7-28-16.)

9 Section 163. The Raffles and Poker Runs Act is amended by  
10 changing Section 2 as follows:

11 (230 ILCS 15/2) (from Ch. 85, par. 2302)

12 Sec. 2. Licensing.

13 (a) The governing body of any county or municipality within  
14 this State may establish a system for the licensing of  
15 organizations to operate raffles. The governing bodies of a  
16 county and one or more municipalities may, pursuant to a  
17 written contract, jointly establish a system for the licensing  
18 of organizations to operate raffles within any area of  
19 contiguous territory not contained within the corporate limits  
20 of a municipality which is not a party to such contract. The  
21 governing bodies of two or more adjacent counties or two or  
22 more adjacent municipalities located within a county may,  
23 pursuant to a written contract, jointly establish a system for  
24 the licensing of organizations to operate raffles within the

1 corporate limits of such counties or municipalities. The  
2 licensing authority may establish special categories of  
3 licenses and promulgate rules relating to the various  
4 categories. The licensing system shall provide for limitations  
5 upon (1) the aggregate retail value of all prizes or  
6 merchandise awarded by a licensee in a single raffle, (2) the  
7 maximum retail value of each prize awarded by a licensee in a  
8 single raffle, (3) the maximum price which may be charged for  
9 each raffle chance issued or sold and (4) the maximum number of  
10 days during which chances may be issued or sold. The licensing  
11 system may include a fee for each license in an amount to be  
12 determined by the local governing body. Licenses issued  
13 pursuant to this Act shall be valid for one raffle or for a  
14 specified number of raffles to be conducted during a specified  
15 period not to exceed one year and may be suspended or revoked  
16 for any violation of this Act. A local governing body shall act  
17 on a license application within 30 days from the date of  
18 application. Nothing in this Act shall be construed to prohibit  
19 a county or municipality from adopting rules or ordinances for  
20 the operation of raffles that are more restrictive than  
21 provided for in this Act. Except for raffles organized by law  
22 enforcement agencies and statewide associations that represent  
23 law enforcement officials as provided in Section 9 of this Act,  
24 the governing body of a municipality may authorize the sale of  
25 raffle chances only within the borders of the municipality.  
26 Except for raffles organized by law enforcement agencies and

1 statewide associations that represent law enforcement  
2 officials as provided in Section 9, the governing body of the  
3 county may authorize the sale of raffle chances only in those  
4 areas which are both within the borders of the county and  
5 outside the borders of any municipality.

6 (a-5) The governing body of Cook County may and any other  
7 county within this State shall establish a system for the  
8 licensing of organizations to operate poker runs. The governing  
9 bodies of 2 or more adjacent counties may, pursuant to a  
10 written contract, jointly establish a system for the licensing  
11 of organizations to operate poker runs within the corporate  
12 limits of such counties. The licensing authority may establish  
13 special categories of licenses and adopt rules relating to the  
14 various categories. The licensing system may include a fee not  
15 to exceed \$25 for each license. Licenses issued pursuant to  
16 this Act shall be valid for one poker run or for a specified  
17 number of poker runs to be conducted during a specified period  
18 not to exceed one year and may be suspended or revoked for any  
19 violation of this Act. A local governing body shall act on a  
20 license application within 30 days after the date of  
21 application.

22 (b) Raffle licenses shall be issued only to bona fide  
23 religious, charitable, labor, business, fraternal, educational  
24 or veterans' organizations that operate without profit to their  
25 members and which have been in existence continuously for a  
26 period of 5 years immediately before making application for a

1 raffle license and which have had during that entire 5-year  
2 period a bona fide membership engaged in carrying out their  
3 objects, or to a non-profit fundraising organization that the  
4 licensing authority determines is organized for the sole  
5 purpose of providing financial assistance to an identified  
6 individual or group of individuals suffering extreme financial  
7 hardship as the result of an illness, disability, accident or  
8 disaster; or to ~~, as well as~~ law enforcement agencies and  
9 statewide associations that represent law enforcement  
10 officials as provided for in Section 9 of this Act; or to State  
11 agencies conducting fundraising raffles as part of the State  
12 and University Employees Combined Appeal, pursuant to the  
13 Voluntary Payroll Deductions Act of 1983. Poker run licenses  
14 shall be issued only to bona fide religious, charitable, labor,  
15 business, fraternal, educational, veterans', or other bona  
16 fide not-for-profit organizations that operate without profit  
17 to their members and which have been in existence continuously  
18 for a period of 5 years immediately before making application  
19 for a poker run license and which have had during that entire  
20 5-year period a bona fide membership engaged in carrying out  
21 their objects. Licenses for poker runs shall be issued for the  
22 following purposes: (i) providing financial assistance to an  
23 identified individual or group of individuals suffering  
24 extreme financial hardship as the result of an illness,  
25 disability, accident, or disaster or (ii) to maintain the  
26 financial stability of the organization. A licensing authority

1 may waive the 5-year requirement under this subsection (b) for  
2 a bona fide religious, charitable, labor, business, fraternal,  
3 educational, or veterans' organization that applies for a  
4 license to conduct a poker run if the organization is a local  
5 organization that is affiliated with and chartered by a  
6 national or State organization that meets the 5-year  
7 requirement.

8 For purposes of this Act, the following definitions apply.

9 Non-profit: An organization or institution organized and  
10 conducted on a not-for-profit basis with no personal profit  
11 inuring to any one as a result of the operation. Charitable: An  
12 organization or institution organized and operated to benefit  
13 an indefinite number of the public. The service rendered to  
14 those eligible for benefits must also confer some benefit on  
15 the public. Educational: An organization or institution  
16 organized and operated to provide systematic instruction in  
17 useful branches of learning by methods common to schools and  
18 institutions of learning which compare favorably in their scope  
19 and intensity with the course of study presented in  
20 tax-supported schools. Religious: Any church, congregation,  
21 society, or organization founded for the purpose of religious  
22 worship. Fraternal: An organization of persons having a common  
23 interest, the primary interest of which is to both promote the  
24 welfare of its members and to provide assistance to the general  
25 public in such a way as to lessen the burdens of government by  
26 caring for those that otherwise would be cared for by the

1 government. Veterans: An organization or association comprised  
2 of members of which substantially all are individuals who are  
3 veterans or spouses, widows, or widowers of veterans, the  
4 primary purpose of which is to promote the welfare of its  
5 members and to provide assistance to the general public in such  
6 a way as to confer a public benefit. Labor: An organization  
7 composed of workers organized with the objective of betterment  
8 of the conditions of those engaged in such pursuit and the  
9 development of a higher degree of efficiency in their  
10 respective occupations. Business: A voluntary organization  
11 composed of individuals and businesses who have joined together  
12 to advance the commercial, financial, industrial and civic  
13 interests of a community.

14 (c) Poker runs shall be licensed by the county with  
15 jurisdiction over the key location. The license granted by the  
16 key location shall cover the entire poker run, including  
17 locations other than the key location. Each license issued  
18 shall include the name and address of each predetermined  
19 location.

20 (Source: P.A. 98-644, eff. 6-10-14; 99-405, eff. 8-19-15;  
21 99-757, eff. 8-12-16; revised 9-14-16.)

22 Section 165. The Illinois Pull Tabs and Jar Games Act is  
23 amended by changing Section 5 as follows:

24 (230 ILCS 20/5) (from Ch. 120, par. 1055)



1           Sec. 5. Payments; returns. There shall be paid to the  
2 Department of Revenue 5% of the gross proceeds of any pull tabs  
3 and jar games conducted under this Act. Such payments shall be  
4 made 4 times per year, between the first and the 20th day of  
5 April, July, October and January. Accompanying each payment  
6 shall be a return, on forms prescribed by the Department of  
7 Revenue. Failure to submit either the payment or the return  
8 within the specified time shall result in suspension or  
9 revocation of the license. Tax returns filed pursuant to this  
10 Act shall not be confidential and shall be available for public  
11 inspection. All payments made to the Department of Revenue  
12 under this Act shall be deposited as follows:

13           (a) 50% shall be deposited in the Common School Fund;  
14           and

15           (b) 50% shall be deposited in the Illinois Gaming Law  
16 Enforcement Fund. Of the monies deposited in the Illinois  
17 Gaming Law Enforcement Fund under this Section, the General  
18 Assembly shall appropriate two-thirds to the Department of  
19 Revenue, Department of State Police and the Office of the  
20 Attorney General for State law enforcement purposes, and  
21 one-third shall be appropriated to the Department of  
22 Revenue for the purpose of distribution in the form of  
23 grants to counties or municipalities for law enforcement  
24 purposes. The amounts of grants to counties or  
25 municipalities shall bear the same ratio as the number of  
26 licenses issued in counties or municipalities bears to the

1 total number of licenses issued in the State. In computing  
2 the number of licenses issued in a county, licenses issued  
3 for locations within a municipality's boundaries shall be  
4 excluded.

5 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
6 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the  
7 Retailers' Occupation Tax Act, and Section 3-7 of the Uniform  
8 Penalty and Interest Act, which are not inconsistent with this  
9 Act shall apply, as far as practicable, to the subject matter  
10 of this Act to the same extent as if such provisions were  
11 included in this Act. For the purposes of this Act, references  
12 in such incorporated Sections of the Retailers' Occupation Tax  
13 Act to retailers, sellers or persons engaged in the business of  
14 selling tangible personal property means persons engaged in  
15 conducting pull tabs and jar games and references in such  
16 incorporated Sections of the Retailers' Occupation Tax Act to  
17 sales of tangible personal property mean the conducting of pull  
18 tabs and jar games and the making of charges for participating  
19 in such drawings.

20 If any payment provided for in this Section exceeds the  
21 taxpayer's liabilities under this Act, as shown on an original  
22 return, the taxpayer may credit such excess payment against  
23 liability subsequently to be remitted to the Department under  
24 this Act, in accordance with reasonable rules adopted by the  
25 Department.

26 (Source: P.A. 95-228, eff. 8-16-07.)

1 Section 170. The Bingo License and Tax Act is amended by  
2 changing Section 3 as follows:

3 (230 ILCS 25/3) (from Ch. 120, par. 1103)

4 Sec. 3. Payments; returns. There shall be paid to the  
5 Department of Revenue, 5% of the gross proceeds of any game of  
6 bingo conducted under the provision of this Act. Such payments  
7 shall be made 4 times per year, between the first and the 20th  
8 day of April, July, October and January. Accompanying each  
9 payment shall be a return, on forms prescribed by the  
10 Department of Revenue. Failure to submit either the payment or  
11 the return within the specified time may result in suspension  
12 or revocation of the license. Tax returns filed pursuant to  
13 this Act shall not be confidential and shall be available for  
14 public inspection.

15 If any payment provided for in this Section exceeds the  
16 taxpayer's liabilities under this Act, as shown on an original  
17 return, the taxpayer may credit such excess payment against  
18 liability subsequently to be remitted to the Department under  
19 this Act, in accordance with reasonable rules adopted by the  
20 Department.

21 All payments made to the Department of Revenue under this  
22 Section shall be deposited as follows:

23 (1) 50% shall be deposited in the Mental Health Fund;  
24 and

1           (2) 50% shall be deposited in the Common School Fund.

2           The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
3 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers'  
4 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
5 Interest Act, which are not inconsistent with this Act, shall  
6 apply, as far as practicable, to the subject matter of this Act  
7 to the same extent as if such provisions were included in this  
8 Act. For the purposes of this Act, references in such  
9 incorporated Sections of the Retailers' Occupation Tax Act to  
10 retailers, sellers or persons engaged in the business of  
11 selling tangible personal property means persons engaged in  
12 conducting bingo games, and references in such incorporated  
13 Sections of the Retailers' Occupation Tax Act to sales of  
14 tangible personal property mean the conducting of bingo games  
15 and the making of charges for playing such games.

16           (Source: P.A. 95-228, eff. 8-16-07.)

17           Section 180. The Charitable Games Act is amended by  
18 changing Section 9 as follows:

19           (230 ILCS 30/9) (from Ch. 120, par. 1129)

20           Sec. 9. Payments; returns. There shall be paid to the  
21 Department of Revenue, 5% of the net proceeds of charitable  
22 games conducted under the provisions of this Act. Such payments  
23 shall be made within 30 days after the completion of the games.  
24 Accompanying each payment shall be a return, on forms

1 prescribed by the Department of Revenue. Failure to submit  
2 either the payment or the return within the specified time may  
3 result in suspension or revocation of the license. Tax returns  
4 filed pursuant to this Act shall not be confidential and shall  
5 be available for public inspection.

6 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
7 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers'  
8 Occupation Tax Act, and Section 3-7 of the Uniform Penalty and  
9 Interest Act, which are not inconsistent with this Act shall  
10 apply, as far as practicable, to the subject matter of this Act  
11 to the same extent as if such provisions were included in this  
12 Act. For the purposes of this Act, references in such  
13 incorporated Sections of the Retailers' Occupation Tax Act to  
14 retailers, sellers or persons engaged in the business of  
15 selling tangible personal property means persons engaged in  
16 conducting charitable games, and references in such  
17 incorporated Sections of the Retailers' Occupation Tax Act to  
18 sales of tangible personal property mean the conducting of  
19 charitable games and the making of charges for playing such  
20 games.

21 If any payment provided for in this Section exceeds the  
22 taxpayer's liabilities under this Act, as shown on an original  
23 return, the taxpayer may credit such excess payment against  
24 liability subsequently to be remitted to the Department under  
25 this Act, in accordance with reasonable rules adopted by the  
26 Department.

1 All payments made to the Department of Revenue under this  
2 Section shall be deposited into the Illinois Gaming Law  
3 Enforcement Fund of the State Treasury.

4 (Source: P.A. 98-377, eff. 1-1-14.)

5 Section 185. The Liquor Control Act of 1934 is amended by  
6 changing Section 8-2 as follows:

7 (235 ILCS 5/8-2) (from Ch. 43, par. 159)

8 Sec. 8-2. Payments; reports. It is the duty of each  
9 manufacturer with respect to alcoholic liquor produced or  
10 imported by such manufacturer, or purchased tax-free by such  
11 manufacturer from another manufacturer or importing  
12 distributor, and of each importing distributor as to alcoholic  
13 liquor purchased by such importing distributor from foreign  
14 importers or from anyone from any point in the United States  
15 outside of this State or purchased tax-free from another  
16 manufacturer or importing distributor, to pay the tax imposed  
17 by Section 8-1 to the Department of Revenue on or before the  
18 15th day of the calendar month following the calendar month in  
19 which such alcoholic liquor is sold or used by such  
20 manufacturer or by such importing distributor other than in an  
21 authorized tax-free manner or to pay that tax electronically as  
22 provided in this Section.

23 Each manufacturer and each importing distributor shall  
24 make payment under one of the following methods: (1) on or

1 before the 15th day of each calendar month, file in person or  
2 by United States first-class mail, postage pre-paid, with the  
3 Department of Revenue, on forms prescribed and furnished by the  
4 Department, a report in writing in such form as may be required  
5 by the Department in order to compute, and assure the accuracy  
6 of, the tax due on all taxable sales and uses of alcoholic  
7 liquor occurring during the preceding month. Payment of the tax  
8 in the amount disclosed by the report shall accompany the  
9 report or, (2) on or before the 15th day of each calendar  
10 month, electronically file with the Department of Revenue, on  
11 forms prescribed and furnished by the Department, an electronic  
12 report in such form as may be required by the Department in  
13 order to compute, and assure the accuracy of, the tax due on  
14 all taxable sales and uses of alcoholic liquor occurring during  
15 the preceding month. An electronic payment of the tax in the  
16 amount disclosed by the report shall accompany the report. A  
17 manufacturer or distributor who files an electronic report and  
18 electronically pays the tax imposed pursuant to Section 8-1 to  
19 the Department of Revenue on or before the 15th day of the  
20 calendar month following the calendar month in which such  
21 alcoholic liquor is sold or used by that manufacturer or  
22 importing distributor other than in an authorized tax-free  
23 manner shall pay to the Department the amount of the tax  
24 imposed pursuant to Section 8-1, less a discount which is  
25 allowed to reimburse the manufacturer or importing distributor  
26 for the expenses incurred in keeping and maintaining records,

1 preparing and filing the electronic returns, remitting the tax,  
2 and supplying data to the Department upon request.

3 The discount shall be in an amount as follows:

4 (1) For original returns due on or after January 1,  
5 2003 through September 30, 2003, the discount shall be  
6 1.75% or \$1,250 per return, whichever is less;

7 (2) For original returns due on or after October 1,  
8 2003 through September 30, 2004, the discount shall be 2%  
9 or \$3,000 per return, whichever is less; and

10 (3) For original returns due on or after October 1,  
11 2004, the discount shall be 2% or \$2,000 per return,  
12 whichever is less.

13 The Department may, if it deems it necessary in order to  
14 insure the payment of the tax imposed by this Article, require  
15 returns to be made more frequently than and covering periods of  
16 less than a month. Such return shall contain such further  
17 information as the Department may reasonably require.

18 It shall be presumed that all alcoholic liquors acquired or  
19 made by any importing distributor or manufacturer have been  
20 sold or used by him in this State and are the basis for the tax  
21 imposed by this Article unless proven, to the satisfaction of  
22 the Department, that such alcoholic liquors are (1) still in  
23 the possession of such importing distributor or manufacturer,  
24 or (2) prior to the termination of possession have been lost by  
25 theft or through unintentional destruction, or (3) that such  
26 alcoholic liquors are otherwise exempt from taxation under this



1 Act.

2 If any payment provided for in this Section exceeds the  
3 manufacturer's or importing distributor's liabilities under  
4 this Act, as shown on an original report, the manufacturer or  
5 importing distributor may credit such excess payment against  
6 liability subsequently to be remitted to the Department under  
7 this Act, in accordance with reasonable rules adopted by the  
8 Department. If the Department subsequently determines that all  
9 or any part of the credit taken was not actually due to the  
10 manufacturer or importing distributor, the manufacturer's or  
11 importing distributor's discount shall be reduced by an amount  
12 equal to the difference between the discount as applied to the  
13 credit taken and that actually due, and the manufacturer or  
14 importing distributor shall be liable for penalties and  
15 interest on such difference.

16 The Department may require any foreign importer to file  
17 monthly information returns, by the 15th day of the month  
18 following the month which any such return covers, if the  
19 Department determines this to be necessary to the proper  
20 performance of the Department's functions and duties under this  
21 Act. Such return shall contain such information as the  
22 Department may reasonably require.

23 Every manufacturer and importing distributor shall also  
24 file, with the Department, a bond in an amount not less than  
25 \$1,000 and not to exceed \$100,000 on a form to be approved by,  
26 and with a surety or sureties satisfactory to, the Department.

1 Such bond shall be conditioned upon the manufacturer or  
2 importing distributor paying to the Department all monies  
3 becoming due from such manufacturer or importing distributor  
4 under this Article. The Department shall fix the penalty of  
5 such bond in each case, taking into consideration the amount of  
6 alcoholic liquor expected to be sold and used by such  
7 manufacturer or importing distributor, and the penalty fixed by  
8 the Department shall be sufficient, in the Department's  
9 opinion, to protect the State of Illinois against failure to  
10 pay any amount due under this Article, but the amount of the  
11 penalty fixed by the Department shall not exceed twice the  
12 amount of tax liability of a monthly return, nor shall the  
13 amount of such penalty be less than \$1,000. The Department  
14 shall notify the Commission of the Department's approval or  
15 disapproval of any such manufacturer's or importing  
16 distributor's bond, or of the termination or cancellation of  
17 any such bond, or of the Department's direction to a  
18 manufacturer or importing distributor that he must file  
19 additional bond in order to comply with this Section. The  
20 Commission shall not issue a license to any applicant for a  
21 manufacturer's or importing distributor's license unless the  
22 Commission has received a notification from the Department  
23 showing that such applicant has filed a satisfactory bond with  
24 the Department hereunder and that such bond has been approved  
25 by the Department. Failure by any licensed manufacturer or  
26 importing distributor to keep a satisfactory bond in effect

1 with the Department or to furnish additional bond to the  
2 Department, when required hereunder by the Department to do so,  
3 shall be grounds for the revocation or suspension of such  
4 manufacturer's or importing distributor's license by the  
5 Commission. If a manufacturer or importing distributor fails to  
6 pay any amount due under this Article, his bond with the  
7 Department shall be deemed forfeited, and the Department may  
8 institute a suit in its own name on such bond.

9 After notice and opportunity for a hearing the State  
10 Commission may revoke or suspend the license of any  
11 manufacturer or importing distributor who fails to comply with  
12 the provisions of this Section. Notice of such hearing and the  
13 time and place thereof shall be in writing and shall contain a  
14 statement of the charges against the licensee. Such notice may  
15 be given by United States registered or certified mail with  
16 return receipt requested, addressed to the person concerned at  
17 his last known address and shall be given not less than 7 days  
18 prior to the date fixed for the hearing. An order revoking or  
19 suspending a license under the provisions of this Section may  
20 be reviewed in the manner provided in Section 7-10 of this Act.  
21 No new license shall be granted to a person whose license has  
22 been revoked for a violation of this Section or, in case of  
23 suspension, shall such suspension be terminated until he has  
24 paid to the Department all taxes and penalties which he owes  
25 the State under the provisions of this Act.

26 Every manufacturer or importing distributor who has, as

1 verified by the Department, continuously complied with the  
2 conditions of the bond under this Act for a period of 2 years  
3 shall be considered to be a prior continuous compliance  
4 taxpayer. In determining the consecutive period of time for  
5 qualification as a prior continuous compliance taxpayer, any  
6 consecutive period of time of qualifying compliance  
7 immediately prior to the effective date of this amendatory Act  
8 of 1987 shall be credited to any manufacturer or importing  
9 distributor.

10 A manufacturer or importing distributor that is a prior  
11 continuous compliance taxpayer under this Section and becomes a  
12 successor as the result of an acquisition, merger, or  
13 consolidation of a manufacturer or importing distributor shall  
14 be deemed to be a prior continuous compliance taxpayer with  
15 respect to the acquired, merged, or consolidated entity.

16 Every prior continuous compliance taxpayer shall be exempt  
17 from the bond requirements of this Act until the Department has  
18 determined the taxpayer to be delinquent in the filing of any  
19 return or deficient in the payment of any tax under this Act.  
20 Any taxpayer who fails to pay an admitted or established  
21 liability under this Act may also be required to post bond or  
22 other acceptable security with the Department guaranteeing the  
23 payment of such admitted or established liability.

24 The Department shall discharge any surety and shall release  
25 and return any bond or security deposit assigned, pledged or  
26 otherwise provided to it by a taxpayer under this Section

1 within 30 days after: (1) such taxpayer becomes a prior  
2 continuous compliance taxpayer; or (2) such taxpayer has ceased  
3 to collect receipts on which he is required to remit tax to the  
4 Department, has filed a final tax return, and has paid to the  
5 Department an amount sufficient to discharge his remaining tax  
6 liability as determined by the Department under this Act.

7 (Source: P.A. 95-769, eff. 7-29-08.)

8 Section 190. The Energy Assistance Act is amended by  
9 changing Section 13 and by adding Section 19 as follows:

10 (305 ILCS 20/13)

11 (Text of Section before amendment by P.A. 99-906)

12 (Section scheduled to be repealed on January 1, 2025)

13 Sec. 13. Supplemental Low-Income Energy Assistance Fund.

14 (a) The Supplemental Low-Income Energy Assistance Fund is  
15 hereby created as a special fund in the State Treasury. The  
16 Supplemental Low-Income Energy Assistance Fund is authorized  
17 to receive moneys from voluntary donations from individuals,  
18 foundations, corporations, and other sources, moneys received  
19 pursuant to Section 17, and, by statutory deposit, the moneys  
20 collected pursuant to this Section. The Fund is also authorized  
21 to receive voluntary donations from individuals, foundations,  
22 corporations, and other sources, as well as contributions made  
23 in accordance with Section 507MM of the Illinois Income Tax  
24 Act. Subject to appropriation, the Department shall use moneys

1 from the Supplemental Low-Income Energy Assistance Fund for  
2 payments to electric or gas public utilities, municipal  
3 electric or gas utilities, and electric cooperatives on behalf  
4 of their customers who are participants in the program  
5 authorized by Sections 4 and 18 of this Act, for the provision  
6 of weatherization services and for administration of the  
7 Supplemental Low-Income Energy Assistance Fund. The yearly  
8 expenditures for weatherization may not exceed 10% of the  
9 amount collected during the year pursuant to this Section. The  
10 yearly administrative expenses of the Supplemental Low-Income  
11 Energy Assistance Fund may not exceed 10% of the amount  
12 collected during that year pursuant to this Section, except  
13 when unspent funds from the Supplemental Low-Income Energy  
14 Assistance Fund are reallocated from a previous year; any  
15 unspent balance of the 10% administrative allowance may be  
16 utilized for administrative expenses in the year they are  
17 reallocated.

18 (b) Notwithstanding the provisions of Section 16-111 of the  
19 Public Utilities Act but subject to subsection (k) of this  
20 Section, each public utility, electric cooperative, as defined  
21 in Section 3.4 of the Electric Supplier Act, and municipal  
22 utility, as referenced in Section 3-105 of the Public Utilities  
23 Act, that is engaged in the delivery of electricity or the  
24 distribution of natural gas within the State of Illinois shall,  
25 effective January 1, 1998, assess each of its customer accounts  
26 a monthly Energy Assistance Charge for the Supplemental

1 Low-Income Energy Assistance Fund. The delivering public  
2 utility, municipal electric or gas utility, or electric or gas  
3 cooperative for a self-assessing purchaser remains subject to  
4 the collection of the fee imposed by this Section. The monthly  
5 charge shall be as follows:

6 (1) \$0.48 per month on each account for residential  
7 electric service;

8 (2) \$0.48 per month on each account for residential gas  
9 service;

10 (3) \$4.80 per month on each account for non-residential  
11 electric service which had less than 10 megawatts of peak  
12 demand during the previous calendar year;

13 (4) \$4.80 per month on each account for non-residential  
14 gas service which had distributed to it less than 4,000,000  
15 therms of gas during the previous calendar year;

16 (5) \$360 per month on each account for non-residential  
17 electric service which had 10 megawatts or greater of peak  
18 demand during the previous calendar year; and

19 (6) \$360 per month on each account for non-residential  
20 gas service which had 4,000,000 or more therms of gas  
21 distributed to it during the previous calendar year.

22 The incremental change to such charges imposed by this  
23 amendatory Act of the 96th General Assembly shall not (i) be  
24 used for any purpose other than to directly assist customers  
25 and (ii) be applicable to utilities serving less than 100,000  
26 customers in Illinois on January 1, 2009.

1           In addition, electric and gas utilities have committed, and  
2 shall contribute, a one-time payment of \$22 million to the  
3 Fund, within 10 days after the effective date of the tariffs  
4 established pursuant to Sections 16-111.8 and 19-145 of the  
5 Public Utilities Act to be used for the Department's cost of  
6 implementing the programs described in Section 18 of this  
7 amendatory Act of the 96th General Assembly, the Arrearage  
8 Reduction Program described in Section 18, and the programs  
9 described in Section 8-105 of the Public Utilities Act. If a  
10 utility elects not to file a rider within 90 days after the  
11 effective date of this amendatory Act of the 96th General  
12 Assembly, then the contribution from such utility shall be made  
13 no later than February 1, 2010.

14           (c) For purposes of this Section:

15           (1) "residential electric service" means electric  
16 utility service for household purposes delivered to a  
17 dwelling of 2 or fewer units which is billed under a  
18 residential rate, or electric utility service for  
19 household purposes delivered to a dwelling unit or units  
20 which is billed under a residential rate and is registered  
21 by a separate meter for each dwelling unit;

22           (2) "residential gas service" means gas utility  
23 service for household purposes distributed to a dwelling of  
24 2 or fewer units which is billed under a residential rate,  
25 or gas utility service for household purposes distributed  
26 to a dwelling unit or units which is billed under a



1 residential rate and is registered by a separate meter for  
2 each dwelling unit;

3 (3) "non-residential electric service" means electric  
4 utility service which is not residential electric service;  
5 and

6 (4) "non-residential gas service" means gas utility  
7 service which is not residential gas service.

8 (d) Within 30 days after the effective date of this  
9 amendatory Act of the 96th General Assembly, each public  
10 utility engaged in the delivery of electricity or the  
11 distribution of natural gas shall file with the Illinois  
12 Commerce Commission tariffs incorporating the Energy  
13 Assistance Charge in other charges stated in such tariffs,  
14 which shall become effective no later than the beginning of the  
15 first billing cycle following such filing.

16 (e) The Energy Assistance Charge assessed by electric and  
17 gas public utilities shall be considered a charge for public  
18 utility service.

19 (f) By the 20th day of the month following the month in  
20 which the charges imposed by the Section were collected, each  
21 public utility, municipal utility, and electric cooperative  
22 shall remit to the Department of Revenue all moneys received as  
23 payment of the Energy Assistance Charge on a return prescribed  
24 and furnished by the Department of Revenue showing such  
25 information as the Department of Revenue may reasonably  
26 require; provided, however, that a utility offering an

1 Arrearage Reduction Program pursuant to Section 18 of this Act  
2 shall be entitled to net those amounts necessary to fund and  
3 recover the costs of such Program as authorized by that Section  
4 that is no more than the incremental change in such Energy  
5 Assistance Charge authorized by this amendatory Act of the 96th  
6 General Assembly. If a customer makes a partial payment, a  
7 public utility, municipal utility, or electric cooperative may  
8 elect either: (i) to apply such partial payments first to  
9 amounts owed to the utility or cooperative for its services and  
10 then to payment for the Energy Assistance Charge or (ii) to  
11 apply such partial payments on a pro-rata basis between amounts  
12 owed to the utility or cooperative for its services and to  
13 payment for the Energy Assistance Charge.

14 If any payment provided for in this Section exceeds the  
15 public utility, municipal utility, or electric cooperative's  
16 liabilities under this Act, as shown on an original return, the  
17 public utility, municipal utility, or electric cooperative may  
18 credit the excess payment against liability subsequently to be  
19 remitted to the Department of Revenue under this Act.

20 (g) The Department of Revenue shall deposit into the  
21 Supplemental Low-Income Energy Assistance Fund all moneys  
22 remitted to it in accordance with subsection (f) of this  
23 Section; provided, however, that the amounts remitted by each  
24 utility shall be used to provide assistance to that utility's  
25 customers. The utilities shall coordinate with the Department  
26 to establish an equitable and practical methodology for

1 implementing this subsection (g) beginning with the 2010  
2 program year.

3 (h) On or before December 31, 2002, the Department shall  
4 prepare a report for the General Assembly on the expenditure of  
5 funds appropriated from the Low-Income Energy Assistance Block  
6 Grant Fund for the program authorized under Section 4 of this  
7 Act.

8 (i) The Department of Revenue may establish such rules as  
9 it deems necessary to implement this Section.

10 (j) The Department of Commerce and Economic Opportunity may  
11 establish such rules as it deems necessary to implement this  
12 Section.

13 (k) The charges imposed by this Section shall only apply to  
14 customers of municipal electric or gas utilities and electric  
15 or gas cooperatives if the municipal electric or gas utility or  
16 electric or gas cooperative makes an affirmative decision to  
17 impose the charge. If a municipal electric or gas utility or an  
18 electric cooperative makes an affirmative decision to impose  
19 the charge provided by this Section, the municipal electric or  
20 gas utility or electric cooperative shall inform the Department  
21 of Revenue in writing of such decision when it begins to impose  
22 the charge. If a municipal electric or gas utility or electric  
23 or gas cooperative does not assess this charge, the Department  
24 may not use funds from the Supplemental Low-Income Energy  
25 Assistance Fund to provide benefits to its customers under the  
26 program authorized by Section 4 of this Act.

1           In its use of federal funds under this Act, the Department  
2 may not cause a disproportionate share of those federal funds  
3 to benefit customers of systems which do not assess the charge  
4 provided by this Section.

5           This Section is repealed effective December 31, 2018 unless  
6 renewed by action of the General Assembly. The General Assembly  
7 shall consider the results of the evaluations described in  
8 Section 8 in its deliberations.

9           (Source: P.A. 98-429, eff. 8-16-13; 99-457, eff. 1-1-16.)

10           (Text of Section after amendment by P.A. 99-906)

11           (Section scheduled to be repealed on January 1, 2025)

12           Sec. 13. Supplemental Low-Income Energy Assistance Fund.

13           (a) The Supplemental Low-Income Energy Assistance Fund is  
14 hereby created as a special fund in the State Treasury. The  
15 Supplemental Low-Income Energy Assistance Fund is authorized  
16 to receive moneys from voluntary donations from individuals,  
17 foundations, corporations, and other sources, moneys received  
18 pursuant to Section 17, and, by statutory deposit, the moneys  
19 collected pursuant to this Section. The Fund is also authorized  
20 to receive voluntary donations from individuals, foundations,  
21 corporations, and other sources, as well as contributions made  
22 in accordance with Section 507MM of the Illinois Income Tax  
23 Act. Subject to appropriation, the Department shall use moneys  
24 from the Supplemental Low-Income Energy Assistance Fund for  
25 payments to electric or gas public utilities, municipal

1 electric or gas utilities, and electric cooperatives on behalf  
2 of their customers who are participants in the program  
3 authorized by Sections 4 and 18 of this Act, for the provision  
4 of weatherization services and for administration of the  
5 Supplemental Low-Income Energy Assistance Fund. The yearly  
6 expenditures for weatherization may not exceed 10% of the  
7 amount collected during the year pursuant to this Section. The  
8 yearly administrative expenses of the Supplemental Low-Income  
9 Energy Assistance Fund may not exceed 10% of the amount  
10 collected during that year pursuant to this Section, except  
11 when unspent funds from the Supplemental Low-Income Energy  
12 Assistance Fund are reallocated from a previous year; any  
13 unspent balance of the 10% administrative allowance may be  
14 utilized for administrative expenses in the year they are  
15 reallocated.

16 (b) Notwithstanding the provisions of Section 16-111 of the  
17 Public Utilities Act but subject to subsection (k) of this  
18 Section, each public utility, electric cooperative, as defined  
19 in Section 3.4 of the Electric Supplier Act, and municipal  
20 utility, as referenced in Section 3-105 of the Public Utilities  
21 Act, that is engaged in the delivery of electricity or the  
22 distribution of natural gas within the State of Illinois shall,  
23 effective January 1, 1998, assess each of its customer accounts  
24 a monthly Energy Assistance Charge for the Supplemental  
25 Low-Income Energy Assistance Fund. The delivering public  
26 utility, municipal electric or gas utility, or electric or gas

1 cooperative for a self-assessing purchaser remains subject to  
2 the collection of the fee imposed by this Section. The monthly  
3 charge shall be as follows:

4 (1) \$0.48 per month on each account for residential  
5 electric service;

6 (2) \$0.48 per month on each account for residential gas  
7 service;

8 (3) \$4.80 per month on each account for non-residential  
9 electric service which had less than 10 megawatts of peak  
10 demand during the previous calendar year;

11 (4) \$4.80 per month on each account for non-residential  
12 gas service which had distributed to it less than 4,000,000  
13 therms of gas during the previous calendar year;

14 (5) \$360 per month on each account for non-residential  
15 electric service which had 10 megawatts or greater of peak  
16 demand during the previous calendar year; and

17 (6) \$360 per month on each account for non-residential  
18 gas service which had 4,000,000 or more therms of gas  
19 distributed to it during the previous calendar year.

20 The incremental change to such charges imposed by this  
21 amendatory Act of the 96th General Assembly shall not (i) be  
22 used for any purpose other than to directly assist customers  
23 and (ii) be applicable to utilities serving less than 100,000  
24 customers in Illinois on January 1, 2009.

25 In addition, electric and gas utilities have committed, and  
26 shall contribute, a one-time payment of \$22 million to the

1 Fund, within 10 days after the effective date of the tariffs  
2 established pursuant to Sections 16-111.8 and 19-145 of the  
3 Public Utilities Act to be used for the Department's cost of  
4 implementing the programs described in Section 18 of this  
5 amendatory Act of the 96th General Assembly, the Arrearage  
6 Reduction Program described in Section 18, and the programs  
7 described in Section 8-105 of the Public Utilities Act. If a  
8 utility elects not to file a rider within 90 days after the  
9 effective date of this amendatory Act of the 96th General  
10 Assembly, then the contribution from such utility shall be made  
11 no later than February 1, 2010.

12 (c) For purposes of this Section:

13 (1) "residential electric service" means electric  
14 utility service for household purposes delivered to a  
15 dwelling of 2 or fewer units which is billed under a  
16 residential rate, or electric utility service for  
17 household purposes delivered to a dwelling unit or units  
18 which is billed under a residential rate and is registered  
19 by a separate meter for each dwelling unit;

20 (2) "residential gas service" means gas utility  
21 service for household purposes distributed to a dwelling of  
22 2 or fewer units which is billed under a residential rate,  
23 or gas utility service for household purposes distributed  
24 to a dwelling unit or units which is billed under a  
25 residential rate and is registered by a separate meter for  
26 each dwelling unit;

1           (3) "non-residential electric service" means electric  
2           utility service which is not residential electric service;  
3           and

4           (4) "non-residential gas service" means gas utility  
5           service which is not residential gas service.

6           (d) Within 30 days after the effective date of this  
7           amendatory Act of the 96th General Assembly, each public  
8           utility engaged in the delivery of electricity or the  
9           distribution of natural gas shall file with the Illinois  
10          Commerce Commission tariffs incorporating the Energy  
11          Assistance Charge in other charges stated in such tariffs,  
12          which shall become effective no later than the beginning of the  
13          first billing cycle following such filing.

14          (e) The Energy Assistance Charge assessed by electric and  
15          gas public utilities shall be considered a charge for public  
16          utility service.

17          (f) By the 20th day of the month following the month in  
18          which the charges imposed by the Section were collected, each  
19          public utility, municipal utility, and electric cooperative  
20          shall remit to the Department of Revenue all moneys received as  
21          payment of the Energy Assistance Charge on a return prescribed  
22          and furnished by the Department of Revenue showing such  
23          information as the Department of Revenue may reasonably  
24          require; provided, however, that a utility offering an  
25          Arrearage Reduction Program or Supplemental Arrearage  
26          Reduction Program pursuant to Section 18 of this Act shall be



1 entitled to net those amounts necessary to fund and recover the  
2 costs of such Programs as authorized by that Section that is no  
3 more than the incremental change in such Energy Assistance  
4 Charge authorized by Public Act 96-33. If a customer makes a  
5 partial payment, a public utility, municipal utility, or  
6 electric cooperative may elect either: (i) to apply such  
7 partial payments first to amounts owed to the utility or  
8 cooperative for its services and then to payment for the Energy  
9 Assistance Charge or (ii) to apply such partial payments on a  
10 pro-rata basis between amounts owed to the utility or  
11 cooperative for its services and to payment for the Energy  
12 Assistance Charge.

13 If any payment provided for in this Section exceeds the  
14 public utility, municipal utility, or electric cooperative's  
15 liabilities under this Act, as shown on an original return, the  
16 public utility, municipal utility, or electric cooperative may  
17 credit the excess payment against liability subsequently to be  
18 remitted to the Department of Revenue under this Act.

19 (g) The Department of Revenue shall deposit into the  
20 Supplemental Low-Income Energy Assistance Fund all moneys  
21 remitted to it in accordance with subsection (f) of this  
22 Section; provided, however, that the amounts remitted by each  
23 utility shall be used to provide assistance to that utility's  
24 customers. The utilities shall coordinate with the Department  
25 to establish an equitable and practical methodology for  
26 implementing this subsection (g) beginning with the 2010

1 program year.

2 (h) On or before December 31, 2002, the Department shall  
3 prepare a report for the General Assembly on the expenditure of  
4 funds appropriated from the Low-Income Energy Assistance Block  
5 Grant Fund for the program authorized under Section 4 of this  
6 Act.

7 (i) The Department of Revenue may establish such rules as  
8 it deems necessary to implement this Section.

9 (j) The Department of Commerce and Economic Opportunity may  
10 establish such rules as it deems necessary to implement this  
11 Section.

12 (k) The charges imposed by this Section shall only apply to  
13 customers of municipal electric or gas utilities and electric  
14 or gas cooperatives if the municipal electric or gas utility or  
15 electric or gas cooperative makes an affirmative decision to  
16 impose the charge. If a municipal electric or gas utility or an  
17 electric cooperative makes an affirmative decision to impose  
18 the charge provided by this Section, the municipal electric or  
19 gas utility or electric cooperative shall inform the Department  
20 of Revenue in writing of such decision when it begins to impose  
21 the charge. If a municipal electric or gas utility or electric  
22 or gas cooperative does not assess this charge, the Department  
23 may not use funds from the Supplemental Low-Income Energy  
24 Assistance Fund to provide benefits to its customers under the  
25 program authorized by Section 4 of this Act.

26 In its use of federal funds under this Act, the Department

1 may not cause a disproportionate share of those federal funds  
2 to benefit customers of systems which do not assess the charge  
3 provided by this Section.

4 This Section is repealed on January 1, 2025 unless renewed  
5 by action of the General Assembly.

6 (Source: P.A. 98-429, eff. 8-16-13; 99-457, eff. 1-1-16;  
7 99-906, eff. 6-1-17.)

8 (305 ILCS 20/19 new)

9 Sec. 19. Application of Retailers' Occupation Tax  
10 provisions. All the provisions of Sections 3, 4, 5, 5a, 5b, 5c,  
11 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, and 13 of  
12 the Retailers' Occupation Tax Act that are not inconsistent  
13 with this Act apply, as far as practicable, to the surcharge  
14 imposed by this Act to the same extent as if those provisions  
15 were included in this Act. References in the incorporated  
16 Sections of the Retailers' Occupation Tax Act to retailers, to  
17  sellers, or to persons engaged in the business of selling  
18 tangible personal property mean persons required to remit the  
19 charge imposed under this Act.

20 Section 195. The Environmental Protection Act is amended by  
21 changing Section 55.10 as follows:

22 (415 ILCS 5/55.10) (from Ch. 111 1/2, par. 1055.10)

23 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           (b) Each return made to the Department of Revenue shall  
26 state:

- 1 (1) the name of the retailer;
- 2 (2) the address of the retailer's principal place of  
3 business, and the address of the principal place of  
4 business (if that is a different address) from which the  
5 retailer engages in the business of making retail sales of  
6 tires;
- 7 (3) total number of tires sold at retail for the  
8 preceding calendar quarter;
- 9 (4) the amount of tax due; and
- 10 (5) such other reasonable information as the  
11 Department of Revenue may require.

12 If any payment provided for in this Section exceeds the  
13 retailer's liabilities under this Act, as shown on an original  
14 return, the retailer may credit such excess payment against  
15 liability subsequently to be remitted to the Department under  
16 this Act, in accordance with reasonable rules adopted by the  
17 Department. If the Department subsequently determines that all  
18 or any part of the credit taken was not actually due to the  
19 retailer, the retailer's discount shall be reduced by the  
20 monetary amount of the discount applicable to the difference  
21 between the credit taken and that actually due, and the  
22 retailer shall be liable for penalties and interest on such  
23 difference.

24 Notwithstanding any other provision of this Act concerning  
25 the time within which a retailer may file his return, in the  
26 case of any retailer who ceases to engage in the retail sale of

1 tires, the retailer shall file a final return under this Act  
2 with the Department of Revenue not more than one month after  
3 discontinuing that business.

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

5 Section 200. The Environmental Impact Fee Law is amended by  
6 changing Section 315 as follows:

7 (415 ILCS 125/315)

8 (Section scheduled to be repealed on January 1, 2025)

9 Sec. 315. Fee on receivers of fuel for sale or use;  
10 collection and reporting. A person that is required to pay the  
11 fee imposed by this Law shall pay the fee to the Department by  
12 return showing all fuel purchased, acquired, or received and  
13 sold, distributed or used during the preceding calendar month,  
14 including losses of fuel as the result of evaporation or  
15 shrinkage due to temperature variations, and such other  
16 reasonable information as the Department may require. Losses of  
17 fuel as the result of evaporation or shrinkage due to  
18 temperature variations may not exceed 1% of the total gallons  
19 in storage at the beginning of the month, plus the receipts of  
20 gallonage during the month, minus the gallonage remaining in  
21 storage at the end of the month. Any loss reported that is in  
22 excess of this amount shall be subject to the fee imposed by  
23 Section 310 of this Law. On and after July 1, 2001, for each  
24 6-month period January through June, net losses of fuel (for

1 each category of fuel that is required to be reported on a  
2 return) as the result of evaporation or shrinkage due to  
3 temperature variations may not exceed 1% of the total gallons  
4 in storage at the beginning of each January, plus the receipts  
5 of gallonage each January through June, minus the gallonage  
6 remaining in storage at the end of each June. On and after July  
7 1, 2001, for each 6-month period July through December, net  
8 losses of fuel (for each category of fuel that is required to  
9 be reported on a return) as the result of evaporation or  
10 shrinkage due to temperature variations may not exceed 1% of  
11 the total gallons in storage at the beginning of each July,  
12 plus the receipts of gallonage each July through December,  
13 minus the gallonage remaining in storage at the end of each  
14 December. Any net loss reported that is in excess of this  
15 amount shall be subject to the fee imposed by Section 310 of  
16 this Law. For purposes of this Section, "net loss" means the  
17 number of gallons gained through temperature variations minus  
18 the number of gallons lost through temperature variations or  
19 evaporation for each of the respective 6-month periods.

20 The return shall be prescribed by the Department and shall  
21 be filed between the 1st and 20th days of each calendar month.  
22 The Department may, in its discretion, combine the return filed  
23 under this Law with the return filed under Section 2b of the  
24 Motor Fuel Tax Law. If the return is timely filed, the receiver  
25 may take a discount of 2% through June 30, 2003 and 1.75%  
26 thereafter to reimburse himself for the expenses incurred in

1 keeping records, preparing and filing returns, collecting and  
2 remitting the fee, and supplying data to the Department on  
3 request. However, the discount applies only to the amount of  
4 the fee payment that accompanies a return that is timely filed  
5 in accordance with this Section.

6 If any payment provided for in this Section exceeds the  
7 receiver's liabilities under this Act, as shown on an original  
8 return, the Department may authorize the receiver to credit  
9 such excess payment against liability subsequently to be  
10 remitted to the Department under this Act, in accordance with  
11 reasonable rules adopted by the Department. If the Department  
12 subsequently determines that all or any part of the credit  
13 taken was not actually due to the receiver, the receiver's  
14 discount shall be reduced by an amount equal to the difference  
15 between the discount as applied to the credit taken and that  
16 actually due, and that receiver shall be liable for penalties  
17 and interest on such difference.

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

19 Section 205. The Drycleaner Environmental Response Trust  
20 Fund Act is amended by changing Section 65 as follows:

21 (415 ILCS 135/65)

22 (Section scheduled to be repealed on January 1, 2020)

23 Sec. 65. Drycleaning solvent tax.

24 (a) On and after January 1, 1998, a tax is imposed upon the



1 use of drycleaning solvent by a person engaged in the business  
2 of operating a drycleaning facility in this State at the rate  
3 of \$3.50 per gallon of perchloroethylene or other chlorinated  
4 drycleaning solvents used in drycleaning operations, \$0.35 per  
5 gallon of petroleum-based drycleaning solvent, and \$1.75 per  
6 gallon of green solvents, unless the green solvent is used at a  
7 virgin facility, in which case the rate is \$0.35 per gallon.  
8 The Council shall determine by rule which products are  
9 chlorine-based solvents, which products are petroleum-based  
10 solvents, and which products are green solvents. All  
11 drycleaning solvents shall be considered chlorinated solvents  
12 unless the Council determines that the solvents are  
13 petroleum-based drycleaning solvents or green solvents.

14 (b) The tax imposed by this Act shall be collected from the  
15 purchaser at the time of sale by a seller of drycleaning  
16 solvents maintaining a place of business in this State and  
17 shall be remitted to the Department of Revenue under the  
18 provisions of this Act.

19 (c) The tax imposed by this Act that is not collected by a  
20 seller of drycleaning solvents shall be paid directly to the  
21 Department of Revenue by the purchaser or end user who is  
22 subject to the tax imposed by this Act.

23 (d) No tax shall be imposed upon the use of drycleaning  
24 solvent if the drycleaning solvent will not be used in a  
25 drycleaning facility or if a floor stock tax has been imposed  
26 and paid on the drycleaning solvent. Prior to the purchase of

1 the solvent, the purchaser shall provide a written and signed  
2 certificate to the drycleaning solvent seller stating:

3 (1) the name and address of the purchaser;

4 (2) the purchaser's signature and date of signing; and

5 (3) one of the following:

6 (A) that the drycleaning solvent will not be used  
7 in a drycleaning facility; or

8 (B) that a floor stock tax has been imposed and  
9 paid on the drycleaning solvent.

10 (e) On January 1, 1998, there is imposed on each operator  
11 of a drycleaning facility a tax on drycleaning solvent held by  
12 the operator on that date for use in a drycleaning facility.  
13 The tax imposed shall be the tax that would have been imposed  
14 under subsection (a) if the drycleaning solvent held by the  
15 operator on that date had been purchased by the operator during  
16 the first year of this Act.

17 (f) On or before the 25th day of the 1st month following  
18 the end of the calendar quarter, a seller of drycleaning  
19 solvents who has collected a tax pursuant to this Section  
20 during the previous calendar quarter, or a purchaser or end  
21 user of drycleaning solvents required under subsection (c) to  
22 submit the tax directly to the Department, shall file a return  
23 with the Department of Revenue. The return shall be filed on a  
24 form prescribed by the Department of Revenue and shall contain  
25 information that the Department of Revenue reasonably  
26 requires, but at a minimum will require the reporting of the

1 volume of drycleaning solvent sold to each licensed drycleaner.  
2 The Department of Revenue shall report quarterly to the Council  
3 the volume of drycleaning solvent purchased for the quarter by  
4 each licensed drycleaner. Each seller of drycleaning solvent  
5 maintaining a place of business in this State who is required  
6 or authorized to collect the tax imposed by this Act shall pay  
7 to the Department the amount of the tax at the time when he or  
8 she is required to file his or her return for the period during  
9 which the tax was collected. Purchasers or end users remitting  
10 the tax directly to the Department under subsection (c) shall  
11 file a return with the Department of Revenue and pay the tax so  
12 incurred by the purchaser or end user during the preceding  
13 calendar quarter.

14 Except as provided in this Section, the seller of  
15 drycleaning solvents filing the return under this Section  
16 shall, at the time of filing the return, pay to the Department  
17 the amount of tax imposed by this Act less a discount of 1.75%,  
18 or \$5 per calendar year, whichever is greater. Failure to  
19 timely file the returns and provide to the Department the data  
20 requested under this Act will result in disallowance of the  
21 reimbursement discount.

22 (g) The tax on drycleaning solvents used in drycleaning  
23 facilities and the floor stock tax shall be administered by  
24 Department of Revenue under rules adopted by that Department.

25 (h) On and after January 1, 1998, no person shall knowingly  
26 sell or transfer drycleaning solvent to an operator of a

1 drycleaning facility that is not licensed by the Council under  
2 Section 60.

3 (i) The Department of Revenue may adopt rules as necessary  
4 to implement this Section.

5 (j) If any payment provided for in this Section exceeds the  
6 seller's liabilities under this Act, as shown on an original  
7 return, the seller may credit such excess payment against  
8 liability subsequently to be remitted to the Department under  
9 this Act, in accordance with reasonable rules adopted by the  
10 Department. If the Department subsequently determines that all  
11 or any part of the credit taken was not actually due to the  
12 seller, the seller's discount shall be reduced by an amount  
13 equal to the difference between the discount as applied to the  
14 credit taken and that actually due, and the seller shall be  
15 liable for penalties and interest on such difference.

16 (Source: P.A. 96-774, eff. 1-1-10.)

17 Section 995. No acceleration or delay. Where this Act makes  
18 changes in a statute that is represented in this Act by text  
19 that is not yet or no longer in effect (for example, a Section  
20 represented by multiple versions), the use of that text does  
21 not accelerate or delay the taking effect of (i) the changes  
22 made by this Act or (ii) provisions derived from any other  
23 Public Act.

24 Section 999. Effective date. This Act takes effect upon  
25 becoming law.

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| 8  | 70 ILCS 3615/4.03   | from Ch. 111 2/3, par. 704.03  |
| 9  | 70 ILCS 3720/4      | from Ch. 111 2/3, par. 254     |
| 10 | 230 ILCS 15/2       | from Ch. 85, par. 2302         |
| 11 | 230 ILCS 20/5       | from Ch. 120, par. 1055        |
| 12 | 230 ILCS 25/3       | from Ch. 120, par. 1103        |
| 13 | 230 ILCS 30/9       | from Ch. 120, par. 1129        |
| 14 | 235 ILCS 5/8-2      | from Ch. 43, par. 159          |
| 15 | 305 ILCS 20/13      |                                |
| 16 | 305 ILCS 20/19 new  |                                |
| 17 | 415 ILCS 5/55.10    | from Ch. 111 1/2, par. 1055.10 |
| 18 | 415 ILCS 125/315    |                                |
| 19 | 415 ILCS 135/65     |                                |