

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8 (Section scheduled to be repealed on December 31, 2020)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 alternative 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 4, 5, 5a, 5b, 5c,
21 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12,
22 and 13 of the Retailers' Occupation Tax Act that are not
23 inconsistent with this Act apply, as far as practicable, to the
24 surcharge imposed by this Act to the same extent as if those
25 provisions were included in this Act. References in the

1 incorporated Sections of the Retailers' Occupation Tax Act to
2 retailers, to sellers, or to persons engaged in the business of
3 selling tangible personal property mean persons required to
4 remit the 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 ~~and~~, (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 sum of the amount
2 of refunds resulting from overpayment of tax liability
3 under subsections (c) and (d) of Section 201 of this Act
4 paid from the Income Tax Refund Fund during the fiscal year
5 plus the amount of such refund claims received but neither
6 paid nor denied as of the end of the fiscal year over the
7 amount collected pursuant to subsections (c) and (d) of
8 Section 201 of this Act deposited into the Income Tax
9 Refund Fund during the fiscal year.

10 (4.5) As soon as possible after the end of fiscal year
11 1999 and of each fiscal year thereafter, the Director shall
12 order transferred and the State Treasurer and State
13 Comptroller shall transfer from the Income Tax Refund Fund
14 to the General Revenue Fund any surplus remaining in the
15 Income Tax Refund Fund as of the end of such fiscal year
16 (such surplus shall be net of the amount of refund claims
17 received but neither paid nor denied as of the end of the
18 fiscal year); excluding for fiscal years 2000, 2001, and
19 2002 amounts attributable to transfers under item (3) of
20 subsection (c) less refunds resulting from the earned
21 income tax credit.

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

26 (e) Deposits into the Education Assistance Fund and the

1 Income Tax Surcharge Local Government Distributive Fund.

2 On July 1, 1991, and thereafter, of the amounts collected
3 pursuant to subsections (a) and (b) of Section 201 of this Act,
4 minus deposits into the Income Tax Refund Fund, the Department
5 shall deposit 7.3% into the Education Assistance Fund in the
6 State Treasury. Beginning July 1, 1991, and continuing through
7 January 31, 1993, of the amounts collected pursuant to
8 subsections (a) and (b) of Section 201 of the Illinois Income
9 Tax Act, minus deposits into the Income Tax Refund Fund, the
10 Department shall deposit 3.0% into the Income Tax Surcharge
11 Local Government Distributive Fund in the State Treasury.
12 Beginning February 1, 1993 and continuing through June 30,
13 1993, of the amounts collected pursuant to subsections (a) and
14 (b) of Section 201 of the Illinois Income Tax Act, minus
15 deposits into the Income Tax Refund Fund, the Department shall
16 deposit 4.4% into the Income Tax Surcharge Local Government
17 Distributive Fund in the State Treasury. Beginning July 1,
18 1993, and continuing through June 30, 1994, of the amounts
19 collected under subsections (a) and (b) of Section 201 of this
20 Act, minus deposits into the Income Tax Refund Fund, the
21 Department shall deposit 1.475% into the Income Tax Surcharge
22 Local Government Distributive Fund in the State Treasury.

23 (f) Transfers ~~Deposits~~ into the Fund for the Advancement of
24 Education. Beginning February 1, 2015, each month the
25 Department shall certify to the State Comptroller and the State
26 Treasurer ~~deposit~~ the following portions of the revenue

1 realized from the tax imposed upon individuals, trusts, and
2 estates by subsections (a) and (b) of Section 201 of this Act
3 during the preceding month, minus deposits into the Income Tax
4 Refund Fund, into the Fund for the Advancement of Education:

5 (1) beginning February 1, 2015, and prior to February
6 1, 2025, 1/30; and

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

8 Upon receipt of the certification, the State Comptroller
9 shall order transferred and the State Treasurer shall transfer
10 those amounts from the General Revenue Fund to the Fund for the
11 Advancement of Education.

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

16 (g) Transfers ~~Deposits~~ into the Commitment to Human
17 Services Fund. Beginning February 1, 2015, each month the
18 Department shall certify to the State Comptroller and the State
19 Treasurer ~~deposit~~ the following portions of the revenue
20 realized from the tax imposed upon individuals, trusts, and
21 estates by subsections (a) and (b) of Section 201 of this Act
22 during the preceding month, minus deposits into the Income Tax
23 Refund Fund, into the Commitment to Human Services Fund:

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

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

1 Upon receipt of the certification, the State Comptroller
2 shall order transferred and the State Treasurer shall transfer
3 those amounts from the General Revenue Fund to the Commitment
4 to Human Services Fund.

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

9 (h) Transfers ~~Deposits~~ into the Tax Compliance and
10 Administration Fund. Beginning on the first day of the first
11 calendar month to occur on or after August 26, 2014 (the
12 effective date of Public Act 98-1098), each month the
13 Department shall certify to the State Comptroller and the State
14 Treasurer pay into the Tax Compliance and Administration Fund,
15 ~~to be used, subject to appropriation, to fund additional~~
16 ~~auditors and compliance personnel at the Department,~~ an amount
17 equal to 1/12 of 5% of the cash receipts collected during the
18 preceding fiscal year by the Audit Bureau of the Department
19 from the tax imposed by subsections (a), (b), (c), and (d) of
20 Section 201 of this Act, net of deposits into the Income Tax
21 Refund Fund made from those cash receipts. Upon receipt of the
22 certification, the State Comptroller shall order transferred
23 and the State Treasurer shall transfer those amounts from the
24 General Revenue Fund to the Tax Compliance and Administration
25 Fund. Those moneys shall be used, subject to appropriation, to
26 fund additional auditors and compliance personnel at the

1 Department.

2 (Source: P.A. 98-24, eff. 6-19-13; 98-674, eff. 6-30-14;
3 98-1052, eff. 8-26-14; 98-1098, eff. 8-26-14; 99-78, eff.
4 7-20-15.)

5 Section 30. The Use Tax Act is amended by changing Sections
6 3-5, 3-5.5, and 9 as follows:

7 (35 ILCS 105/3-5)

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

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

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

20 (3) Personal property purchased by a not-for-profit arts or
21 cultural organization that establishes, by proof required by
22 the Department by rule, that it has received an exemption under
23 Section 501(c)(3) of the Internal Revenue Code and that is
24 organized and operated primarily for the presentation or

1 support of arts or cultural programming, activities, or
2 services. These organizations include, but are not limited to,
3 music and dramatic arts organizations such as symphony
4 orchestras and theatrical groups, arts and cultural service
5 organizations, local arts councils, visual arts organizations,
6 and media arts organizations. On and after the effective date
7 of this amendatory Act of the 92nd General Assembly, however,
8 an entity otherwise eligible for this exemption shall not make
9 tax-free purchases unless it has an active identification
10 number issued by the Department.

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

25 (5) Until July 1, 2003, a passenger car that is a
26 replacement vehicle to the extent that the purchase price of

1 the car is subject to the Replacement Vehicle Tax.

2 (6) Until July 1, 2003 and beginning again on September 1,
3 2004 through August 30, 2014, graphic arts machinery and
4 equipment, including repair and replacement parts, both new and
5 used, and including that manufactured on special order,
6 certified by the purchaser to be used primarily for graphic
7 arts production, and including machinery and equipment
8 purchased for lease. Equipment includes chemicals or chemicals
9 acting as catalysts but only if the chemicals or chemicals
10 acting as catalysts effect a direct and immediate change upon a
11 graphic arts product.

12 (7) Farm chemicals.

13 (8) Legal tender, currency, medallions, or gold or silver
14 coinage issued by the State of Illinois, the government of the
15 United States of America, or the government of any foreign
16 country, and bullion.

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

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

23 (11) Farm machinery and equipment, both new and used,
24 including that manufactured on special order, certified by the
25 purchaser to be used primarily for production agriculture or
26 State or federal agricultural programs, including individual

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

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

24 Farm machinery and equipment also includes computers,
25 sensors, software, and related equipment used primarily in the
26 computer-assisted operation of production agriculture

1 facilities, equipment, and activities such as, but not limited
2 to, the collection, monitoring, and correlation of animal and
3 crop data for the purpose of formulating animal diets and
4 agricultural chemicals. This item (11) is exempt from the
5 provisions of Section 3-90.

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

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

23 (13) Proceeds of mandatory service charges separately
24 stated on customers' bills for the purchase and consumption of
25 food and beverages purchased at retail from a retailer, to the
26 extent that the proceeds of the service charge are in fact

1 turned over as tips or as a substitute for tips to the
2 employees who participate directly in preparing, serving,
3 hosting or cleaning up the food or beverage function with
4 respect to which the service charge is imposed.

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

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

19 (16) Coal and aggregate exploration, mining, off-highway
20 hauling, processing, maintenance, and reclamation equipment,
21 including replacement parts and equipment, and including
22 equipment purchased for lease, but excluding motor vehicles
23 required to be registered under the Illinois Vehicle Code. The
24 changes made to this Section by Public Act 97-767 apply on and
25 after July 1, 2003, but no claim for credit or refund is
26 allowed on or after August 16, 2013 (the effective date of

1 Public Act 98-456) for such taxes paid during the period
2 beginning July 1, 2003 and ending on August 16, 2013 (the
3 effective date of Public Act 98-456).

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

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

1 customers through pipes, pipelines, or mains. The provisions of
2 Public Act 98-583 are declaratory of existing law as to the
3 meaning and scope of this exemption.

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

9 (20) Semen used for artificial insemination of livestock
10 for direct agricultural production.

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

22 (22) Computers and communications equipment utilized for
23 any hospital purpose and equipment used in the diagnosis,
24 analysis, or treatment of hospital patients purchased by a
25 lessor who leases the equipment, under a lease of one year or
26 longer executed or in effect at the time the lessor would

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

19 (23) Personal property purchased by a lessor who leases the
20 property, under a lease of one year or longer executed or in
21 effect at the time the lessor would otherwise be subject to the
22 tax imposed by this Act, to a governmental body that has been
23 issued an active sales tax exemption identification number by
24 the Department under Section 1g of the Retailers' Occupation
25 Tax Act. If the property is leased in a manner that does not
26 qualify for this exemption or used in any other non-exempt

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

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

23 (25) Beginning with taxable years ending on or after
24 December 31, 1995 and ending with taxable years ending on or
25 before December 31, 2004, personal property that is used in the
26 performance of infrastructure repairs in this State, including

1 but not limited to municipal roads and streets, access roads,
2 bridges, sidewalks, waste disposal systems, water and sewer
3 line extensions, water distribution and purification
4 facilities, storm water drainage and retention facilities, and
5 sewage treatment facilities, resulting from a State or
6 federally declared disaster in Illinois or bordering Illinois
7 when such repairs are initiated on facilities located in the
8 declared disaster area within 6 months after the disaster.

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

13 (27) A motor vehicle, as that term is defined in Section
14 1-146 of the Illinois Vehicle Code, that is donated to a
15 corporation, limited liability company, society, association,
16 foundation, or institution that is determined by the Department
17 to be organized and operated exclusively for educational
18 purposes. For purposes of this exemption, "a corporation,
19 limited liability company, society, association, foundation,
20 or institution organized and operated exclusively for
21 educational purposes" means all tax-supported public schools,
22 private schools that offer systematic instruction in useful
23 branches of learning by methods common to public schools and
24 that compare favorably in their scope and intensity with the
25 course of study presented in tax-supported schools, and
26 vocational or technical schools or institutes organized and

1 operated exclusively to provide a course of study of not less
2 than 6 weeks duration and designed to prepare individuals to
3 follow a trade or to pursue a manual, technical, mechanical,
4 industrial, business, or commercial occupation.

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

19 (29) Beginning January 1, 2000 and through December 31,
20 2001, new or used automatic vending machines that prepare and
21 serve hot food and beverages, including coffee, soup, and other
22 items, and replacement parts for these machines. Beginning
23 January 1, 2002 and through June 30, 2003, machines and parts
24 for machines used in commercial, coin-operated amusement and
25 vending business if a use or occupation tax is paid on the
26 gross receipts derived from the use of the commercial,

1 coin-operated amusement and vending machines. This paragraph
2 is exempt from the provisions of Section 3-90.

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

16 (31) Beginning on the effective date of this amendatory Act
17 of the 92nd General Assembly, computers and communications
18 equipment utilized for any hospital purpose and equipment used
19 in the diagnosis, analysis, or treatment of hospital patients
20 purchased by a lessor who leases the equipment, under a lease
21 of one year or longer executed or in effect at the time the
22 lessor would otherwise be subject to the tax imposed by this
23 Act, to a hospital that has been issued an active tax exemption
24 identification number by the Department under Section 1g of the
25 Retailers' Occupation Tax Act. If the equipment is leased in a
26 manner that does not qualify for this exemption or is used in

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

15 (32) Beginning on the effective date of this amendatory Act
16 of the 92nd General Assembly, personal property purchased by a
17 lessor who leases the property, under a lease of one year or
18 longer executed or in effect at the time the lessor would
19 otherwise be subject to the tax imposed by this Act, to a
20 governmental body that has been issued an active sales tax
21 exemption identification number by the Department under
22 Section 1g of the Retailers' Occupation Tax Act. If the
23 property is leased in a manner that does not qualify for this
24 exemption or used in any other nonexempt manner, the lessor
25 shall be liable for the tax imposed under this Act or the
26 Service Use Tax Act, as the case may be, based on the fair

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

12 (33) On and after July 1, 2003 and through June 30, 2004,
13 the use in this State of motor vehicles of the second division
14 with a gross vehicle weight in excess of 8,000 pounds and that
15 are subject to the commercial distribution fee imposed under
16 Section 3-815.1 of the Illinois Vehicle Code. Beginning on July
17 1, 2004 and through June 30, 2005, the use in this State of
18 motor vehicles of the second division: (i) with a gross vehicle
19 weight rating in excess of 8,000 pounds; (ii) that are subject
20 to the commercial distribution fee imposed under Section
21 3-815.1 of the Illinois Vehicle Code; and (iii) that are
22 primarily used for commercial purposes. Through June 30, 2005,
23 this exemption applies to repair and replacement parts added
24 after the initial purchase of such a motor vehicle if that
25 motor vehicle is used in a manner that would qualify for the
26 rolling stock exemption otherwise provided for in this Act. For

1 purposes of this paragraph, the term "used for commercial
2 purposes" means the transportation of persons or property in
3 furtherance of any commercial or industrial enterprise,
4 whether for-hire or not.

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

12 (35) Beginning January 1, 2010, materials, parts,
13 equipment, components, and furnishings incorporated into or
14 upon an aircraft as part of the modification, refurbishment,
15 completion, replacement, repair, or maintenance of the
16 aircraft. This exemption includes consumable supplies used in
17 the modification, refurbishment, completion, replacement,
18 repair, and maintenance of aircraft, but excludes any
19 materials, parts, equipment, components, and consumable
20 supplies used in the modification, replacement, repair, and
21 maintenance of aircraft engines or power plants, whether such
22 engines or power plants are installed or uninstalled upon any
23 such aircraft. "Consumable supplies" include, but are not
24 limited to, adhesive, tape, sandpaper, general purpose
25 lubricants, cleaning solution, latex gloves, and protective
26 films. This exemption applies only to the use of qualifying

1 tangible personal property by persons who modify, refurbish,
2 complete, repair, replace, or maintain aircraft and who (i)
3 hold an Air Agency Certificate and are empowered to operate an
4 approved repair station by the Federal Aviation
5 Administration, (ii) have a Class IV Rating, and (iii) conduct
6 operations in accordance with Part 145 of the Federal Aviation
7 Regulations. The exemption does not include aircraft operated
8 by a commercial air carrier providing scheduled passenger air
9 service pursuant to authority issued under Part 121 or Part 129
10 of the Federal Aviation Regulations. The changes made to this
11 paragraph (35) by Public Act 98-534 are declarative of existing
12 law.

13 (36) Tangible personal property purchased by a
14 public-facilities corporation, as described in Section
15 11-65-10 of the Illinois Municipal Code, for purposes of
16 constructing or furnishing a municipal convention hall, but
17 only if the legal title to the municipal convention hall is
18 transferred to the municipality without any further
19 consideration by or on behalf of the municipality at the time
20 of the completion of the municipal convention hall or upon the
21 retirement or redemption of any bonds or other debt instruments
22 issued by the public-facilities corporation in connection with
23 the development of the municipal convention hall. This
24 exemption includes existing public-facilities corporations as
25 provided in Section 11-65-25 of the Illinois Municipal Code.
26 This paragraph is exempt from the provisions of Section 3-90.

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

3 (38) Personal property purchased by a purchaser who is
4 exempt from the tax imposed by this Act by operation of federal
5 law. This paragraph is exempt from the provisions of Section
6 3-90.

7 (Source: P.A. 98-104, eff. 7-22-13; 98-422, eff. 8-16-13;
8 98-456, eff. 8-16-13; 98-534, eff. 8-23-13; 98-574, eff.
9 1-1-14; 98-583, eff. 1-1-14; 98-756, eff. 7-16-14; 99-180, eff.
10 7-29-15; 99-855, eff. 8-19-16.)

11 (35 ILCS 105/3-5.5)

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

1 testing materials, syringes, and needles used by diabetics, for
2 human use) from any not-for-profit organization, that sells
3 food in a food distribution program at a price below the retail
4 cost of the food to purchasers who, as a condition of
5 participation in the program, are required to perform community
6 service, located in a county or municipality that notifies the
7 Department, in writing, that the county or municipality does
8 not want the tax to be collected from any of such organizations
9 located in the county or municipality.

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

11 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

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

1 discount shall be taken with each such tax remittance instead
2 of when such retailer files his periodic return. The Department
3 may disallow the discount for retailers whose certificate of
4 registration is revoked at the time the return is filed, but
5 only if the Department's decision to revoke the certificate of
6 registration has become final. A retailer need not remit that
7 part of any tax collected by him to the extent that he is
8 required to remit and does remit the tax imposed by the
9 Retailers' Occupation Tax Act, with respect to the sale of the
10 same property.

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

21 Except as provided in this Section, on or before the
22 twentieth day of each calendar month, such retailer shall file
23 a return for the preceding calendar month. Such return shall be
24 filed on forms prescribed by the Department and shall furnish
25 such information as the Department may reasonably require.

26 The Department may require returns to be filed on a

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

7 1. The name of the seller;

8 2. The address of the principal place of business from
9 which he engages in the business of selling tangible
10 personal property at retail in this State;

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

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

18 5. The amount of tax due;

19 5-5. The signature of the taxpayer; and

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

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

26 Beginning October 1, 1993, a taxpayer who has an average

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

25 Before August 1 of each year beginning in 1993, the
26 Department shall notify all taxpayers required to make payments

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

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

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

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

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

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

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

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

1 rules and regulations to govern the quarter monthly payment
2 amount and quarter monthly payment dates for taxpayers who file
3 on other than a calendar monthly basis.

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

1 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
2 be reduced by 2.1% or 1.75% of the difference between the
3 credit taken and that actually due, and the taxpayer shall be
4 liable for penalties and interest on such difference.

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

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

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

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

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

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

1 and Safety Act, a personal watercraft, or any boat equipped
2 with an inboard motor.

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

24 The transaction reporting return in the case of watercraft
25 and aircraft must show the name and address of the seller; the
26 name and address of the purchaser; the amount of the selling

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

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

26 With each such transaction reporting return, the retailer

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

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

21 If the user who would otherwise pay tax to the retailer
22 wants the transaction reporting return filed and the payment of
23 tax or proof of exemption made to the Department before the
24 retailer is willing to take these actions and such user has not
25 paid the tax to the retailer, such user may certify to the fact
26 of such delay by the retailer, and may (upon the Department

1 being satisfied of the truth of such certification) transmit
2 the information required by the transaction reporting return
3 and the remittance for tax or proof of exemption directly to
4 the Department and obtain his tax receipt or exemption
5 determination, in which event the transaction reporting return
6 and tax remittance (if a tax payment was required) shall be
7 credited by the Department to the proper retailer's account
8 with the Department, but without the 2.1% or 1.75% discount
9 provided for in this Section being allowed. When the user pays
10 the tax directly to the Department, he shall pay the tax in the
11 same amount and in the same form in which it would be remitted
12 if the tax had been remitted to the Department by the retailer.

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

1 deduction under this Act upon refunding such tax to the
2 purchaser.

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

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

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

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

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

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

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

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

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

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

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

1 of sorbent injection as used to comply with the Environmental
2 Protection Act or the federal Clean Air Act, but the total
3 payment into the Clean Air Act Permit Fund under this Act and
4 the Retailers' Occupation Tax Act shall not exceed \$2,000,000
5 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 Service Use Tax Act, the Service
9 Occupation Tax Act, and the Retailers' Occupation Tax Act an
10 amount equal to the average monthly deficit in the Underground
11 Storage Tank Fund during the prior year, as certified annually
12 by the Illinois Environmental Protection Agency, but the total
13 payment into the Underground Storage Tank Fund under this Act,
14 the Service Use Tax Act, the Service Occupation Tax Act, and
15 the Retailers' Occupation Tax Act shall not exceed \$18,000,000
16 in any State fiscal year. As used in this paragraph, the
17 "average monthly deficit" shall be equal to the difference
18 between the average monthly claims for payment by the fund and
19 the average monthly revenues deposited into the fund, excluding
20 payments made pursuant to this paragraph.

21 Beginning July 1, 2015, of the remainder of the moneys
22 received by the Department under this Act, the Service Use Tax
23 Act, the Service Occupation Tax Act, and the Retailers'
24 Occupation Tax Act, each month the Department shall deposit
25 \$500,000 into the State 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 Section 3
8 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
9 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
10 Service Occupation Tax Act, such Acts being hereinafter called
11 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
12 may be, of moneys being hereinafter called the "Tax Act
13 Amount", and (2) the amount transferred to the Build Illinois
14 Fund from the State and Local Sales Tax Reform Fund shall be
15 less than the Annual Specified Amount (as defined in Section 3
16 of the Retailers' Occupation Tax Act), an amount equal to the
17 difference shall be immediately paid into the Build Illinois
18 Fund from other moneys received by the Department pursuant to
19 the Tax Acts; and further provided, that if on the last
20 business day of any month the sum of (1) the Tax Act Amount
21 required to be deposited into the Build Illinois Bond Account
22 in the Build Illinois Fund during such month and (2) the amount
23 transferred during such month to the Build Illinois Fund from
24 the State and Local Sales Tax Reform Fund shall have been less
25 than 1/12 of the Annual Specified Amount, an amount equal to
26 the difference shall be immediately paid into the Build

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

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

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

25 Fiscal Year

Total Deposit

26 1993

\$0

1	1994	53,000,000
2	1995	58,000,000
3	1996	61,000,000
4	1997	64,000,000
5	1998	68,000,000
6	1999	71,000,000
7	2000	75,000,000
8	2001	80,000,000
9	2002	93,000,000
10	2003	99,000,000
11	2004	103,000,000
12	2005	108,000,000
13	2006	113,000,000
14	2007	119,000,000
15	2008	126,000,000
16	2009	132,000,000
17	2010	139,000,000
18	2011	146,000,000
19	2012	153,000,000
20	2013	161,000,000
21	2014	170,000,000
22	2015	179,000,000
23	2016	189,000,000
24	2017	199,000,000
25	2018	210,000,000
26	2019	221,000,000

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

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

22 Beginning July 20, 1993 and in each month of each fiscal
23 year thereafter, one-eighth of the amount requested in the
24 certificate of the Chairman of the Metropolitan Pier and
25 Exposition Authority for that fiscal year, less the amount
26 deposited into the McCormick Place Expansion Project Fund by

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

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

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

1 generating facility certified pursuant to Section 605-332 of
2 the Department of Commerce and Economic Opportunity Law of the
3 Civil Administrative Code of Illinois.

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

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, 75% thereof shall be paid into the State
26 Treasury and 25% shall be reserved in a special account and

1 used only for the transfer to the Common School Fund as part of
2 the monthly transfer from the General Revenue Fund in
3 accordance with Section 8a of the State Finance Act.

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

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

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

22 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
23 98-496, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1098, eff.
24 8-26-14; 99-352, eff. 8-12-15; 99-858, eff. 8-19-16; 99-933,
25 eff. 1-27-17; revised 2-3-17.)

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

3 (35 ILCS 110/3-5.5)

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

1 located in the county or municipality.

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

3 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

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

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

1 promulgated by the Department. Such return shall be filed on a
2 form prescribed by the Department and shall contain such
3 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 business as a serviceman in this State;

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

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

20 5. The amount of tax due;

21 5-5. The signature of the taxpayer; and

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

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

1 due on the return shall be deemed assessed.

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

1 Before August 1 of each year beginning in 1993, 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.

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

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

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

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

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

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

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

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

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

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

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

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

24 Beginning January 1, 1990, each month the Department shall
25 pay into the State and Local Tax Reform Fund, a special fund in
26 the State Treasury, the net revenue realized for the preceding

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

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

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

25 Beginning October 1, 2009, each month the Department shall
26 pay into the Capital Projects Fund an amount that is equal to

1 an amount estimated by the Department to represent 80% of the
2 net revenue realized for the preceding month from the sale of
3 candy, grooming and hygiene products, and soft drinks that had
4 been taxed at a rate of 1% prior to September 1, 2009 but that
5 are now taxed at 6.25%.

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

21 Beginning July 1, 2015, of the remainder of the moneys
22 received by the Department under the Use Tax Act, this Act, the
23 Service Occupation Tax Act, and the Retailers' Occupation Tax
24 Act, each month the Department shall deposit \$500,000 into the
25 State 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 Section 3
8 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
9 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
10 Service Occupation Tax Act, such Acts being hereinafter called
11 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
12 may be, of moneys being hereinafter called the "Tax Act
13 Amount", and (2) the amount transferred to the Build Illinois
14 Fund from the State and Local Sales Tax Reform Fund shall be
15 less than the Annual Specified Amount (as defined in Section 3
16 of the Retailers' Occupation Tax Act), an amount equal to the
17 difference shall be immediately paid into the Build Illinois
18 Fund from other moneys received by the Department pursuant to
19 the Tax Acts; and further provided, that if on the last
20 business day of any month the sum of (1) the Tax Act Amount
21 required to be deposited into the Build Illinois Bond Account
22 in the Build Illinois Fund during such month and (2) the amount
23 transferred during such month to the Build Illinois Fund from
24 the State and Local Sales Tax Reform Fund shall have been less
25 than 1/12 of the Annual Specified Amount, an amount equal to
26 the difference shall be immediately paid into the Build

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

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

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

25	Fiscal Year	Total
		Deposit

1	1993	\$0
2	1994	53,000,000
3	1995	58,000,000
4	1996	61,000,000
5	1997	64,000,000
6	1998	68,000,000
7	1999	71,000,000
8	2000	75,000,000
9	2001	80,000,000
10	2002	93,000,000
11	2003	99,000,000
12	2004	103,000,000
13	2005	108,000,000
14	2006	113,000,000
15	2007	119,000,000
16	2008	126,000,000
17	2009	132,000,000
18	2010	139,000,000
19	2011	146,000,000
20	2012	153,000,000
21	2013	161,000,000
22	2014	170,000,000
23	2015	179,000,000
24	2016	189,000,000
25	2017	199,000,000
26	2018	210,000,000

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

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

23 Beginning July 20, 1993 and in each month of each fiscal
24 year thereafter, one-eighth of the amount requested in the
25 certificate of the Chairman of the Metropolitan Pier and
26 Exposition Authority for that fiscal year, less the amount

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

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

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

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

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

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, 75% thereof shall be paid into the
26 General Revenue Fund of the State Treasury and 25% shall be

1 reserved in a special account and used only for the transfer to
2 the Common School Fund as part of the monthly transfer from the
3 General Revenue Fund in accordance with Section 8a of the State
4 Finance Act.

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

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

16 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
17 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;
18 98-1098, eff. 8-26-14; 99-352, eff. 8-12-15; 99-858, eff.
19 8-19-16.)

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

22 (35 ILCS 115/3-5.5)

23 Sec. 3-5.5. Food and drugs sold by not-for-profit
24 organizations; exemption. The Department shall not collect the

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

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

23 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

24 Sec. 9. Each serviceman required or authorized to collect
25 the tax herein imposed shall pay to the Department the amount

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

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

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

1 such information as the Department may reasonably require.

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

9 1. The name of the seller;

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

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

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

18 5. The amount of tax due;

19 5-5. The signature of the taxpayer; and

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

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

26 Prior to October 1, 2003, and on and after September 1,

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

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

1 the return for July, August and September of a given year being
2 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's average monthly tax liability to the
6 Department does not exceed \$50, the Department may authorize
7 his returns to be filed on an annual basis, with the return for
8 a given year being due by January 20 of the following year.

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

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

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

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

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

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

26 All taxpayers required to make payment by electronic funds

1 transfer and any taxpayers authorized to voluntarily make
2 payments by electronic funds transfer shall make those payments
3 in the manner authorized by the Department.

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

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

24 If experience indicates such action to be practicable, the
25 Department may prescribe and furnish a combination or joint
26 return which will enable servicemen, who are required to file

1 returns hereunder and also under the Retailers' Occupation Tax
2 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
3 the return information required by all said Acts on the one
4 form.

5 Where the serviceman has more than one business registered
6 with the Department under separate registrations hereunder,
7 such serviceman shall file separate returns for each registered
8 business.

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

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

1 rate.

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

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

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

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

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

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

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

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

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

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

1 set forth in Section 12 of the Build Illinois Bond Act.

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

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

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

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

4 and

5 each fiscal year

6 thereafter that bonds

7 are outstanding under

8 Section 13.2 of the

9 Metropolitan Pier and

10 Exposition Authority Act,

11 but not after fiscal year 2060.

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

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

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

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

20 Subject to payment of amounts into the Build Illinois Fund,
21 the McCormick Place Expansion Project Fund, the Illinois Tax
22 Increment Fund, and the Energy Infrastructure Fund pursuant to
23 the preceding paragraphs or in any amendments to this Section
24 hereafter enacted, beginning on the first day of the first
25 calendar month to occur on or after the effective date of this
26 amendatory Act of the 98th General Assembly, each month, from

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

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

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 taxpayer's last Federal

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

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

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

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

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

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

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

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

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

9 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
10 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;
11 98-1098, eff. 8-26-14; 99-352, eff. 8-12-15; 99-858, eff.
12 8-19-16.)

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

15 (35 ILCS 120/2-5.5)

16 Sec. 2-5.5. 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

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

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

16 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

22 1. The name of the seller;

23 2. His residence address and the address of his
24 principal place of business and the address of the
25 principal place of business (if that is a different

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

3 3. Total amount of receipts received by him during the
4 preceding calendar month or quarter, as the case may be,
5 from sales of tangible personal property, and from services
6 furnished, by him during such preceding calendar month or
7 quarter;

8 4. Total amount received by him during the preceding
9 calendar month or quarter on charge and time sales of
10 tangible personal property, and from services furnished,
11 by him prior to the month or quarter for which the return
12 is filed;

13 5. Deductions allowed by law;

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

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

19 8. The amount of tax due;

20 9. The signature of the taxpayer; and

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

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

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

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

25 The Department may require returns to be filed on a
26 quarterly basis. If so required, a return for each calendar

1 quarter shall be filed on or before the twentieth day of the
2 calendar month following the end of such calendar quarter. The
3 taxpayer shall also file a return with the Department for each
4 of the first two months of each calendar quarter, on or before
5 the twentieth day of the following calendar month, stating:

6 1. The name of the seller;

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

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

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

17 5. The amount of tax due; and

18 6. Such other reasonable information as the Department
19 may require.

20 Beginning on October 1, 2003, any person who is not a
21 licensed distributor, importing distributor, or manufacturer,
22 as defined in the Liquor Control Act of 1934, but is engaged in
23 the business of selling, at retail, alcoholic liquor shall file
24 a statement with the Department of Revenue, in a format and at
25 a time prescribed by the Department, showing the total amount
26 paid for alcoholic liquor purchased during the preceding month

1 and such other information as is reasonably required by the
2 Department. The Department may adopt rules to require that this
3 statement be filed in an electronic or telephonic format. Such
4 rules may provide for exceptions from the filing requirements
5 of this paragraph. For the purposes of this paragraph, the term
6 "alcoholic liquor" shall have the meaning prescribed in the
7 Liquor Control Act of 1934.

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

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

10 If a total amount of less than \$1 is payable, refundable or
11 creditable, such amount shall be disregarded if it is less than
12 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

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

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

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

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

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

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

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

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

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

1 returns.

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

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

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

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

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

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

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

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

1 claimed to be the fact); the place and date of the sale, a
2 sufficient identification of the property sold, and such other
3 information as the Department may reasonably require.

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

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

1 Illinois certificate or other evidence of title or registration
2 to such tangible personal property.

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

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

1 same amount and in the same form in which it would be remitted
2 if the tax had been remitted to the Department by the retailer.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 realized for the preceding month from the 1% tax on sales of
2 food for human consumption that ~~which~~ is to be consumed off the
3 premises where it is sold (other than alcoholic beverages, soft
4 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.

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

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

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

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

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

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

1 the Use Tax Act shall not exceed \$2,000,000 in any fiscal year.

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

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

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

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

16	Fiscal Year	Annual Specified Amount
17	1986	\$54,800,000
18	1987	\$76,650,000
19	1988	\$80,480,000
20	1989	\$88,510,000
21	1990	\$115,330,000
22	1991	\$145,470,000
23	1992	\$182,730,000
24	1993	\$206,520,000;

25 and means the Certified Annual Debt Service Requirement (as
26 defined in Section 13 of the Build Illinois Bond Act) or the

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

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

22 Subject to payment of amounts into the Build Illinois Fund
23 as provided in the preceding paragraph or in any amendment
24 thereto hereafter enacted, the following specified monthly
25 installment of the amount requested in the certificate of the
26 Chairman of the Metropolitan Pier and Exposition Authority

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

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

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

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

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

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

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

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

1 auditors and compliance personnel at the Department of Revenue,
2 an amount equal to 1/12 of 5% of 80% of the cash receipts
3 collected during the preceding fiscal year by the Audit Bureau
4 of the Department under the Use Tax Act, the Service Use Tax
5 Act, the Service Occupation Tax Act, the Retailers' Occupation
6 Tax Act, and associated local occupation and use taxes
7 administered by the Department.

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

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

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

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

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

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

24 The chief executive officer, proprietor, owner or highest
25 ranking manager shall sign the annual return to certify the
26 accuracy of the information contained therein. Any person who

1 willfully signs the annual return containing false or
2 inaccurate information shall be guilty of perjury and punished
3 accordingly. The annual return form prescribed by the
4 Department shall include a warning that the person signing the
5 return may be liable for perjury.

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

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

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

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

1 objection to the Department to this arrangement.

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

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

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

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

17 (35 ILCS 120/5j) (from Ch. 120, par. 444j)

18 Sec. 5j. If any taxpayer, outside the usual course of his
19 business, sells or transfers the major part of any one or more
20 of (A) the stock of goods which he is engaged in the business
21 of selling, or (B) the furniture or fixtures, (C) the machinery
22 and equipment, or (D) the real property, of any business that
23 is subject to the provisions of this Act, the purchaser or
24 transferee of such asset shall, no later than 10 business days
25 prior to ~~after~~ the sale or transfer, file a notice of sale or

1 transfer of business assets with the ~~Chicago office of the~~
2 Department disclosing the name and address of the seller or
3 transferor, the name and address of the purchaser or
4 transferee, the date of the sale or transfer, a copy of the
5 sales contract and financing agreements which shall include a
6 description of the property sold, the amount of the purchase
7 price or a statement of other consideration for the sale or
8 transfer, the terms for payment of the purchase price, and such
9 other information as the Department may reasonably require. If
10 the purchaser or transferee fails to file the above described
11 notice of sale with the Department within the prescribed time,
12 the purchaser or transferee shall be personally liable for the
13 amount owed hereunder by the seller or transferor to the
14 Department up to the amount of the reasonable value of the
15 property acquired by the purchaser or transferee. The seller or
16 transferor shall pay the Department the amount of tax, penalty
17 and interest (if any) due from him under this Act up to the
18 date of the payment of tax. The seller or transferor, or the
19 purchaser or transferee, at least 10 business days before the
20 date of the sale or transfer, may notify the Department of the
21 intended sale or transfer and request the Department to audit
22 the books and records of the seller or transferor, or to do
23 whatever else may be necessary to determine how much the seller
24 or transferor owes to the Department hereunder up to the date
25 of the sale or transfer. The Department shall take such steps
26 as may be appropriate to comply with such request.

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

1 that such tax, penalty and interest have been paid or a
2 certificate from the Department showing that no tax, penalty or
3 interest is due from the seller or transferor under this Act.

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

18 If the seller or transferor fails to pay the tax, penalty
19 and interest (if any) due from him hereunder and the Department
20 makes timely claim therefor against the purchaser or transferee
21 as hereinabove provided, then the purchaser or transferee shall
22 pay the amount so withheld from the purchase price to the
23 Department. If the purchaser or transferee fails to comply with
24 the requirements of this Section, the purchaser or transferee
25 shall be personally liable to the Department for the amount
26 owed hereunder by the seller or transferor to the Department up

1 to the amount of the reasonable value of the property acquired
2 by the purchaser or transferee.

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

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

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

12 (35 ILCS 128/1-40)

13 Sec. 1-40. Returns.

14 (a) Cigarette machine operators shall file a return and
15 remit the tax imposed by Section 1-10 by the 15th day of each
16 month covering the preceding calendar month. Each such return
17 shall show: the quantity of cigarettes made or fabricated
18 during the period covered by the return; the beginning and
19 ending meter reading for each cigarette machine for the period
20 covered by the return; the quantity of such cigarettes sold or
21 otherwise disposed of during the period covered by the return;
22 the brand family and manufacturer and quantity of tobacco
23 products used to make or fabricate cigarettes by use of a
24 cigarette machine; the license number of each distributor from

1 whom tobacco products are purchased; the type and quantity of
2 cigarette tubes purchased for use in a cigarette machine; the
3 type and quantity of cigarette tubes used in a cigarette
4 machine; and such other information as the Department may
5 require. Such returns shall be filed on forms prescribed and
6 furnished by the Department. The Department may promulgate
7 rules to require that the cigarette machine operator's return
8 be accompanied by appropriate computer-generated magnetic
9 media supporting schedule data in the format required by the
10 Department, unless, as provided by rule, the Department grants
11 an exception upon petition of a cigarette machine operator.

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

16 (b) Cigarette machine operators may take a credit against
17 any tax due under Section 1-10 of this Act for taxes imposed
18 and paid under the Tobacco Products Tax Act of 1995 on tobacco
19 products sold to a customer and used in a rolling machine
20 located at the cigarette machine operator's place of business.
21 To be eligible for such credit, the tobacco product must meet
22 the requirements of subsection (a) of Section 1-25 of this Act.
23 This subsection (b) is exempt from the provisions of Section
24 1-155 of this Act.

25 (c) If any payment provided for in this Section exceeds the
26 cigarette machine operator's liabilities under this Act, as

1 shown on an original return, the cigarette machine operator may
2 credit 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. 97-688, eff. 6-14-12.)

6 Section 55. The Cigarette Tax Act is amended by changing
7 Section 2 as follows:

8 (35 ILCS 130/2) (from Ch. 120, par. 453.2)

9 Sec. 2. Tax imposed; rate; collection, payment, and
10 distribution; discount.

11 (a) A tax is imposed upon any person engaged in business as
12 a retailer of cigarettes in this State at the rate of 5 1/2
13 mills per cigarette sold, or otherwise disposed of in the
14 course of such business in this State. In addition to any other
15 tax imposed by this Act, a tax is imposed upon any person
16 engaged in business as a retailer of cigarettes in this State
17 at a rate of 1/2 mill per cigarette sold or otherwise disposed
18 of in the course of such business in this State on and after
19 January 1, 1947, and shall be paid into the Metropolitan Fair
20 and Exposition Authority Reconstruction Fund or as otherwise
21 provided in Section 29. On and after December 1, 1985, in
22 addition to any other tax imposed by this Act, a tax is imposed
23 upon any person engaged in business as a retailer of cigarettes
24 in this State at a rate of 4 mills per cigarette sold or

1 otherwise disposed of in the course of such business in this
2 State. Of the additional tax imposed by this amendatory Act of
3 1985, \$9,000,000 of the moneys received by the Department of
4 Revenue pursuant to this Act shall be paid each month into the
5 Common School Fund. On and after the effective date of this
6 amendatory Act of 1989, in addition to any other tax imposed by
7 this Act, a tax is imposed upon any person engaged in business
8 as a retailer of cigarettes at the rate of 5 mills per
9 cigarette sold or otherwise disposed of in the course of such
10 business in this State. On and after the effective date of this
11 amendatory Act of 1993, in addition to any other tax imposed by
12 this Act, a tax is imposed upon any person engaged in business
13 as a retailer of cigarettes at the rate of 7 mills per
14 cigarette sold or otherwise disposed of in the course of such
15 business in this State. On and after December 15, 1997, in
16 addition to any other tax imposed by this Act, a tax is imposed
17 upon any person engaged in business as a retailer of cigarettes
18 at the rate of 7 mills per cigarette sold or otherwise disposed
19 of in the course of such business of this State. All of the
20 moneys received by the Department of Revenue pursuant to this
21 Act and the Cigarette Use Tax Act from the additional taxes
22 imposed by this amendatory Act of 1997, shall be paid each
23 month into the Common School Fund. On and after July 1, 2002,
24 in addition to any other tax imposed by this Act, a tax is
25 imposed upon any person engaged in business as a retailer of
26 cigarettes at the rate of 20.0 mills per cigarette sold or

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

20 Beginning on the effective date of this amendatory Act of
21 the 92nd General Assembly and through June 30, 2006, all of the
22 moneys received by the Department of Revenue pursuant to this
23 Act and the Cigarette Use Tax Act, other than the moneys that
24 are dedicated to the Common School Fund, shall be distributed
25 each month as follows: first, there shall be paid into the
26 General Revenue Fund an amount which, when added to the amount

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

26 Beginning on July 1, 2006, all of the moneys received by

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

21 Moneys collected from the tax imposed on little cigars
22 under Section 10-10 of the Tobacco Products Tax Act of 1995
23 shall be included with the moneys collected under the Cigarette
24 Tax Act and the Cigarette Use Tax Act when making distributions
25 to the Common School Fund, the Healthcare Provider Relief Fund,
26 the General Revenue Fund, the School Infrastructure Fund, and

1 the Long-Term Care Provider Fund under this Section.

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

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

22 Each distributor shall collect the tax from the retailer at
23 or before the time of the sale, shall affix the stamps as
24 hereinafter required, and shall remit the tax collected from
25 retailers to the Department, as hereinafter provided. Any
26 distributor who fails to properly collect and pay the tax

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

20 Any distributor having cigarettes to which stamps have been
21 affixed in his or her possession for sale on July 1, 2002 shall
22 not be required to pay the additional tax imposed by this
23 amendatory Act of the 92nd General Assembly on those stamped
24 cigarettes.

25 Any retailer having cigarettes in his or her possession on
26 June 24, 2012 to which tax stamps have been affixed is not

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

1 24, 2012, whichever occurs first. Distributors making such an
2 election are not entitled to take the discount provided in
3 subsection (b) on such payments.

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

19 The amount of the Cigarette Tax imposed by this Act shall
20 be separately stated, apart from the price of the goods, by
21 distributors, manufacturer representatives, secondary
22 distributors, and retailers, in all bills and sales invoices.

23 (b) The distributor shall be required to collect the taxes
24 provided under paragraph (a) hereof, and, to cover the costs of
25 such collection, shall be allowed a discount during any year
26 commencing July 1st and ending the following June 30th in

1 accordance with the schedule set out hereinbelow, which
2 discount shall be allowed at the time of purchase of the stamps
3 when purchase is required by this Act, or at the time when the
4 tax is remitted to the Department without the purchase of
5 stamps from the Department when that method of paying the tax
6 is required or authorized by this Act. Prior to December 1,
7 1985, a discount equal to $1\frac{2}{3}\%$ of the amount of the tax up to
8 and including the first \$700,000 paid hereunder by such
9 distributor to the Department during any such year; $1\frac{1}{3}\%$ of
10 the next \$700,000 of tax or any part thereof, paid hereunder by
11 such distributor to the Department during any such year; 1% of
12 the next \$700,000 of tax, or any part thereof, paid hereunder
13 by such distributor to the Department during any such year, and
14 $\frac{2}{3}$ of 1% of the amount of any additional tax paid hereunder by
15 such distributor to the Department during any such year shall
16 apply. On and after December 1, 1985, a discount equal to 1.75%
17 of the amount of the tax payable under this Act up to and
18 including the first \$3,000,000 paid hereunder by such
19 distributor to the Department during any such year and 1.5% of
20 the amount of any additional tax paid hereunder by such
21 distributor to the Department during any such year shall apply.

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

26 (c) The taxes herein imposed are in addition to all other

1 occupation or privilege taxes imposed by the State of Illinois,
2 or by any political subdivision thereof, or by any municipal
3 corporation.

4 (Source: P.A. 97-587, eff. 8-26-11; 97-688, eff. 6-14-12;
5 98-273, eff. 8-9-13.)

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

8 (35 ILCS 135/3) (from Ch. 120, par. 453.33)

9 Sec. 3. Stamp payment. The tax hereby imposed shall be
10 collected by a distributor maintaining a place of business in
11 this State or a distributor authorized by the Department
12 pursuant to Section 7 hereof to collect the tax, and the amount
13 of the tax shall be added to the price of the cigarettes sold
14 by such distributor. Collection of the tax shall be evidenced
15 by a stamp or stamps affixed to each original package of
16 cigarettes or by 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, except as hereinafter provided. Each
20 distributor who is required or authorized to collect the tax
21 herein imposed, before delivering or causing to be delivered
22 any original packages of cigarettes in this State to any
23 purchaser, shall firmly affix a proper stamp or stamps to each
24 such package, or (in the case of manufacturers of cigarettes in

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

16 No stamp or imprint may be affixed to, or made upon, any
17 package of cigarettes unless that package complies with all
18 requirements of the federal Cigarette Labeling and Advertising
19 Act, 15 U.S.C. 1331 and following, for the placement of labels,
20 warnings, or any other information upon a package of cigarettes
21 that is sold within the United States. Under the authority of
22 Section 6, the Department shall revoke the license of any
23 distributor that is determined to have violated this paragraph.
24 A person may not affix a stamp on a package of cigarettes,
25 cigarette papers, wrappers, or tubes if that individual package
26 has been marked for export outside the United States with a

1 label or notice in compliance with Section 290.185 of Title 27
2 of the Code of Federal Regulations. It is not a defense to a
3 proceeding for violation of this paragraph that the label or
4 notice has been removed, mutilated, obliterated, or altered in
5 any manner.

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

1 original packages of cigarettes into, within, or from this
2 State shall ensure that the invoice or equivalent documentation
3 and the bill of lading or freight bill for the shipment
4 identifies the true name and address of the consignor or
5 seller, the true name and address of the consignee or
6 purchaser, and the quantity by brand style of the cigarettes so
7 transported, provided that this Section shall not be construed
8 as to impose any requirement or liability upon any common or
9 contract carrier.

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

25 Stamps, when required hereunder, shall be purchased from
26 the Department, or any person authorized by the Department, by

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

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

1 the amount of any 21-day draft which the Department accepts
2 from that distributor for the delivery of stamps to that
3 distributor under this Act. The distributor's failure to pay
4 any such draft, when due, shall also make such distributor
5 automatically liable to the Department for a penalty equal to
6 25% of the amount of such draft.

7 On and after December 1, 1985 and until July 1, 2003, the
8 Department shall allow a distributor 30 days in which to make
9 final payment of the amount to be paid for such stamps, by
10 allowing the distributor to make payment for the stamps at the
11 time of purchasing them with a draft which shall be in such
12 form as the Department prescribes, and which shall be payable
13 within 30 days thereafter, and beginning on January 1, 2003 and
14 thereafter, the draft shall be payable by means of electronic
15 funds transfer: Provided that such distributor has filed with
16 the Department, and has received the Department's approval of,
17 a bond, which is in addition to the bond required under Section
18 4 of this Act, payable to the Department in an amount equal to
19 150% of such distributor's average monthly tax liability to the
20 Department under this Act during the preceding calendar year or
21 \$750,000, whichever is less, except that as to bonds filed on
22 or after January 1, 1987, such additional bond shall be in an
23 amount equal to 100% of such distributor's average monthly tax
24 liability under this Act during the preceding calendar year or
25 \$750,000, whichever is less. The bond shall be joint and
26 several and shall be in the form of a surety company bond in

1 such form as the Department prescribes, or it may be in the
2 form of a bank certificate of deposit or bank letter of credit.
3 The bond shall be conditioned upon the distributor's payment of
4 the amount of any 30-day draft which the Department accepts
5 from that distributor for the delivery of stamps to that
6 distributor under this Act. The distributor's failure to pay
7 any such draft, when due, shall also make such distributor
8 automatically liable to the Department for a penalty equal to
9 25% of the amount of such draft.

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

1 furnish such bond for a period of 2 years, after which, if the
2 taxpayer has not been delinquent in the filing of any returns,
3 or delinquent or deficient in the paying of any tax under this
4 Act, the Department may reinstate such person as a prior
5 continuance compliance taxpayer. Any taxpayer who fails to pay
6 an admitted or established liability under this Act may also be
7 required to post bond or other acceptable security with the
8 Department guaranteeing the payment of such admitted or
9 established liability.

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

1 after July 1, 2013, but not later than 30 days after the date
2 on which the protest was filed. If made, the election shall be
3 irrevocable. In the absence of such a protest filed within the
4 time allowed by law, the Department's decision shall become
5 final without any further determination being made or notice
6 given.

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

11 (1) such Taxpayer becomes a prior continuous
12 compliance taxpayer; or

13 (2) such taxpayer has ceased to collect receipts on
14 which he is required to remit tax to the Department, has
15 filed a final tax return, and has paid to the Department an
16 amount sufficient to discharge his remaining tax liability
17 as determined by the Department under this Act. The
18 Department shall make a final determination of the
19 taxpayer's outstanding tax liability as expeditiously as
20 possible after his final tax return has been filed. If the
21 Department cannot make such final determination within 45
22 days after receiving the final tax return, within such
23 period it shall so notify the taxpayer, stating its reasons
24 therefor.

25 At the time of purchasing such stamps from the Department
26 when purchase is required by this Act, or at the time when the

1 tax which he has collected is remitted by a distributor to the
2 Department without the purchase of stamps from the Department
3 when that method of remitting the tax that has been collected
4 is required or authorized by this Act, the distributor shall be
5 allowed a discount during any year commencing July 1 and ending
6 the following June 30 in accordance with the schedule set out
7 hereinbelow, from the amount to be paid by him to the
8 Department for such stamps, or to be paid by him to the
9 Department on the basis of monthly remittances (as the case may
10 be), to cover the cost, to such distributor, of collecting the
11 tax herein imposed by affixing such stamps to the original
12 packages of cigarettes sold by such distributor or by placing
13 tax imprints underneath the sealed transparent wrapper of
14 original packages of cigarettes sold by such distributor (as
15 the case may be): (1) Prior to December 1, 1985, a discount
16 equal to 1-2/3% of the amount of the tax up to and including
17 the first \$700,000 paid hereunder by such distributor to the
18 Department during any such year; 1-1/3% of the next \$700,000 of
19 tax or any part thereof, paid hereunder by such distributor to
20 the Department during any such year; 1% of the next \$700,000 of
21 tax, or any part thereof, paid hereunder by such distributor to
22 the Department during any such year; and 2/3 of 1% of the
23 amount of any additional tax paid hereunder by such distributor
24 to the Department during any such year or (2) On and after
25 December 1, 1985, a discount equal to 1.75% of the amount of
26 the tax payable under this Act up to and including the first

1 \$3,000,000 paid hereunder by such distributor to the Department
2 during any such year and 1.5% of the amount of any additional
3 tax paid hereunder by such distributor to the Department during
4 any such year.

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

9 Cigarette manufacturers who are distributors under Section
10 7(a) of this Act, and who place their cigarettes in original
11 packages which are contained inside a sealed transparent
12 wrapper, shall be required to remit the tax which they are
13 required to collect under this Act to the Department by
14 remitting the amount thereof to the Department by the 5th day
15 of each month, covering cigarettes shipped or otherwise
16 delivered to points in Illinois to purchasers during the
17 preceding calendar month, but a distributor need not remit to
18 the Department the tax so collected by him from purchasers
19 under this Act to the extent to which such distributor is
20 required to remit the tax imposed by the Cigarette Tax Act to
21 the Department with respect to the same cigarettes. All taxes
22 upon cigarettes under this Act are a direct tax upon the retail
23 consumer and shall conclusively be presumed to be precollected
24 for the purpose of convenience and facility only. Cigarette
25 manufacturers that are distributors licensed under Section
26 7(a) of this Act and who place their cigarettes in original

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

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

23 Where tax stamps are required, the Department may authorize
24 distributors to affix revenue tax stamps by imprinting tax
25 meter stamps upon original packages of cigarettes. The
26 Department shall adopt rules and regulations relating to the

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

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

15 A distributor shall not affix, or cause to be affixed, any
16 stamp or imprint to a package of cigarettes, as provided for in
17 this Section, if the tobacco product manufacturer, as defined
18 in Section 10 of the Tobacco Product Manufacturers' Escrow Act,
19 that made or sold the cigarettes has failed to become a
20 participating manufacturer, as defined in subdivision (a)(1)
21 of Section 15 of the Tobacco Product Manufacturers' Escrow Act,
22 or has failed to create a qualified escrow fund for any
23 cigarettes manufactured by the tobacco product manufacturer
24 and sold in this State or otherwise failed to bring itself into
25 compliance with subdivision (a)(2) of Section 15 of the Tobacco
26 Product Manufacturers' Escrow Act.

1 (Source: P.A. 96-782, eff. 1-1-10; 96-1027, eff. 7-12-10;
2 97-1129, eff. 8-28-12.)

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

5 (35 ILCS 143/10-30)

6 Sec. 10-30. Returns.

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

15 (b) In addition to the information required under
16 subsection (a), on or before the 15th day of each month,
17 covering the preceding calendar month, each stamping
18 distributor shall, on forms prescribed and furnished by the
19 Department, report the quantity of little cigars sold or
20 otherwise disposed of, including the number of packages of
21 little cigars sold or disposed of during the month containing
22 20 or 25 little cigars.

23 (c) At the time when any return of any distributor is due
24 to be filed with the Department, the distributor shall also

1 remit to the Department the tax liability that the distributor
2 has incurred for transactions occurring in the preceding
3 calendar month.

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

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

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

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

20 (35 ILCS 145/6) (from Ch. 120, par. 481b.36)

21 Sec. 6. Except as provided hereinafter in this Section, on
22 or before the last day of each calendar month, every person
23 engaged in the business of renting, leasing or letting rooms in
24 a hotel in this State during the preceding calendar month shall

1 file a return with the Department, stating:

2 1. The name of the operator;

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

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

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

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

17 6. Gross rental receipts which were received by him
18 during the preceding calendar month and upon the basis of
19 which the tax is imposed;

20 7. The amount of tax due;

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

23 If the operator's average monthly tax liability to the
24 Department does not exceed \$200, the Department may authorize
25 his returns to be filed on a quarter annual basis, with the
26 return for January, February and March of a given year being

1 due by April 30 of such year; with the return for April, May
2 and June of a given year being due by July 31 of such year; with
3 the return for July, August and September of a given year being
4 due by October 31 of such year, and with the return for
5 October, November and December of a given year being due by
6 January 31 of the following year.

7 If the operator's average monthly tax liability to the
8 Department does not exceed \$50, the Department may authorize
9 his returns to be filed on an annual basis, with the return for
10 a given year being due by January 31 of the 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 an operator may file his return, in the
16 case of any operator who ceases to engage in a kind of business
17 which makes him responsible for filing returns under this Act,
18 such operator shall file a final return under this Act with the
19 Department not more than 1 month after discontinuing such
20 business.

21 Where the same person has more than 1 business registered
22 with the Department under separate registrations under this
23 Act, such person shall not file each return that is due as a
24 single return covering all such registered businesses, but
25 shall file separate returns for each such registered business.

26 In his return, the operator shall determine the value of

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

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

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

21 If any payment provided for in this Section exceeds the
22 operator's liabilities under this Act, as shown on an original
23 return, the Department may authorize the operator to credit
24 such excess payment against liability subsequently to be
25 remitted to the Department under this Act, in accordance with
26 reasonable rules adopted by the Department. If the Department

1 subsequently determines that all or any part of the credit
2 taken was not actually due to the operator, the operator's
3 discount shall be reduced by an amount equal to the difference
4 between the discount as applied to the credit taken and that
5 actually due, and that operator shall be liable for penalties
6 and interest on such difference.

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

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

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

19 Of the remaining 60% of the amount of total net proceeds
20 prior to August 1, 2011 from the tax imposed by subsection (a)
21 of Section 3 after all required deposits in the Illinois Sports
22 Facilities Fund, the amount equal to 8% of the net revenue
23 realized from this Act plus an amount equal to 8% of the net
24 revenue realized from any tax imposed under Section 4.05 of the
25 Chicago World's Fair-1992 Authority Act during the preceding
26 month shall be deposited in the Local Tourism Fund each month

1 for purposes authorized by Section 605-705 of the Department of
2 Commerce and Economic Opportunity Law (20 ILCS 605/605-705). Of
3 the remaining 60% of the amount of total net proceeds beginning
4 on August 1, 2011 from the tax imposed by subsection (a) of
5 Section 3 after all required deposits in the Illinois Sports
6 Facilities Fund, an amount equal to 8% of the net revenue
7 realized from this Act plus an amount equal to 8% of the net
8 revenue realized from any tax imposed under Section 4.05 of the
9 Chicago World's Fair-1992 Authority Act during the preceding
10 month shall be deposited as follows: 18% of such amount shall
11 be deposited into the Chicago Travel Industry Promotion Fund
12 for the purposes described in subsection (n) of Section 5 of
13 the Metropolitan Pier and Exposition Authority Act and the
14 remaining 82% of such amount shall be deposited into the Local
15 Tourism Fund each month for purposes authorized by Section
16 605-705 of the Department of Commerce and Economic Opportunity
17 Law. Beginning on August 1, 1999 and ending on July 31, 2011,
18 an amount equal to 4.5% of the net revenue realized from the
19 Hotel Operators' Occupation Tax Act during the preceding month
20 shall be deposited into the International Tourism Fund for the
21 purposes authorized in Section 605-707 of the Department of
22 Commerce and Economic Opportunity Law. Beginning on August 1,
23 2011, an amount equal to 4.5% of the net revenue realized from
24 this Act during the preceding month shall be deposited as
25 follows: 55% of such amount shall be deposited into the Chicago
26 Travel Industry Promotion Fund for the purposes described in

1 subsection (n) of Section 5 of the Metropolitan Pier and
2 Exposition Authority Act and the remaining 45% of such amount
3 deposited into the International Tourism Fund for the purposes
4 authorized in Section 605-707 of the Department of Commerce and
5 Economic Opportunity Law. "Net revenue realized for a month"
6 means the revenue collected by the State under that Act during
7 the previous month less the amount paid out during that same
8 month as refunds to taxpayers for overpayment of liability
9 under that Act.

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

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

1 schedule showing a reconciliation of the 2 amounts and the
2 reasons for the difference. The operator's annual information
3 return to the Department shall also disclose pay roll
4 information of the operator's business during the year covered
5 by such return and any additional reasonable information which
6 the Department deems would be helpful in determining the
7 accuracy of the monthly, quarterly or annual tax returns by
8 such operator as hereinbefore provided for in this Section.

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

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

24 The foregoing portion of this Section concerning the filing
25 of an annual information return shall not apply to an operator
26 who is not required to file an income tax return with the

1 United States Government.

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

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

5 (35 ILCS 175/10)

6 Sec. 10. Surcharge imposed; returns.

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

12 (1) An operator who elects to be subject to this item
13 (1) shall pay to the Department a surcharge imposed upon
14 admissions to a live adult entertainment facility operated
15 by the operator in this State in an amount equal to \$3 per
16 person admitted to that live adult entertainment facility.
17 This item (1) does not require a live entertainment
18 facility to impose a fee on a customer of the facility. An
19 operator has the discretion to determine the manner in
20 which the facility derives the moneys required to pay the
21 surcharge imposed under this Section. In the event that an
22 operator has not filed the applicable returns under the
23 Retailers' Occupation Tax Act for a full calendar year
24 prior to any January 20, then such operator shall pay the

1 surcharge under this Act pursuant to this item (1) for
2 moneys owed to the Department subject to this Act for the
3 previous calendar year.

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

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

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

23 (C) If the gross receipts received by the live
24 adult entertainment facility during the preceding
25 calendar year, upon the basis of which a tax is imposed
26 under Section 2 of the Retailers' Occupation Tax Act,

1 are less than \$500,000 during the preceding calendar
2 year, and if the operator elects to be subject to this
3 item (2), then the operator shall pay the Department a
4 surcharge of \$5,000.

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

12 (1) the name of the operator;

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

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

18 (4) the total amount of surcharge collected in the
19 preceding calendar year.

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

26 (c) For each live adult entertainment facility paying the

1 surcharge as set forth in item (2) of subsection (a) of this
2 Section, the operator must file a return electronically as
3 provided by the Department and remit payment to the Department
4 on an annual basis no later than January 20 covering the
5 previous calendar year. Each return made to the Department must
6 state the following:

7 (1) the name of the operator;

8 (2) the address of the live adult entertainment
9 facility and the address of the principal place of business
10 (if that is a different address) of the operator;

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

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

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

23 (d) Beginning January 1, 2014, the Department shall pay all
24 proceeds collected from the surcharge imposed under this Act
25 into the Sexual Assault Services and Prevention Fund, less 2%
26 of those proceeds, which shall be paid into the Tax Compliance

1 and Administration Fund in the State treasury from which it
2 shall be appropriated to the Department to cover the costs of
3 the Department in administering and enforcing the provisions of
4 this Act.

5 (e) If any payment provided for in this Section exceeds the
6 operator's liabilities under this Act, as shown on an original
7 return, the operator 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. 97-1035, eff. 1-1-13.)

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

14 (35 ILCS 450/2-45)

15 Sec. 2-45. Purchaser's return and tax remittance. Each
16 purchaser shall make a return to the Department showing the
17 quantity of oil or gas purchased during the month for which the
18 return is filed, the price paid therefor, total value, the name
19 and address of the operator or other person from whom the same
20 was purchased, a description of the production unit in the
21 manner prescribed by the Department from which such oil or gas
22 was severed and the amount of tax due from each production unit
23 for each calendar month. All taxes due, or to be remitted, by
24 the purchaser shall accompany this return. The return shall be

1 filed on or before the last day of the month after the calendar
2 month for which the return is required. The Department shall
3 forward the necessary information to each Chief County
4 Assessment Officer for the administration and application of ad
5 valorem real property taxes at the county level. This
6 information shall be forwarded to the Chief County Assessment
7 Officers in a yearly summary before March 1 of the following
8 calendar year. The Department may require any additional report
9 or information it may deem necessary for the proper
10 administration of this Act.

11 Such returns shall be filed electronically in the manner
12 prescribed by the Department. Purchasers shall make all
13 payments of that tax to the Department by electronic funds
14 transfer unless, as provided by rule, the Department grants an
15 exception upon petition of a purchaser. Purchasers' returns
16 must be accompanied by appropriate computer generated magnetic
17 media supporting schedule data in the format required by the
18 Department, unless, as provided by rule, the Department grants
19 an exception upon petition of a purchaser.

20 If any payment provided for in this Section exceeds the
21 purchaser's liabilities under this Act, as shown on an original
22 return, the purchaser 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. 98-22, eff. 6-17-13; 98-23, eff. 6-17-13; 98-756,

1 eff. 7-16-14.)

2 (35 ILCS 450/2-50)

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

4 (a) If, on or after July 1, 2013, oil or gas is transported
5 off the production unit where severed by the operator, used on
6 the production unit where severed, or if the manufacture and
7 conversion of oil and gas into refined products occurs on the
8 production unit where severed, the operator is responsible for
9 remitting the tax imposed under subsection (a) of Section 2-15,
10 on or before the last day of the month following the end of the
11 calendar month in which the oil and gas is removed from the
12 production unit, and such payment shall be accompanied by a
13 return to the Department showing the gross quantity of oil or
14 gas removed during the month for which the return is filed, the
15 price paid therefor, and if no price is paid therefor, the
16 value of the oil and gas, a description of the production unit
17 from which such oil or gas was severed, and the amount of tax.
18 The Department may require any additional information it may
19 deem necessary for the proper administration of this Act.

20 (b) Operators shall file all returns electronically in the
21 manner prescribed by the Department unless, as provided by
22 rule, the Department grants an exception upon petition of an
23 operator. Operators shall make all payments of that tax to the
24 Department by electronic funds transfer unless, as provided by
25 rule, the Department grants an exception upon petition of an

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

6 (c) Any operator who makes a monetary payment to a producer
7 for his or her portion of the value of products from a
8 production unit shall withhold from such payment the amount of
9 tax due from the producer. Any operator who pays any tax due
10 from a producer shall be entitled to reimbursement from the
11 producer for the tax so paid and may take credit for such
12 amount from any monetary payment to the producer for the value
13 of products. To the extent that an operator required to collect
14 the tax imposed by this Act has actually collected that tax,
15 such tax is held in trust for the benefit of the State of
16 Illinois.

17 (d) In the event the operator fails to make payment of the
18 tax to the State as required herein, the operator shall be
19 liable for the tax. A producer shall be entitled to bring an
20 action against such operator to recover the amount of tax so
21 withheld together with penalties and interest which may have
22 accrued by failure to make such payment. A producer shall be
23 entitled to all attorney fees and court costs incurred in such
24 action. To the extent that a producer liable for the tax
25 imposed by this Act collects the tax, and any penalties and
26 interest, from an operator, such tax, penalties, and interest

1 are held in trust by the producer for the benefit of the State
2 of Illinois.

3 (e) When the title to any oil or gas severed from the earth
4 or water is in dispute and the operator of such oil or gas is
5 withholding payments on account of litigation, or for any other
6 reason, such operator is hereby authorized, empowered and
7 required to deduct from the gross amount thus held the amount
8 of the tax imposed and to make remittance thereof to the
9 Department as provided in this Section.

10 (f) An operator required to file a return and pay the tax
11 under this Section shall register with the Department.
12 Application for a certificate of registration shall be made to
13 the Department upon forms furnished by the Department and shall
14 contain any reasonable information the Department may require.
15 Upon receipt of the application for a certificate of
16 registration in proper form, the Department shall issue to the
17 applicant a certificate of registration.

18 (g) If oil or gas is transported off the production unit
19 where severed by the operator and sold to a purchaser or
20 refiner, the State shall have a lien on all the oil or gas
21 severed from the production unit in this State in the hands of
22 the operator, the first or any subsequent purchaser thereof, or
23 refiner to secure the payment of the tax. If a lien is filed by
24 the Department, the purchaser or refiner shall withhold from
25 the operator the amount of tax, penalty and interest identified
26 in the lien.

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

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

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

10 (35 ILCS 505/2b) (from Ch. 120, par. 418b)

11 Sec. 2b. Receiver's monthly return. In addition to the tax
12 collection and reporting responsibilities imposed elsewhere in
13 this Act, a person who is required to pay the tax imposed by
14 Section 2a of this Act shall pay the tax to the Department by
15 return showing all fuel purchased, acquired or received and
16 sold, distributed or used during the preceding calendar month
17 including losses of fuel as the result of evaporation or
18 shrinkage due to temperature variations, and such other
19 reasonable information as the Department may require. Losses of
20 fuel as the result of evaporation or shrinkage due to
21 temperature variations may not exceed 1% of the total gallons
22 in storage at the beginning of the month, plus the receipts of
23 gallage during the month, minus the gallonage remaining in
24 storage at the end of the month. Any loss reported that is in

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

23 The return shall be prescribed by the Department and shall
24 be filed between the 1st and 20th days of each calendar month.
25 The Department may, in its discretion, combine the returns
26 filed under this Section, Section 5, and Section 5a of this

1 Act. The return must be accompanied by appropriate
2 computer-generated magnetic media supporting schedule data in
3 the format required by the Department, unless, as provided by
4 rule, the Department grants an exception upon petition of a
5 taxpayer. If the return is filed timely, the seller shall take
6 a discount of 2% through June 30, 2003 and 1.75% thereafter
7 which is allowed to reimburse the seller for the expenses
8 incurred in keeping records, preparing and filing returns,
9 collecting and remitting the tax and supplying data to the
10 Department on request. The discount, however, shall be
11 applicable only to the amount of payment which accompanies a
12 return that is filed timely in accordance with this Section.

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

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

1 (35 ILCS 505/5) (from Ch. 120, par. 421)

2 Sec. 5. Distributor's monthly return. Except as
3 hereinafter provided, a person holding a valid unrevoked
4 license to act as a distributor of motor fuel shall, between
5 the 1st and 20th days of each calendar month, make return to
6 the Department, showing an itemized statement of the number of
7 invoiced gallons of motor fuel of the types specified in this
8 Section which were purchased, acquired, received, or exported
9 during the preceding calendar month; the amount of such motor
10 fuel produced, refined, compounded, manufactured, blended,
11 sold, distributed, exported, and used by the licensed
12 distributor during the preceding calendar month; the amount of
13 such motor fuel lost or destroyed during the preceding calendar
14 month; the amount of such motor fuel on hand at the close of
15 business for such month; and such other reasonable information
16 as the Department may require. If a distributor's only
17 activities with respect to motor fuel are either: (1)
18 production of alcohol in quantities of less than 10,000 proof
19 gallons per year or (2) blending alcohol in quantities of less
20 than 10,000 proof gallons per year which such distributor has
21 produced, he shall file returns on an annual basis with the
22 return for a given year being due by January 20 of the
23 following year. Distributors whose total production of alcohol
24 (whether blended or not) exceeds 10,000 proof gallons per year,
25 based on production during the preceding (calendar) year or as
26 reasonably projected by the Department if one calendar year's

1 record of production cannot be established, shall file returns
2 between the 1st and 20th days of each calendar month as
3 hereinabove provided.

4 The types of motor fuel referred to in the preceding
5 paragraph are: (A) All products commonly or commercially known
6 or sold as gasoline (including casing-head and absorption or
7 natural gasoline), gasohol, motor benzol or motor benzene
8 regardless of their classification or uses; and (B) all
9 combustible gases which exist in a gaseous state at 60 degrees
10 Fahrenheit and at 14.7 pounds per square inch absolute
11 including, but not limited to, liquefied petroleum gases used
12 for highway purposes; and (C) special fuel. Only those
13 quantities of combustible gases (example (B) above) which are
14 used or sold by the distributor to be used to propel motor
15 vehicles on the public highways, or which are delivered into a
16 storage tank that is located at a facility that has withdrawal
17 facilities which are readily accessible to and are capable of
18 dispensing combustible gases into the fuel supply tanks of
19 motor vehicles, shall be subject to return. For purposes of
20 this Section, a facility is considered to have withdrawal
21 facilities that are not "readily accessible to and capable of
22 dispensing combustible gases into the fuel supply tanks of
23 motor vehicles" only if the combustible gases are delivered
24 from: (i) a dispenser hose that is short enough so that it will
25 not reach the fuel supply tank of a motor vehicle or (ii) a
26 dispenser that is enclosed by a fence or other physical barrier

1 so that a vehicle cannot pull alongside the dispenser to permit
2 fueling. For the purposes of this Act, liquefied petroleum
3 gases shall mean and include any material having a vapor
4 pressure not exceeding that allowed for commercial propane
5 composed predominantly of the following hydrocarbons, either
6 by themselves or as mixtures: Propane, Propylene, Butane
7 (normal butane or iso-butane) and Butylene (including
8 isomers).

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

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

17 In case of a tax-free sale, as provided in Section 6, of
18 motor fuel which the distributor is required by this Section to
19 include in his return to the Department, the distributor in his
20 return shall show: (1) If the sale is made to another licensed
21 distributor the amount sold and the name, address and license
22 number of the purchasing distributor; (2) if the sale is made
23 to a person where delivery is made outside of this State the
24 name and address of such purchaser and the point of delivery
25 together with the date and amount delivered; (3) if the sale is
26 made to the Federal Government or its instrumentalities the

1 amount sold; (4) if the sale is made to a municipal corporation
2 owning and operating a local transportation system for public
3 service in this State the name and address of such purchaser,
4 and the amount sold, as evidenced by official forms of
5 exemption certificates properly executed and furnished by such
6 purchaser; (5) if the sale is made to a privately owned public
7 utility owning and operating 2-axle vehicles designed and used
8 for transporting more than 7 passengers, which vehicles are
9 used as common carriers in general transportation of
10 passengers, are not devoted to any specialized purpose and are
11 operated entirely within the territorial limits of a single
12 municipality or of any group of contiguous municipalities or in
13 a close radius thereof, and the operations of which are subject
14 to the regulations of the Illinois Commerce Commission, then
15 the name and address of such purchaser and the amount sold as
16 evidenced by official forms of exemption certificates properly
17 executed and furnished by the purchaser; (6) if the product
18 sold is special fuel and if the sale is made to a licensed
19 supplier under conditions which qualify the sale for tax
20 exemption under Section 6 of this Act, the amount sold and the
21 name, address and license number of the purchaser; and (7) if a
22 sale of special fuel is made to someone other than a licensed
23 distributor, or a licensed supplier, for a use other than in
24 motor vehicles, by making a specific notation thereof on the
25 invoice or sales slip covering such sales and obtaining such
26 supporting documentation as may be required by the Department.

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

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

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

17 If the Department has reason to believe and does believe
18 that the amount shown on the return as purchased, acquired,
19 received, exported, sold, used, lost or destroyed is incorrect,
20 or that an amount of motor fuel of the types required by the
21 second paragraph of this Section to be reported to the
22 Department has not been correctly reported the Department shall
23 fix an amount for such receipt, sales, export, use, loss or
24 destruction according to its best judgment and information,
25 which amount so fixed by the Department shall be prima facie
26 correct. All returns shall be made on forms prepared and

1 furnished by the Department, and shall contain such other
2 information as the Department may reasonably require. The
3 return must be accompanied by appropriate computer-generated
4 magnetic media supporting schedule data in the format required
5 by the Department, unless, as provided by rule, the Department
6 grants an exception upon petition of a taxpayer. All licensed
7 distributors shall report all losses of motor fuel sustained on
8 account of fire, theft, spillage, spoilage, leakage, or any
9 other provable cause when filing the return for the period
10 during which the loss occurred. If the distributor reports
11 losses due to fire or theft, then the distributor must include
12 fire department or police department reports and any other
13 documentation that the Department may require. The mere making
14 of the report does not assure the allowance of the loss as a
15 reduction in tax liability. Losses of motor fuel as the result
16 of evaporation or shrinkage due to temperature variations may
17 not exceed 1% of the total gallons in storage at the beginning
18 of the month, plus the receipts of gallonage during the month,
19 minus the gallonage remaining in storage at the end of the
20 month. Any loss reported that is in excess of 1% shall be
21 subject to the tax imposed by Section 2 of this Law. On and
22 after July 1, 2001, for each 6-month period January through
23 June, net losses of motor fuel (for each category of motor fuel
24 that is required to be reported on a return) as the result of
25 evaporation or shrinkage due to temperature variations may not
26 exceed 1% of the total gallons in storage at the beginning of

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

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

1 taken and that actually due, and that distributor shall be
2 liable for penalties and interest on such difference.

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

4 (35 ILCS 505/5a) (from Ch. 120, par. 421a)

5 Sec. 5a. Supplier's monthly return. A person holding a
6 valid unrevoked license to act as a supplier of special fuel
7 shall, between the 1st and 20th days of each calendar month,
8 make return to the Department showing an itemized statement of
9 the number of invoiced gallons of special fuel acquired,
10 received, purchased, sold, exported, or used during the
11 preceding calendar month; the amount of special fuel sold,
12 distributed, exported, and used by the licensed supplier during
13 the preceding calendar month; the amount of special fuel lost
14 or destroyed during the preceding calendar month; the amount of
15 special fuel on hand at the close of business for the preceding
16 calendar month; and such other reasonable information as the
17 Department may require.

18 A person whose license to act as a supplier of special fuel
19 has been revoked shall make a return to the Department covering
20 the period from the date of the last return to the date of the
21 revocation of the license, which return shall be delivered to
22 the Department not later than 10 days from the date of the
23 revocation or termination of the license of such supplier. The
24 return shall in all other respects be subject to the same
25 provisions and conditions as returns by suppliers licensed

1 under this Act.

2 The records, waybills and supporting documents kept by
3 railroads and other common carriers in the regular course of
4 business shall be prima facie evidence of the contents and
5 receipt of cars or tanks covered by those records, waybills or
6 supporting documents.

7 If the Department has reason to believe and does believe
8 that the amount shown on the return as purchased, acquired,
9 received, sold, exported, used, or lost is incorrect, or that
10 an amount of special fuel of the type required by the 1st
11 paragraph of this Section to be reported to the Department by
12 suppliers has not been correctly reported as a purchase,
13 receipt, sale, use, export, or loss the Department shall fix an
14 amount for such purchase, receipt, sale, use, export, or loss
15 according to its best judgment and information, which amount so
16 fixed by the Department shall be prima facie correct. All
17 licensed suppliers shall report all losses of special fuel
18 sustained on account of fire, theft, spillage, spoilage,
19 leakage, or any other provable cause when filing the return for
20 the period during which the loss occurred. If the supplier
21 reports losses due to fire or theft, then the supplier must
22 include fire department or police department reports and any
23 other documentation that the Department may require. The mere
24 making of the report does not assure the allowance of the loss
25 as a reduction in tax liability. Losses of special fuel as the
26 result of evaporation or shrinkage due to temperature

1 variations may not exceed 1% of the total gallons in storage at
2 the beginning of the month, plus the receipts of gallonage
3 during the month, minus the gallonage remaining in storage at
4 the end of the month.

5 Any loss reported that is in excess of 1% shall be subject
6 to the tax imposed by Section 2 of this Law. On and after July
7 1, 2001, for each 6-month period January through June, net
8 losses of special fuel (for each category of special fuel that
9 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 special fuel (for
16 each category of special fuel that is required to be reported
17 on 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 In case of a sale of special fuel to someone other than a
3 licensed distributor or licensed supplier for a use other than
4 in motor vehicles, the supplier shall show in his return the
5 amount of invoiced gallons sold and the name and address of the
6 purchaser in addition to any other information the Department
7 may require.

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

10 All returns shall be made on forms prepared and furnished
11 by the Department and shall contain such other information as
12 the Department may reasonably require. The return must be
13 accompanied by appropriate computer-generated magnetic media
14 supporting schedule data in the format required by the
15 Department, unless, as provided by rule, the Department grants
16 an exception upon petition of a taxpayer.

17 In case of a tax-free sale, as provided in Section 6a, of
18 special fuel which the supplier is required by this Section to
19 include in his return to the Department, the supplier in his
20 return shall show: (1) If the sale of special fuel is made to
21 the Federal Government or its instrumentalities; (2) if the
22 sale of special fuel is made to a municipal corporation owning
23 and operating a local transportation system for public service
24 in this State, the name and address of such purchaser and the
25 amount sold, as evidenced by official forms of exemption
26 certificates properly executed and furnished by such

1 purchaser; (3) if the sale of special fuel is made to a
2 privately owned public utility owning and operating 2-axle
3 vehicles designed and used for transporting more than 7
4 passengers, which vehicles are used as common carriers in
5 general transportation of passengers, are not devoted to any
6 specialized purpose and are operated entirely within the
7 territorial limits of a single municipality or of any group of
8 contiguous municipalities or in a close radius thereof, and the
9 operations of which are subject to the regulations of the
10 Illinois Commerce Commission, then the name and address of such
11 purchaser and the amount sold, as evidenced by official forms
12 of exemption certificates properly executed and furnished by
13 such purchaser; (4) if the product sold is special fuel and if
14 the sale is made to a licensed supplier or to a licensed
15 distributor under conditions which qualify the sale for tax
16 exemption under Section 6a of this Act, the amount sold and the
17 name, address and license number of such purchaser; (5) if a
18 sale of special fuel is made to a person where delivery is made
19 outside of this State, the name and address of such purchaser
20 and the point of delivery together with the date and amount of
21 invoiced gallons delivered; and (6) if a sale of special fuel
22 is made to someone other than a licensed distributor or a
23 licensed supplier, for a use other than in motor vehicles, by
24 making a specific notation thereof on the invoice or sales slip
25 covering that sale and obtaining such supporting documentation
26 as may be required by the Department.

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

3 If any payment provided for in this Section exceeds the
4 supplier's liabilities under this Act, as shown on an original
5 return, the Department may authorize the supplier 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 supplier, the supplier'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 supplier shall be liable for penalties
14 and interest on such difference.

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

16 (35 ILCS 505/13) (from Ch. 120, par. 429)

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

23 Any person who purchases motor fuel in Illinois and uses
24 that motor fuel in another state and that other state imposes a
25 tax on the use of such motor fuel shall be reimbursed and

1 repaid the amount of Illinois tax paid under Section 2 of this
2 Act on the motor fuel used in such other state. Reimbursement
3 and repayment shall be made by the Department upon receipt of
4 adequate proof of taxes directly paid to another state and the
5 amount of motor fuel used in that state.

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

14 Any person who purchases motor fuel use tax decals as
15 required by Section 13a.4 and pays an amount of fees for such
16 decals that exceeds the amount due shall be reimbursed and
17 repaid the amount of the decal fees that are deemed by the
18 department to be in excess of the amount due. Alternatively,
19 any person who purchases motor fuel use tax decals as required
20 by Section 13a.4 may credit any excess decal payment verified
21 by the Department against amounts subsequently due for the
22 purchase of additional decals, until such time as no excess
23 payment remains.

24 Claims for such reimbursement must be made to the
25 Department of Revenue, duly verified by the claimant (or by the
26 claimant's legal representative if the claimant has died or

1 become a person under legal disability), upon forms prescribed
2 by the Department. The claim must state such facts relating to
3 the purchase, importation, manufacture or production of the
4 motor fuel by the claimant as the Department may deem
5 necessary, and the time when, and the circumstances of its loss
6 or the specific purpose for which it was used (as the case may
7 be), together with such other information as the Department may
8 reasonably require. No claim based upon idle time shall be
9 allowed. Claims for reimbursement for overpayment of decal fees
10 shall be made to the Department of Revenue, duly verified by
11 the claimant (or by the claimant's legal representative if the
12 claimant has died or become a person under legal disability),
13 upon forms prescribed by the Department. The claim shall state
14 facts relating to the overpayment of decal fees, together with
15 such other information as the Department may reasonably
16 require. Claims for reimbursement of overpayment of decal fees
17 paid on or after January 1, 2011 must be filed not later than
18 one year after the date on which the fees were paid by the
19 claimant. If it is determined that the Department should
20 reimburse a claimant for overpayment of decal fees, the
21 Department shall first apply the amount of such refund against
22 any tax or penalty or interest due by the claimant under
23 Section 13a of this Act.

24 Claims for full reimbursement for taxes paid on or before
25 December 31, 1999 must be filed not later than one year after
26 the date on which the tax was paid by the claimant. If,

1 however, a claim for such reimbursement otherwise meeting the
2 requirements of this Section is filed more than one year but
3 less than 2 years after that date, the claimant shall be
4 reimbursed at the rate of 80% of the amount to which he would
5 have been entitled if his claim had been timely filed.

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

9 The Department may make such investigation of the
10 correctness of the facts stated in such claims as it deems
11 necessary. When the Department has approved any such claim, it
12 shall pay to the claimant (or to the claimant's legal
13 representative, as such if the claimant has died or become a
14 person under legal disability) the reimbursement provided in
15 this Section, out of any moneys appropriated to it for that
16 purpose.

17 Any distributor or supplier who has paid the tax imposed by
18 Section 2 of this Act upon motor fuel lost or used by such
19 distributor or supplier for any purpose other than operating a
20 motor vehicle upon the public highways or waters may file a
21 claim for credit or refund to recover the amount so paid. Such
22 claims shall be filed on forms prescribed by the Department.
23 Such claims shall be made to the Department, duly verified by
24 the claimant (or by the claimant's legal representative if the
25 claimant has died or become a person under legal disability),
26 upon forms prescribed by the Department. The claim shall state

1 such facts relating to the purchase, importation, manufacture
2 or production of the motor fuel by the claimant as the
3 Department may deem necessary and the time when the loss or
4 nontaxable use occurred, and the circumstances of its loss or
5 the specific purpose for which it was used (as the case may
6 be), together with such other information as the Department may
7 reasonably require. Claims must be filed not later than one
8 year after the date on which the tax was paid by the claimant.

9 The Department may make such investigation of the
10 correctness of the facts stated in such claims as it deems
11 necessary. When the Department approves a claim, the Department
12 shall issue a refund or credit memorandum as requested by the
13 taxpayer, to the distributor or supplier who made the payment
14 for which the refund or credit is being given or, if the
15 distributor or supplier has died or become incompetent, to such
16 distributor's or supplier's legal representative, as such. The
17 amount of such credit memorandum shall be credited against any
18 tax due or to become due under this Act from the distributor or
19 supplier who made the payment for which credit has been given.

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

23 In case the distributor or supplier requests and the
24 Department determines that the claimant is entitled to a
25 refund, such refund shall be made only from such appropriation
26 as may be available for that purpose. If it appears unlikely

1 that the amount appropriated would permit everyone having a
2 claim allowed during the period covered by such appropriation
3 to elect to receive a cash refund, the Department, by rule or
4 regulation, shall provide for the payment of refunds in
5 hardship cases and shall define what types of cases qualify as
6 hardship cases.

7 In any case in which there has been an erroneous refund of
8 tax or fees payable under this Section, a notice of tax
9 liability may be issued at any time within 3 years from the
10 making of that refund, or within 5 years from the making of
11 that refund if it appears that any part of the refund was
12 induced by fraud or the misrepresentation of material fact. The
13 amount of any proposed assessment set forth by the Department
14 shall be limited to the amount of the erroneous refund.

15 If no tax is due and no proceeding is pending to determine
16 whether such distributor or supplier is indebted to the
17 Department for tax, the credit memorandum so issued may be
18 assigned and set over by the lawful holder thereof, subject to
19 reasonable rules of the Department, to any other licensed
20 distributor or supplier who is subject to this Act, and the
21 amount thereof applied by the Department against any tax due or
22 to become due under this Act from such assignee.

23 If the payment for which the distributor's or supplier's
24 claim is filed is held in the protest fund of the State
25 Treasury during the pendency of the claim for credit
26 proceedings pursuant to the order of the court in accordance

1 with Section 2a of the State Officers and Employees Money
2 Disposition Act and if it is determined by the Department or by
3 the final order of a reviewing court under the Administrative
4 Review Law that the claimant is entitled to all or a part of
5 the credit claimed, the claimant, instead of receiving a credit
6 memorandum from the Department, shall receive a cash refund
7 from the protest fund as provided for in Section 2a of the
8 State Officers and Employees Money Disposition Act.

9 If any person ceases to be licensed as a distributor or
10 supplier while still holding an unused credit memorandum issued
11 under this Act, such person may, at his election (instead of
12 assigning the credit memorandum to a licensed distributor or
13 licensed supplier under this Act), surrender such unused credit
14 memorandum to the Department and receive a refund of the amount
15 to which such person is entitled.

16 For claims based upon taxes paid on or before December 31,
17 2000, a claim based upon the use of undyed diesel fuel shall
18 not be allowed except (i) if allowed under the following
19 paragraph or (ii) for undyed diesel fuel used by a commercial
20 vehicle, as that term is defined in Section 1-111.8 of the
21 Illinois Vehicle Code, for any purpose other than operating the
22 commercial vehicle upon the public highways and unlicensed
23 commercial vehicles operating on private property. Claims
24 shall be limited to commercial vehicles that are operated for
25 both highway purposes and any purposes other than operating
26 such vehicles upon the public highways.

1 For claims based upon taxes paid on or after January 1,
2 2000, a claim based upon the use of undyed diesel fuel shall
3 not be allowed except (i) if allowed under the preceding
4 paragraph or (ii) for claims for the following:

5 (1) Undyed diesel fuel used (i) in a manufacturing
6 process, as defined in Section 2-45 of the Retailers'
7 Occupation Tax Act, wherein the undyed diesel fuel becomes
8 a component part of a product or by-product, other than
9 fuel or motor fuel, when the use of dyed diesel fuel in
10 that manufacturing process results in a product that is
11 unsuitable for its intended use or (ii) for testing
12 machinery and equipment in a manufacturing process, as
13 defined in Section 2-45 of the Retailers' Occupation Tax
14 Act, wherein the testing takes place on private property.

15 (2) Undyed diesel fuel used by a manufacturer on
16 private property in the research and development, as
17 defined in Section 1.29, of machinery or equipment intended
18 for manufacture.

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

24 (4) Undyed diesel fuel used by a commercial motor
25 vehicle for any purpose other than operating the commercial
26 motor vehicle upon the public highways. Claims shall be

1 limited to commercial motor vehicles that are operated for
2 both highway purposes and any purposes other than operating
3 such vehicles upon the public highways.

4 (5) Undyed diesel fuel used by a unit of local
5 government in its operation of an airport if the undyed
6 diesel fuel is used directly in airport operations on
7 airport property.

8 (6) Undyed diesel fuel used by refrigeration units that
9 are permanently mounted to a semitrailer, as defined in
10 Section 1.28 of this Law, wherein the refrigeration units
11 have a fuel supply system dedicated solely for the
12 operation of the refrigeration units.

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

15 (8) Beginning on the effective date of this amendatory
16 Act of the 94th General Assembly, undyed diesel fuel used
17 by tugs and spotter equipment to shift vehicles or parcels
18 on both private and airport property. Any claim under this
19 item (8) may be made only by a claimant that owns tugs and
20 spotter equipment and operates that equipment on both
21 private and airport property. The aggregate of all credits
22 or refunds resulting from claims filed under this item (8)
23 by a claimant in any calendar year may not exceed \$100,000.
24 A claim may not be made under this item (8) by the same
25 claimant more often than once each quarter. For the
26 purposes of this item (8), "tug" means a vehicle designed

1 for use on airport property that shifts custom-designed
2 containers of parcels from loading docks to aircraft, and
3 "spotter equipment" means a vehicle designed for use on
4 both private and airport property that shifts trailers
5 containing parcels between staging areas and loading
6 docks.

7 Any person who has paid the tax imposed by Section 2 of
8 this Law upon undyed diesel fuel that is unintentionally mixed
9 with dyed diesel fuel and who owns or controls the mixture of
10 undyed diesel fuel and dyed diesel fuel may file a claim for
11 refund to recover the amount paid. The amount of undyed diesel
12 fuel unintentionally mixed must equal 500 gallons or more. Any
13 claim for refund of unintentionally mixed undyed diesel fuel
14 and dyed diesel fuel shall be supported by documentation
15 showing the date and location of the unintentional mixing, the
16 number of gallons involved, the disposition of the mixed diesel
17 fuel, and any other information that the Department may
18 reasonably require. Any unintentional mixture of undyed diesel
19 fuel and dyed diesel fuel shall be sold or used only for
20 non-highway purposes.

21 The Department shall promulgate regulations establishing
22 specific limits on the amount of undyed diesel fuel that may be
23 claimed for refund.

24 For purposes of claims for refund, "loss" means the
25 reduction of motor fuel resulting from fire, theft, spillage,
26 spoilage, leakage, or any other provable cause, but does not

1 include a reduction resulting from evaporation, or shrinkage
2 due to temperature variations. In the case of losses due to
3 fire or theft, the claimant must include fire department or
4 police department reports and any other documentation that the
5 Department may require.

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

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

9 (35 ILCS 615/2a.2) (from Ch. 120, par. 467.17a.2)

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

16 1. Taxpayer's name;

17 2. Address of taxpayer's principal place of business,
18 and address of the principal place of business (if that is
19 a different address) from which the taxpayer engages in the
20 business of distributing, supplying, furnishing or selling
21 gas in this State;

22 3. The total proprietary capital and total long-term
23 debt as of the beginning and end of the taxable period as
24 set forth on the balance sheets included in the taxpayer's

1 annual report to the Illinois Commerce Commission for the
2 taxable period;

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

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

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

11 The returns prescribed by this Section shall be due and
12 shall be filed with the Department not later than the 15th day
13 of the third month following the close of the taxable period.
14 The taxpayer making the return herein provided for shall, at
15 the time of making such return, pay to the Department the
16 remaining amount of tax herein imposed and due for the taxable
17 period. Each taxpayer shall make estimated quarterly payments
18 on the 15th day of the third, sixth, ninth and twelfth months
19 of each taxable period. Such estimated payments shall be 25% of
20 the tax liability for the immediately preceding taxable period
21 or the tax liability that would have been imposed in the
22 immediately preceding taxable period if this amendatory Act of
23 1979 had been in effect. All moneys received by the Department
24 under Sections 2a.1 and 2a.2 shall be paid into the Personal
25 Property Tax Replacement Fund in the State Treasury.

26 If any payment provided for in this Section exceeds the

1 taxpayer's liabilities under this Act, as shown on an original
2 return, the Department may authorize the taxpayer to credit
3 such excess payment against liability subsequently to be
4 remitted to the Department under this Act, in accordance with
5 reasonable rules adopted by the Department.

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

7 (35 ILCS 615/3) (from Ch. 120, par. 467.18)

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

12 1. His name;

13 2. The address of his principal place of business, and
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 distributing, supplying, furnishing or selling gas in
17 this State;

18 3. The total number of therms for which payment was
19 received by him from customers during the preceding
20 calendar month and upon the basis of which the tax is
21 imposed;

22 4. Gross receipts which were received by him from
23 customers during the preceding calendar month from such
24 business, including budget plan and other customer-owned
25 amounts applied during such month in payment of charges

1 includible in gross receipts, and upon the basis of which
2 the tax is imposed;

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

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

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

9 Any taxpayer required to make payments under this Section
10 may make the payments by electronic funds transfer. The
11 Department shall adopt rules necessary to effectuate a program
12 of electronic funds transfer.

13 If the taxpayer's average monthly tax liability to the
14 Department does not exceed \$100.00, 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 30 of such year; with the return for April,
18 May and June of a given year being due by July 31 of such year;
19 with the return for July, August and September of a given year
20 being due by October 31 of such year, and with the return for
21 October, November and December of a given year being due by
22 January 31 of the following year.

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

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

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

11 In making such return the taxpayer shall determine the
12 value of any reportable consideration other than money received
13 by him and shall include such value in his return. Such
14 determination shall be subject to review and revision by the
15 Department in the same manner as is provided in this Act for
16 the correction of returns.

17 Each taxpayer whose average monthly liability to the
18 Department under this Act was \$10,000 or more during the
19 preceding calendar year, excluding the month of highest
20 liability and the month of lowest liability in such calendar
21 year, and who is not operated by a unit of local government,
22 shall make estimated payments to the Department on or before
23 the 7th, 15th, 22nd and last day of the month during which tax
24 liability to the Department is incurred in an amount not less
25 than the lower of either 22.5% of the taxpayer's actual tax
26 liability for the month or 25% of the taxpayer's actual tax

1 liability for the same calendar month of the preceding year.
2 The amount of such quarter monthly payments shall be credited
3 against the final tax liability of the taxpayer's return for
4 that month. Any outstanding credit, approved by the Department,
5 arising from the taxpayer's overpayment of its 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 the taxpayer's return for any subsequent
9 month. If any quarter monthly payment is not paid at the time
10 or in the amount required by this Section, the taxpayer shall
11 be liable for penalty and interest on the difference between
12 the minimum amount due as a payment and the amount of such
13 payment actually and timely paid, except insofar as the
14 taxpayer has previously made payments for that month to the
15 Department in excess of the minimum payments previously due.

16 If the Director finds that the information required for the
17 making of an accurate return cannot reasonably be compiled by a
18 taxpayer within 15 days after the close of the calendar month
19 for which a return is to be made, he may grant an extension of
20 time for the filing of such return for a period of not to
21 exceed 31 calendar days. The granting of such an extension may
22 be conditioned upon the deposit by the taxpayer with the
23 Department of an amount of money not exceeding the amount
24 estimated by the Director to be due with the return so
25 extended. All such deposits, including any made before the
26 effective date of this amendatory Act of 1975 with the

1 Department, shall be credited against the taxpayer's
2 liabilities under this Act. If any such deposit exceeds the
3 taxpayer's present and probable future liabilities under this
4 Act, the Department shall issue to the taxpayer a credit
5 memorandum, which may be assigned by the taxpayer to a similar
6 taxpayer under this Act, in accordance with reasonable rules
7 and regulations to be prescribed by the Department.

8 The taxpayer making the return provided for in this Section
9 shall, at the time of making such return, pay to the Department
10 the amount of tax imposed by this Act. All moneys received by
11 the Department under this Act shall be paid into the General
12 Revenue Fund in the State Treasury, except as otherwise
13 provided.

14 If any payment provided for in this Section exceeds the
15 taxpayer's liabilities under this Act, as shown on an original
16 return, the Department may authorize the taxpayer 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.

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

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

23 (35 ILCS 620/2a.2) (from Ch. 120, par. 469a.2)

24 Sec. 2a.2. Annual return, collection and payment. A return

1 with respect to the tax imposed by Section 2a.1 shall be made
2 by every person for any taxable period for which such person is
3 liable for such tax. Such return shall be made on such forms as
4 the Department shall prescribe and shall contain the following
5 information:

6 1. Taxpayer's name;

7 2. Address of taxpayer's principal place of business,
8 and address of the principal place of business (if that is
9 a different address) from which the taxpayer engages in the
10 business of distributing electricity in this State;

11 3. The total equity, in the case of electric
12 cooperatives, in the annual reports filed with the Rural
13 Utilities Service for the taxable period;

14 3a. The total kilowatt-hours of electricity
15 distributed by a taxpayer, other than an electric
16 cooperative, in this State for the taxable period covered
17 by the return;

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

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

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

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

12 If any payment provided for in this Section exceeds the
13 taxpayer's liabilities under this Act, as shown on an original
14 return, the taxpayer 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. 90-561, eff. 1-1-98.)

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

21 (35 ILCS 630/6) (from Ch. 120, par. 2006)

22 Sec. 6. Returns; payments. Except as provided hereinafter
23 in this Section, on or before the last day of each month, each
24 retailer maintaining a place of business in this State shall

1 make a return to the Department for the preceding calendar
2 month, stating:

3 1. His name;

4 2. The address of his principal place of business, or
5 the address of the principal place of business (if that is
6 a different address) from which he engages in the business
7 of transmitting telecommunications;

8 3. Total amount of gross charges billed by him during
9 the preceding calendar month for providing
10 telecommunications during such calendar month;

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

13 5. Deductions allowed by law;

14 6. Gross charges which were billed by him during the
15 preceding calendar month and upon the basis of which the
16 tax is imposed;

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

18 8. Such other reasonable information as the Department
19 may require.

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. Any taxpayer who has average
24 monthly tax billings due to the Department under this Act and
25 the Simplified Municipal Telecommunications Tax Act that
26 exceed \$1,000 shall make all payments by electronic funds

1 transfer as required by rules of the Department and shall file
2 the return required by this Section by electronic means as
3 required by rules of the Department.

4 If the retailer's average monthly tax billings due to the
5 Department under this Act and the Simplified Municipal
6 Telecommunications Tax Act do not exceed \$1,000, the Department
7 may authorize his returns to be filed on a quarter annual
8 basis, with the return for January, February and March of a
9 given year being due by April 30 of such year; with the return
10 for April, May and June of a given year being due by July 31st
11 of such year; with the return for July, August and September of
12 a given year being due by October 31st of such year; and with
13 the return of October, November and December of a given year
14 being due by January 31st of the following year.

15 If the retailer is otherwise required to file a monthly or
16 quarterly return and if the retailer's average monthly tax
17 billings due to the Department under this Act and the
18 Simplified Municipal Telecommunications Tax Act do not exceed
19 \$400, the Department may authorize his or her return to be
20 filed on an annual basis, with the return for a given year
21 being due by January 31st of the following year.

22 Notwithstanding any other provision of this Article
23 containing the time within which a retailer may file his
24 return, in the case of any retailer who ceases to engage in a
25 kind of business which makes him responsible for filing returns
26 under this Article, such retailer shall file a final return

1 under this Article with the Department not more than one month
2 after discontinuing such business.

3 In making such return, the retailer shall determine the
4 value of any consideration other than money received by him and
5 he shall include such value in his return. Such determination
6 shall be subject to review and revision by the Department in
7 the manner hereinafter provided for the correction of returns.

8 Each retailer whose average monthly liability to the
9 Department under this Article and the Simplified Municipal
10 Telecommunications Tax Act was \$25,000 or more during the
11 preceding calendar year, excluding the month of highest
12 liability and the month of lowest liability in such calendar
13 year, and who is not operated by a unit of local government,
14 shall make estimated payments to the Department on or before
15 the 7th, 15th, 22nd and last day of the month during which tax
16 collection liability to the Department is incurred in an amount
17 not less than the lower of either 22.5% of the retailer's
18 actual tax collections for the month or 25% of the retailer's
19 actual tax collections for the same calendar month of the
20 preceding year. The amount of such quarter monthly payments
21 shall be credited against the final liability of the retailer's
22 return for that month. Any outstanding credit, approved by the
23 Department, arising from the retailer's overpayment of its
24 final liability for any month may be applied to reduce the
25 amount of any subsequent quarter monthly payment or credited
26 against the final liability of the retailer's return for any

1 subsequent month. If any quarter monthly payment is not paid at
2 the time or in the amount required by this Section, the
3 retailer shall be liable for penalty and interest on the
4 difference between the minimum amount due as a payment and the
5 amount of such payment actually and timely paid, except insofar
6 as the retailer has previously made payments for that month to
7 the Department in excess of the minimum payments previously
8 due.

9 The retailer making the return herein provided for shall,
10 at the time of making such return, pay to the Department the
11 amount of tax herein imposed, less a discount of 1% which is
12 allowed to reimburse the retailer for the expenses incurred in
13 keeping records, billing the customer, preparing and filing
14 returns, remitting the tax, and supplying data to the
15 Department upon request. No discount may be claimed by a
16 retailer on returns not timely filed and for taxes not timely
17 remitted.

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

1 between the discount as applied to the credit taken and that
2 actually due, and that retailer shall be liable for penalties
3 and interest on such difference.

4 On and after the effective date of this Article of 1985, of
5 the moneys received by the Department of Revenue pursuant to
6 this Article, other than moneys received pursuant to the
7 additional taxes imposed by Public Act 90-548:

8 (1) \$1,000,000 shall be paid each month into the Common
9 School Fund;

10 (2) beginning on the first day of the first calendar
11 month to occur on or after the effective date of this
12 amendatory Act of the 98th General Assembly, an amount
13 equal to 1/12 of 5% of the cash receipts collected during
14 the preceding fiscal year by the Audit Bureau of the
15 Department from the tax under this Act and the Simplified
16 Municipal Telecommunications Tax Act shall be paid each
17 month into the Tax Compliance and Administration Fund;
18 those moneys shall be used, subject to appropriation, to
19 fund additional auditors and compliance personnel at the
20 Department of Revenue; and

21 (3) the remainder shall be deposited into the General
22 Revenue Fund.

23 On and after February 1, 1998, however, of the moneys
24 received by the Department of Revenue pursuant to the
25 additional taxes imposed by Public Act 90-548, one-half shall
26 be deposited into the School Infrastructure Fund and one-half

1 shall be deposited into the Common School Fund. On and after
2 the effective date of this amendatory Act of the 91st General
3 Assembly, if in any fiscal year the total of the moneys
4 deposited into the School Infrastructure Fund under this Act is
5 less than the total of the moneys deposited into that Fund from
6 the additional taxes imposed by Public Act 90-548 during fiscal
7 year 1999, then, as soon as possible after the close of the
8 fiscal year, the Comptroller shall order transferred and the
9 Treasurer shall transfer from the General Revenue Fund to the
10 School Infrastructure Fund an amount equal to the difference
11 between the fiscal year total deposits and the total amount
12 deposited into the Fund in fiscal year 1999.

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

14 Section 110. The Simplified Municipal Telecommunications
15 Tax Act is amended by changing Section 5-50 as follows:

16 (35 ILCS 636/5-50)

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

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

23 (1) Its name;

24 (2) The address of its principal place of business or

1 the address of the principal place of business (if that is
2 a different address) from which it engages in the business
3 of transmitting telecommunications;

4 (3) Total amount of gross charges billed by it during
5 the preceding calendar month for providing
6 telecommunications during the calendar month;

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

9 (5) Deductions allowed by law;

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

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

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

16 (9) Such other reasonable information as the
17 Department may require.

18 (b) Any retailer required to make payments under this
19 Section may make the payments by electronic funds transfer. The
20 Department shall adopt rules necessary to effectuate a program
21 of electronic funds transfer. Any retailer who has average
22 monthly tax billings due to the Department under this Act and
23 the Telecommunications Excise Tax Act that exceed \$1,000 shall
24 make all payments by electronic funds transfer as required by
25 rules of the Department.

26 (c) If the retailer's average monthly tax billings due to

1 the Department under this Act and the Telecommunications Excise
2 Tax Act do not exceed \$1,000, the Department may authorize such
3 retailer's returns to be filed on a quarter-annual basis, with
4 the return for January, February, and March of a given year
5 being due by April 30th of that year; with the return for
6 April, May, and June of a given year being due by July 31st of
7 that year; with the return for July, August, and September of a
8 given year being due by October 31st of that year; and with the
9 return for October, November, and December of a given year
10 being due by January 31st of the following year.

11 (d) If the retailer is otherwise required to file a monthly
12 or quarterly return and if the retailer's average monthly tax
13 billings due to the Department under this Act and the
14 Telecommunications Excise Tax Act do not exceed \$400, the
15 Department may authorize such retailer's return to be filed on
16 an annual basis, with the return for a given year being due by
17 January 31st of the following year.

18 (e) Each retailer whose average monthly remittance to the
19 Department under this Act and the Telecommunications Excise Tax
20 Act was \$25,000 or more during the preceding calendar year,
21 excluding the month of highest remittance and the month of
22 lowest remittance in such calendar year, and who is not
23 operated by a unit of local government, shall make estimated
24 payments to the Department on or before the 7th, 15th, 22nd,
25 and last day of the month during which the tax remittance is
26 owed to the Department in an amount not less than the lower of

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

19 (f) Notwithstanding any other provision of this Section
20 containing the time within which a retailer may file his or her
21 return, in the case of any retailer who ceases to engage in a
22 kind of business that makes him or her responsible for filing
23 returns under this Section, the retailer shall file a final
24 return under this Section with the Department not more than one
25 month after discontinuing such business.

26 (g) In making such return, the retailer shall determine the

1 value of any consideration other than money received by it and
2 such retailer shall include the value in its return. Such
3 determination shall be subject to review and revision by the
4 Department in the manner hereinafter provided for the
5 correction of returns.

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

11 (i) The retailer filing the return herein provided for
12 shall, at the time of filing the return, pay to the Department
13 the amounts due pursuant to this Act. The Department shall
14 immediately pay over to the State Treasurer, ex officio, as
15 trustee, ~~99.5% of~~ all taxes, penalties, and interest collected
16 hereunder for deposit into the Municipal Telecommunications
17 Fund, which is hereby created. ~~The remaining 0.5% received by~~
18 ~~the Department pursuant to this Act shall be deposited into the~~
19 ~~Tax Compliance and Administration Fund and shall be used by the~~
20 ~~Department, subject to appropriation, to cover the costs of the~~
21 ~~Department.~~

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 be paid to named
25 municipalities from the Municipal Telecommunications Fund for
26 amounts collected during the second preceding calendar month.

1 The named municipalities shall be those municipalities
2 identified by a retailer in such retailer's return as having
3 imposed the tax authorized by the Act. The amount of money to
4 be paid to each municipality shall be the amount (not including
5 credit memoranda) collected hereunder during the second
6 preceding calendar month by the Department, plus an amount the
7 Department determines is necessary to offset any amounts that
8 were erroneously paid to a different taxing body, and not
9 including an amount equal to the amount of refunds made during
10 the second preceding calendar month by the Department on behalf
11 of such municipality, and not including any amount that the
12 Department determines is necessary to offset any amounts ~~amount~~
13 that were payable to a different taxing body but were
14 erroneously paid to the municipality, less 0.5% of the amount
15 to be paid to each municipality, which shall be transferred
16 into the Tax Compliance and Administration Fund and shall be
17 used by the Department, subject to appropriation, to cover the
18 costs of the Department in administering and enforcing the
19 provisions of this Act, on behalf of such municipality. Within
20 10 days after receipt by the Comptroller of the disbursement
21 certification from the Department, the Comptroller shall cause
22 the orders to be drawn for the respective amounts in accordance
23 with the directions contained in the certification. When
24 certifying to the Comptroller the amount of a monthly
25 disbursement to a municipality under this Section, the
26 Department shall increase or decrease the amount by an amount

1 necessary to offset any misallocation of previous
2 disbursements. The offset amount shall be the amount
3 erroneously disbursed within the previous 6 months from the
4 time a misallocation is discovered.

5 (j) For municipalities with populations of less than
6 500,000, whenever the Department determines that a refund shall
7 be made under this Section to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause the order 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 Municipal Telecommunications Fund.

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

14 Section 115. The Electricity Excise Tax Law is amended by
15 changing Sections 2-9 and 2-11 as follows:

16 (35 ILCS 640/2-9)

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

22 (1) The delivering supplier's name.

23 (2) The address of the delivering supplier's principal
24 place of business and the address of the principal place of

1 business (if that is a different address) from which the
2 delivering supplier engaged in the business of delivering
3 electricity in this State.

4 (3) The total number of kilowatt-hours which the
5 supplier delivered to or for purchasers during the
6 preceding calendar month and upon the basis of which the
7 tax is imposed.

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

10 (5) An adjustment for uncollectible amounts of tax in
11 respect of prior period kilowatt-hour deliveries,
12 determined in accordance with rules and regulations
13 promulgated by the Department.

14 (5.5) The amount of credits to which the taxpayer is
15 entitled on account of purchases made under Section 8-403.1
16 of the Public Utilities Act.

17 (6) Such other information as the Department
18 reasonably may require.

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

22 If the average monthly tax liability to the Department of
23 the delivering supplier does not exceed \$2,500, the Department
24 may authorize the delivering supplier's returns to be filed on
25 a quarter-annual basis, with the return for January, February
26 and March of a given year being due by April 30 of such year;

1 with the return for April, May and June of a given year being
2 due by July 31 of such year; with the return for July, August
3 and September of a given year being due by October 31 of such
4 year; and with the return for October, November and December of
5 a given year being due by January 31 of the following year.

6 If the average monthly tax liability to the Department of
7 the delivering supplier does not exceed \$1,000, the Department
8 may authorize the delivering supplier's returns to be filed on
9 an annual basis, with the return for a given year being due by
10 January 31 of the 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 Law concerning
15 the time within which a delivering supplier may file a return,
16 any such delivering supplier who ceases to engage in a kind of
17 business which makes the person responsible for filing returns
18 under this Law shall file a final return under this Law with
19 the Department not more than one month after discontinuing such
20 business.

21 Each delivering supplier whose average monthly liability
22 to the Department under this Law was \$10,000 or more during the
23 preceding calendar year, excluding the month of highest
24 liability and the month of lowest liability in such calendar
25 year, and who is not operated by a unit of local government,
26 shall make estimated payments to the Department on or before

1 the 7th, 15th, 22nd and last day of the month during which tax
2 liability to the Department is incurred in an amount not less
3 than the lower of either 22.5% of such delivering supplier's
4 actual tax liability for the month or 25% of such delivering
5 supplier's actual tax liability for the same calendar month of
6 the preceding year. The amount of such quarter-monthly payments
7 shall be credited against the final tax liability of such
8 delivering supplier's return for that month. An outstanding
9 credit approved by the Department or a credit memorandum issued
10 by the Department arising from such delivering supplier's
11 overpayment of his or her final tax liability for any month may
12 be applied to reduce the amount of any subsequent
13 quarter-monthly payment or credited against the final tax
14 liability of such delivering supplier's return for any
15 subsequent month. If any quarter-monthly payment is not paid at
16 the time or in the amount required by this Section, such
17 delivering supplier shall be liable for penalty and interest on
18 the difference between the minimum amount due as a payment and
19 the amount of such payment actually and timely paid, except
20 insofar as such delivering supplier has previously made
21 payments for that month to the Department in excess of the
22 minimum payments previously due.

23 If the Director finds that the information required for the
24 making of an accurate return cannot reasonably be compiled by
25 such delivering supplier within 15 days after the close of the
26 calendar month for which a return is to be made, the Director

1 may grant an extension of time for the filing of such return
2 for a period not to exceed 31 calendar days. The granting of
3 such an extension may be conditioned upon the deposit by such
4 delivering supplier with the Department of an amount of money
5 not exceeding the amount estimated by the Director to be due
6 with the return so extended. All such deposits shall be
7 credited against such delivering supplier's liabilities under
8 this Law. If the deposit exceeds such delivering supplier's
9 present and probable future liabilities under this Law, the
10 Department shall issue to such delivering supplier a credit
11 memorandum, which may be assigned by such delivering supplier
12 to a similar person under this Law, in accordance with
13 reasonable rules and regulations to be prescribed by the
14 Department.

15 The delivering supplier making the return provided for in
16 this Section shall, at the time of making such return, pay to
17 the Department the amount of tax imposed by this Law.

18 Until October 1, 2002, a delivering supplier who has an
19 average monthly tax liability of \$10,000 or more shall make all
20 payments required by rules of the Department by electronic
21 funds transfer. The term "average monthly tax liability" shall
22 be the sum of the delivering supplier's liabilities under this
23 Law for the immediately preceding calendar year divided by 12.
24 Beginning on October 1, 2002, a taxpayer who has a tax
25 liability in the amount set forth in subsection (b) of Section
26 2505-210 of the Department of Revenue Law shall make all

1 payments required by rules of the Department by electronic
2 funds transfer. Any delivering supplier not required to make
3 payments by electronic funds transfer may make payments by
4 electronic funds transfer with the permission of the
5 Department. All delivering suppliers required to make payments
6 by electronic funds transfer and any delivering suppliers
7 authorized to voluntarily make payments by electronic funds
8 transfer shall make those payments in the manner authorized by
9 the Department.

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

16 Through June 30, 2004, each month the Department shall pay
17 into the Public Utility Fund in the State treasury an amount
18 determined by the Director to be equal to 3.0% of the funds
19 received by the Department pursuant to this Section. Through
20 June 30, 2004, the remainder of all moneys received by the
21 Department under this Section shall be paid into the General
22 Revenue Fund in the State treasury. Beginning on July 1, 2004,
23 of the 3% of the funds received pursuant to this Section, each
24 month the Department shall pay \$416,667 into the General
25 Revenue Fund and the balance shall be paid into the Public
26 Utility Fund in the State treasury.

1 (Source: P.A. 92-492, eff. 1-1-02; 93-839, eff. 7-30-04.)

2 (35 ILCS 640/2-11)

3 Sec. 2-11. Direct return and payment by self-assessing
4 purchaser. When electricity is used or consumed by a
5 self-assessing purchaser subject to the tax imposed by this Law
6 who did not pay the tax to a delivering supplier maintaining a
7 place of business within this State and required or authorized
8 to collect the tax, that self-assessing purchaser shall, on or
9 before the 15th day of each month, make a return to the
10 Department for the preceding calendar month, stating all of the
11 following:

12 (1) The self-assessing purchaser's name and principal
13 address.

14 (2) The aggregate purchase price paid by the
15 self-assessing purchaser for the distribution, supply,
16 furnishing, sale, transmission and delivery of such
17 electricity to or for the purchaser during the preceding
18 calendar month, including budget plan and other
19 purchaser-owned amounts applied during such month in
20 payment of charges includible in the purchase price, and
21 upon the basis of which the tax is imposed.

22 (3) Amount of tax, computed upon item (2) at the rate
23 stated in Section 2-4.

24 (4) Such other information as the Department
25 reasonably may require.

1 In making such return the self-assessing purchaser may use
2 any reasonable method to derive reportable "purchase price"
3 from the self-assessing purchaser's records.

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

15 If the average monthly tax liability of the self-assessing
16 purchaser to the Department does not exceed \$1,000, the
17 Department may authorize the self-assessing purchaser's
18 returns to be filed on an annual basis, with the return for a
19 given year being due by January 31 of the following year.

20 Such quarter-annual and annual returns, as to form and
21 substance, shall be subject to the same requirements as monthly
22 returns.

23 Notwithstanding any other provision in this Law concerning
24 the time within which a self-assessing purchaser may file a
25 return, any such self-assessing purchaser who ceases to be
26 responsible for filing returns under this Law shall file a

1 final return under this Law with the Department not more than
2 one month thereafter.

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

1 difference between the minimum amount due as a payment and the
2 amount of such payment actually and timely paid, except insofar
3 as such person has previously made payments for that month to
4 the Department in excess of the minimum payments previously
5 due.

6 If the Director finds that the information required for the
7 making of an accurate return cannot reasonably be compiled by a
8 self-assessing purchaser within 15 days after the close of the
9 calendar month for which a return is to be made, the Director
10 may grant an extension of time for the filing of such return
11 for a period of not to exceed 31 calendar days. The granting of
12 such an extension may be conditioned upon the deposit by such
13 self-assessing purchaser with the Department of an amount of
14 money not exceeding the amount estimated by the Director to be
15 due with the return so extended. All such deposits shall be
16 credited against such self-assessing purchaser's liabilities
17 under this Law. If the deposit exceeds such self-assessing
18 purchaser's present and probable future liabilities under this
19 Law, the Department shall issue to such self-assessing
20 purchaser a credit memorandum, which may be assigned by such
21 self-assessing purchaser to a similar person under this Law, in
22 accordance with reasonable rules and regulations to be
23 prescribed by the Department.

24 The self-assessing purchaser making the return provided
25 for in this Section shall, at the time of making such return,
26 pay to the Department the amount of tax imposed by this Law.

1 Until October 1, 2002, a self-assessing purchaser who has
2 an average monthly tax liability of \$10,000 or more shall make
3 all payments required by rules of the Department by electronic
4 funds transfer. The term "average monthly tax liability" shall
5 be the sum of the self-assessing purchaser's liabilities under
6 this Law for the immediately preceding calendar year divided by
7 12. Beginning on October 1, 2002, a taxpayer who has a tax
8 liability in the amount set forth in subsection (b) of Section
9 2505-210 of the Department of Revenue Law shall make all
10 payments required by rules of the Department by electronic
11 funds transfer. Any self-assessing purchaser not required to
12 make payments by electronic funds transfer may make payments by
13 electronic funds transfer with the permission of the
14 Department. All self-assessing purchasers required to make
15 payments by electronic funds transfer and any self-assessing
16 purchasers authorized to voluntarily make payments by
17 electronic funds transfer shall make those payments in the
18 manner authorized by the Department.

19 If any payment provided for in this Section exceeds the
20 self-assessing purchaser's liabilities under this Act, as
21 shown on an original return, the Department may authorize the
22 self-assessing purchaser to 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 Through June 30, 2004, each month the Department shall pay

1 into the Public Utility Fund in the State treasury an amount
2 determined by the Director to be equal to 3.0% of the funds
3 received by the Department pursuant to this Section. Through
4 June 30, 2004, the remainder of all moneys received by the
5 Department under this Section shall be paid into the General
6 Revenue Fund in the State treasury. Beginning on July 1, 2004,
7 of the 3% of the funds received pursuant to this Section, each
8 month the Department shall pay \$416,667 into the General
9 Revenue Fund and the balance shall be paid into the Public
10 Utility Fund in the State treasury.

11 (Source: P.A. 92-492, eff. 1-1-02; 93-839, eff. 7-30-04.)

12 Section 120. The Innovation Development and Economy Act is
13 amended by changing Section 31 as follows:

14 (50 ILCS 470/31)

15 Sec. 31. STAR bond occupation taxes.

16 (a) If the corporate authorities of a political subdivision
17 have established a STAR bond district and have elected to
18 impose a tax by ordinance pursuant to subsection (b) or (c) of
19 this Section, each year after the date of the adoption of the
20 ordinance and until all STAR bond project costs and all
21 political subdivision obligations financing the STAR bond
22 project costs, if any, have been paid in accordance with the
23 STAR bond project plans, but in no event longer than the
24 maximum maturity date of the last of the STAR bonds issued for

1 projects in the STAR bond district, all amounts generated by
2 the retailers' occupation tax and service occupation tax shall
3 be collected and the tax shall be enforced by the Department of
4 Revenue in the same manner as all retailers' occupation taxes
5 and service occupation taxes imposed in the political
6 subdivision imposing the tax. The corporate authorities of the
7 political subdivision shall deposit the proceeds of the taxes
8 imposed under subsections (b) and (c) into either (i) a special
9 fund held by the corporate authorities of the political
10 subdivision called the STAR Bonds Tax Allocation Fund for the
11 purpose of paying STAR bond project costs and obligations
12 incurred in the payment of those costs if such taxes are
13 designated as pledged STAR revenues by resolution or ordinance
14 of the political subdivision or (ii) the political
15 subdivision's general corporate fund if such taxes are not
16 designated as pledged STAR revenues by resolution or ordinance.

17 The tax imposed under this Section by a municipality may be
18 imposed only on the portion of a STAR bond district that is
19 within the boundaries of the municipality. For any part of a
20 STAR bond district that lies outside of the boundaries of that
21 municipality, the municipality in which the other part of the
22 STAR bond district lies (or the county, in cases where a
23 portion of the STAR bond district lies in the unincorporated
24 area of a county) is authorized to impose the tax under this
25 Section on that part of the STAR bond district.

26 (b) The corporate authorities of a political subdivision

1 that has established a STAR bond district under this Act may,
2 by ordinance or resolution, impose a STAR Bond Retailers'
3 Occupation Tax upon all persons engaged in the business of
4 selling tangible personal property, other than an item of
5 tangible personal property titled or registered with an agency
6 of this State's government, at retail in the STAR bond district
7 at a rate not to exceed 1% of the gross receipts from the sales
8 made in the course of that business, to be imposed only in
9 0.25% increments. The tax may not be imposed on sales of
10 tangible personal property taxed at the 1% rate under the
11 Retailers' Occupation Tax Act, including but not limited to,
12 food for human consumption that is to be consumed off the
13 premises where it is sold (other than alcoholic beverages, soft
14 drinks, and food that has been prepared for immediate
15 consumption), prescription and nonprescription medicines,
16 drugs, medical appliances, products classified as Class III
17 medical devices by the United States Food and Drug
18 Administration that are used for cancer treatment pursuant to a
19 prescription, as well as any accessories and components related
20 to those devices, modifications to a motor vehicle for the
21 purpose of rendering it usable by a person with a disability,
22 and insulin, urine testing materials, syringes, and needles
23 used by diabetics, for human use.

24 The tax imposed under this subsection and all civil
25 penalties that may be assessed as an incident thereof shall be
26 collected and enforced by the Department of Revenue. The

1 certificate of registration that is issued by the Department to
2 a retailer under the Retailers' Occupation Tax Act shall permit
3 the retailer to engage in a business that is taxable under any
4 ordinance or resolution enacted pursuant to this subsection
5 without registering separately with the Department under such
6 ordinance or resolution or under this subsection. The
7 Department of Revenue shall have full power to administer and
8 enforce this subsection, to collect all taxes and penalties due
9 under this subsection 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 under this
12 subsection. In the administration of, and compliance with, this
13 subsection, the Department and persons who are subject to this
14 subsection shall have the same rights, remedies, privileges,
15 immunities, powers, and duties, and be subject to the same
16 conditions, restrictions, limitations, penalties, exclusions,
17 exemptions, and definitions of terms and employ the same modes
18 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
19 through 2-65 (in respect to all provisions therein other than
20 the State rate of tax), 2c through 2h, 3 (except as to the
21 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
22 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
23 11, 12, 13, and 14 of the Retailers' Occupation Tax Act and all
24 provisions of the Uniform Penalty and Interest Act, as fully as
25 if those provisions were set forth herein.

26 If a tax is imposed under this subsection (b), a tax shall

1 also be imposed under subsection (c) of this Section.

2 (c) If a tax has been imposed under subsection (b), a STAR
3 Bond Service Occupation Tax shall also be imposed upon all
4 persons engaged, in the STAR bond district, in the business of
5 making sales of service, who, as an incident to making those
6 sales of service, transfer tangible personal property within
7 the STAR bond district, either in the form of tangible personal
8 property or in the form of real estate as an incident to a sale
9 of service. The tax shall be imposed at the same rate as the
10 tax imposed in subsection (b) and shall not exceed 1% of the
11 selling price of tangible personal property so transferred
12 within the STAR bond district, to be imposed only in 0.25%
13 increments. The tax may not be imposed on sales of tangible
14 personal property taxed at the 1% rate under the Service
15 Occupation Tax Act, including but not limited to, 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),
19 prescription and nonprescription medicines, drugs, medical
20 appliances, products classified as Class III medical devices by
21 the United States Food and Drug Administration that are used
22 for cancer treatment pursuant to a prescription, as well as any
23 accessories and components related to those devices,
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 The tax imposed under this subsection and all civil
3 penalties that may be assessed as an incident thereof shall be
4 collected and enforced by the Department of Revenue. The
5 certificate of registration that is issued by the Department to
6 a retailer under the Retailers' Occupation Tax Act or under the
7 Service Occupation Tax Act shall permit the registrant to
8 engage in a business that is taxable under any ordinance or
9 resolution enacted pursuant to this subsection without
10 registering separately with the Department under that
11 ordinance or resolution or under this subsection. The
12 Department of Revenue shall have full power to administer and
13 enforce this subsection, to collect all taxes and penalties due
14 under this subsection, to dispose of taxes and penalties so
15 collected in the manner hereinafter provided, and to determine
16 all rights to credit memoranda arising on account of the
17 erroneous payment of tax or penalty under this subsection. In
18 the administration of, and compliance with this subsection, the
19 Department and persons who are subject to this subsection shall
20 have the same rights, remedies, privileges, immunities,
21 powers, and duties, and be subject to the same conditions,
22 restrictions, limitations, penalties, exclusions, exemptions,
23 and definitions of terms and employ the same modes of procedure
24 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50
25 (in respect to all provisions therein other than the State rate
26 of tax), 4 (except that the reference to the State shall be to

1 the STAR bond district), 5, 7, 8 (except that the jurisdiction
2 to which the tax shall be a debt to the extent indicated in
3 that Section 8 shall be the political subdivision), 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 political subdivision), the first paragraph of Section 15,
10 and Sections 16, 17, 18, 19 and 20 of the Service Occupation
11 Tax Act and all provisions of the Uniform Penalty and Interest
12 Act, as fully as if those provisions were set forth herein.

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

15 (d) Persons subject to any tax imposed under this Section
16 may reimburse themselves for their seller's tax liability under
17 this Section by separately stating the tax as an additional
18 charge, which charge may be stated in combination, in a single
19 amount, with State taxes that sellers are required to collect
20 under the Use Tax Act, in accordance with such bracket
21 schedules as the Department may prescribe.

22 Whenever the Department determines that a refund should be
23 made under this Section to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the order 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 STAR Bond Retailers' Occupation Tax Fund.

3 The Department shall immediately pay over to the State
4 Treasurer, ex officio, as trustee, all taxes, penalties, and
5 interest collected under this Section for deposit into the STAR
6 Bond Retailers' Occupation Tax Fund. On or before the 25th day
7 of each calendar month, the Department shall prepare and
8 certify to the Comptroller the disbursement of stated sums of
9 money to named political subdivisions from the STAR Bond
10 Retailers' Occupation Tax Fund, the political subdivisions to
11 be those from which retailers have paid taxes or penalties
12 under this Section to the Department during the second
13 preceding calendar month. The amount to be paid to each
14 political subdivision shall be the amount (not including credit
15 memoranda) collected under this Section during the second
16 preceding calendar month by the Department plus an amount the
17 Department determines is necessary to offset any amounts that
18 were erroneously paid to a different taxing body, and not
19 including an amount equal to the amount of refunds made during
20 the second preceding calendar month by the Department, less 3%
21 of that amount, which shall be transferred ~~deposited~~ into the
22 Tax Compliance and Administration Fund and shall be used by the
23 Department, subject to appropriation, to cover the costs of the
24 Department in administering and enforcing the provisions of
25 this Section, on behalf of such political subdivision, and not
26 including any amount that the Department determines is

1 necessary to offset any amounts that were payable to a
2 different taxing body but were erroneously paid to the
3 political subdivision. Within 10 days after receipt by the
4 Comptroller of the disbursement certification to the political
5 subdivisions provided for in this Section to be given to the
6 Comptroller by the Department, the Comptroller shall cause the
7 orders to be drawn for the respective amounts in accordance
8 with the directions contained in the certification. The
9 proceeds of the tax paid to political subdivisions under this
10 Section shall be deposited into either (i) the STAR Bonds Tax
11 Allocation Fund by the political subdivision if the political
12 subdivision has designated them as pledged STAR revenues by
13 resolution or ordinance or (ii) the political subdivision's
14 general corporate fund if the political subdivision has not
15 designated them as pledged STAR revenues.

16 An ordinance or resolution imposing or discontinuing the
17 tax under this Section or effecting a change in the rate
18 thereof shall either (i) be adopted and a certified copy
19 thereof filed with the Department on or before the first day of
20 April, whereupon the Department, if all other requirements of
21 this Section are met, shall proceed to administer and enforce
22 this Section as of the first day of July next following the
23 adoption and filing; or (ii) be adopted and a certified copy
24 thereof filed with the Department on or before the first day of
25 October, whereupon, if all other requirements of this Section
26 are met, the Department shall proceed to administer and enforce

1 this Section as of the first day of January next following the
2 adoption and filing.

3 The Department of Revenue shall not administer or enforce
4 an ordinance imposing, discontinuing, or changing the rate of
5 the tax under this Section until the political subdivision also
6 provides, in the manner prescribed by the Department, the
7 boundaries of the STAR bond district and each address in the
8 STAR bond district in such a way that the Department can
9 determine by its address whether a business is located in the
10 STAR bond district. The political subdivision must provide this
11 boundary and address information to the Department on or before
12 April 1 for administration and enforcement of the tax under
13 this Section by the Department beginning on the following July
14 1 and on or before October 1 for administration and enforcement
15 of the tax under this Section by the Department beginning on
16 the following January 1. The Department of Revenue shall not
17 administer or enforce any change made to the boundaries of a
18 STAR bond district or any address change, addition, or deletion
19 until the political subdivision reports the boundary change or
20 address change, addition, or deletion to the Department in the
21 manner prescribed by the Department. The political subdivision
22 must provide this boundary change or address change, addition,
23 or deletion information to the Department on or before April 1
24 for administration and enforcement by the Department of the
25 change, addition, or deletion beginning on the following July 1
26 and on or before October 1 for administration and enforcement

1 by the Department of the change, addition, or deletion
2 beginning on the following January 1. The retailers in the STAR
3 bond district shall be responsible for charging the tax imposed
4 under this Section. If a retailer is incorrectly included or
5 excluded from the list of those required to collect the tax
6 under this Section, both the Department of Revenue and the
7 retailer shall be held harmless if they reasonably relied on
8 information provided by the political subdivision.

9 A political subdivision that imposes the tax under this
10 Section must submit to the Department of Revenue any other
11 information as the Department may require that is necessary for
12 the administration and enforcement of the tax.

13 When certifying the amount of a monthly disbursement to a
14 political subdivision under this Section, the Department shall
15 increase or decrease the amount by an amount necessary to
16 offset any misallocation of previous disbursements. The offset
17 amount shall be the amount erroneously disbursed within the
18 previous 6 months from the time a misallocation is discovered.

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

24 (e) When STAR bond project costs, including, without
25 limitation, all political subdivision obligations financing
26 STAR bond project costs, have been paid, any surplus funds then

1 remaining in the STAR Bonds Tax Allocation Fund shall be
2 distributed to the treasurer of the political subdivision for
3 deposit into the political subdivision's general corporate
4 fund. Upon payment of all STAR bond project costs and
5 retirement of obligations, but in no event later than the
6 maximum maturity date of the last of the STAR bonds issued in
7 the STAR bond district, the political subdivision shall adopt
8 an ordinance immediately rescinding the taxes imposed pursuant
9 to this Section and file a certified copy of the ordinance with
10 the Department in the form and manner as described in this
11 Section.

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

13 Section 125. The Counties Code is amended by changing
14 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, and 5-1008.5 as
15 follows:

16 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

17 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
18 Law. Any county that is a home rule unit may impose a tax upon
19 all persons engaged in the business of selling tangible
20 personal property, other than an item of tangible personal
21 property titled or registered with an agency of this State's
22 government, at retail in the county on the gross receipts from
23 such sales made in the course of their business. If imposed,
24 this tax shall only be imposed in 1/4% increments. On and after

1 September 1, 1991, this additional 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 ~~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. The tax imposed
16 by a home rule county pursuant to this Section and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 certificate of registration that is issued by the Department to
20 a retailer under the Retailers' Occupation Tax Act shall permit
21 the retailer to engage in a business that is taxable under any
22 ordinance or resolution enacted pursuant to this Section
23 without registering separately with the Department under such
24 ordinance or resolution or under this Section. The Department
25 shall have full power to administer and enforce this Section;
26 to collect all taxes and penalties due hereunder; to dispose of

1 taxes and penalties so collected in the manner hereinafter
2 provided; and to determine all rights to credit memoranda
3 arising on account of the erroneous payment of tax or penalty
4 hereunder. In the administration of, and compliance with, this
5 Section, the Department and persons who are subject to this
6 Section shall have the same rights, remedies, privileges,
7 immunities, powers and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties and
9 definitions of terms, and employ the same modes of procedure,
10 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
11 1k, 1m, 1n, 2 through 2-65 (in respect to all provisions
12 therein other than the State rate of tax), 4, 5, 5a, 5b, 5c,
13 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
14 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
15 Section 3-7 of the Uniform Penalty and Interest Act, as fully
16 as if those provisions were set forth herein.

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

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

9 The Department shall forthwith pay over to the State
10 Treasurer, ex officio, as trustee, all taxes and penalties
11 collected hereunder.

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

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

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

18 In addition to the disbursement required by the preceding
19 paragraph, an allocation shall be made in March of each year to
20 each county that received more than \$500,000 in disbursements
21 under the preceding paragraph in the preceding calendar year.
22 The allocation shall be in an amount equal to the average
23 monthly distribution made to each such county under the
24 preceding paragraph during the preceding calendar year
25 (excluding the 2 months of highest receipts). The distribution
26 made in March of each year subsequent to the year in which an

1 allocation was made pursuant to this paragraph and the
2 preceding paragraph shall be reduced by the amount allocated
3 and disbursed under this paragraph in the preceding calendar
4 year. The Department shall prepare and certify to the
5 Comptroller for disbursement the allocations made in
6 accordance with this paragraph.

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

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

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

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

24 When certifying the amount of a monthly disbursement to a
25 county under this Section, the Department shall increase or
26 decrease such amount by an amount necessary to offset any

1 misallocation of previous disbursements. The offset amount
2 shall be the amount erroneously disbursed within the previous 6
3 months from the time a misallocation is discovered.

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

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

7 (55 ILCS 5/5-1006.5)

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

10 (a) The county board of any county may impose a tax upon
11 all persons engaged in the business of selling tangible
12 personal property, other than personal property titled or
13 registered with an agency of this State's government, at retail
14 in the county on the gross receipts from the sales made in the
15 course of business to provide revenue to be used exclusively
16 for public safety, public facility, or transportation purposes
17 in that county, if a proposition for the tax has been submitted
18 to the electors of that county and approved by a majority of
19 those voting on the question. If imposed, this tax shall be
20 imposed only in one-quarter percent increments. By resolution,
21 the county board may order the proposition to be submitted at
22 any election. If the tax is imposed for transportation purposes
23 for expenditures for public highways or as authorized under the
24 Illinois Highway Code, the county board must publish notice of
25 the existence of its long-range highway transportation plan as

1 required or described in Section 5-301 of the Illinois Highway
2 Code and must make the plan publicly available prior to
3 approval of the ordinance or resolution imposing the tax. If
4 the tax is imposed for transportation purposes for expenditures
5 for passenger rail transportation, the county board must
6 publish notice of the existence of its long-range passenger
7 rail transportation plan and must make the plan publicly
8 available prior to approval of the ordinance or resolution
9 imposing the tax.

10 If a tax is imposed for public facilities purposes, then
11 the name of the project may be included in the proposition at
12 the discretion of the county board as determined in the
13 enabling resolution. For example, the "XXX Nursing Home" or the
14 "YYY Museum".

15 The county clerk shall certify the question to the proper
16 election authority, who shall submit the proposition at an
17 election in accordance with the general election law.

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

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

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

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

1 tangible personal property bought at retail."

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

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

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

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

20 For the purposes of the paragraph, "public safety
21 purposes" means crime prevention, detention, fire
22 fighting, police, medical, ambulance, or other emergency
23 services.

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

25 Beginning on the January 1 or July 1, whichever is
26 first, that occurs not less than 30 days after May 31, 2015

1 (the effective date of Public Act 99-4), Adams County may
2 impose a public safety retailers' occupation tax and
3 service occupation tax at the rate of 0.25%, as provided in
4 the referendum approved by the voters on April 7, 2015,
5 notwithstanding the omission of the additional information
6 that is otherwise required to be printed on the ballot
7 below the question pursuant to this item (1).

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

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

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."

19 The county board may also opt to establish a sunset
20 provision at which time the additional sales tax would
21 cease being collected, if not terminated earlier by a vote
22 of the county board. If the county board votes to include a
23 sunset provision, the proposition for transportation
24 purposes shall be in substantially the following form:

25 "To pay for road improvements and other transportation
26 purposes, shall (name of county) be authorized to impose an

1 increase on its share of local sales taxes by (insert rate)
2 for a period not to exceed (insert number of years)?"

3 As additional information on the ballot below the
4 question shall appear the following:

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

11 For the purposes of this paragraph, transportation
12 purposes means construction, maintenance, operation, and
13 improvement of public highways, any other purpose for which
14 a county may expend funds under the Illinois Highway Code,
15 and passenger rail transportation.

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

17 (3) The proposition for public facilities purposes
18 shall be in substantially the following form:

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

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."

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

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

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

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

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

1 the public facilities, for use by the county for the
2 furnishing of governmental services to its citizens,
3 including but not limited to museums and nursing homes.

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

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

9 This additional tax may not be imposed on the sales of
10 tangible personal property taxed at the 1% rate under the
11 Retailers' Occupation Tax Act, including but not limited to,
12 food for human consumption that is to be consumed off the
13 premises where it is sold (other than alcoholic beverages, soft
14 drinks, and food that ~~which~~ has been prepared for immediate
15 consumption) and prescription and non-prescription medicines,
16 drugs, medical appliances, products classified as Class III
17 medical devices by the United States Food and Drug
18 Administration that are used for cancer treatment pursuant to a
19 prescription, as well as any accessories and components related
20 to those devices, modifications to a motor vehicle for the
21 purpose of rendering it usable by a person with a disability,
22 and insulin, urine testing materials, syringes, and needles
23 used by diabetics, for human use. The tax imposed by a county
24 under this Section and all civil penalties that may be assessed
25 as an incident of the tax shall be collected and enforced by
26 the Illinois Department of Revenue and deposited into a special

1 fund created for that purpose. The certificate of registration
2 that is issued by the Department to a retailer under the
3 Retailers' Occupation Tax Act shall permit the retailer to
4 engage in a business that is taxable without registering
5 separately with the Department under an ordinance or resolution
6 under this Section. The Department has full power to administer
7 and enforce this Section, to collect all taxes and penalties
8 due under this Section, to dispose of taxes and penalties so
9 collected in the manner provided in this Section, and to
10 determine all rights to credit memoranda arising on account of
11 the erroneous payment of a tax or penalty under this Section.
12 In the administration of and compliance with this Section, the
13 Department and persons who are subject to this Section shall
14 (i) have the same rights, remedies, privileges, immunities,
15 powers, and duties, (ii) be subject to the same conditions,
16 restrictions, limitations, penalties, and definitions of
17 terms, and (iii) employ the same modes of procedure as are
18 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
19 1n, 2 through 2-70 (in respect to all provisions contained in
20 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
21 (except provisions relating to transaction returns and quarter
22 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
23 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
24 of the Retailers' Occupation Tax Act and Section 3-7 of the
25 Uniform Penalty and Interest Act as if those provisions were
26 set forth in this Section.

1 Persons subject to any tax imposed under the authority
2 granted in this Section may reimburse themselves for their
3 sellers' tax liability by separately stating the tax as an
4 additional charge, which charge may be stated in combination,
5 in a single amount, with State tax which sellers are required
6 to collect under the Use Tax Act, pursuant to such bracketed
7 schedules as the Department may prescribe.

8 Whenever the Department determines that a refund should be
9 made under this Section to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order to be drawn for the
12 amount specified and to the person named in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of the County Public Safety or Transportation
15 Retailers' Occupation Tax Fund.

16 (b) If a tax has been imposed under subsection (a), a
17 service occupation tax shall also be imposed at the same rate
18 upon all persons engaged, in the county, in the business of
19 making sales of service, who, as an incident to making those
20 sales of service, transfer tangible personal property within
21 the county as an incident to a sale of service. This tax may
22 not be imposed on sales of tangible personal property taxed at
23 the 1% rate under the Retailers' Occupation Tax Act, including
24 but not limited to, food for human consumption that is to be
25 consumed off the premises where it is sold (other than
26 alcoholic beverages, soft drinks, and food that has been

1 prepared for immediate consumption) and prescription and
2 non-prescription medicines, drugs, medical appliances,
3 products classified as Class III medical devices by the United
4 States Food and Drug Administration that are used for cancer
5 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 subsection and all civil
11 penalties that may be assessed as an incident thereof shall be
12 collected and enforced by the Department of Revenue. The
13 Department has full power to administer and enforce this
14 subsection; to collect all taxes and penalties due hereunder;
15 to dispose of taxes and penalties so 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
19 with this subsection, the Department and persons who are
20 subject to this paragraph shall (i) have the same rights,
21 remedies, privileges, immunities, powers, and duties, (ii) be
22 subject to the same conditions, restrictions, limitations,
23 penalties, exclusions, exemptions, and definitions of terms,
24 and (iii) employ the same modes of procedure as are prescribed
25 in Sections 2 (except that the reference to State in the
26 definition of supplier maintaining a place of business in this

1 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in
2 respect to all provisions therein other than the State rate of
3 tax), 4 (except that the reference to the State shall be to the
4 county), 5, 7, 8 (except that the jurisdiction to which the tax
5 shall be a debt to the extent indicated in that Section 8 shall
6 be the county), 9 (except as to the disposition of taxes and
7 penalties collected), 10, 11, 12 (except the reference therein
8 to Section 2b of the Retailers' Occupation Tax Act), 13 (except
9 that any reference to the State shall mean the county), Section
10 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
11 Section 3-7 of the Uniform Penalty and Interest Act, as fully
12 as if those provisions were set forth herein.

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

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

1 Treasurer out of the County Public Safety or Transportation
2 Retailers' Occupation Fund.

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

7 (c) 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 County
10 Public Safety or Transportation Retailers' Occupation Tax
11 Fund, which shall be an unappropriated trust fund held outside
12 of the State treasury.

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

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

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

19 In addition to the disbursement required by the preceding
20 paragraph, an allocation shall be made in March of each year to
21 each county that received more than \$500,000 in disbursements
22 under the preceding paragraph in the preceding calendar year.
23 The allocation shall be in an amount equal to the average
24 monthly distribution made to each such county under the
25 preceding paragraph during the preceding calendar year
26 (excluding the 2 months of highest receipts). The distribution

1 made in March of each year subsequent to the year in which an
2 allocation was made pursuant to this paragraph and the
3 preceding paragraph shall be reduced by the amount allocated
4 and disbursed under this paragraph in the preceding calendar
5 year. The Department shall prepare and certify to the
6 Comptroller for disbursement the allocations made in
7 accordance with this paragraph.

8 A county may direct, by ordinance, that all or a portion of
9 the taxes and penalties collected under the Special County
10 Retailers' Occupation Tax For Public Safety or Transportation
11 be deposited into the Transportation Development Partnership
12 Trust Fund.

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

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

26 (e-5) If a county imposes a tax under this Section, the

1 county board may, by ordinance, discontinue or lower the rate
2 of the tax. If the county board lowers the tax rate or
3 discontinues the tax, a referendum must be held in accordance
4 with subsection (a) of this Section in order to increase the
5 rate of the tax or to reimpose the discontinued tax.

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

18 Beginning January 1, 2014, the results of any election
19 authorizing a proposition to impose a tax under this Section or
20 effecting an increase in the rate of tax, along with the
21 ordinance adopted to impose the tax or increase the rate of the
22 tax, or any ordinance adopted to lower the rate or discontinue
23 the tax, shall be certified by the county clerk and filed with
24 the Illinois Department of Revenue either (i) on or before the
25 first day of May, whereupon the Department shall proceed to
26 administer and enforce the tax as of the first day of July next

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

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

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

14 (i) For purposes of this Section, "public safety" includes,
15 but is not limited to, crime prevention, detention, fire
16 fighting, police, medical, ambulance, or other emergency
17 services. The county may share tax proceeds received under this
18 Section for public safety purposes, including proceeds
19 received before August 4, 2009 (the effective date of Public
20 Act 96-124), with any fire protection district located in the
21 county. For the purposes of this Section, "transportation"
22 includes, but is not limited to, the construction, maintenance,
23 operation, and improvement of public highways, any other
24 purpose for which a county may expend funds under the Illinois
25 Highway Code, and passenger rail transportation. For the
26 purposes of this Section, "public facilities purposes"

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

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

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

17 (55 ILCS 5/5-1006.7)

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

19 (a) In any county, a tax shall be imposed upon all persons
20 engaged in the business of selling tangible personal property,
21 other than personal property titled or registered with an
22 agency of this State's government, at retail in the county on
23 the gross receipts from the sales made in the course of
24 business to provide revenue to be used exclusively for school
25 facility purposes if a proposition for the tax has been

1 submitted to the electors of that county and approved by a
2 majority of those voting on the question as provided in
3 subsection (c). The tax under this Section shall be imposed
4 only in one-quarter percent increments and may not exceed 1%.

5 This additional tax may not be imposed on the sale of
6 tangible personal property taxed at the 1% rate under the
7 Retailers' Occupation Tax Act, including but not limited to,
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 non-prescription medicines,
12 drugs, medical appliances, products classified as Class III
13 medical devices by the United States Food and Drug
14 Administration that are used for cancer treatment pursuant to a
15 prescription, as well as any accessories and components related
16 to those devices, modifications to a motor vehicle for the
17 purpose of rendering it usable by a person with a disability,
18 and insulin, urine testing materials, syringes and needles used
19 by diabetics, for human use. The Department of Revenue has full
20 power to administer and enforce this subsection, to collect all
21 taxes and penalties due under this subsection, to dispose of
22 taxes and penalties so collected in the manner provided in this
23 subsection, and to determine all rights to credit memoranda
24 arising on account of the erroneous payment of a tax or penalty
25 under this subsection. The Department shall deposit all taxes
26 and penalties collected under this subsection into a special

1 fund created for that purpose.

2 In the administration of and compliance with this
3 subsection, the Department and persons who are subject to this
4 subsection (i) have the same rights, remedies, privileges,
5 immunities, powers, and duties, (ii) are subject to the same
6 conditions, restrictions, limitations, penalties, and
7 definitions of terms, and (iii) shall employ the same modes of
8 procedure as are set forth in Sections 1 through 10, 2 through
9 2-70 (in respect to all provisions contained in those Sections
10 other than the State rate of tax), 2a through 2h, 3 (except as
11 to the disposition of taxes and penalties collected), 4, 5, 5a,
12 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
13 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
14 Tax Act and all provisions of the Uniform Penalty and Interest
15 Act as if those provisions were set forth in this subsection.

16 The certificate of registration that is issued by the
17 Department to a retailer under the Retailers' Occupation Tax
18 Act permits the retailer to engage in a business that is
19 taxable without registering separately with the Department
20 under an ordinance or resolution under this subsection.

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

1 schedules set forth by the Department.

2 (b) If a tax has been imposed under subsection (a), then a
3 service occupation tax must also be imposed at the same rate
4 upon all persons engaged, in the county, in the business of
5 making sales of service, who, as an incident to making those
6 sales of service, transfer tangible personal property within
7 the county as an incident to a sale of service.

8 This tax may not be imposed on sales of tangible personal
9 property taxed at the 1% rate under the Service Occupation Tax
10 Act, including but not limited to, food for human consumption
11 that is to be consumed off the premises where it is sold (other
12 than alcoholic beverages, soft drinks, and food prepared for
13 immediate consumption) and prescription and non-prescription
14 medicines, drugs, medical appliances, products classified as
15 Class III medical devices by the United States Food and Drug
16 Administration that are used for cancer treatment pursuant to a
17 prescription, as well as any accessories and components related
18 to those devices, modifications to a motor vehicle for the
19 purpose of rendering it usable by a person with a disability,
20 and insulin, urine testing materials, syringes, and needles
21 used by diabetics, for human use.

22 The tax imposed under this subsection and all civil
23 penalties that may be assessed as an incident thereof shall be
24 collected and enforced by the Department and deposited into a
25 special fund created for that purpose. The Department has full
26 power to administer and enforce this subsection, to collect all

1 taxes and penalties due under this subsection, to dispose of
2 taxes and penalties so collected in the manner provided in this
3 subsection, and to determine all rights to credit memoranda
4 arising on account of the erroneous payment of a tax or penalty
5 under this subsection.

6 In the administration of and compliance with this
7 subsection, the Department and persons who are subject to this
8 subsection shall (i) have the same rights, remedies,
9 privileges, immunities, powers and duties, (ii) be subject to
10 the same conditions, restrictions, limitations, penalties and
11 definition of terms, and (iii) employ the same modes of
12 procedure as are set forth in Sections 2 (except that that
13 reference to State in the definition of supplier maintaining a
14 place of business in this State means the county), 2a through
15 2d, 3 through 3-50 (in respect to all provisions contained in
16 those Sections other than the State rate of tax), 4 (except
17 that the reference to the State shall be to the county), 5, 7,
18 8 (except that the jurisdiction to which the tax is a debt to
19 the extent indicated in that Section 8 is the county), 9
20 (except as to the disposition of taxes and penalties
21 collected), 10, 11, 12 (except the reference therein to Section
22 2b of the Retailers' Occupation Tax Act), 13 (except that any
23 reference to the State means the county), Section 15, 16, 17,
24 18, 19, and 20 of the Service Occupation Tax Act and all
25 provisions of the Uniform Penalty and Interest Act, as fully as
26 if those provisions were set forth herein.

1 Persons subject to any tax imposed under the authority
2 granted in this subsection may reimburse themselves for their
3 serviceman's tax liability by separately stating the tax as an
4 additional charge, which may be stated in combination, in a
5 single amount, with State tax that servicemen are authorized to
6 collect under the Service Use Tax Act, pursuant to any
7 bracketed schedules set forth by the Department.

8 (c) The tax under this Section may not be imposed until the
9 question of imposing the tax has been submitted to the electors
10 of the county at a regular election and approved by a majority
11 of the electors voting on the question. For all regular
12 elections held prior to August 23, 2011 (the effective date of
13 Public Act 97-542), upon a resolution by the county board or a
14 resolution by school district boards that represent at least
15 51% of the student enrollment within the county, the county
16 board must certify the question to the proper election
17 authority in accordance with the Election Code.

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

22 Shall (name of county) be authorized to impose a
23 retailers' occupation tax and a service occupation tax
24 (commonly referred to as a "sales tax") at a rate of
25 (insert rate) to be used exclusively for school facility
26 purposes?

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

2 If a majority of the electors voting on the question vote
3 in the affirmative, then the county may, thereafter, impose the
4 tax.

5 For all regular elections held on or after August 23, 2011
6 (the effective date of Public Act 97-542), the regional
7 superintendent of schools for the county must, upon receipt of
8 a resolution or resolutions of school district boards that
9 represent more than 50% of the student enrollment within the
10 county, certify the question to the proper election authority
11 for submission to the electors of the county at the next
12 regular election at which the question lawfully may be
13 submitted to the electors, all in accordance with the Election
14 Code.

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

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

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

24 If a majority of the electors voting on the question vote
25 in the affirmative, then the tax shall be imposed at the rate
26 set forth in the question.

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

6 (d) The Department shall immediately pay over to the State
7 Treasurer, ex officio, as trustee, all taxes and penalties
8 collected under this Section to be deposited into the School
9 Facility Occupation Tax Fund, which shall be an unappropriated
10 trust fund held outside the State treasury.

11 On or before the 25th day of each calendar month, the
12 Department shall prepare and certify to the Comptroller the
13 disbursement of stated sums of money to the regional
14 superintendents of schools in counties from which retailers or
15 servicemen have paid taxes or penalties to the Department
16 during the second preceding calendar month. The amount to be
17 paid to each regional superintendent of schools and disbursed
18 to him or her in accordance with Section 3-14.31 of the School
19 Code, is equal to the amount (not including credit memoranda)
20 collected from the county under this Section during the second
21 preceding calendar month by the Department, (i) less 2% of that
22 amount, which shall be transferred ~~deposited~~ into the Tax
23 Compliance and Administration Fund and shall be used by the
24 Department, subject to appropriation, to cover the costs of the
25 Department in administering and enforcing the provisions of
26 this Section, on behalf of the county, (ii) plus an amount that

1 the Department determines is necessary to offset any amounts
2 that were erroneously paid to a different taxing body; (iii)
3 less an amount equal to the amount of refunds made during the
4 second preceding calendar month by the Department on behalf of
5 the county; and (iv) less any amount that the Department
6 determines is necessary to offset any amounts that were payable
7 to a different taxing body but were erroneously paid to the
8 county. When certifying the amount of a monthly disbursement to
9 a regional superintendent of schools under this Section, the
10 Department shall increase or decrease the amounts by an amount
11 necessary to offset any miscalculation of previous
12 disbursements within the previous 6 months from the time a
13 miscalculation is discovered.

14 Within 10 days after receipt by the Comptroller from the
15 Department of the disbursement certification to the regional
16 superintendents of the schools provided for in this Section,
17 the Comptroller shall cause the orders to be drawn for the
18 respective amounts in accordance with directions contained in
19 the certification.

20 If the Department determines that a refund should be made
21 under this Section to a claimant instead of issuing a credit
22 memorandum, then the Department shall notify the Comptroller,
23 who shall cause the order to be drawn for the amount specified
24 and to the person named in the notification from the
25 Department. The refund shall be paid by the Treasurer out of
26 the School Facility Occupation Tax Fund.

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

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

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

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

16 Until January 1, 2014, the results of any election that
17 imposes, reduces, or discontinues a tax under this Section must
18 be certified by the election authority, and any ordinance that
19 increases or lowers the rate or discontinues the tax must be
20 certified by the county clerk and, in each case, filed with the
21 Illinois Department of Revenue either (i) on or before the
22 first day of April, whereupon the Department shall proceed to
23 administer and enforce the tax or change in the rate as of the
24 first day of July next following the filing; or (ii) on or
25 before the first day of October, whereupon the Department shall
26 proceed to administer and enforce the tax or change in the rate

1 as of the first day of January next following the filing.

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

14 (h) For purposes of this Section, "school facility
15 purposes" means (i) the acquisition, development,
16 construction, reconstruction, rehabilitation, improvement,
17 financing, architectural planning, and installation of capital
18 facilities consisting of buildings, structures, and durable
19 equipment and for the acquisition and improvement of real
20 property and interest in real property required, or expected to
21 be required, in connection with the capital facilities and (ii)
22 the payment of bonds or other obligations heretofore or
23 hereafter issued, including bonds or other obligations
24 heretofore or hereafter issued to refund or to continue to
25 refund bonds or other obligations issued, for school facility
26 purposes, provided that the taxes levied to pay those bonds are

1 abated by the amount of the taxes imposed under this Section
2 that are used to pay those bonds. "School-facility purposes"
3 also includes fire prevention, safety, energy conservation,
4 accessibility, school security, and specified repair purposes
5 set forth under Section 17-2.11 of the School Code.

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

15 Shall the school facility retailers' occupation tax
16 and service occupation tax (commonly referred to as the
17 "school facility sales tax") currently imposed in (name of
18 county) at a rate of (insert rate) be (reduced to (insert
19 rate)) (discontinued)?

20 If a majority of the electors voting on the question vote in
21 the affirmative, then, subject to the provisions of subsection
22 (g) of this Section, the tax shall be reduced or discontinued
23 as set forth in the question.

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

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

1 (Source: P.A. 98-584, eff. 8-27-13; 99-143, eff. 7-27-15;
2 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

3 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

4 Sec. 5-1007. Home Rule County Service Occupation Tax Law.

5 The corporate authorities of a home rule county may impose a
6 tax upon all persons engaged, in such county, in the business
7 of making sales of service at the same rate of tax imposed
8 pursuant to Section 5-1006 of the selling price of all tangible
9 personal property transferred by such servicemen either in the
10 form of tangible personal property or in the form of real
11 estate as an incident to a sale of service. If imposed, such
12 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 county pursuant to this Section and all civil penalties that
4 may be assessed as an incident thereof shall be collected and
5 enforced by the State Department of Revenue. The certificate of
6 registration which is issued by the Department to a retailer
7 under the Retailers' Occupation Tax Act or under the Service
8 Occupation Tax Act shall permit such registrant to engage in a
9 business which is taxable under any ordinance or resolution
10 enacted pursuant to this Section without registering
11 separately with the Department under such ordinance or
12 resolution or under this Section. The Department shall have
13 full power to administer and enforce this Section; to collect
14 all taxes and penalties due hereunder; to dispose of taxes and
15 penalties so collected in the manner hereinafter provided; and
16 to determine all rights to credit memoranda arising on account
17 of the erroneous payment of tax or penalty hereunder. In the
18 administration of, and compliance with, this Section the
19 Department and persons who are subject to this Section shall
20 have the same rights, remedies, privileges, immunities, powers
21 and duties, and be subject to the same conditions,
22 restrictions, limitations, penalties and definitions of terms,
23 and employ the same modes of procedure, as are prescribed in
24 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all
25 provisions therein other than the State rate of tax), 4 (except
26 that the reference to the State shall be to the taxing county),

1 5, 7, 8 (except that the jurisdiction to which the tax shall be
2 a debt to the extent indicated in that Section 8 shall be the
3 taxing county), 9 (except as to the disposition of taxes and
4 penalties collected, and except that the returned merchandise
5 credit for this county tax may not be taken against any State
6 tax), 10, 11, 12 (except the reference therein to Section 2b of
7 the Retailers' Occupation Tax Act), 13 (except that any
8 reference to the State shall mean the taxing county), the first
9 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service
10 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
11 Interest Act, as fully as if those provisions were set forth
12 herein.

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

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

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

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

5 The Department shall forthwith pay over to the State
6 Treasurer, ex-officio, as trustee, all taxes and penalties
7 collected hereunder.

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 Section
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 counties, the
20 counties to be those from which suppliers and servicemen have
21 paid taxes or penalties hereunder to the Department during the
22 second preceding calendar month. The amount to be paid to each
23 county shall be the amount (not including credit memoranda)
24 collected hereunder during the second preceding calendar month
25 by the Department, and not including an amount equal to the
26 amount of refunds made during the second preceding calendar

1 month by the Department on behalf of such county, and not
2 including any amounts that are transferred to the STAR Bonds
3 Revenue Fund. Within 10 days after receipt, by the Comptroller,
4 of the disbursement certification to the counties provided for
5 in this Section to be given to the Comptroller by the
6 Department, the Comptroller shall cause the orders to be drawn
7 for the respective amounts in accordance with the directions
8 contained in such certification.

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

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

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

1 copy thereof filed with the Department on or before the first
2 day of October, whereupon the Department shall proceed to
3 administer and enforce this Section as of the first day of
4 January next following the adoption and filing.

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

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

8 (55 ILCS 5/5-1008.5)

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

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

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

1 housing opportunities, and enhancement of quality of life
2 improvements?

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

6 (b) The county shall impose the retailers' occupation tax
7 upon all persons engaged in the business of selling tangible
8 personal property at retail in the county, at the rate approved
9 by referendum, on the gross receipts from the sales made in the
10 course of those businesses within the county. This additional
11 tax may not be imposed on the sale of tangible personal
12 property taxed at the 1% rate under the Retailers' Occupation
13 Tax Act, including but not limited to, food for human
14 consumption that is to be consumed off the premises where it is
15 sold (other than alcoholic beverages, soft drinks, and food
16 that has been prepared for immediate consumption) and
17 prescription and non-prescription medicines, drugs, medical
18 appliances, products classified as Class III medical devices by
19 the United States Food and Drug Administration that are used
20 for cancer treatment pursuant to a prescription, as well as any
21 accessories and components related to those devices,
22 modifications to a motor vehicle for the purpose of rendering
23 it usable by a person with a disability, and insulin, urine
24 testing materials, syringes, and needles used by diabetics, for
25 human use. The tax imposed under this Section and all civil
26 penalties that may be assessed as an incident of the tax shall

1 be collected and enforced by the Department of Revenue. The
2 Department has full power to administer and enforce this
3 Section; to collect all taxes and penalties so collected in the
4 manner provided in this Section; and to determine all rights to
5 credit memoranda arising on account of the erroneous payment of
6 tax or penalty under this Section. In the administration of,
7 and compliance with, this Section, the Department and persons
8 who are subject to this Section shall (i) have the same rights,
9 remedies, privileges, immunities, powers and duties, (ii) be
10 subject to the same conditions, restrictions, limitations,
11 penalties, exclusions, exemptions, and definitions of terms,
12 and (iii) employ the same modes of procedure as are prescribed
13 in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,
14 2-5, 2-5.5, 2-10 (in respect to all provisions other than the
15 State rate of tax), 2-15 through 2-70, 2a, 2b, 2c, 3 (except as
16 to the disposition of taxes and penalties collected and
17 provisions related to quarter monthly payments), 4, 5, 5a, 5b,
18 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
19 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act and
20 Section 3-7 of the Uniform Penalty and Interest Act, as fully
21 as if those provisions were set forth in this subsection.

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

1 with bracket schedules prescribed by the Department.

2 Whenever the Department determines that a refund should be
3 made under this subsection to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the 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 tax fund referenced under paragraph (g) of
9 this Section.

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

13 For the purpose of determining whether a tax authorized
14 under this Section is applicable, a retail sale, by a producer
15 of coal or another mineral mined in Illinois, is a sale at
16 retail at the place where the coal or other mineral mined in
17 Illinois is extracted from the earth. This paragraph does not
18 apply to coal or another mineral when it is delivered or
19 shipped by the seller to the purchaser at a point outside
20 Illinois so that the sale is exempt under the federal
21 Constitution as a sale in interstate or foreign commerce.

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

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

1 service occupation tax shall also be imposed at the same rate
2 upon all persons engaged, in the county, in the business of
3 making sales of service, who, as an incident to making those
4 sales of service, transfer tangible personal property within
5 the county as an incident to a sale of service. This additional
6 tax may not be imposed on the sale of tangible personal
7 property taxed at the 1% rate under the Service Occupation Tax
8 Act, including but not limited to, food for human consumption
9 that is to be consumed off the premises where it is sold (other
10 than alcoholic beverages, soft drinks, and food that has been
11 prepared for immediate consumption) and prescription and
12 non-prescription 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. The tax imposed under this subsection and all civil
21 penalties that may be assessed as an incident of the tax shall
22 be collected and enforced by the Department of Revenue. The
23 Department has full power to administer and enforce this
24 paragraph; to collect all taxes and penalties due under this
25 Section; to dispose of taxes and penalties so collected in the
26 manner provided in this Section; and to determine all rights to

1 credit memoranda arising on account of the erroneous payment of
2 tax or penalty under this Section. In the administration of,
3 and compliance with this paragraph, the Department and persons
4 who are subject to this paragraph shall (i) have the same
5 rights, remedies, privileges, immunities, powers, and duties,
6 (ii) be subject to the same conditions, restrictions,
7 limitations, penalties, exclusions, exemptions, and
8 definitions of terms, and (iii) employ the same modes of
9 procedure as are prescribed in Sections 2 (except that the
10 reference to State in the definition of supplier maintaining a
11 place of business in this State shall mean the county), 2a, 2b,
12 3 through 3-55 (in respect to all provisions other than the
13 State rate of tax), 4 (except that the reference to the State
14 shall be to the county), 5, 7, 8 (except that the jurisdiction
15 to which the tax shall be a debt to the extent indicated in
16 that Section 8 shall be the county), 9 (except as to the
17 disposition of taxes and penalties collected, and except that
18 the returned merchandise credit for this tax may not be taken
19 against any State tax), 11, 12 (except the reference to Section
20 2b of the Retailers' Occupation Tax Act), 13 (except that any
21 reference to the State shall mean the county), 15, 16, 17, 18,
22 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
23 the Uniform Penalty and Interest Act, as fully as if those
24 provisions were set forth in this subsection.

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 by separately stating the tax as an
2 additional charge, which charge may be stated in combination,
3 in a single amount, with State tax that servicemen are
4 authorized to collect under the Service Use Tax Act, in
5 accordance with bracket schedules prescribed by the
6 Department.

7 Whenever the Department determines that a refund should be
8 made under this subsection 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 tax fund referenced under paragraph (g) of
14 this Section.

15 Nothing in this paragraph shall be construed to authorize
16 the county to impose a tax upon the privilege of engaging in
17 any business that 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 use
20 tax shall also be imposed at the same rate upon the privilege
21 of using, in the county, any item of tangible personal property
22 that is purchased outside the county at retail from a retailer,
23 and that is titled or registered at a location within the
24 county with an agency of this State's government. ~~This~~
25 ~~additional tax may not be imposed on the sale of food for human~~
26 ~~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 non-prescription medicines, drugs, medical~~
4 ~~appliances and insulin, urine testing materials, syringes, and~~
5 ~~needles used by diabetics.~~ "Selling price" is defined as in the
6 Use Tax Act. The tax shall be collected from persons whose
7 Illinois address for titling or registration purposes is given
8 as being in the county. The tax shall be collected by the
9 Department of Revenue for the county. The tax must be paid to
10 the State, or an exemption determination must be obtained from
11 the Department of Revenue, before the title or certificate of
12 registration for the property may be issued. The tax or proof
13 of exemption may be transmitted to the Department by way of the
14 State agency with which, or the State officer with whom, the
15 tangible personal property must be titled or registered if the
16 Department and the State agency or State officer determine that
17 this procedure will expedite the processing of applications for
18 title or registration.

19 The Department has full power to administer and enforce
20 this paragraph; to collect all taxes, penalties, and interest
21 due under this Section; to dispose of taxes, penalties, and
22 interest so collected in the manner provided in this Section;
23 and to determine all rights to credit memoranda or refunds
24 arising on account of the erroneous payment of tax, penalty, or
25 interest under this Section. In the administration of, and
26 compliance with, this subsection, the Department and persons

1 who are subject to this paragraph shall (i) have the same
2 rights, remedies, privileges, immunities, powers, and duties,
3 (ii) be subject to the same conditions, restrictions,
4 limitations, penalties, exclusions, exemptions, and
5 definitions of terms, and (iii) employ the same modes of
6 procedure as are prescribed in Sections 2 (except the
7 definition of "retailer maintaining a place of business in this
8 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
9 7, 8 (except that the jurisdiction to which the tax shall be a
10 debt to the extent indicated in that Section 8 shall be the
11 county), 9 (except provisions relating to quarter monthly
12 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
13 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
14 Interest Act, that are not inconsistent with this paragraph, as
15 fully as if those provisions were set forth in this subsection.

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

24 (e) A certificate of registration issued by the State
25 Department of Revenue to a retailer under the Retailers'
26 Occupation Tax Act or under the Service Occupation Tax Act

1 shall permit the registrant to engage in a business that is
2 taxed under the tax imposed under paragraphs (b), (c), or (d)
3 of this Section and no additional registration shall be
4 required. A certificate issued under the Use Tax Act or the
5 Service Use Tax Act shall be applicable with regard to any tax
6 imposed under paragraph (c) of this Section.

7 (f) The results of any election authorizing a proposition
8 to impose a tax under this Section or effecting a change in the
9 rate of tax shall be certified by the proper election
10 authorities and filed with the Illinois Department on or before
11 the first day of October. In addition, an ordinance imposing,
12 discontinuing, or effecting a change in the rate of tax under
13 this Section shall be adopted and a certified copy of the
14 ordinance filed with the Department on or before the first day
15 of October. After proper receipt of the certifications, the
16 Department shall proceed to administer and enforce this Section
17 as of the first day of January next following the adoption and
18 filing.

19 (g) The Department of Revenue shall, upon collecting any
20 taxes and penalties as provided in this Section, pay the taxes
21 and penalties over to the State Treasurer as trustee for the
22 county. The taxes and penalties shall be held in a trust fund
23 outside the State Treasury. On or before the 25th day of each
24 calendar month, the Department of Revenue shall prepare and
25 certify to the Comptroller of the State of Illinois the amount
26 to be paid to the county, which shall be the balance in the

1 fund, less any amount determined by the Department to be
2 necessary for the payment of refunds. Within 10 days after
3 receipt by the Comptroller of the certification of the amount
4 to be paid to the county, the Comptroller shall cause an order
5 to be drawn for payment for the amount in accordance with the
6 directions contained in the certification. Amounts received
7 from the tax imposed under this Section shall be used only for
8 the economic development activities of the county and
9 communities located within the county.

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

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

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

19 Section 130. The Illinois Municipal Code is amended by
20 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,
21 8-11-1.7, 8-11-5, 8-11-6b and 11-74.3-6 as follows:

22 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

23 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
24 Act. The corporate authorities of a home rule municipality may

1 impose a tax upon all persons engaged in the business of
2 selling tangible personal property, other than an item of
3 tangible personal property titled or registered with an agency
4 of this State's government, at retail in the municipality on
5 the gross receipts from these sales made in the course of such
6 business. If imposed, the tax shall only be imposed in 1/4%
7 increments. On and after September 1, 1991, this additional tax
8 may not be imposed on the sales of tangible personal property
9 taxed at the 1% rate under the Retailers' Occupation Tax Act,
10 including but not limited to, food for human consumption that
11 is to be consumed off the premises where it is sold (other than
12 alcoholic beverages, soft drinks and food that has been
13 prepared for immediate consumption) and prescription and
14 nonprescription medicines, drugs, medical appliances, products
15 classified as Class III medical devices by the United States
16 Food and Drug Administration that are used for cancer treatment
17 pursuant to a prescription, as well as any accessories and
18 components related to those devices, modifications to a motor
19 vehicle for the purpose of rendering it usable by a person with
20 a disability, and insulin, urine testing materials, syringes
21 and needles used by diabetics, for human use. The tax imposed
22 by a home rule municipality under this Section and all civil
23 penalties that may be assessed as an incident of the tax shall
24 be collected and enforced by the State Department of Revenue.
25 The certificate of registration that is issued by the
26 Department to a retailer under the Retailers' Occupation Tax

1 Act shall permit the retailer to engage in a business that is
2 taxable under any ordinance or resolution enacted pursuant to
3 this Section without registering separately with the
4 Department under such ordinance or resolution or under this
5 Section. The Department shall have full power to administer and
6 enforce this Section; to collect all taxes and penalties due
7 hereunder; to dispose of taxes and penalties so collected in
8 the manner hereinafter provided; and to determine all rights to
9 credit memoranda arising on account of the erroneous payment of
10 tax or penalty hereunder. In the administration of, and
11 compliance with, this Section the Department and persons who
12 are subject to this Section shall have the same rights,
13 remedies, privileges, immunities, powers and duties, and be
14 subject to the same conditions, restrictions, limitations,
15 penalties and definitions of terms, and employ the same modes
16 of procedure, as are prescribed in Sections 1, 1a, 1d, 1e, 1f,
17 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
18 provisions therein other than the State rate of tax), 2c, 3
19 (except as to the disposition of taxes and penalties
20 collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,
21 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
22 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
23 Penalty and Interest Act, as fully as if those provisions were
24 set forth herein.

25 No tax may be imposed by a home rule municipality under
26 this Section unless the municipality also imposes a tax at the

1 same rate under Section 8-11-5 of this Act.

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

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

17 The Department shall immediately 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 retailers have paid
7 taxes or penalties hereunder to the Department during the
8 second preceding calendar month. The amount to be paid to each
9 municipality shall be the amount (not including credit
10 memoranda) collected hereunder during the second preceding
11 calendar month by the Department plus an amount the Department
12 determines is necessary to offset any amounts that were
13 erroneously paid to a different taxing body, and not including
14 an amount equal to the amount of refunds made during the second
15 preceding calendar month by the Department on behalf of such
16 municipality, and not including 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 municipality, and not including any amounts that are
20 transferred to the STAR Bonds Revenue Fund. Within 10 days
21 after receipt by the Comptroller of the disbursement
22 certification to the municipalities provided for in this
23 Section to be given to the Comptroller by the Department, the
24 Comptroller shall cause the orders to be drawn for the
25 respective amounts in accordance with the directions contained
26 in the certification.

1 In addition to the disbursement required by the preceding
2 paragraph and in order to mitigate delays caused by
3 distribution procedures, an allocation shall, if requested, be
4 made within 10 days after January 14, 1991, and in November of
5 1991 and each year thereafter, to each municipality that
6 received more than \$500,000 during the preceding fiscal year,
7 (July 1 through June 30) whether collected by the municipality
8 or disbursed by the Department as required by this Section.
9 Within 10 days after January 14, 1991, participating
10 municipalities shall notify the Department in writing of their
11 intent to participate. In addition, for the initial
12 distribution, participating municipalities shall certify to
13 the Department the amounts collected by the municipality for
14 each month under its home rule occupation and service
15 occupation tax during the period July 1, 1989 through June 30,
16 1990. The allocation within 10 days after January 14, 1991,
17 shall be in an amount equal to the monthly average of these
18 amounts, excluding the 2 months of highest receipts. The
19 monthly average for the period of July 1, 1990 through June 30,
20 1991 will be determined as follows: the amounts collected by
21 the municipality under its home rule occupation and service
22 occupation tax during the period of July 1, 1990 through
23 September 30, 1990, plus amounts collected by the Department
24 and paid to such municipality through June 30, 1991, excluding
25 the 2 months of highest receipts. The monthly average for each
26 subsequent period of July 1 through June 30 shall be an amount

1 equal to the monthly distribution made to each such
2 municipality under the preceding paragraph during this period,
3 excluding the 2 months of highest receipts. The distribution
4 made in November 1991 and each year thereafter under this
5 paragraph and the preceding paragraph shall be reduced by the
6 amount allocated and disbursed under this paragraph in the
7 preceding period of July 1 through June 30. The Department
8 shall prepare and certify to the Comptroller for disbursement
9 the allocations made in accordance with this paragraph.

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

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

23 An ordinance or resolution imposing or discontinuing a tax
24 hereunder or effecting a change in the rate thereof shall be
25 adopted and a certified copy thereof filed with the Department
26 on or before the first day of June, whereupon the Department

1 shall proceed to administer and enforce this Section as of the
2 first day of September next following the adoption and filing.
3 Beginning January 1, 1992, an ordinance or resolution imposing
4 or discontinuing the tax hereunder or effecting a change in the
5 rate thereof shall be adopted and a certified copy thereof
6 filed with the Department on or before the first day of July,
7 whereupon the Department shall proceed to administer and
8 enforce this Section as of the first day of October next
9 following such adoption and filing. Beginning January 1, 1993,
10 an ordinance or resolution imposing or discontinuing the tax
11 hereunder or effecting a change in the rate thereof shall be
12 adopted and a certified copy thereof filed with the Department
13 on or before the first day of October, whereupon the Department
14 shall proceed to administer and enforce this Section as of the
15 first day of January next following the adoption and filing.
16 However, a municipality located in a county with a population
17 in excess of 3,000,000 that elected to become a home rule unit
18 at the general primary election in 1994 may adopt an ordinance
19 or resolution imposing the tax under this Section and file a
20 certified copy of the ordinance or resolution with the
21 Department on or before July 1, 1994. The Department shall then
22 proceed to administer and enforce this Section as of October 1,
23 1994. Beginning April 1, 1998, an ordinance or resolution
24 imposing or discontinuing the tax hereunder or effecting a
25 change in the rate thereof shall either (i) be adopted and a
26 certified copy thereof filed with the Department on or before

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

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

14 Any unobligated balance remaining in the Municipal
15 Retailers' Occupation Tax Fund on December 31, 1989, which fund
16 was abolished by Public Act 85-1135, and all receipts of
17 municipal tax as a result of audits of liability periods prior
18 to January 1, 1990, shall be paid into the Local Government Tax
19 Fund for distribution as provided by this Section prior to the
20 enactment of Public Act 85-1135. All receipts of municipal tax
21 as a result of an assessment not arising from an audit, for
22 liability periods prior to January 1, 1990, shall be paid into
23 the Local Government Tax Fund for distribution before July 1,
24 1990, as provided by this Section prior to the enactment of
25 Public Act 85-1135; and on and after July 1, 1990, all such
26 receipts shall be distributed as provided in Section 6z-18 of

1 the State Finance Act.

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

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

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

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

9 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
10 Occupation Tax Act. The corporate authorities of a non-home
11 rule municipality may impose a tax upon all persons engaged in
12 the business of selling tangible personal property, other than
13 on an item of tangible personal property which is titled and
14 registered by an agency of this State's Government, at retail
15 in the municipality for expenditure on public infrastructure or
16 for property tax relief or both as defined in Section 8-11-1.2
17 if approved by referendum as provided in Section 8-11-1.1, of
18 the gross receipts from such sales made in the course of such
19 business. If the tax is approved by referendum on or after July
20 14, 2010 (the effective date of Public Act 96-1057), the
21 corporate authorities of a non-home rule municipality may,
22 until December 31, 2020, use the proceeds of the tax for
23 expenditure on municipal operations, in addition to or in lieu
24 of any expenditure on public infrastructure or for property tax
25 relief. The tax imposed may not be more than 1% and may be

1 imposed only in 1/4% increments. The tax may not be imposed on
2 the sale 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. The tax imposed by a
16 municipality pursuant to this Section and all civil penalties
17 that may be assessed as an incident thereof shall be collected
18 and enforced by the State Department of Revenue. The
19 certificate of registration which is issued by the Department
20 to a retailer under the Retailers' Occupation Tax Act shall
21 permit such retailer to engage in a business which is taxable
22 under any ordinance or resolution enacted pursuant to this
23 Section without registering separately with the Department
24 under such ordinance or resolution or under this Section. The
25 Department shall have full power to administer and enforce this
26 Section; to collect all taxes and penalties due hereunder; to

1 dispose of taxes and penalties so collected in the manner
2 hereinafter provided, and to determine all rights to credit
3 memoranda, arising on account of the erroneous payment of tax
4 or penalty hereunder. In the administration of, and compliance
5 with, this Section, the Department and persons who are subject
6 to this Section shall have the same rights, remedies,
7 privileges, immunities, powers and duties, and be subject to
8 the same conditions, restrictions, limitations, penalties and
9 definitions of terms, and employ the same modes of procedure,
10 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
11 2 through 2-65 (in respect to all provisions therein other than
12 the State rate of tax), 2c, 3 (except as to the disposition of
13 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
14 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
15 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
16 the Uniform Penalty and Interest Act as fully as if those
17 provisions were set forth herein.

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

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

1 bracket schedules as the Department may prescribe.

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

10 The Department shall forthwith pay over to the State
11 Treasurer, ex officio, as trustee, all taxes and penalties
12 collected hereunder.

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

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

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

20 For the purpose of determining the local governmental unit
21 whose tax is applicable, a retail sale, by a producer of coal
22 or other mineral mined in Illinois, is a sale at retail at the
23 place where the coal or other mineral mined in Illinois is
24 extracted from the earth. This paragraph does not apply to coal
25 or other mineral when it is delivered or shipped by the seller
26 to the purchaser at a point outside Illinois so that the sale

1 is exempt under the Federal Constitution as a sale in
2 interstate or foreign commerce.

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

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

13 The Department of Revenue shall implement this amendatory
14 Act of the 91st General Assembly so as to collect the tax on
15 and after January 1, 2002.

16 As used in this Section, "municipal" and "municipality"
17 means a city, village or incorporated town, including an
18 incorporated town which has superseded a civil township.

19 This Section shall be known and may be cited as the
20 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

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

22 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

23 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
24 Tax Act. The corporate authorities of a non-home rule
25 municipality may impose a tax upon all persons engaged, in such

1 municipality, in the business of making sales of service for
2 expenditure on public infrastructure or for property tax relief
3 or both as defined in Section 8-11-1.2 if approved by
4 referendum as provided in Section 8-11-1.1, of the selling
5 price of all tangible personal property transferred by such
6 servicemen either in the form of tangible personal property or
7 in the form of real estate as an incident to a sale of service.
8 If the tax is approved by referendum on or after July 14, 2010
9 (the effective date of Public Act 96-1057), the corporate
10 authorities of a non-home rule municipality may, until December
11 31, 2020, use the proceeds of the tax for expenditure on
12 municipal operations, in addition to or in lieu of any
13 expenditure on public infrastructure or for property tax
14 relief. The tax imposed may not be more than 1% and may be
15 imposed only in 1/4% increments. The tax may not be imposed on
16 the sale of tangible personal property taxed at the 1% rate
17 under the Service Occupation Tax Act, including but not limited
18 to, 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 nonprescription medicines,
22 drugs, medical appliances, products classified as Class III
23 medical devices by the United States Food and Drug
24 Administration that are used for cancer treatment pursuant to a
25 prescription, as well as any accessories and components related
26 to those devices, modifications to a motor vehicle for the

1 purpose of rendering it usable by a person with a disability,
2 and insulin, urine testing materials, syringes, and needles
3 used by diabetics, for human use. The tax imposed by a
4 municipality pursuant to this Section and all civil penalties
5 that may be assessed as an incident thereof shall be collected
6 and enforced by the State Department of Revenue. The
7 certificate of registration which is issued by the Department
8 to a retailer under the Retailers' Occupation Tax Act or under
9 the Service Occupation Tax Act shall permit such registrant to
10 engage in a business which is taxable under any ordinance or
11 resolution enacted pursuant to this Section without
12 registering separately with the Department under such
13 ordinance or resolution or under this Section. The Department
14 shall have full power to administer and enforce this Section;
15 to collect all taxes and penalties due hereunder; to dispose of
16 taxes and penalties so collected in the manner hereinafter
17 provided, and to determine all rights to credit memoranda
18 arising on account of the erroneous payment of tax or penalty
19 hereunder. In the administration of, and compliance with, this
20 Section the Department and persons who are subject to this
21 Section shall have the same rights, remedies, privileges,
22 immunities, powers and duties, and be subject to the same
23 conditions, restrictions, limitations, penalties and
24 definitions of terms, and employ the same modes of procedure,
25 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
26 respect to all provisions therein other than the State rate of

1 tax), 4 (except that the reference to the State shall be to the
2 taxing municipality), 5, 7, 8 (except that the jurisdiction to
3 which the tax shall be a debt to the extent indicated in that
4 Section 8 shall be the taxing municipality), 9 (except as to
5 the disposition of taxes and penalties collected, and except
6 that the returned merchandise credit for this municipal tax may
7 not be taken against any State tax), 10, 11, 12 (except the
8 reference therein to Section 2b of the Retailers' Occupation
9 Tax Act), 13 (except that any reference to the State shall mean
10 the taxing municipality), the first paragraph of Section 15,
11 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
12 Section 3-7 of the Uniform Penalty and Interest Act, as fully
13 as if those provisions were set forth herein.

14 No municipality may impose a tax under this Section unless
15 the municipality also imposes a tax at the same rate under
16 Section 8-11-1.3 of this Code.

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

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

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

6 The Department shall forthwith pay over to the State
7 Treasurer, ex officio, as trustee, all taxes and penalties
8 collected hereunder.

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

17 After the monthly transfer to the STAR Bonds Revenue Fund,
18 on or before the 25th day of each calendar month, the
19 Department shall prepare and certify to the Comptroller the
20 disbursement of stated sums of money to named municipalities,
21 the municipalities to be those from which suppliers and
22 servicemen have paid taxes or penalties hereunder 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 hereunder during the
26 second preceding calendar month by the Department, and not

1 including an amount equal to the amount of refunds made during
2 the second preceding calendar month by the Department on behalf
3 of such municipality, and not including any amounts that are
4 transferred to the STAR Bonds Revenue Fund. Within 10 days
5 after receipt, by the Comptroller, of the disbursement
6 certification to the municipalities and the General Revenue
7 Fund, provided for in this Section to be given to the
8 Comptroller by the Department, the Comptroller shall cause the
9 orders to be drawn for the respective amounts in accordance
10 with the directions contained in such certification.

11 The Department of Revenue shall implement this amendatory
12 Act of the 91st General Assembly so as to collect the tax on
13 and after January 1, 2002.

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 As used in this Section, "municipal" or "municipality"
19 means or refers to a city, village or incorporated town,
20 including an incorporated town which has superseded a civil
21 township.

22 This Section shall be known and may be cited as the
23 "Non-Home Rule Municipal Service Occupation Tax Act".

24 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;
25 97-333, eff. 8-12-11; 97-837, eff. 7-20-12.)

1 (65 ILCS 5/8-11-1.6)

2 Sec. 8-11-1.6. Non-home rule municipal retailers'
3 ~~retailers~~ occupation tax; municipalities between 20,000 and
4 25,000. The corporate authorities of a non-home rule
5 municipality with a population of more than 20,000 but less
6 than 25,000 that has, prior to January 1, 1987, established a
7 Redevelopment Project Area that has been certified as a State
8 Sales Tax Boundary and has issued bonds or otherwise incurred
9 indebtedness to pay for costs in excess of \$5,000,000, which is
10 secured in part by a tax increment allocation fund, in
11 accordance with the provisions of Division 11-74.4 of this Code
12 may, by passage of an ordinance, impose a tax upon all persons
13 engaged in the business of selling tangible personal property,
14 other than on an item of tangible personal property that is
15 titled and registered by an agency of this State's Government,
16 at retail in the municipality. This tax may not be imposed on
17 the sales of tangible personal property taxed at the 1% rate
18 under the Retailers' Occupation Tax Act, including but not
19 limited to, food for human consumption that is to be consumed
20 off the premises where it is sold (other than alcoholic
21 beverages, soft drinks, and food that has been prepared for
22 immediate consumption) and prescription and nonprescription
23 medicines, drugs, medical appliances, products classified as
24 Class III medical devices by the United States Food and Drug
25 Administration that are used for cancer treatment pursuant to a
26 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
4 used by diabetics, for human use. If imposed, the tax shall
5 only be imposed in .25% increments of the gross receipts from
6 such sales made in the course of business. Any tax imposed by a
7 municipality under this Section and all civil penalties that
8 may be assessed as an incident thereof shall be collected and
9 enforced by the State Department of Revenue. An ordinance
10 imposing a tax hereunder or effecting a change in the rate
11 thereof shall be adopted and a certified copy thereof filed
12 with the Department on or before the first day of October,
13 whereupon the Department shall proceed to administer and
14 enforce this Section as of the first day of January next
15 following such adoption and filing. The certificate of
16 registration that is issued by the Department to a retailer
17 under the Retailers' Occupation Tax Act shall permit the
18 retailer to engage in a business that is taxable under any
19 ordinance or resolution enacted under this Section without
20 registering separately with the Department under the ordinance
21 or resolution or under this Section. The Department shall have
22 full power to administer and enforce this Section, to collect
23 all taxes and penalties due hereunder, to dispose of taxes and
24 penalties so collected in the manner hereinafter provided, and
25 to determine all rights to credit memoranda, arising on account
26 of the erroneous payment of tax or penalty hereunder. In the

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

15 A tax may not be imposed by a municipality under this
16 Section unless the municipality also imposes a tax at the same
17 rate under Section 8-11-1.7 of this Act.

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

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

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified, and to the person named in the notification
4 from the Department. The refund shall be paid by the State
5 Treasurer out of the Non-Home Rule Municipal Retailers'
6 Occupation Tax Fund, which is hereby created.

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 retailers have paid
23 taxes or penalties hereunder to the Department during the
24 second preceding calendar month. The amount to be paid to each
25 municipality shall be the amount (not including credit
26 memoranda) collected hereunder during the second preceding

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

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

26 Nothing in this Section shall be construed to authorize a

1 municipality to impose a tax upon the privilege of engaging in
2 any business which under the constitution of the United States
3 may not be made the subject of taxation by this State.

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

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

13 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

14 (65 ILCS 5/8-11-1.7)

15 Sec. 8-11-1.7. Non-home rule municipal service occupation
16 tax; municipalities between 20,000 and 25,000. The corporate
17 authorities of a non-home rule municipality with a population
18 of more than 20,000 but less than 25,000 as determined by the
19 last preceding decennial census that has, prior to January 1,
20 1987, established a Redevelopment Project Area that has been
21 certified as a State Sales Tax Boundary and has issued bonds or
22 otherwise incurred indebtedness to pay for costs in excess of
23 \$5,000,000, which is secured in part by a tax increment
24 allocation fund, in accordance with the provisions of Division
25 11-74.4 of this Code may, by passage of an ordinance, impose a

1 tax upon all persons engaged in the municipality in the
2 business of making sales of service. If imposed, the tax shall
3 only be imposed in .25% increments of the selling price of all
4 tangible personal property transferred by such servicemen
5 either in the form of tangible personal property or in the form
6 of real estate as an incident to a sale of service. This tax
7 may not be imposed on the sales of tangible personal property
8 taxed at the 1% rate under the Service Occupation Tax Act,
9 including but not limited to, food for human consumption that
10 is to be 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 nonprescription medicines, drugs, medical appliances, products
14 classified as Class III medical devices by the United States
15 Food and Drug Administration that are used for cancer treatment
16 pursuant to a prescription, as well as any accessories and
17 components related to those devices, modifications to a motor
18 vehicle for the purpose of rendering it usable by a person with
19 a disability, and insulin, urine testing materials, syringes,
20 and needles used by diabetics, for human use. The tax imposed
21 by a municipality under this Sec. and all civil penalties that
22 may be assessed as an incident thereof shall be collected and
23 enforced by the State Department of Revenue. An ordinance
24 imposing a tax hereunder or effecting a change in the rate
25 thereof shall be adopted and a certified copy thereof filed
26 with the Department on or before the first day of October,

1 whereupon the Department shall proceed to administer and
2 enforce this Section as of the first day of January next
3 following such adoption and filing. The certificate of
4 registration that is issued by the Department to a retailer
5 under the Retailers' Occupation Tax Act or under the Service
6 Occupation Tax Act shall permit the registrant to engage in a
7 business that is taxable under any ordinance or resolution
8 enacted under this Section without registering separately with
9 the Department under the ordinance or resolution or under this
10 Section. The Department shall have full power to administer and
11 enforce this Section, to collect all taxes and penalties due
12 hereunder, to dispose of taxes and penalties so collected in a
13 manner hereinafter provided, and to determine all rights to
14 credit memoranda arising on account of the erroneous payment of
15 tax or penalty hereunder. In the administration of and
16 compliance with this Section, the Department and persons who
17 are subject to this Section shall have the same rights,
18 remedies, privileges, immunities, powers, and duties, and be
19 subject to the same conditions, restrictions, limitations,
20 penalties and definitions of terms, and employ the same modes
21 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3
22 through 3-50 (in respect to all provisions therein other than
23 the State rate of tax), 4 (except that the reference to the
24 State shall be to the taxing municipality), 5, 7, 8 (except
25 that the jurisdiction to which the tax shall be a debt to the
26 extent indicated in that Section 8 shall be the taxing

1 municipality), 9 (except as to the disposition of taxes and
2 penalties collected, and except that the returned merchandise
3 credit for this municipal tax may not be taken against any
4 State tax), 10, 11, 12, (except the reference therein to
5 Section 2b of the Retailers' Occupation Tax Act), 13 (except
6 that any reference to the State shall mean the taxing
7 municipality), the first paragraph of Sections 15, 16, 17, 18,
8 19, and 20 of the Service Occupation Tax Act and Section 3-7 of
9 the Uniform Penalty and Interest Act, as fully as if those
10 provisions were set forth herein.

11 A tax may not be imposed by a municipality under this
12 Section unless the municipality also imposes a tax at the same
13 rate under Section 8-11-1.6 of this Act.

14 Person subject to any tax imposed under the authority
15 granted in this Section may reimburse themselves for their
16 servicemen'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, under
20 such bracket schedules as the Department may prescribe.

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

1 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

2 The Department shall forthwith 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 suppliers and
18 servicemen have paid taxes or penalties hereunder to the
19 Department during the second preceding calendar month. The
20 amount to be paid to each municipality shall be the amount (not
21 including credit memoranda) collected hereunder during the
22 second preceding calendar month by the Department, and not
23 including an amount equal to the amount of refunds made during
24 the second preceding calendar month by the Department on behalf
25 of such municipality, and not including any amounts that are
26 transferred to the STAR Bonds Revenue Fund. Within 10 days

1 after receipt by the Comptroller of the disbursement
2 certification to the municipalities and the General Revenue
3 Fund, provided for in this Section to be given to the
4 Comptroller by the Department, the Comptroller shall cause the
5 orders to be drawn for the respective amounts in accordance
6 with the directions contained in the certification.

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

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

17 (Source: P.A. 96-939, eff. 6-24-10; 97-813, eff. 7-13-12.)

18 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

19 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
20 Act. The corporate authorities of a home rule municipality may
21 impose a tax upon all persons engaged, in such municipality, in
22 the business of making sales of service at the same rate of tax
23 imposed pursuant to Section 8-11-1, of the selling price of all
24 tangible personal property transferred by such servicemen
25 either in the form of tangible personal property or in the form

1 of real estate as an incident to a sale of service. If imposed,
2 such tax shall only be imposed in 1/4% increments. On and after
3 September 1, 1991, this additional tax may not be imposed on
4 the sales of tangible personal property taxed at the 1% rate
5 under the Service Occupation Tax Act, including but not limited
6 to, food for human consumption ~~that which~~ is to be consumed off
7 the premises where it is sold (other than alcoholic beverages,
8 soft 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. The tax imposed by a home rule
18 municipality pursuant to this Section and all civil penalties
19 that may be assessed as an incident thereof shall be collected
20 and enforced by the State Department of Revenue. The
21 certificate of registration which is issued by the Department
22 to a retailer under the Retailers' Occupation Tax Act or under
23 the Service Occupation Tax Act shall permit such registrant to
24 engage in a business which is taxable under any ordinance or
25 resolution enacted pursuant to this Section without
26 registering separately with the Department under such

1 ordinance or resolution or under this Section. The Department
2 shall have full power to administer and enforce this Section;
3 to collect all taxes and penalties due hereunder; to dispose of
4 taxes and penalties so collected in the manner hereinafter
5 provided, and to determine all rights to credit memoranda
6 arising on account of the erroneous payment of tax or penalty
7 hereunder. In the administration of, and compliance with, this
8 Section the Department and persons who are subject to this
9 Section shall have the same rights, remedies, privileges,
10 immunities, powers and duties, and be subject to the same
11 conditions, restrictions, limitations, penalties and
12 definitions of terms, and employ the same modes of procedure,
13 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
14 respect to all provisions therein other than the State rate of
15 tax), 4 (except that the reference to the State shall be to the
16 taxing municipality), 5, 7, 8 (except that the jurisdiction to
17 which the tax shall be a debt to the extent indicated in that
18 Section 8 shall be the taxing municipality), 9 (except as to
19 the disposition of taxes and penalties collected, and except
20 that the returned merchandise credit for this municipal tax may
21 not be taken against any State tax), 10, 11, 12 (except the
22 reference therein to Section 2b of the Retailers' Occupation
23 Tax Act), 13 (except that any reference to the State shall mean
24 the taxing municipality), the first paragraph of Section 15,
25 16, 17 (except that credit memoranda issued hereunder may not
26 be used to discharge any State tax liability), 18, 19 and 20 of

1 the Service Occupation Tax Act and Section 3-7 of the Uniform
2 Penalty and Interest Act, as fully as if those provisions were
3 set forth herein.

4 No tax may be imposed by a home rule municipality pursuant
5 to this Section unless such municipality also imposes a tax at
6 the same rate pursuant to Section 8-11-1 of this Act.

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

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

22 The Department shall forthwith pay over to the State
23 Treasurer, ex-officio, as trustee, all taxes and penalties
24 collected hereunder.

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 under this Section
5 during the second preceding calendar month for sales within a
6 STAR bond district.

7 After the monthly transfer to the STAR Bonds Revenue Fund,
8 on or before the 25th day of each calendar month, the
9 Department shall prepare and certify to the Comptroller the
10 disbursement of stated sums of money to named municipalities,
11 the municipalities to be those from which suppliers and
12 servicemen have paid taxes or penalties hereunder to the
13 Department during the second preceding calendar month. The
14 amount to be paid to each municipality shall be the amount (not
15 including credit memoranda) collected hereunder during the
16 second preceding calendar month by the Department, and not
17 including an amount equal to the amount of refunds made during
18 the second preceding calendar month by the Department on behalf
19 of such municipality, and not including any amounts that are
20 transferred to the STAR Bonds Revenue Fund. Within 10 days
21 after receipt, by the Comptroller, of the disbursement
22 certification to the municipalities, provided for in this
23 Section to be given to the Comptroller by the Department, the
24 Comptroller shall cause the orders to be drawn for the
25 respective amounts in accordance with the directions contained
26 in such certification.

1 In addition to the disbursement required by the preceding
2 paragraph and in order to mitigate delays caused by
3 distribution procedures, an allocation shall, if requested, be
4 made within 10 days after January 14, 1991, and in November of
5 1991 and each year thereafter, to each municipality that
6 received more than \$500,000 during the preceding fiscal year,
7 (July 1 through June 30) whether collected by the municipality
8 or disbursed by the Department as required by this Section.
9 Within 10 days after January 14, 1991, participating
10 municipalities shall notify the Department in writing of their
11 intent to participate. In addition, for the initial
12 distribution, participating municipalities shall certify to
13 the Department the amounts collected by the municipality for
14 each month under its home rule occupation and service
15 occupation tax during the period July 1, 1989 through June 30,
16 1990. The allocation within 10 days after January 14, 1991,
17 shall be in an amount equal to the monthly average of these
18 amounts, excluding the 2 months of highest receipts. Monthly
19 average for the period of July 1, 1990 through June 30, 1991
20 will be determined as follows: the amounts collected by the
21 municipality under its home rule occupation and service
22 occupation tax during the period of July 1, 1990 through
23 September 30, 1990, plus amounts collected by the Department
24 and paid to such municipality through June 30, 1991, excluding
25 the 2 months of highest receipts. The monthly average for each
26 subsequent period of July 1 through June 30 shall be an amount

1 equal to the monthly distribution made to each such
2 municipality under the preceding paragraph during this period,
3 excluding the 2 months of highest receipts. The distribution
4 made in November 1991 and each year thereafter under this
5 paragraph and the preceding paragraph shall be reduced by the
6 amount allocated and disbursed under this paragraph in the
7 preceding period of July 1 through June 30. The Department
8 shall prepare and certify to the Comptroller for disbursement
9 the allocations made in accordance with this paragraph.

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

14 An ordinance or resolution imposing or discontinuing a tax
15 hereunder or effecting a change in the rate thereof shall be
16 adopted and a certified copy thereof filed with the Department
17 on or before the first day of June, whereupon the Department
18 shall proceed to administer and enforce this Section as of the
19 first day of September next following such adoption and filing.
20 Beginning January 1, 1992, an ordinance or resolution imposing
21 or discontinuing the tax hereunder or effecting a change in the
22 rate thereof shall be adopted and a certified copy thereof
23 filed with the Department on or before the first day of July,
24 whereupon the Department shall proceed to administer and
25 enforce this Section as of the first day of October next
26 following such adoption and filing. Beginning January 1, 1993,

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

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 which has superseded a civil township.

16 This Section shall be known and may be cited as the Home
17 Rule Municipal Service Occupation Tax Act.

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

19 (65 ILCS 5/8-11-6b)

20 Sec. 8-11-6b. Home rule soft drink taxes.

21 (a) Except as provided in Sections 8-11-1, 8-11-5 and
22 8-11-6, or as provided in this Section, no home rule
23 municipality has the authority to impose, pursuant to its home
24 rule authority, a tax on the sale, purchase, or use of soft
25 drinks regardless of whether the measure of the tax is selling

1 price, purchase price, gross receipts, unit of volumetric
2 measure, or any other measure. For purposes of this subsection,
3 the term "soft drink" has the meaning set forth in Section 2-10
4 of the Retailers' Occupation Tax Act, as may be amended from
5 time to time, except that the term shall not be limited to
6 drinks contained in a closed or sealed bottle, can, carton, or
7 container. This Section is a denial and limitation, under
8 subsection (g) of Section 6 of Article VII of the Illinois
9 Constitution, on the power of home rule units to tax.

10 (b) The corporate authorities of a home rule municipality
11 with a population in excess of 1,000,000 may impose a tax,
12 which shall not take effect prior to April 1, 1994, upon all
13 persons engaged in the business of selling soft drinks (other
14 than fountain soft drinks) at retail in the municipality based
15 on the gross receipts from those sales made in the course of
16 such business. If imposed, the tax shall only be in 1/4%
17 increments and shall not exceed 3%. For purposes of this
18 subsection, the term "soft drink" has the meaning set forth in
19 Section 2-10 of the Retailers' Occupation Tax Act, as may be
20 amended from time to time, except that the term shall not be
21 limited to drinks contained in a closed or sealed bottle, can,
22 carton or container; the term "fountain soft drinks" means soft
23 drinks which are prepared by the retail seller of the soft
24 drinks by mixing syrup or concentrate with water, by hand or
25 through a soft drink dispensing machine, at or near the point
26 and time of sale to the retail purchaser; and the term "soft

1 drink dispensing machine" means a device which mixes soft drink
2 syrup or concentrate with water and dispenses the mixture into
3 an open container as a ready to drink soft drink.

4 The tax imposed under this subsection and all civil
5 penalties that may be assessed as an incident to that tax shall
6 be collected and enforced by the Illinois Department of
7 Revenue. The Department shall have full power to administer and
8 enforce this subsection, to collect all taxes and penalties so
9 collected in the manner provided in this subsection, and to
10 determine all rights to credit memoranda arising on account of
11 the erroneous payment of tax or penalty under this subsection.
12 In the administration of and compliance with this subsection,
13 the Department and persons who are subject to this subsection
14 shall have the same rights, remedies, privileges, immunities,
15 powers and duties, shall be subject to the same conditions,
16 restrictions, limitations, penalties, exclusions, exemptions,
17 and definitions of terms, and shall employ the same modes of
18 procedure applicable to the Retailers' Occupation Tax as are
19 prescribed in Sections 1, 2 through 2-65 (in respect to all
20 provisions of those Sections other than the State rate of
21 taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes
22 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i,
23 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13 and, until January 1,
24 1994, 13.5 of the Retailers' Occupation Tax Act, and on and
25 after January 1, 1994, all applicable provisions of the Uniform
26 Penalty and Interest Act that are not inconsistent with this

1 subsection, as fully as if provisions contained in those
2 Sections of the Retailers' Occupation Tax Act were set forth in
3 this subsection.

4 Persons subject to any tax imposed under the authority
5 granted by this subsection may reimburse themselves for their
6 seller's tax liability under this subsection by separately
7 stating that tax as an additional charge, which charge may be
8 stated in combination, in a single amount, with State taxes
9 that sellers are required to collect under the Use Tax Act
10 pursuant to bracket schedules as the Department may prescribe.
11 The retailer filing the return shall, at the time of filing the
12 return, pay to the Department the amount of tax imposed under
13 this subsection, less the discount of 1.75%, which is allowed
14 to reimburse the retailer for the expenses incurred in keeping
15 records, preparing the filing returns, remitting the tax, and
16 supplying data to the Department on request.

17 Whenever the Department determines that a refund should be
18 made under this subsection to a claimant instead of issuing a
19 credit memoranda, the Department shall notify the State
20 Comptroller, who shall cause a 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 the Home Rule Municipal Soft Drink Retailers'
24 Occupation Tax Fund.

25 The Department shall forthwith pay over to the State
26 Treasurer, ex officio, as trustee, all taxes and penalties

1 collected hereunder. On or before the 25th day of each calendar
2 month, the Department shall prepare and certify to the
3 Comptroller the amount to be paid to named municipalities, the
4 municipalities to be those from which retailers have paid taxes
5 or penalties hereunder to the Department during the second
6 preceding calendar month. The amount to be paid to each
7 municipality shall be the amount collected hereunder during the
8 second preceding calendar month by the Department, less any
9 amounts determined by the Department to be necessary for the
10 payment of refunds, and less 4% for the first year the tax is
11 in effect and 2% thereafter of such balance, which sum shall be
12 transferred ~~deposited~~ by the State Treasurer into the Tax
13 Compliance and Administration Fund in the State treasury from
14 which it shall be appropriated to the Department to cover the
15 costs of the Department in administering and enforcing the
16 provisions of this subsection. Within 10 days after receipt by
17 the Comptroller of the certification, the Comptroller shall
18 cause the orders to be drawn for the respective amount in
19 accordance with the directions contained in such
20 certification.

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 the State.

25 A certificate of registration issued by the Illinois
26 Department of Revenue to a retailer under the Retailers'

1 Occupation Tax Act shall permit the registrant to engage in a
2 business that is taxed under the tax imposed under this
3 subsection and no additional registration shall be required
4 under the ordinance imposing a tax or under this subsection.

5 A certified copy of any ordinance imposing or discontinuing
6 any tax under this subsection or effecting a change in the rate
7 of that tax shall be filed with the Department, whereupon the
8 Department shall proceed to administer and enforce this
9 subsection on behalf of such municipality as of the first day
10 of February following the date of filing. This tax shall be
11 known and cited as the Home Rule Municipal Soft Drink
12 Retailers' Occupation Tax.

13 (c) The corporate authorities of a home rule municipality
14 with a population in excess of 1,000,000 may impose a tax,
15 which shall not take effect prior to April 1, 1994, on persons
16 engaged in the business of selling fountain soft drinks at
17 retail at a rate not to exceed 9% of the cost price of the
18 fountain soft drinks at retail in such municipality. For
19 purposes of this subsection, the term "soft drink" has the
20 meaning set forth in Section 2-10 of the Retailers' Occupation
21 Tax Act, as may be amended from time to time, except that the
22 term shall not be limited to drinks contained in a closed or
23 sealed bottle, can, carton, or container; the term "fountain
24 soft drinks" means soft drinks which are prepared by the retail
25 seller of the soft drinks by mixing soft drink syrup or
26 concentrate with water, by hand or through a soft drink

1 dispensing machine at or near the point and time of sale to the
2 retail purchaser; the term "soft drink dispensing machine"
3 means a device which mixes soft drink syrup or concentrate with
4 water and dispenses such mixture into an open container as a
5 ready to drink soft drink; the term "sold at retail" shall mean
6 any transfer of the ownership or title to tangible personal
7 property to a purchaser, for the purpose of use or consumption,
8 and not for the purpose of resale, for valuable consideration;
9 the term "cost price of the fountain soft drinks" means the
10 consideration paid by the retail seller of the fountain soft
11 drink, valued in money, whether paid in money or otherwise,
12 including cash, credits and services, and shall be determined
13 without any deduction on account of the supplier's cost of the
14 property sold or on account of any other expenses incurred by
15 the supplier, for the purchase of soft drink syrup or
16 concentrate which is designed to be further mixed with water
17 before it is consumed as a soft drink; and the term "supplier"
18 means any person who makes sales of soft drink syrup or
19 concentrate to a retail seller of fountain soft drinks for
20 purposes of resale as fountain soft drinks. The tax authorized
21 by this subsection shall be collected, enforced, and
22 administered by the municipality imposing the tax. Persons
23 subject to the tax may reimburse themselves for their tax
24 liability hereunder by separately stating an amount equal to
25 the tax as an additional charge to their retail purchasers or
26 may include such amount as part of the selling price of the

1 soft drink. The municipality imposing the tax shall provide for
2 its collection from the person subject to the tax by requiring
3 that the supplier to the person subject to the tax collect and
4 remit the tax to the municipality. If the supplier fails to
5 collect the tax or if the person subject to the tax fails to
6 pay the tax to its supplier, the person subject to the tax
7 shall make the tax payment directly to the municipality.
8 Payment of the tax by the retailer to the supplier shall
9 relieve the retailer of any further liability for the tax.

10 (d) If either tax imposed or authorized by this Section
11 8-11-6b is repealed by the General Assembly or has its maximum
12 rate reduced by the General Assembly, or is declared unlawful
13 or unconstitutional on its face by any court of competent
14 jurisdiction after all appeals have been exhausted or the time
15 to appeal has expired, then this Section 8-11-6b is
16 automatically repealed and no longer effective without further
17 action by the General Assembly.

18 (e) Notwithstanding the preemption of taxes on the sale,
19 purchase or use of soft drinks, taxes on the sale, purchase, or
20 use of soft drinks which had been imposed by a municipality
21 prior to the effective date of this amendatory Act of 1993 are
22 specifically authorized under this Section for sales made on or
23 after the effective date of this amendatory Act of 1993 through
24 March 31, 1994.

25 (Source: P.A. 88-507.)

1 (65 ILCS 5/11-74.3-6)

2 Sec. 11-74.3-6. Business district revenue and obligations;
3 business district tax allocation fund.

4 (a) If the corporate authorities of a municipality have
5 approved a business district plan, have designated a business
6 district, and have elected to impose a tax by ordinance
7 pursuant to subsection (10) or (11) of Section 11-74.3-3, then
8 each year after the date of the approval of the ordinance but
9 terminating upon the date all business district project costs
10 and all obligations paying or reimbursing business district
11 project costs, if any, have been paid, but in no event later
12 than the dissolution date, all amounts generated by the
13 retailers' occupation tax and service occupation tax shall be
14 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 municipality
17 imposing the tax and all amounts generated by the hotel
18 operators' occupation tax shall be collected and the tax shall
19 be enforced by the municipality in the same manner as all hotel
20 operators' occupation taxes imposed in the municipality
21 imposing the tax. The corporate authorities of the municipality
22 shall deposit the proceeds of the taxes imposed under
23 subsections (10) and (11) of Section 11-74.3-3 into a special
24 fund of the municipality called the "[Name of] Business
25 District Tax Allocation Fund" for the purpose of paying or
26 reimbursing business district project costs and obligations

1 incurred in the payment of those costs.

2 (b) The corporate authorities of a municipality that has
3 designated a business district under this Law may, by
4 ordinance, impose a Business District Retailers' Occupation
5 Tax upon all persons engaged in the business of selling
6 tangible personal property, other than an item of tangible
7 personal property titled or registered with an agency of this
8 State's government, at retail in the business district at a
9 rate not to exceed 1% of the gross receipts from the sales made
10 in the course of such business, to be imposed only in 0.25%
11 increments. The tax may not be imposed on tangible personal
12 property taxed at the 1% rate under the Retailers' Occupation
13 Tax Act, including but not limited to, food for human
14 consumption that is to be consumed off the premises where it is
15 sold (other than alcoholic beverages, soft drinks, and food
16 that has been prepared for immediate consumption),
17 prescription and nonprescription medicines, drugs, medical
18 appliances, products classified as Class III medical devices by
19 the United States Food and Drug Administration that are used
20 for cancer treatment pursuant to a prescription, as well as any
21 accessories and components related to those devices,
22 modifications to a motor vehicle for the purpose of rendering
23 it usable by a person with a disability, and insulin, urine
24 testing materials, syringes, and needles used by diabetics, for
25 human use.

26 The tax imposed under this subsection and all civil

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

1 if those provisions were set forth herein.

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

9 Whenever the Department determines that a refund should be
10 made under this subsection to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the order to be drawn for the
13 amount specified and to the person named in the notification
14 from the Department. The refund shall be paid by the State
15 Treasurer out of the business district retailers' occupation
16 tax fund.

17 The Department shall immediately pay over to the State
18 Treasurer, ex officio, as trustee, all taxes, penalties, and
19 interest collected under this subsection for deposit into the
20 business district retailers' occupation tax fund.

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 subsection

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 from the business district retailers' occupation tax fund, the
8 municipalities to be those from which retailers have paid taxes
9 or penalties under this subsection to the Department during the
10 second preceding calendar month. The amount to be paid to each
11 municipality shall be the amount (not including credit
12 memoranda) collected under this subsection during the second
13 preceding calendar month by the Department plus an amount the
14 Department determines is necessary to offset any amounts that
15 were erroneously paid to a different taxing body, and not
16 including an amount equal to the amount of refunds made during
17 the second preceding calendar month by the Department, less 2%
18 of that amount, which shall be transferred ~~deposited~~ into the
19 Tax Compliance and Administration Fund and shall be used by the
20 Department, subject to appropriation, to cover the costs of the
21 Department in administering and enforcing the provisions of
22 this subsection, on behalf of such municipality, and not
23 including any amount that the Department determines is
24 necessary to offset any amounts that were payable to a
25 different taxing body but were erroneously paid to the
26 municipality, and not including any amounts that are

1 transferred to the STAR Bonds Revenue Fund. Within 10 days
2 after receipt by the Comptroller of the disbursement
3 certification to the municipalities provided for in this
4 subsection to be given to the Comptroller by the Department,
5 the Comptroller shall cause the orders to be drawn for the
6 respective amounts in accordance with the directions contained
7 in the certification. The proceeds of the tax paid to
8 municipalities under this subsection shall be deposited into
9 the Business District Tax Allocation Fund by the municipality.

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

23 The Department of Revenue shall not administer or enforce
24 an ordinance imposing, discontinuing, or changing the rate of
25 the tax under this subsection, until the municipality also
26 provides, in the manner prescribed by the Department, the

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

1 relied on information provided by the municipality.

2 A municipality that imposes the tax under this subsection
3 must submit to the Department of Revenue any other information
4 as the Department may require for the administration and
5 enforcement of the tax.

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

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

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

18 (c) If a tax has been imposed under subsection (b), a
19 Business District Service Occupation Tax shall also be imposed
20 upon all persons engaged, in the business district, in the
21 business of making sales of service, who, as an incident to
22 making those sales of service, transfer tangible personal
23 property within the business district, either in the form of
24 tangible personal property or in the form of real estate as an
25 incident to a sale of service. The tax shall be imposed at the
26 same rate as the tax imposed in subsection (b) and shall not

1 exceed 1% of the selling price of tangible personal property so
2 transferred within the business district, to be imposed only in
3 0.25% increments. The tax may not be imposed on tangible
4 personal property taxed at the 1% rate under the Service
5 Occupation Tax Act, including but not limited to, food for
6 human consumption that is to be consumed off the premises where
7 it is sold (other than alcoholic beverages, soft drinks, and
8 food that has been prepared for immediate consumption),
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.

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

1 ordinance or resolution or under this subsection. The
2 Department of Revenue shall have full power to administer and
3 enforce this subsection; to collect all taxes and penalties due
4 under this subsection; to dispose of taxes and penalties so
5 collected in the manner hereinafter provided; and to determine
6 all rights to credit memoranda arising on account of the
7 erroneous payment of tax or penalty under this subsection. In
8 the administration of, and compliance with this subsection, the
9 Department and persons who are subject to this subsection shall
10 have the same rights, remedies, privileges, immunities, powers
11 and duties, and be subject to the same conditions,
12 restrictions, limitations, penalties, exclusions, exemptions,
13 and definitions of terms and employ the same modes of procedure
14 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50
15 (in respect to all provisions therein other than the State rate
16 of tax), 4 (except that the reference to the State shall be to
17 the business district), 5, 7, 8 (except that the jurisdiction
18 to which the tax shall be a debt to the extent indicated in
19 that Section 8 shall be the municipality), 9 (except as to the
20 disposition of taxes and penalties collected, and except that
21 the returned merchandise credit for this tax may not be taken
22 against any State tax), 10, 11, 12 (except the reference
23 therein to Section 2b of the Retailers' Occupation Tax Act), 13
24 (except that any reference to the State shall mean the
25 municipality), the first paragraph of Section 15, and Sections
26 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all

1 provisions of the Uniform Penalty and Interest Act, as fully as
2 if those provisions were set forth herein.

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

11 Whenever the Department determines that a refund should be
12 made under this subsection to a claimant instead of issuing
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 such notification
16 from the Department. Such refund shall be paid by the State
17 Treasurer out of the business district retailers' occupation
18 tax fund.

19 The Department shall forthwith pay over to the State
20 Treasurer, ex-officio, as trustee, all taxes, penalties, and
21 interest collected under this subsection for deposit into the
22 business district retailers' occupation tax fund.

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 subsection
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 municipalities
9 from the business district retailers' occupation tax fund, the
10 municipalities to be those from which suppliers and servicemen
11 have paid taxes or penalties under this subsection to the
12 Department during the second preceding calendar month. The
13 amount to be paid to each municipality shall be the amount (not
14 including credit memoranda) collected under this subsection
15 during the second preceding calendar month by the Department,
16 less 2% of that amount, which shall be transferred ~~deposited~~
17 into the Tax Compliance and Administration Fund and shall be
18 used by the Department, subject to appropriation, to cover the
19 costs of the Department in administering and enforcing the
20 provisions of this subsection, and not including an amount
21 equal to the amount of refunds made during the second preceding
22 calendar month by the Department on behalf of such
23 municipality, and not including any amounts that are
24 transferred to the STAR Bonds Revenue Fund. Within 10 days
25 after receipt, by the Comptroller, of the disbursement
26 certification to the municipalities, provided for in this

1 subsection to be given to the Comptroller by the Department,
2 the Comptroller shall cause the orders to be drawn for the
3 respective amounts in accordance with the directions contained
4 in such certification. The proceeds of the tax paid to
5 municipalities under this subsection shall be deposited into
6 the Business District Tax Allocation Fund by the municipality.

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

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

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

25 A municipality that imposes the tax under this subsection
26 must submit to the Department of Revenue any other information

1 as the Department may require for the administration and
2 enforcement of the tax.

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

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

9 (d) By ordinance, a municipality that has designated a
10 business district under this Law may impose an occupation tax
11 upon all persons engaged in the business district in the
12 business of renting, leasing, or letting rooms in a hotel, as
13 defined in the Hotel Operators' Occupation Tax Act, at a rate
14 not to exceed 1% of the gross rental receipts from the renting,
15 leasing, or letting of hotel rooms within the business
16 district, to be imposed only in 0.25% increments, excluding,
17 however, from gross rental receipts the proceeds of renting,
18 leasing, or letting to permanent residents of a hotel, as
19 defined in the Hotel Operators' Occupation Tax Act, and
20 proceeds from the tax imposed under subsection (c) of Section
21 13 of the Metropolitan Pier and Exposition Authority Act.

22 The tax imposed by the municipality under this subsection
23 and all civil penalties that may be assessed as an incident to
24 that tax shall be collected and enforced by the municipality
25 imposing the tax. The municipality shall have full power to
26 administer and enforce this subsection, to collect all taxes

1 and penalties due under this subsection, to dispose of taxes
2 and penalties so collected in the manner provided in this
3 subsection, and to determine all rights to credit memoranda
4 arising on account of the erroneous payment of tax or penalty
5 under this subsection. In the administration of and compliance
6 with this subsection, the municipality and persons who are
7 subject to this subsection shall have the same rights,
8 remedies, privileges, immunities, powers, and duties, shall be
9 subject to the same conditions, restrictions, limitations,
10 penalties, and definitions of terms, and shall employ the same
11 modes of procedure as are employed with respect to a tax
12 adopted by the municipality under Section 8-3-14 of this Code.

13 Persons subject to any tax imposed under the authority
14 granted in this subsection may reimburse themselves for their
15 tax liability for that tax by separately stating that tax as an
16 additional charge, which charge may be stated in combination,
17 in a single amount, with State taxes imposed under the Hotel
18 Operators' Occupation Tax Act, and with any other tax.

19 Nothing in this subsection shall be construed to authorize
20 a municipality to impose a tax upon the privilege of engaging
21 in any business which under the Constitution of the United
22 States may not be made the subject of taxation by this State.

23 The proceeds of the tax imposed under this subsection shall
24 be deposited into the Business District Tax Allocation Fund.

25 (e) Obligations secured by the Business District Tax
26 Allocation Fund may be issued to provide for the payment or

1 reimbursement of business district project costs. Those
2 obligations, when so issued, shall be retired in the manner
3 provided in the ordinance authorizing the issuance of those
4 obligations by the receipts of taxes imposed pursuant to
5 subsections (10) and (11) of Section 11-74.3-3 and by other
6 revenue designated or pledged by the municipality. A
7 municipality may in the ordinance pledge, for any period of
8 time up to and including the dissolution date, all or any part
9 of the funds in and to be deposited in the Business District
10 Tax Allocation Fund to the payment of business district project
11 costs and obligations. Whenever a municipality pledges all of
12 the funds to the credit of a business district tax allocation
13 fund to secure obligations issued or to be issued to pay or
14 reimburse business district project costs, the municipality
15 may specifically provide that funds remaining to the credit of
16 such business district tax allocation fund after the payment of
17 such obligations shall be accounted for annually and shall be
18 deemed to be "surplus" funds, and such "surplus" funds shall be
19 expended by the municipality for any business district project
20 cost as approved in the business district plan. Whenever a
21 municipality pledges less than all of the monies to the credit
22 of a business district tax allocation fund to secure
23 obligations issued or to be issued to pay or reimburse business
24 district project costs, the municipality shall provide that
25 monies to the credit of the business district tax allocation
26 fund and not subject to such pledge or otherwise encumbered or

1 required for payment of contractual obligations for specific
2 business district project costs shall be calculated annually
3 and shall be deemed to be "surplus" funds, and such "surplus"
4 funds shall be expended by the municipality for any business
5 district project cost as approved in the business district
6 plan.

7 No obligation issued pursuant to this Law and secured by a
8 pledge of all or any portion of any revenues received or to be
9 received by the municipality from the imposition of taxes
10 pursuant to subsection (10) of Section 11-74.3-3, shall be
11 deemed to constitute an economic incentive agreement under
12 Section 8-11-20, notwithstanding the fact that such pledge
13 provides for the sharing, rebate, or payment of retailers'
14 occupation taxes or service occupation taxes imposed pursuant
15 to subsection (10) of Section 11-74.3-3 and received or to be
16 received by the municipality from the development or
17 redevelopment of properties in the business district.

18 Without limiting the foregoing in this Section, the
19 municipality may further secure obligations secured by the
20 business district tax allocation fund with a pledge, for a
21 period not greater than the term of the obligations and in any
22 case not longer than the dissolution date, of any part or any
23 combination of the following: (i) net revenues of all or part
24 of any business district project; (ii) taxes levied or imposed
25 by the municipality on any or all property in the municipality,
26 including, specifically, taxes levied or imposed by the

1 municipality in a special service area pursuant to the Special
2 Service Area Tax Law; (iii) the full faith and credit of the
3 municipality; (iv) a mortgage on part or all of the business
4 district project; or (v) any other taxes or anticipated
5 receipts that the municipality may lawfully pledge.

6 Such obligations may be issued in one or more series, bear
7 such date or dates, become due at such time or times as therein
8 provided, but in any case not later than (i) 20 years after the
9 date of issue or (ii) the dissolution date, whichever is
10 earlier, bear interest payable at such intervals and at such
11 rate or rates as set forth therein, except as may be limited by
12 applicable law, which rate or rates may be fixed or variable,
13 be in such denominations, be in such form, either coupon,
14 registered, or book-entry, carry such conversion, registration
15 and exchange privileges, be subject to defeasance upon such
16 terms, have such rank or priority, be executed in such manner,
17 be payable in such medium or payment at such place or places
18 within or without the State, make provision for a corporate
19 trustee within or without the State with respect to such
20 obligations, prescribe the rights, powers, and duties thereof
21 to be exercised for the benefit of the municipality and the
22 benefit of the owners of such obligations, provide for the
23 holding in trust, investment, and use of moneys, funds, and
24 accounts held under an ordinance, provide for assignment of and
25 direct payment of the moneys to pay such obligations or to be
26 deposited into such funds or accounts directly to such trustee,

1 be subject to such terms of redemption with or without premium,
2 and be sold at such price, all as the corporate authorities
3 shall determine. No referendum approval of the electors shall
4 be required as a condition to the issuance of obligations
5 pursuant to this Law except as provided in this Section.

6 In the event the municipality authorizes the issuance of
7 obligations pursuant to the authority of this Law secured by
8 the full faith and credit of the municipality, or pledges ad
9 valorem taxes pursuant to this subsection, which obligations
10 are other than obligations which may be issued under home rule
11 powers provided by Section 6 of Article VII of the Illinois
12 Constitution or which ad valorem taxes are other than ad
13 valorem taxes which may be pledged under home rule powers
14 provided by Section 6 of Article VII of the Illinois
15 Constitution or which are levied in a special service area
16 pursuant to the Special Service Area Tax Law, the ordinance
17 authorizing the issuance of those obligations or pledging those
18 taxes shall be published within 10 days after the ordinance has
19 been adopted, in a newspaper having a general circulation
20 within the municipality. The publication of the ordinance shall
21 be accompanied by a notice of (i) the specific number of voters
22 required to sign a petition requesting the question of the
23 issuance of the obligations or pledging such ad valorem taxes
24 to be submitted to the electors; (ii) the time within which the
25 petition must be filed; and (iii) the date of the prospective
26 referendum. The municipal clerk shall provide a petition form

1 to any individual requesting one.

2 If no petition is filed with the municipal clerk, as
3 hereinafter provided in this Section, within 21 days after the
4 publication of the ordinance, the ordinance shall be in effect.
5 However, if within that 21-day period a petition is filed with
6 the municipal clerk, signed by electors numbering not less than
7 15% of the number of electors voting for the mayor or president
8 at the last general municipal election, asking that the
9 question of issuing obligations using full faith and credit of
10 the municipality as security for the cost of paying or
11 reimbursing business district project costs, or of pledging
12 such ad valorem taxes for the payment of those obligations, or
13 both, be submitted to the electors of the municipality, the
14 municipality shall not be authorized to issue obligations of
15 the municipality using the full faith and credit of the
16 municipality as security or pledging such ad valorem taxes for
17 the payment of those obligations, or both, until the
18 proposition has been submitted to and approved by a majority of
19 the voters voting on the proposition at a regularly scheduled
20 election. The municipality shall certify the proposition to the
21 proper election authorities for submission in accordance with
22 the general election law.

23 The ordinance authorizing the obligations may provide that
24 the obligations shall contain a recital that they are issued
25 pursuant to this Law, which recital shall be conclusive
26 evidence of their validity and of the regularity of their

1 issuance.

2 In the event the municipality authorizes issuance of
3 obligations pursuant to this Law secured by the full faith and
4 credit of the municipality, the ordinance authorizing the
5 obligations may provide for the levy and collection of a direct
6 annual tax upon all taxable property within the municipality
7 sufficient to pay the principal thereof and interest thereon as
8 it matures, which levy may be in addition to and exclusive of
9 the maximum of all other taxes authorized to be levied by the
10 municipality, which levy, however, shall be abated to the
11 extent that monies from other sources are available for payment
12 of the obligations and the municipality certifies the amount of
13 those monies available to the county clerk.

14 A certified copy of the ordinance shall be filed with the
15 county clerk of each county in which any portion of the
16 municipality is situated, and shall constitute the authority
17 for the extension and collection of the taxes to be deposited
18 in the business district tax allocation fund.

19 A municipality may also issue its obligations to refund, in
20 whole or in part, obligations theretofore issued by the
21 municipality under the authority of this Law, whether at or
22 prior to maturity. However, the last maturity of the refunding
23 obligations shall not be expressed to mature later than the
24 dissolution date.

25 In the event a municipality issues obligations under home
26 rule powers or other legislative authority, the proceeds of

1 which are pledged to pay or reimburse business district project
2 costs, the municipality may, if it has followed the procedures
3 in conformance with this Law, retire those obligations from
4 funds in the business district tax allocation fund in amounts
5 and in such manner as if those obligations had been issued
6 pursuant to the provisions of this Law.

7 No obligations issued pursuant to this Law shall be
8 regarded as indebtedness of the municipality issuing those
9 obligations or any other taxing district for the purpose of any
10 limitation imposed by law.

11 Obligations issued pursuant to this Law shall not be
12 subject to the provisions of the Bond Authorization Act.

13 (f) When business district project costs, including,
14 without limitation, all obligations paying or reimbursing
15 business district project costs have been paid, any surplus
16 funds then remaining in the Business District Tax Allocation
17 Fund shall be distributed to the municipal treasurer for
18 deposit into the general corporate fund of the municipality.
19 Upon payment of all business district project costs and
20 retirement of all obligations paying or reimbursing business
21 district project costs, but in no event more than 23 years
22 after the date of adoption of the ordinance imposing taxes
23 pursuant to subsection (10) or (11) of Section 11-74.3-3, the
24 municipality shall adopt an ordinance immediately rescinding
25 the taxes imposed pursuant to subsection (10) or (11) of
26 Section 11-74.3-3.

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

2 Section 135. The Metropolitan Pier and Exposition
3 Authority Act is amended by changing Section 13 as follows:

4 (70 ILCS 210/13) (from Ch. 85, par. 1233)

5 Sec. 13. Taxing power of Authority. (a) The Authority shall
6 not have power to levy taxes for any purpose, except as
7 provided in subsections (b), (c), (d), (e), and (f).

8 (b) By ordinance the Authority shall, as soon as
9 practicable after the effective date of this amendatory Act of
10 1991, impose a Metropolitan Pier and Exposition Authority
11 Retailers' Occupation Tax upon all persons engaged in the
12 business of selling tangible personal property at retail within
13 the territory described in this subsection at the rate of 1.0%
14 of the gross receipts (i) from the sale of food, alcoholic
15 beverages, and soft drinks sold for consumption on the premises
16 where sold and (ii) from the sale of food, alcoholic beverages,
17 and soft drinks sold for consumption off the premises where
18 sold by a retailer whose principal source of gross receipts is
19 from the sale of food, alcoholic beverages, and soft drinks
20 prepared for immediate consumption.

21 The tax imposed under this subsection and all civil
22 penalties that may be assessed as an incident to that tax shall
23 be collected and enforced by the Illinois Department of
24 Revenue. The Department shall have full power to administer and

1 enforce this subsection, to collect all taxes and penalties so
2 collected in the manner provided in this subsection, and to
3 determine all rights to credit memoranda arising on account of
4 the erroneous payment of tax or penalty under this subsection.
5 In the administration of and compliance with this subsection,
6 the Department and persons who are subject to this subsection
7 shall have the same rights, remedies, privileges, immunities,
8 powers, and duties, shall be subject to the same conditions,
9 restrictions, limitations, penalties, exclusions, exemptions,
10 and definitions of terms, and shall employ the same modes of
11 procedure applicable to this Retailers' Occupation Tax as are
12 prescribed in Sections 1, 2 through 2-65 (in respect to all
13 provisions of those Sections other than the State rate of
14 taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes
15 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i,
16 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and, until January
17 1, 1994, 13.5 of the Retailers' Occupation Tax Act, and, on and
18 after January 1, 1994, all applicable provisions of the Uniform
19 Penalty and Interest Act that are not inconsistent with this
20 Act, as fully as if provisions contained in those Sections of
21 the Retailers' Occupation Tax Act were set forth in this
22 subsection.

23 Persons subject to any tax imposed under the authority
24 granted in this subsection may reimburse themselves for their
25 seller's tax liability under this subsection by separately
26 stating that tax as an additional charge, which charge may be

1 stated in combination, in a single amount, with State taxes
2 that sellers are required to collect under the Use Tax Act,
3 pursuant to bracket schedules as the Department may prescribe.
4 The retailer filing the return shall, at the time of filing the
5 return, pay to the Department the amount of tax imposed under
6 this subsection, less a discount of 1.75%, which is allowed to
7 reimburse the retailer for the expenses incurred in keeping
8 records, preparing and filing returns, remitting the tax, and
9 supplying data to the Department on request.

10 Whenever the Department determines that a refund should be
11 made under this subsection to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause a warrant to be drawn for the
14 amount specified and to the person named in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of the Metropolitan Pier and Exposition Authority
17 trust fund held by the State Treasurer as trustee for the
18 Authority.

19 Nothing in this subsection authorizes the Authority to
20 impose a tax upon the privilege of engaging in any business
21 that under the Constitution of the United States may not be
22 made the subject of taxation by this State.

23 The Department shall forthwith pay over to the State
24 Treasurer, ex officio, as trustee for the Authority, all taxes
25 and penalties collected under this subsection for deposit into
26 a trust fund held outside of 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 subsection
7 during the second preceding calendar month for sales within a
8 STAR bond district.

9 After the monthly transfer to the STAR Bonds Revenue Fund,
10 on or before the 25th day of each calendar month, the
11 Department shall prepare and certify to the Comptroller the
12 amounts to be paid under subsection (g) of this Section, which
13 shall be the amounts, not including credit memoranda, collected
14 under this subsection during the second preceding calendar
15 month by the Department, less any amounts determined by the
16 Department to be necessary for the payment of refunds, less 2%
17 of such balance, which sum shall be transferred ~~deposited~~ by
18 the State Treasurer into the Tax Compliance and Administration
19 Fund in the State Treasury from which it shall be appropriated
20 to the Department to cover the costs of the Department in
21 administering and enforcing the provisions of this subsection,
22 and less any amounts that are transferred to the STAR Bonds
23 Revenue Fund. Within 10 days after receipt by the Comptroller
24 of the certification, the Comptroller shall cause the orders to
25 be drawn for the remaining amounts, and the Treasurer shall
26 administer those amounts as required in subsection (g).

1 A certificate of registration issued by the Illinois
2 Department of Revenue to a retailer under the Retailers'
3 Occupation Tax Act shall permit the registrant to engage in a
4 business that is taxed under the tax imposed under this
5 subsection, and no additional registration shall be required
6 under the ordinance imposing the tax or under this subsection.

7 A certified copy of any ordinance imposing or discontinuing
8 any tax under this subsection or effecting a change in the rate
9 of that tax shall be filed with the Department, whereupon the
10 Department shall proceed to administer and enforce this
11 subsection on behalf of the Authority as of the first day of
12 the third calendar month following the date of filing.

13 The tax authorized to be levied under this subsection may
14 be levied within all or any part of the following described
15 portions of the metropolitan area:

16 (1) that portion of the City of Chicago located within
17 the following area: Beginning at the point of intersection
18 of the Cook County - DuPage County line and York Road, then
19 North along York Road to its intersection with Touhy
20 Avenue, then east along Touhy Avenue to its intersection
21 with the Northwest Tollway, then southeast along the
22 Northwest Tollway to its intersection with Lee Street, then
23 south along Lee Street to Higgins Road, then south and east
24 along Higgins Road to its intersection with Mannheim Road,
25 then south along Mannheim Road to its intersection with
26 Irving Park Road, then west along Irving Park Road to its

1 intersection with the Cook County - DuPage County line,
2 then north and west along the county line to the point of
3 beginning; and

4 (2) that portion of the City of Chicago located within
5 the following area: Beginning at the intersection of West
6 55th Street with Central Avenue, then east along West 55th
7 Street to its intersection with South Cicero Avenue, then
8 south along South Cicero Avenue to its intersection with
9 West 63rd Street, then west along West 63rd Street to its
10 intersection with South Central Avenue, then north along
11 South Central Avenue to the point of beginning; and

12 (3) that portion of the City of Chicago located within
13 the following area: Beginning at the point 150 feet west of
14 the intersection of the west line of North Ashland Avenue
15 and the north line of West Diversey Avenue, then north 150
16 feet, then east along a line 150 feet north of the north
17 line of West Diversey Avenue extended to the shoreline of
18 Lake Michigan, then following the shoreline of Lake
19 Michigan (including Navy Pier and all other improvements
20 fixed to land, docks, or piers) to the point where the
21 shoreline of Lake Michigan and the Adlai E. Stevenson
22 Expressway extended east to that shoreline intersect, then
23 west along the Adlai E. Stevenson Expressway to a point 150
24 feet west of the west line of South Ashland Avenue, then
25 north along a line 150 feet west of the west line of South
26 and North Ashland Avenue to the point of beginning.

1 The tax authorized to be levied under this subsection may
2 also be levied on food, alcoholic beverages, and soft drinks
3 sold on boats and other watercraft departing from and returning
4 to the shoreline of Lake Michigan (including Navy Pier and all
5 other improvements fixed to land, docks, or piers) described in
6 item (3).

7 (c) By ordinance the Authority shall, as soon as
8 practicable after the effective date of this amendatory Act of
9 1991, impose an occupation tax upon all persons engaged in the
10 corporate limits of the City of Chicago in the business of
11 renting, leasing, or letting rooms in a hotel, as defined in
12 the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of
13 the gross rental receipts from the renting, leasing, or letting
14 of hotel rooms within the City of Chicago, excluding, however,
15 from gross rental receipts the proceeds of renting, leasing, or
16 letting to permanent residents of a hotel, as defined in that
17 Act. Gross rental receipts shall not include charges that are
18 added on account of the liability arising from any tax imposed
19 by the State or any governmental agency on the occupation of
20 renting, leasing, or letting rooms in a hotel.

21 The tax imposed by the Authority under this subsection and
22 all civil penalties that may be assessed as an incident to that
23 tax shall be collected and enforced by the Illinois Department
24 of Revenue. The certificate of registration that is issued by
25 the Department to a lessor under the Hotel Operators'
26 Occupation Tax Act shall permit that registrant to engage in a

1 business that is taxable under any ordinance enacted under this
2 subsection without registering separately with the Department
3 under that ordinance or under this subsection. The Department
4 shall have full power to administer and enforce this
5 subsection, to collect all taxes and penalties due under this
6 subsection, to dispose of taxes and penalties so collected in
7 the manner provided in this subsection, and to determine all
8 rights to credit memoranda arising on account of the erroneous
9 payment of tax or penalty under this subsection. In the
10 administration of and compliance with this subsection, the
11 Department and persons who are subject to this subsection shall
12 have the same rights, remedies, privileges, immunities,
13 powers, and duties, shall be subject to the same conditions,
14 restrictions, limitations, penalties, and definitions of
15 terms, and shall employ the same modes of procedure as are
16 prescribed in the Hotel Operators' Occupation Tax Act (except
17 where that Act is inconsistent with this subsection), as fully
18 as if the provisions contained in the Hotel Operators'
19 Occupation Tax Act were set out in this subsection.

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 a 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 Metropolitan Pier and Exposition Authority

1 trust fund held by the State Treasurer as trustee for the
2 Authority.

3 Persons subject to any tax imposed under the authority
4 granted in this subsection may reimburse themselves for their
5 tax liability for that tax by separately stating that tax as an
6 additional charge, which charge may be stated in combination,
7 in a single amount, with State taxes imposed under the Hotel
8 Operators' Occupation Tax Act, the municipal tax imposed under
9 Section 8-3-13 of the Illinois Municipal Code, and the tax
10 imposed under Section 19 of the Illinois Sports Facilities
11 Authority Act.

12 The person filing the return shall, at the time of filing
13 the return, pay to the Department the amount of tax, less a
14 discount of 2.1% or \$25 per calendar year, whichever is
15 greater, which is allowed to reimburse the operator for the
16 expenses incurred in keeping records, preparing and filing
17 returns, remitting the tax, and supplying data to the
18 Department on request.

19 The Department shall forthwith pay over to the State
20 Treasurer, ex officio, as trustee for the Authority, all taxes
21 and penalties collected under this subsection for deposit into
22 a trust fund held outside the State Treasury. On or before the
23 25th day of each calendar month, the Department shall certify
24 to the Comptroller the amounts to be paid under subsection (g)
25 of this Section, which shall be the amounts (not including
26 credit memoranda) collected under this subsection during the

1 second preceding calendar month by the Department, less any
2 amounts determined by the Department to be necessary for
3 payment of refunds. Within 10 days after receipt by the
4 Comptroller of the Department's certification, the Comptroller
5 shall cause the orders to be drawn for such amounts, and the
6 Treasurer shall administer those amounts as required in
7 subsection (g).

8 A certified copy of any ordinance imposing or discontinuing
9 a tax under this subsection or effecting a change in the rate
10 of that tax shall be filed with the Illinois Department of
11 Revenue, whereupon the Department shall proceed to administer
12 and enforce this subsection on behalf of the Authority as of
13 the first day of the third calendar month following the date of
14 filing.

15 (d) By ordinance the Authority shall, as soon as
16 practicable after the effective date of this amendatory Act of
17 1991, impose a tax upon all persons engaged in the business of
18 renting automobiles in the metropolitan area at the rate of 6%
19 of the gross receipts from that business, except that no tax
20 shall be imposed on the business of renting automobiles for use
21 as taxicabs or in livery service. The tax imposed under this
22 subsection and all civil penalties that may be assessed as an
23 incident to that tax shall be collected and enforced by the
24 Illinois Department of Revenue. The certificate of
25 registration issued by the Department to a retailer under the
26 Retailers' Occupation Tax Act or under the Automobile Renting

1 Occupation and Use Tax Act shall permit that person to engage
2 in a business that is taxable under any ordinance enacted under
3 this subsection without registering separately with the
4 Department under that ordinance or under this subsection. The
5 Department shall have full power to administer and enforce this
6 subsection, to collect all taxes and penalties due under this
7 subsection, to dispose of taxes and penalties so collected in
8 the manner provided in this subsection, and to determine all
9 rights to credit memoranda arising on account of the erroneous
10 payment of tax or penalty under this subsection. In the
11 administration of and compliance with this subsection, the
12 Department and persons who are subject to this subsection shall
13 have the same rights, remedies, privileges, immunities,
14 powers, and duties, be subject to the same conditions,
15 restrictions, limitations, penalties, and definitions of
16 terms, and employ the same modes of procedure as are prescribed
17 in Sections 2 and 3 (in respect to all provisions of those
18 Sections other than the State rate of tax; and in respect to
19 the provisions of the Retailers' Occupation Tax Act referred to
20 in those Sections, except as to the disposition of taxes and
21 penalties collected, except for the provision allowing
22 retailers a deduction from the tax to cover certain costs, and
23 except that credit memoranda issued under this subsection may
24 not be used to discharge any State tax liability) of the
25 Automobile Renting Occupation and Use Tax Act, as fully as if
26 provisions contained in those Sections of that Act were set

1 forth in this subsection.

2 Persons subject to any tax imposed under the authority
3 granted in this subsection may reimburse themselves for their
4 tax liability under this subsection by separately stating that
5 tax as an additional charge, which charge may be stated in
6 combination, in a single amount, with State tax that sellers
7 are required to collect under the Automobile Renting Occupation
8 and Use Tax Act, pursuant to bracket schedules as the
9 Department may prescribe.

10 Whenever the Department determines that a refund should be
11 made under this subsection to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause a warrant to be drawn for the
14 amount specified and to the person named in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of the Metropolitan Pier and Exposition Authority
17 trust fund held by the State Treasurer as trustee for the
18 Authority.

19 The Department shall forthwith pay over to the State
20 Treasurer, ex officio, as trustee, all taxes and penalties
21 collected under this subsection for deposit into a trust fund
22 held outside the State Treasury. On or before the 25th day of
23 each calendar month, the Department shall certify to the
24 Comptroller the amounts to be paid under subsection (g) of this
25 Section (not including credit memoranda) collected under this
26 subsection during the second preceding calendar month by the

1 Department, less any amount determined by the Department to be
2 necessary for payment of refunds. Within 10 days after receipt
3 by the Comptroller of the Department's certification, the
4 Comptroller shall cause the orders to be drawn for such
5 amounts, and the Treasurer shall administer those amounts as
6 required in subsection (g).

7 Nothing in this subsection authorizes the Authority to
8 impose a tax upon the privilege of engaging in any business
9 that under the Constitution of the United States may not be
10 made the subject of taxation by this State.

11 A certified copy of any ordinance imposing or discontinuing
12 a tax under this subsection or effecting a change in the rate
13 of that tax shall be filed with the Illinois Department of
14 Revenue, whereupon the Department shall proceed to administer
15 and enforce this subsection on behalf of the Authority as of
16 the first day of the third calendar month following the date of
17 filing.

18 (e) By ordinance the Authority shall, as soon as
19 practicable after the effective date of this amendatory Act of
20 1991, impose a tax upon the privilege of using in the
21 metropolitan area an automobile that is rented from a rentor
22 outside Illinois and is titled or registered with an agency of
23 this State's government at a rate of 6% of the rental price of
24 that automobile, except that no tax shall be imposed on the
25 privilege of using automobiles rented for use as taxicabs or in
26 livery service. The tax shall be collected from persons whose

1 Illinois address for titling or registration purposes is given
2 as being in the metropolitan area. The tax shall be collected
3 by the Department of Revenue for the Authority. The tax must be
4 paid to the State or an exemption determination must be
5 obtained from the Department of Revenue before the title or
6 certificate of registration for the property may be issued. The
7 tax or proof of exemption may be transmitted to the Department
8 by way of the State agency with which or State officer with
9 whom the tangible personal property must be titled or
10 registered if the Department and that agency or State officer
11 determine that this procedure will expedite the processing of
12 applications for title or registration.

13 The Department shall have full power to administer and
14 enforce this subsection, to collect all taxes, penalties, and
15 interest due under this subsection, to dispose of taxes,
16 penalties, and interest so collected in the manner provided in
17 this subsection, and to determine all rights to credit
18 memoranda or refunds arising on account of the erroneous
19 payment of tax, penalty, or interest under this subsection. In
20 the administration of and compliance with this subsection, the
21 Department and persons who are subject to this subsection shall
22 have the same rights, remedies, privileges, immunities,
23 powers, and duties, be subject to the same conditions,
24 restrictions, limitations, penalties, and definitions of
25 terms, and employ the same modes of procedure as are prescribed
26 in Sections 2 and 4 (except provisions pertaining to the State

1 rate of tax; and in respect to the provisions of the Use Tax
2 Act referred to in that Section, except provisions concerning
3 collection or refunding of the tax by retailers, except the
4 provisions of Section 19 pertaining to claims by retailers,
5 except the last paragraph concerning refunds, and except that
6 credit memoranda issued under this subsection may not be used
7 to discharge any State tax liability) of the Automobile Renting
8 Occupation and Use Tax Act, as fully as if provisions contained
9 in those Sections of that Act were set forth in this
10 subsection.

11 Whenever the Department determines that a refund should be
12 made under this subsection to a claimant instead of issuing a
13 credit memorandum, the Department shall notify the State
14 Comptroller, who shall cause a warrant 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 Metropolitan Pier and Exposition Authority
18 trust fund held by the State Treasurer as trustee for the
19 Authority.

20 The Department shall forthwith pay over to the State
21 Treasurer, ex officio, as trustee, all taxes, penalties, and
22 interest collected under this subsection for deposit into a
23 trust fund held outside the State Treasury. On or before the
24 25th day of each calendar month, the Department shall certify
25 to the State Comptroller the amounts to be paid under
26 subsection (g) of this Section, which shall be the amounts (not

1 including credit memoranda) collected under this subsection
2 during the second preceding calendar month by the Department,
3 less any amounts determined by the Department to be necessary
4 for payment of refunds. Within 10 days after receipt by the
5 State Comptroller of the Department's certification, the
6 Comptroller shall cause the orders to be drawn for such
7 amounts, and the Treasurer shall administer those amounts as
8 required in subsection (g).

9 A certified copy of any ordinance imposing or discontinuing
10 a tax or effecting a change in the rate of that tax shall be
11 filed with the Illinois Department of Revenue, whereupon the
12 Department shall proceed to administer and enforce this
13 subsection on behalf of the Authority as of the first day of
14 the third calendar month following the date of filing.

15 (f) By ordinance the Authority shall, as soon as
16 practicable after the effective date of this amendatory Act of
17 1991, impose an occupation tax on all persons, other than a
18 governmental agency, engaged in the business of providing
19 ground transportation for hire to passengers in the
20 metropolitan area at a rate of (i) \$4 per taxi or livery
21 vehicle departure with passengers for hire from commercial
22 service airports in the metropolitan area, (ii) for each
23 departure with passengers for hire from a commercial service
24 airport in the metropolitan area in a bus or van operated by a
25 person other than a person described in item (iii): \$18 per bus
26 or van with a capacity of 1-12 passengers, \$36 per bus or van

1 with a capacity of 13-24 passengers, and \$54 per bus or van
2 with a capacity of over 24 passengers, and (iii) for each
3 departure with passengers for hire from a commercial service
4 airport in the metropolitan area in a bus or van operated by a
5 person regulated by the Interstate Commerce Commission or
6 Illinois Commerce Commission, operating scheduled service from
7 the airport, and charging fares on a per passenger basis: \$2
8 per passenger for hire in each bus or van. The term "commercial
9 service airports" means those airports receiving scheduled
10 passenger service and enplaning more than 100,000 passengers
11 per year.

12 In the ordinance imposing the tax, the Authority may
13 provide for the administration and enforcement of the tax and
14 the collection of the tax from persons subject to the tax as
15 the Authority determines to be necessary or practicable for the
16 effective administration of the tax. The Authority may enter
17 into agreements as it deems appropriate with any governmental
18 agency providing for that agency to act as the Authority's
19 agent to collect the tax.

20 In the ordinance imposing the tax, the Authority may
21 designate a method or methods for persons subject to the tax to
22 reimburse themselves for the tax liability arising under the
23 ordinance (i) by separately stating the full amount of the tax
24 liability as an additional charge to passengers departing the
25 airports, (ii) by separately stating one-half of the tax
26 liability as an additional charge to both passengers departing

1 from and to passengers arriving at the airports, or (iii) by
2 some other method determined by the Authority.

3 All taxes, penalties, and interest collected under any
4 ordinance adopted under this subsection, less any amounts
5 determined to be necessary for the payment of refunds and less
6 the taxes, penalties, and interest attributable to any increase
7 in the rate of tax authorized by Public Act 96-898, shall be
8 paid forthwith to the State Treasurer, ex officio, for deposit
9 into a trust fund held outside the State Treasury and shall be
10 administered by the State Treasurer as provided in subsection
11 (g) of this Section. All taxes, penalties, and interest
12 attributable to any increase in the rate of tax authorized by
13 Public Act 96-898 shall be paid by the State Treasurer as
14 follows: 25% for deposit into the Convention Center Support
15 Fund, to be used by the Village of Rosemont for the repair,
16 maintenance, and improvement of the Donald E. Stephens
17 Convention Center and for debt service on debt instruments
18 issued for those purposes by the village and 75% to the
19 Authority to be used for grants to an organization meeting the
20 qualifications set out in Section 5.6 of this Act, provided the
21 Metropolitan Pier and Exposition Authority has entered into a
22 marketing agreement with such an organization.

23 (g) Amounts deposited from the proceeds of taxes imposed by
24 the Authority under subsections (b), (c), (d), (e), and (f) of
25 this Section and amounts deposited under Section 19 of the
26 Illinois Sports Facilities Authority Act shall be held in a

1 trust fund outside the State Treasury and shall be administered
2 by the Treasurer as follows:

3 (1) An amount necessary for the payment of refunds with
4 respect to those taxes shall be retained in the trust fund
5 and used for those payments.

6 (2) On July 20 and on the 20th of each month
7 thereafter, provided that the amount requested in the
8 annual certificate of the Chairman of the Authority filed
9 under Section 8.25f of the State Finance Act has been
10 appropriated for payment to the Authority, 1/8 of the local
11 tax transfer amount, together with any cumulative
12 deficiencies in the amounts transferred into the McCormick
13 Place Expansion Project Fund under this subparagraph (2)
14 during the fiscal year for which the certificate has been
15 filed, shall be transferred from the trust fund into the
16 McCormick Place Expansion Project Fund in the State
17 treasury until 100% of the local tax transfer amount has
18 been so transferred. "Local tax transfer amount" shall mean
19 the amount requested in the annual certificate, minus the
20 reduction amount. "Reduction amount" shall mean \$41.7
21 million in fiscal year 2011, \$36.7 million in fiscal year
22 2012, \$36.7 million in fiscal year 2013, \$36.7 million in
23 fiscal year 2014, and \$31.7 million in each fiscal year
24 thereafter until 2032, provided that the reduction amount
25 shall be reduced by (i) the amount certified by the
26 Authority to the State Comptroller and State Treasurer

1 under Section 8.25 of the State Finance Act, as amended,
2 with respect to that fiscal year and (ii) in any fiscal
3 year in which the amounts deposited in the trust fund under
4 this Section exceed \$318.3 million, exclusive of amounts
5 set aside for refunds and for the reserve account, one
6 dollar for each dollar of the deposits in the trust fund
7 above \$318.3 million with respect to that year, exclusive
8 of amounts set aside for refunds and for the reserve
9 account.

10 (3) On July 20, 2010, the Comptroller shall certify to
11 the Governor, the Treasurer, and the Chairman of the
12 Authority the 2010 deficiency amount, which means the
13 cumulative amount of transfers that were due from the trust
14 fund to the McCormick Place Expansion Project Fund in
15 fiscal years 2008, 2009, and 2010 under Section 13(g) of
16 this Act, as it existed prior to May 27, 2010 (the
17 effective date of Public Act 96-898), but not made. On July
18 20, 2011 and on July 20 of each year through July 20, 2014,
19 the Treasurer shall calculate for the previous fiscal year
20 the surplus revenues in the trust fund and pay that amount
21 to the Authority. On July 20, 2015 and on July 20 of each
22 year thereafter, as long as bonds and notes issued under
23 Section 13.2 or bonds and notes issued to refund those
24 bonds and notes are outstanding, the Treasurer shall
25 calculate for the previous fiscal year the surplus revenues
26 in the trust fund and pay one-half of that amount to the

1 State Treasurer for deposit into the General Revenue Fund
2 until the 2010 deficiency amount has been paid and shall
3 pay the balance of the surplus revenues to the Authority.

4 "Surplus revenues" means the amounts remaining in the trust
5 fund on June 30 of the previous fiscal year (A) after the
6 State Treasurer has set aside in the trust fund (i) amounts
7 retained for refunds under subparagraph (1) and (ii) any
8 amounts necessary to meet the reserve account amount and
9 (B) after the State Treasurer has transferred from the
10 trust fund to the General Revenue Fund 100% of any
11 post-2010 deficiency amount. "Reserve account amount"
12 means \$15 million in fiscal year 2011 and \$30 million in
13 each fiscal year thereafter. The reserve account amount
14 shall be set aside in the trust fund and used as a reserve
15 to be transferred to the McCormick Place Expansion Project
16 Fund in the event the proceeds of taxes imposed under this
17 Section 13 are not sufficient to fund the transfer required
18 in subparagraph (2). "Post-2010 deficiency amount" means
19 any deficiency in transfers from the trust fund to the
20 McCormick Place Expansion Project Fund with respect to
21 fiscal years 2011 and thereafter. It is the intention of
22 this subparagraph (3) that no surplus revenues shall be
23 paid to the Authority with respect to any year in which a
24 post-2010 deficiency amount has not been satisfied by the
25 Authority.

26 Moneys received by the Authority as surplus revenues may be

1 used (i) for the purposes of paying debt service on the bonds
2 and notes issued by the Authority, including early redemption
3 of those bonds or notes, (ii) for the purposes of repair,
4 replacement, and improvement of the grounds, buildings, and
5 facilities of the Authority, and (iii) for the corporate
6 purposes of the Authority in fiscal years 2011 through 2015 in
7 an amount not to exceed \$20,000,000 annually or \$80,000,000
8 total, which amount shall be reduced \$0.75 for each dollar of
9 the receipts of the Authority in that year from any contract
10 entered into with respect to naming rights at McCormick Place
11 under Section 5(m) of this Act. When bonds and notes issued
12 under Section 13.2, or bonds or notes issued to refund those
13 bonds and notes, are no longer outstanding, the balance in the
14 trust fund shall be paid to the Authority.

15 (h) The ordinances imposing the taxes authorized by this
16 Section shall be repealed when bonds and notes issued under
17 Section 13.2 or bonds and notes issued to refund those bonds
18 and notes are no longer outstanding.

19 (Source: P.A. 97-333, eff. 8-12-11; 98-463, eff. 8-16-13.)

20 Section 140. The Flood Prevention District Act is amended
21 by changing Section 25 as follows:

22 (70 ILCS 750/25)

23 Sec. 25. Flood prevention retailers' and service
24 occupation taxes.

1 (a) If the Board of Commissioners of a flood prevention
2 district determines that an emergency situation exists
3 regarding levee repair or flood prevention, and upon an
4 ordinance confirming the determination adopted by the
5 affirmative vote of a majority of the members of the county
6 board of the county in which the district is situated, the
7 county may impose a flood prevention retailers' occupation tax
8 upon all persons engaged in the business of selling tangible
9 personal property at retail within the territory of the
10 district to provide revenue to pay the costs of providing
11 emergency levee repair and flood prevention and to secure the
12 payment of bonds, notes, and other evidences of indebtedness
13 issued under this Act for a period not to exceed 25 years or as
14 required to repay the bonds, notes, and other evidences of
15 indebtedness issued under this Act. The tax rate shall be 0.25%
16 of the gross receipts from all taxable sales made in the course
17 of that business. The tax imposed under this Section and all
18 civil penalties that may be assessed as an incident thereof
19 shall be collected and enforced by the State Department of
20 Revenue. The Department shall have full power to administer and
21 enforce this Section; to collect all taxes and penalties so
22 collected in the manner hereinafter provided; and to determine
23 all rights to credit memoranda arising on account of the
24 erroneous payment of tax or penalty hereunder.

25 In the administration of and compliance with this
26 subsection, the Department and persons who are subject to this

1 subsection (i) have the same rights, remedies, privileges,
2 immunities, powers, and duties, (ii) are subject to the same
3 conditions, restrictions, limitations, penalties, and
4 definitions of terms, and (iii) shall employ the same modes of
5 procedure as are set forth in Sections 1 through 1o, 2 through
6 2-70 (in respect to all provisions contained in those Sections
7 other than the State rate of tax), 2a through 2h, 3 (except as
8 to the disposition of taxes and penalties collected), 4, 5, 5a,
9 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
10 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
11 and all provisions of the Uniform Penalty and Interest Act as
12 if those provisions were set forth in this subsection.

13 Persons subject to any tax imposed under this Section may
14 reimburse themselves for their seller's tax liability
15 hereunder 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, under any bracket schedules the
19 Department may prescribe.

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

22 (b) If a tax has been imposed under subsection (a), a flood
23 prevention service occupation tax shall also be imposed upon
24 all persons engaged within the territory of the district in the
25 business of making sales of service, who, as an incident to
26 making the sales of service, transfer tangible personal

1 property, either in the form of tangible personal property or
2 in the form of real estate as an incident to a sale of service
3 to provide revenue to pay the costs of providing emergency
4 levee repair and flood prevention and to secure the payment of
5 bonds, notes, and other evidences of indebtedness issued under
6 this Act for a period not to exceed 25 years or as required to
7 repay the bonds, notes, and other evidences of indebtedness.
8 The tax rate shall be 0.25% of the selling price of all
9 tangible personal property transferred.

10 The tax imposed under this subsection 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 subsection; to collect all taxes and penalties due hereunder;
15 to 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.

19 In the administration of and compliance with this
20 subsection, the Department and persons who are subject to this
21 subsection shall (i) have the same rights, remedies,
22 privileges, immunities, powers, and duties, (ii) be subject to
23 the same conditions, restrictions, limitations, penalties, and
24 definitions of terms, and (iii) employ the same modes of
25 procedure as are set forth in Sections 2 (except that the
26 reference to State in the definition of supplier maintaining a

1 place of business in this State means the district), 2a through
2 2d, 3 through 3-50 (in respect to all provisions contained in
3 those Sections other than the State rate of tax), 4 (except
4 that the reference to the State shall be to the district), 5,
5 7, 8 (except that the jurisdiction to which the tax is a debt
6 to the extent indicated in that Section 8 is the district), 9
7 (except as to the disposition of taxes and penalties
8 collected), 10, 11, 12 (except the reference therein to Section
9 2b of the Retailers' Occupation Tax Act), 13 (except that any
10 reference to the State means the district), Section 15, 16, 17,
11 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, that 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, under
20 any bracket schedules the Department may prescribe.

21 (c) The taxes imposed in subsections (a) and (b) may not be
22 imposed on personal property titled or registered with an
23 agency of the State. → The taxes imposed in subsections (a) and
24 (b) may not be imposed on personal property taxed at the 1%
25 rate under the Retailers' Occupation Tax Act, including but not
26 limited to, food for human consumption that is to be consumed

1 off the premises where it is sold (other than alcoholic
2 beverages, soft drinks, and food that has been prepared for
3 immediate consumption); prescription and non-prescription
4 medicines, drugs, and medical appliances; products classified
5 as Class III medical devices by the United States Food and Drug
6 Administration that are used for cancer treatment pursuant to a
7 prescription, as well as any accessories and components related
8 to those devices; modifications to a motor vehicle for the
9 purpose of rendering it usable by a person with a disability;
10 or insulin, urine testing materials, and syringes and needles
11 used by diabetics, for human use.

12 (d) Nothing in this Section shall be construed to authorize
13 the district to impose a tax upon the privilege of engaging in
14 any business that under the Constitution of the United States
15 may not be made the subject of taxation by the State.

16 (e) The certificate of registration that is issued by the
17 Department to a retailer under the Retailers' Occupation Tax
18 Act or a serviceman under the Service Occupation Tax Act
19 permits the retailer or serviceman to engage in a business that
20 is taxable without registering separately with the Department
21 under an ordinance or resolution under this Section.

22 (f) The Department shall immediately pay over to the State
23 Treasurer, ex officio, as trustee, all taxes and penalties
24 collected under this Section to be deposited into the Flood
25 Prevention Occupation Tax Fund, which shall be an
26 unappropriated trust fund held outside the State treasury.

1 On or before the 25th day of each calendar month, the
2 Department shall prepare and certify to the Comptroller the
3 disbursement of stated sums of money to the counties from which
4 retailers or servicemen have paid taxes or penalties to the
5 Department during the second preceding calendar month. The
6 amount to be paid to each county is equal to the amount (not
7 including credit memoranda) collected from the county under
8 this Section during the second preceding calendar month by the
9 Department, (i) less 2% of that amount, which shall be
10 transferred ~~deposited~~ into the Tax Compliance and
11 Administration Fund and shall be used by the Department in
12 administering and enforcing the provisions of this Section on
13 behalf of the county, (ii) plus an amount that the Department
14 determines is necessary to offset any amounts that were
15 erroneously paid to a different taxing body; (iii) less an
16 amount equal to the amount of refunds made during the second
17 preceding calendar month by the Department on behalf of the
18 county; and (iv) less any amount that the Department determines
19 is necessary to offset any amounts that were payable to a
20 different taxing body but were erroneously paid to the county.
21 When certifying the amount of a monthly disbursement to a
22 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 within the previous 6
25 months from the time a miscalculation is discovered.

26 Within 10 days after receipt by the Comptroller from the

1 Department of the disbursement certification to the counties
2 provided for in this Section, the Comptroller shall cause the
3 orders to be drawn for the respective amounts in accordance
4 with directions contained in 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 Flood Prevention Occupation Tax Fund.

12 (g) If a county imposes a tax under this Section, then the
13 county board shall, by ordinance, discontinue the tax upon the
14 payment of all indebtedness of the flood prevention district.
15 The tax shall not be discontinued until all indebtedness of the
16 District has been paid.

17 (h) Any ordinance imposing the tax under this Section, or
18 any ordinance that discontinues the tax, must be certified by
19 the county clerk and filed with the Illinois Department of
20 Revenue either (i) on or before the first day of April,
21 whereupon the Department shall proceed to administer and
22 enforce the tax or change in the rate as of the first day of
23 July next following the filing; or (ii) on or before the first
24 day of October, whereupon the Department shall proceed to
25 administer and enforce the tax or change in the rate as of the
26 first day of January next following the filing.

1 (j) County Flood Prevention Occupation Tax Fund. All
2 proceeds received by a county from a tax distribution under
3 this Section must be maintained in a special fund known as the
4 [name of county] flood prevention occupation tax fund. The
5 county shall, at the direction of the flood prevention
6 district, use moneys in the fund to pay the costs of providing
7 emergency levee repair and flood prevention and to pay bonds,
8 notes, and other evidences of indebtedness issued under this
9 Act.

10 (k) This Section may be cited as the Flood Prevention
11 Occupation Tax Law.

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

14 Section 145. The Metro-East Park and Recreation District
15 Act is amended by changing Section 30 as follows:

16 (70 ILCS 1605/30)

17 Sec. 30. Taxes.

18 (a) The board shall impose a tax upon all persons engaged
19 in the business of selling tangible personal property, other
20 than personal property titled or registered with an agency of
21 this State's government, at retail in the District on the gross
22 receipts from the sales made in the course of business. This
23 tax shall be imposed only at the rate of one-tenth of one per
24 cent.

1 This additional tax may not be imposed on the sales of
2 tangible personal property taxed at the 1% rate under the
3 Retailers' Occupation Tax Act, including but not limited to,
4 food for human consumption that is to be consumed off the
5 premises where it is sold (other than alcoholic beverages, soft
6 drinks, and food that ~~which~~ has been prepared for immediate
7 consumption) and prescription and non-prescription medicines,
8 drugs, medical appliances, products classified as Class III
9 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. The tax imposed by the Board
16 under this Section and all civil penalties that may be assessed
17 as an incident of the tax shall be collected and enforced by
18 the Department of Revenue. The certificate of registration that
19 is issued by the Department to a retailer under the Retailers'
20 Occupation Tax Act shall permit the retailer to engage in a
21 business that is taxable without registering separately with
22 the Department under an ordinance or resolution under this
23 Section. The Department has full power to administer and
24 enforce this Section, to collect all taxes and penalties due
25 under this Section, to dispose of taxes and penalties so
26 collected in the manner provided in this Section, and to

1 determine all rights to credit memoranda arising on account of
2 the erroneous payment of a tax or penalty under this Section.
3 In the administration of and compliance with this Section, the
4 Department and persons who are subject to this Section shall
5 (i) have the same rights, remedies, privileges, immunities,
6 powers, and duties, (ii) be subject to the same conditions,
7 restrictions, limitations, penalties, and definitions of
8 terms, and (iii) employ the same modes of procedure as are
9 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
10 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained
11 in those Sections other than the State rate of tax), 2-12, 2-15
12 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to
13 transaction returns and quarter monthly payments), 4, 5, 5a,
14 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
15 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
16 Tax Act and the Uniform Penalty and Interest Act as if those
17 provisions were set forth in this Section.

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

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

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified and to the person named in the notification
4 from the Department. The refund shall be paid by the State
5 Treasurer out of the State Metro-East Park and Recreation
6 District Fund.

7 (b) If a tax has been imposed under subsection (a), a
8 service occupation tax shall also be imposed at the same rate
9 upon all persons engaged, in the District, in the business of
10 making sales of service, who, as an incident to making those
11 sales of service, transfer tangible personal property within
12 the District as an incident to a sale of service. This tax may
13 not be imposed on sales of tangible personal property taxed at
14 the 1% rate under the Service Occupation Tax Act, including but
15 not limited to, food for human consumption that is to be
16 consumed off the premises where it is sold (other than
17 alcoholic beverages, soft drinks, and food that has been
18 prepared for immediate consumption) and prescription and
19 non-prescription medicines, drugs, medical appliances,
20 products classified as Class III medical devices by the United
21 States Food and Drug Administration that are used for cancer
22 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. The tax imposed under this subsection and all civil
2 penalties that may be assessed as an incident thereof shall be
3 collected and enforced by the Department of Revenue. The
4 Department has full power to administer and enforce this
5 subsection; to collect all taxes and penalties due hereunder;
6 to dispose of taxes and penalties so collected in the manner
7 hereinafter provided; and to determine all rights to credit
8 memoranda arising on account of the erroneous payment of tax or
9 penalty hereunder. In the administration of, and compliance
10 with this subsection, the Department and persons who are
11 subject to this paragraph shall (i) have the same rights,
12 remedies, privileges, immunities, powers, and duties, (ii) be
13 subject to the same conditions, restrictions, limitations,
14 penalties, exclusions, exemptions, and definitions of terms,
15 and (iii) employ the same modes of procedure as are prescribed
16 in Sections 2 (except that the reference to State in the
17 definition of supplier maintaining a place of business in this
18 State shall mean the District), 2a, 2b, 2c, 3 through 3-50 (in
19 respect to all provisions therein other than the State rate of
20 tax), 4 (except that the reference to the State shall be to the
21 District), 5, 7, 8 (except that the jurisdiction to which the
22 tax shall be a debt to the extent indicated in that Section 8
23 shall be the District), 9 (except as to the disposition of
24 taxes and penalties collected), 10, 11, 12 (except the
25 reference therein to Section 2b of the Retailers' Occupation
26 Tax Act), 13 (except that any reference to the State shall mean

1 the District), Sections 15, 16, 17, 18, 19 and 20 of the
2 Service Occupation Tax Act and the Uniform Penalty and Interest
3 Act, as fully as if those provisions were set forth herein.

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

12 Whenever the Department determines that a refund should be
13 made under this subsection to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the warrant to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the State Metro-East Park and Recreation
19 District Fund.

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

24 (c) The Department shall immediately pay over to the State
25 Treasurer, ex officio, as trustee, all taxes and penalties
26 collected under this Section to be deposited into the State

1 Metro-East Park and Recreation District Fund, which shall be an
2 unappropriated trust fund held outside of the State treasury.

3 As soon as possible after the first day of each month,
4 beginning January 1, 2011, upon certification of the Department
5 of Revenue, the Comptroller shall order transferred, and the
6 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
7 local sales tax increment, as defined in the Innovation
8 Development and Economy Act, collected under this Section
9 during the second preceding calendar month for sales within a
10 STAR bond district. The Department shall make this
11 certification only if the Metro East Park and Recreation
12 District imposes a tax on real property as provided in the
13 definition of "local sales taxes" under the Innovation
14 Development and Economy Act.

15 After the monthly transfer to the STAR Bonds Revenue Fund,
16 on or before the 25th day of each calendar month, the
17 Department shall prepare and certify to the Comptroller the
18 disbursement of stated sums of money pursuant to Section 35 of
19 this Act to the District from which retailers have paid taxes
20 or penalties to the Department during the second preceding
21 calendar month. The amount to be paid to the District shall be
22 the amount (not including credit memoranda) collected under
23 this Section during the second preceding calendar month by the
24 Department plus an amount the Department determines is
25 necessary to offset any amounts that were erroneously paid to a
26 different taxing body, and not including (i) an amount equal to

1 the amount of refunds made during the second preceding calendar
2 month by the Department on behalf of the District, (ii) any
3 amount that the Department determines is necessary to offset
4 any amounts that were payable to a different taxing body but
5 were erroneously paid to the District, and (iii) any amounts
6 that are transferred to the STAR Bonds Revenue Fund. Within 10
7 days after receipt by the Comptroller of the disbursement
8 certification to the District provided for in this Section to
9 be given to the Comptroller by the Department, the Comptroller
10 shall cause the orders to be drawn for the respective amounts
11 in accordance with directions contained in the certification.

12 (d) For the purpose of determining whether a tax authorized
13 under this Section is applicable, a retail sale by a producer
14 of coal or another mineral mined in Illinois is a sale at
15 retail at the place where the coal or other mineral mined in
16 Illinois is extracted from the earth. This paragraph does not
17 apply to coal or another mineral when it is delivered or
18 shipped by the seller to the purchaser at a point outside
19 Illinois so that the sale is exempt under the United States
20 Constitution as a sale in interstate or foreign commerce.

21 (e) Nothing in this Section shall be construed to authorize
22 the board to impose a tax 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 (f) An ordinance imposing a tax under this Section or an
26 ordinance extending the imposition of a tax to an additional

1 county or counties shall be certified by the board and filed
2 with the Department of Revenue either (i) on or before the
3 first day of April, whereupon the Department shall proceed to
4 administer and enforce the tax as of the first day of July next
5 following the filing; or (ii) on or before the first day of
6 October, whereupon the Department shall proceed to administer
7 and enforce the tax as of the first day of January next
8 following the filing.

9 (g) When certifying the amount of a monthly disbursement to
10 the District under this Section, the Department shall increase
11 or decrease the amounts 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 (Source: P.A. 98-1098, eff. 8-26-14; 99-217, eff. 7-31-15.)

16 Section 150. The Local Mass Transit District Act is amended
17 by changing Section 5.01 as follows:

18 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

19 Sec. 5.01. Metro East Mass Transit District; use and
20 occupation taxes.

21 (a) The Board of Trustees of any Metro East Mass Transit
22 District may, by ordinance adopted with the concurrence of
23 two-thirds of the then trustees, impose throughout the District
24 any or all of the taxes and fees provided in this Section. All

1 taxes and fees imposed under this Section shall be used only
2 for public mass transportation systems, and the amount used to
3 provide mass transit service to unserved areas of the District
4 shall be in the same proportion to the total proceeds as the
5 number of persons residing in the unserved areas is to the
6 total population of the District. Except as otherwise provided
7 in this Act, taxes imposed under this Section and civil
8 penalties imposed incident thereto shall be collected and
9 enforced by the State Department of Revenue. The Department
10 shall have the power to administer and enforce the taxes and to
11 determine all rights for refunds for erroneous payments of the
12 taxes.

13 (b) The Board may impose a Metro East Mass Transit District
14 Retailers' Occupation Tax upon all persons engaged in the
15 business of selling tangible personal property at retail in the
16 district at a rate of $\frac{1}{4}$ of 1%, or as authorized under
17 subsection (d-5) of this Section, of the gross receipts from
18 the sales made in the course of such business within the
19 district. The tax imposed under this Section and all civil
20 penalties that may be assessed as an incident thereof shall be
21 collected and enforced by the State Department of Revenue. The
22 Department shall have full power to administer and enforce this
23 Section; to collect all taxes and penalties so collected in the
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, exclusions, exemptions and definitions of terms and
6 employ the same modes of procedure, as are prescribed in
7 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
8 (in respect to all provisions therein other than the State rate
9 of tax), 2c, 3 (except as to the disposition of taxes and
10 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
11 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of
12 the Retailers' Occupation Tax Act and Section 3-7 of the
13 Uniform Penalty and Interest Act, as fully as if those
14 provisions were set forth herein.

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

22 Whenever the Department determines that a refund should be
23 made under this Section to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the warrant to be drawn for the
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the Metro East Mass Transit District tax fund
3 established under paragraph (h) of this Section.

4 If a tax is imposed under this subsection (b), a tax shall
5 also be imposed under subsections (c) and (d) of this Section.

6 For the purpose of determining whether a tax authorized
7 under this Section is applicable, a retail sale, by a producer
8 of coal or other mineral mined in Illinois, is a sale at retail
9 at the place where the coal or other mineral mined in Illinois
10 is extracted from the earth. This paragraph does not apply to
11 coal or other mineral when it is delivered or shipped by the
12 seller to the purchaser at a point outside Illinois so that the
13 sale is exempt under the Federal Constitution as a sale in
14 interstate or foreign commerce.

15 No tax shall be imposed or collected under this subsection
16 on the sale of a motor vehicle in this State to a resident of
17 another state if that motor vehicle will not be titled in this
18 State.

19 Nothing in this Section shall be construed to authorize the
20 Metro East Mass Transit District to impose a tax upon the
21 privilege of engaging in any business which under the
22 Constitution of the United States may not be made the subject
23 of taxation by this State.

24 (c) If a tax has been imposed under subsection (b), a Metro
25 East Mass Transit District Service Occupation Tax shall also be
26 imposed upon all persons engaged, in the district, in the

1 business of making sales of service, who, as an incident to
2 making those sales of service, transfer tangible personal
3 property within the District, either in the form of tangible
4 personal property or in the form of real estate as an incident
5 to a sale of service. The tax rate shall be 1/4%, or as
6 authorized under subsection (d-5) of this Section, of the
7 selling price of tangible personal property so transferred
8 within the district. The tax imposed under this paragraph and
9 all civil penalties that may be assessed as an incident thereof
10 shall be collected and enforced by the State Department of
11 Revenue. The Department shall have full power to administer and
12 enforce this paragraph; to collect all taxes and penalties due
13 hereunder; to dispose of taxes and penalties so collected in
14 the manner hereinafter provided; and to determine all rights to
15 credit memoranda arising on account of the erroneous payment of
16 tax or penalty hereunder. In the administration of, and
17 compliance with this paragraph, the Department and persons who
18 are subject to this paragraph shall have the same rights,
19 remedies, privileges, immunities, powers and duties, and be
20 subject to the same conditions, restrictions, limitations,
21 penalties, exclusions, exemptions and definitions of terms and
22 employ the same modes of procedure as are prescribed in
23 Sections 1a-1, 2 (except that the reference to State in the
24 definition of supplier maintaining a place of business in this
25 State shall mean the Authority), 2a, 3 through 3-50 (in respect
26 to all provisions therein other than the State rate of tax), 4

1 (except that the reference to the State shall be to the
2 Authority), 5, 7, 8 (except that the jurisdiction to which the
3 tax shall be a debt to the extent indicated in that Section 8
4 shall be the District), 9 (except as to the disposition of
5 taxes and penalties collected, and except that the returned
6 merchandise credit for this tax may not be taken against any
7 State tax), 10, 11, 12 (except the reference therein to Section
8 2b of the Retailers' Occupation Tax Act), 13 (except that any
9 reference to the State shall mean the District), the first
10 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service
11 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
12 Interest Act, as fully as if those provisions were set forth
13 herein.

14 Persons subject to any tax imposed under the authority
15 granted in this paragraph 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 paragraph to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the warrant to be drawn for the
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the Metro East Mass Transit District tax fund
3 established under paragraph (h) of this Section.

4 Nothing in this paragraph shall be construed to authorize
5 the District 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 the State.

8 (d) If a tax has been imposed under subsection (b), a Metro
9 East Mass Transit District Use Tax shall also be imposed upon
10 the privilege of using, in the district, any item of tangible
11 personal property that is purchased outside the district at
12 retail from a retailer, and that is titled or registered with
13 an agency of this State's government, at a rate of 1/4%, or as
14 authorized under subsection (d-5) of this Section, of the
15 selling price of the tangible personal property within the
16 District, 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 District. The tax shall be collected by the Department of
20 Revenue for the Metro East Mass Transit District. The tax must
21 be paid to the State, or an exemption determination must be
22 obtained from the Department of Revenue, before the title or
23 certificate of registration for the property may be issued. The
24 tax or proof of exemption may be transmitted to the Department
25 by way of the State agency with which, or the State officer
26 with whom, the tangible personal property must be titled or

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

4 The Department shall have full power to administer and
5 enforce this paragraph; to collect all taxes, penalties and
6 interest due hereunder; to dispose of taxes, penalties and
7 interest so collected in the manner hereinafter provided; and
8 to determine all rights to credit memoranda or refunds arising
9 on account of the erroneous payment of tax, penalty or interest
10 hereunder. In the administration of, and compliance with, this
11 paragraph, the Department and persons who are subject to this
12 paragraph shall have the same rights, remedies, privileges,
13 immunities, powers and duties, and be subject to the same
14 conditions, restrictions, limitations, penalties, exclusions,
15 exemptions and definitions of terms and employ the same modes
16 of procedure, as are prescribed in Sections 2 (except the
17 definition of "retailer maintaining a place of business in this
18 State"), 3 through 3-80 (except provisions pertaining to the
19 State rate of tax, and except provisions concerning collection
20 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
21 19 (except the portions pertaining to claims by retailers and
22 except the last paragraph concerning refunds), 20, 21 and 22 of
23 the Use Tax Act and Section 3-7 of the Uniform Penalty and
24 Interest Act, that are not inconsistent with this paragraph, as
25 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 Metro East Mass Transit District tax fund
7 established under paragraph (h) of this Section.

8 (d-5) (A) The county board of any county participating in
9 the Metro East Mass Transit District may authorize, by
10 ordinance, a referendum on the question of whether the tax
11 rates for the Metro East Mass Transit District Retailers'
12 Occupation Tax, the Metro East Mass Transit District Service
13 Occupation Tax, and the Metro East Mass Transit District Use
14 Tax for the District should be increased from 0.25% to 0.75%.
15 Upon adopting the ordinance, the county board shall certify the
16 proposition to the proper election officials who shall submit
17 the proposition to the voters of the District at the next
18 election, in accordance with the general election law.

19 The proposition shall be in substantially the following
20 form:

21 Shall the tax rates for the Metro East Mass Transit
22 District Retailers' Occupation Tax, the Metro East Mass
23 Transit District Service Occupation Tax, and the Metro East
24 Mass Transit District Use Tax be increased from 0.25% to
25 0.75%?

26 (B) Two thousand five hundred electors of any Metro East

1 Mass Transit District may petition the Chief Judge of the
2 Circuit Court, or any judge of that Circuit designated by the
3 Chief Judge, in which that District is located to cause to be
4 submitted to a vote of the electors the question whether the
5 tax rates for the Metro East Mass Transit District Retailers'
6 Occupation Tax, the Metro East Mass Transit District Service
7 Occupation Tax, and the Metro East Mass Transit District Use
8 Tax for the District should be increased from 0.25% to 0.75%.

9 Upon submission of such petition the court shall set a date
10 not less than 10 nor more than 30 days thereafter for a hearing
11 on the sufficiency thereof. Notice of the filing of such
12 petition and of such date shall be given in writing to the
13 District and the County Clerk at least 7 days before the date
14 of such hearing.

15 If such petition is found sufficient, the court shall enter
16 an order to submit that proposition at the next election, in
17 accordance with general election law.

18 The form of the petition shall be in substantially the
19 following form: To the Circuit Court of the County of (name of
20 county):

21 We, the undersigned electors of the (name of transit
22 district), respectfully petition your honor to submit to a
23 vote of the electors of (name of transit district) the
24 following proposition:

25 Shall the tax rates for the Metro East Mass Transit
26 District Retailers' Occupation Tax, the Metro East Mass

1 Transit District Service Occupation Tax, and the Metro East
 2 Mass Transit District Use Tax be increased from 0.25% to
 3 0.75%?

4 Name Address, with Street and Number.
 5
 6

7 (C) The votes shall be recorded as "YES" or "NO". If a
 8 majority of all votes cast on the proposition are for the
 9 increase in the tax rates, the Metro East Mass Transit District
 10 shall begin imposing the increased rates in the District, and
 11 the Department of Revenue shall begin collecting the increased
 12 amounts, as provided under this Section. An ordinance imposing
 13 or discontinuing a tax hereunder or effecting a change in the
 14 rate thereof shall be adopted and a certified copy thereof
 15 filed with the Department on or before the first day of
 16 October, whereupon the Department shall proceed to administer
 17 and enforce this Section as of the first day of January next
 18 following the adoption and filing, or on or before the first
 19 day of April, whereupon the Department shall proceed to
 20 administer and enforce this Section as of the first day of July
 21 next following the adoption and filing.

22 (D) If the voters have approved a referendum under this
 23 subsection, before November 1, 1994, to increase the tax rate
 24 under this subsection, the Metro East Mass Transit District
 25 Board of Trustees may adopt by a majority vote an ordinance at
 26 any time before January 1, 1995 that excludes from the rate

1 increase tangible personal property that is titled or
2 registered with an agency of this State's government. The
3 ordinance excluding titled or registered tangible personal
4 property from the rate increase must be filed with the
5 Department at least 15 days before its effective date. At any
6 time after adopting an ordinance excluding from the rate
7 increase tangible personal property that is titled or
8 registered with an agency of this State's government, the Metro
9 East Mass Transit District Board of Trustees may adopt an
10 ordinance applying the rate increase to that tangible personal
11 property. The ordinance shall be adopted, and a certified copy
12 of that ordinance shall be filed with the Department, on or
13 before October 1, whereupon the Department shall proceed to
14 administer and enforce the rate increase against tangible
15 personal property titled or registered with an agency of this
16 State's government as of the following January 1. After
17 December 31, 1995, any reimposed rate increase in effect under
18 this subsection shall no longer apply to tangible personal
19 property titled or registered with an agency of this State's
20 government. Beginning January 1, 1996, the Board of Trustees of
21 any Metro East Mass Transit District may never reimpose a
22 previously excluded tax rate increase on tangible personal
23 property titled or registered with an agency of this State's
24 government. After July 1, 2004, if the voters have approved a
25 referendum under this subsection to increase the tax rate under
26 this subsection, the Metro East Mass Transit District Board of

1 Trustees may adopt by a majority vote an ordinance that
2 excludes from the rate increase tangible personal property that
3 is titled or registered with an agency of this State's
4 government. The ordinance excluding titled or registered
5 tangible personal property from the rate increase shall be
6 adopted, and a certified copy of that ordinance shall be filed
7 with the Department on or before October 1, whereupon the
8 Department shall administer and enforce this exclusion from the
9 rate increase as of the following January 1, or on or before
10 April 1, whereupon the Department shall administer and enforce
11 this exclusion from the rate increase as of the following July
12 1. The Board of Trustees of any Metro East Mass Transit
13 District may never reimpose a previously excluded tax rate
14 increase on tangible personal property titled or registered
15 with an agency of this State's government.

16 (d-6) If the Board of Trustees of any Metro East Mass
17 Transit District has imposed a rate increase under subsection
18 (d-5) and filed an ordinance with the Department of Revenue
19 excluding titled property from the higher rate, then that Board
20 may, by ordinance adopted with the concurrence of two-thirds of
21 the then trustees, impose throughout the District a fee. The
22 fee on the excluded property shall not exceed \$20 per retail
23 transaction or an amount equal to the amount of tax excluded,
24 whichever is less, on tangible personal property that is titled
25 or registered with an agency of this State's government.
26 Beginning July 1, 2004, the fee shall apply only to titled

1 property that is subject to either the Metro East Mass Transit
2 District Retailers' Occupation Tax or the Metro East Mass
3 Transit District Service Occupation Tax. No fee shall be
4 imposed or collected under this subsection on the sale of a
5 motor vehicle in this State to a resident of another state if
6 that motor vehicle will not be titled in this State.

7 (d-7) Until June 30, 2004, if a fee has been imposed under
8 subsection (d-6), a fee shall also be imposed upon the
9 privilege of using, in the district, any item of tangible
10 personal property that is titled or registered with any agency
11 of this State's government, in an amount equal to the amount of
12 the fee imposed under subsection (d-6).

13 (d-7.1) Beginning July 1, 2004, any fee imposed by the
14 Board of Trustees of any Metro East Mass Transit District under
15 subsection (d-6) and all civil penalties that may be assessed
16 as an incident of the fees shall be collected and enforced by
17 the State Department of Revenue. Reference to "taxes" in this
18 Section shall be construed to apply to the administration,
19 payment, and remittance of all fees under this Section. For
20 purposes of any fee imposed under subsection (d-6), 4% of the
21 fee, penalty, and interest received by the Department in the
22 first 12 months that the fee is collected and enforced by the
23 Department and 2% of the fee, penalty, and interest following
24 the first 12 months shall be transferred ~~deposited~~ into the Tax
25 Compliance and Administration Fund and shall be used by the
26 Department, subject to appropriation, to cover the costs of the

1 Department. No retailers' discount shall apply to any fee
2 imposed under subsection (d-6).

3 (d-8) No item of titled property shall be subject to both
4 the higher rate approved by referendum, as authorized under
5 subsection (d-5), and any fee imposed under subsection (d-6) or
6 (d-7).

7 (d-9) (Blank).

8 (d-10) (Blank).

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) of
14 this Section and no additional registration shall be required
15 under the tax. A certificate issued under the Use Tax Act or
16 the Service Use Tax Act shall be applicable with regard to any
17 tax imposed under paragraph (c) of this Section.

18 (f) (Blank).

19 (g) Any ordinance imposing or discontinuing any tax under
20 this Section shall be adopted and a certified copy thereof
21 filed with the Department on or before June 1, whereupon the
22 Department of Revenue shall proceed to administer and enforce
23 this Section on behalf of the Metro East Mass Transit District
24 as of September 1 next following such adoption and filing.
25 Beginning January 1, 1992, an ordinance or resolution imposing
26 or discontinuing the tax hereunder shall be adopted and a

1 certified copy thereof filed with the Department on or before
2 the first day of July, whereupon the Department shall proceed
3 to administer and enforce this Section as of the first day of
4 October next following such adoption and filing. Beginning
5 January 1, 1993, except as provided in subsection (d-5) of this
6 Section, an ordinance or resolution imposing or discontinuing
7 the tax hereunder shall be adopted and a certified copy thereof
8 filed with the Department on or before the first day of
9 October, whereupon the Department shall proceed to administer
10 and enforce this Section as of the first day of January next
11 following such adoption and filing, or, beginning January 1,
12 2004, on or before the first day of April, whereupon the
13 Department shall proceed to administer and enforce this Section
14 as of the first day of July next following the adoption and
15 filing.

16 (h) Except as provided in subsection (d-7.1), the State
17 Department of Revenue shall, upon collecting any taxes as
18 provided in this Section, pay the taxes over to the State
19 Treasurer as trustee for the District. The taxes shall be held
20 in a trust fund outside the State Treasury.

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. The Department shall make this
3 certification only if the local mass transit district imposes a
4 tax on real property as provided in the definition of "local
5 sales taxes" under the Innovation Development and Economy Act.

6 After the monthly transfer to the STAR Bonds Revenue Fund,
7 on or 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 the amount to be paid to
10 the District, which shall be the amount (not including credit
11 memoranda) collected under this Section during the second
12 preceding calendar month by the Department plus an amount the
13 Department determines is necessary to offset any amounts that
14 were erroneously paid to a different taxing body, and not
15 including any amount equal to the amount of refunds made during
16 the second preceding calendar month by the Department on behalf
17 of the District, and not including any amount that the
18 Department determines is necessary to offset any amounts that
19 were payable to a different taxing body but were erroneously
20 paid to the District, less the amount to be transferred to the
21 Tax Compliance and Administration Fund under subsection
22 (d-7.1), and less any amounts that are transferred to the STAR
23 Bonds Revenue Fund. Within 10 days after receipt by the
24 Comptroller of the certification of the amount to be paid to
25 the District, the Comptroller shall cause an order to be drawn
26 for payment for the amount in accordance with the direction in

1 the certification.

2 (Source: P.A. 98-298, eff. 8-9-13; 99-217, eff. 7-31-15.)

3 Section 155. The Regional Transportation Authority Act is
4 amended by changing Section 4.03 as follows:

5 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

6 Sec. 4.03. Taxes.

7 (a) In order to carry out any of the powers or purposes of
8 the Authority, the Board may by ordinance adopted with the
9 concurrence of 12 of the then Directors, impose throughout the
10 metropolitan region any or all of the taxes provided in this
11 Section. Except as otherwise provided in this Act, taxes
12 imposed under this Section and civil penalties imposed incident
13 thereto shall be collected and enforced by the State Department
14 of Revenue. The Department shall have the power to administer
15 and enforce the taxes and to determine all rights for refunds
16 for erroneous payments of the taxes. Nothing in Public Act
17 95-708 is intended to invalidate any taxes currently imposed by
18 the Authority. The increased vote requirements to impose a tax
19 shall only apply to actions taken after January 1, 2008 (the
20 effective date of Public Act 95-708).

21 (b) The Board may impose a public transportation tax upon
22 all persons engaged in the metropolitan region in the business
23 of selling at retail motor fuel for operation of motor vehicles
24 upon public highways. The tax shall be at a rate not to exceed

1 5% of the gross receipts from the sales of motor fuel in the
2 course of the business. As used in this Act, the term "motor
3 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
4 The Board may provide for details of the tax. The provisions of
5 any tax shall conform, as closely as may be practicable, to the
6 provisions of the Municipal Retailers Occupation Tax Act,
7 including without limitation, conformity to penalties with
8 respect to the tax imposed and as to the powers of the State
9 Department of Revenue to promulgate and enforce rules and
10 regulations relating to the administration and enforcement of
11 the provisions of the tax imposed, except that reference in the
12 Act to any municipality shall refer to the Authority and the
13 tax shall be imposed only with regard to receipts from sales of
14 motor fuel in the metropolitan region, at rates as limited by
15 this Section.

16 (c) In connection with the tax imposed under paragraph (b)
17 of this Section the Board may impose a tax upon the privilege
18 of using in the metropolitan region motor fuel for the
19 operation of a motor vehicle upon public highways, the tax to
20 be at a rate not in excess of the rate of tax imposed under
21 paragraph (b) of this Section. The Board may provide for
22 details of the tax.

23 (d) The Board may impose a motor vehicle parking tax upon
24 the privilege of parking motor vehicles at off-street parking
25 facilities in the metropolitan region at which a fee is
26 charged, and may provide for reasonable classifications in and

1 exemptions to the tax, for administration and enforcement
2 thereof and for civil penalties and refunds thereunder and may
3 provide criminal penalties thereunder, the maximum penalties
4 not to exceed the maximum criminal penalties provided in the
5 Retailers' Occupation Tax Act. The Authority may collect and
6 enforce the tax itself or by contract with any unit of local
7 government. The State Department of Revenue shall have no
8 responsibility for the collection and enforcement unless the
9 Department agrees with the Authority to undertake the
10 collection and enforcement. As used in this paragraph, the term
11 "parking facility" means a parking area or structure having
12 parking spaces for more than 2 vehicles at which motor vehicles
13 are permitted to park in return for an hourly, daily, or other
14 periodic fee, whether publicly or privately owned, but does not
15 include parking spaces on a public street, the use of which is
16 regulated by parking meters.

17 (e) The Board may impose a Regional Transportation
18 Authority Retailers' Occupation Tax upon all persons engaged in
19 the business of selling tangible personal property at retail in
20 the metropolitan region. In Cook County the tax rate shall be
21 1.25% of the gross receipts from sales of tangible personal
22 property taxed at the 1% rate under the Retailers' Occupation
23 Tax Act, including but not limited to, food for human
24 consumption that is to be consumed off the premises where it is
25 sold (other than alcoholic beverages, soft drinks and food that
26 has been prepared for immediate consumption) and prescription

1 and nonprescription medicines, drugs, medical appliances,
2 products classified as Class III medical devices by the United
3 States Food and Drug Administration that are used for cancer
4 treatment pursuant to a prescription, as well as any
5 accessories and components related to those devices,
6 modifications to a motor vehicle for the purpose of rendering
7 it usable by a person with a disability, and insulin, urine
8 testing materials, syringes and needles used by diabetics, for
9 human use, and 1% of the gross receipts from other taxable
10 sales made in the course of that business. In DuPage, Kane,
11 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
12 of the gross receipts from all taxable sales made in the course
13 of that business. The tax imposed under this Section and all
14 civil penalties that may be assessed as an incident thereof
15 shall be collected and enforced by the State Department of
16 Revenue. The Department shall have full power to administer and
17 enforce this Section; to collect all taxes and penalties so
18 collected in the manner hereinafter provided; and to determine
19 all rights to credit memoranda arising on account of the
20 erroneous payment of tax or penalty hereunder. In the
21 administration of, and compliance with this Section, the
22 Department and persons who are subject to this Section shall
23 have the same rights, remedies, privileges, immunities, powers
24 and duties, and be subject to the same conditions,
25 restrictions, limitations, penalties, exclusions, exemptions
26 and definitions of terms, and employ the same modes of

1 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
2 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
3 therein other than the State rate of tax), 2c, 3 (except as to
4 the disposition of taxes and penalties collected), 4, 5, 5a,
5 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
6 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
7 and Section 3-7 of the Uniform Penalty and Interest Act, as
8 fully as if those provisions were set forth herein.

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

16 Whenever the Department determines that a refund should be
17 made under this Section to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the warrant to be drawn for the
20 amount specified, and to the person named, in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of the Regional Transportation Authority tax fund
23 established under paragraph (n) of this Section.

24 If a tax is imposed under this subsection (e), a tax shall
25 also be imposed under subsections (f) and (g) of this Section.

26 For the purpose of determining whether a tax authorized

1 under this Section is applicable, a retail sale by a producer
2 of coal or other mineral mined in Illinois, is a sale at retail
3 at the place where the coal or other mineral mined in Illinois
4 is extracted from the earth. This paragraph does not apply to
5 coal or other mineral when it is delivered or shipped by the
6 seller to the purchaser at a point outside Illinois so that the
7 sale is exempt under the Federal Constitution as a sale in
8 interstate or foreign commerce.

9 No tax shall be imposed or collected under this subsection
10 on the sale of a motor vehicle in this State to a resident of
11 another state if that motor vehicle will not be titled in this
12 State.

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

18 (f) If a tax has been imposed under paragraph (e), a
19 Regional Transportation Authority Service Occupation Tax shall
20 also be imposed upon all persons engaged, in the metropolitan
21 region in the business of making sales of service, who as an
22 incident to making the sales of service, transfer tangible
23 personal property within the metropolitan region, either in the
24 form of tangible personal property or in the form of real
25 estate as an incident to a sale of service. In Cook County, the
26 tax rate shall be: (1) 1.25% of the serviceman's cost price of

1 food prepared for immediate consumption and transferred
2 incident to a sale of service subject to the service occupation
3 tax by an entity licensed under the Hospital Licensing Act, the
4 Nursing Home Care Act, the Specialized Mental Health
5 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
6 the MC/DD Act that is located in the metropolitan region; (2)
7 1.25% of the selling price of tangible personal property taxed
8 at the 1% rate under the Service 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 nonprescription medicines, drugs, medical appliances, products
14 classified as Class III medical devices by the United States
15 Food and Drug Administration that are used for cancer treatment
16 pursuant to a prescription, as well as any accessories and
17 components related to those devices, modifications to a motor
18 vehicle for the purpose of rendering it usable by a person with
19 a disability, and insulin, urine testing materials, syringes
20 and needles used by diabetics, for human use; and (3) 1% of the
21 selling price from other taxable sales of tangible personal
22 property transferred. In DuPage, Kane, Lake, McHenry and Will
23 Counties the rate shall be 0.75% of the selling price of all
24 tangible personal property transferred.

25 The tax imposed under this paragraph and all civil
26 penalties that may be assessed as an incident thereof shall be

1 collected and enforced by the State Department of Revenue. The
2 Department shall have full power to administer and enforce this
3 paragraph; to collect all taxes and penalties due hereunder; to
4 dispose of taxes and penalties collected in the manner
5 hereinafter provided; and to determine all rights to credit
6 memoranda arising on account of the erroneous payment of tax or
7 penalty hereunder. In the administration of and compliance with
8 this paragraph, the Department and persons who are subject to
9 this paragraph shall have the same rights, remedies,
10 privileges, immunities, powers and duties, and be subject to
11 the same conditions, restrictions, limitations, penalties,
12 exclusions, exemptions and definitions of terms, and employ the
13 same modes of procedure, as are prescribed in Sections 1a-1, 2,
14 2a, 3 through 3-50 (in respect to all provisions therein other
15 than the State rate of tax), 4 (except that the reference to
16 the State shall be to the Authority), 5, 7, 8 (except that the
17 jurisdiction to which the tax shall be a debt to the extent
18 indicated in that Section 8 shall be the Authority), 9 (except
19 as to the disposition of taxes and penalties collected, and
20 except that the returned merchandise credit for this tax may
21 not be taken against any State tax), 10, 11, 12 (except the
22 reference therein to Section 2b of the Retailers' Occupation
23 Tax Act), 13 (except that any reference to the State shall mean
24 the Authority), the first paragraph of Section 15, 16, 17, 18,
25 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
26 the Uniform Penalty and Interest Act, as fully as if those

1 provisions were set forth herein.

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

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

17 Nothing in this paragraph shall be construed to authorize
18 the Authority to impose a tax upon the privilege of engaging in
19 any business that under the Constitution of the United States
20 may not be made the subject of taxation by the State.

21 (g) If a tax has been imposed under paragraph (e), a tax
22 shall also be imposed upon the privilege of using in the
23 metropolitan region, any item of tangible personal property
24 that is purchased outside the metropolitan region at retail
25 from a retailer, and that is titled or registered with an
26 agency of this State's government. In Cook County the tax rate

1 shall be 1% of the selling price of the tangible personal
2 property, as "selling price" is defined in the Use Tax Act. In
3 DuPage, Kane, Lake, McHenry and Will counties the tax rate
4 shall be 0.75% of the selling price of the tangible personal
5 property, as "selling price" is defined in the Use Tax Act. The
6 tax shall be collected from persons whose Illinois address for
7 titling or registration purposes is given as being in the
8 metropolitan region. The tax shall be collected by the
9 Department of Revenue for the Regional Transportation
10 Authority. The tax must be paid to the State, or an exemption
11 determination must be obtained from the Department of Revenue,
12 before the title or certificate of registration for the
13 property may be issued. The tax or proof of exemption may be
14 transmitted to the Department by way of the State agency with
15 which, or the State officer with whom, the tangible personal
16 property must be titled or registered if the Department and the
17 State agency or State officer determine that this procedure
18 will expedite the processing of applications for title or
19 registration.

20 The Department shall have full power to administer and
21 enforce this paragraph; to collect all taxes, penalties and
22 interest due hereunder; to dispose of taxes, penalties and
23 interest collected in the manner hereinafter provided; and to
24 determine all rights to credit memoranda or refunds arising on
25 account of the erroneous payment of tax, penalty or interest
26 hereunder. In the administration of and compliance with this

1 paragraph, the Department and persons who are subject to this
2 paragraph shall have the same rights, remedies, privileges,
3 immunities, powers and duties, and be subject to the same
4 conditions, restrictions, limitations, penalties, exclusions,
5 exemptions and definitions of terms and employ the same modes
6 of procedure, as are prescribed in Sections 2 (except the
7 definition of "retailer maintaining a place of business in this
8 State"), 3 through 3-80 (except provisions pertaining to the
9 State rate of tax, and except provisions concerning collection
10 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
11 19 (except the portions pertaining to claims by retailers and
12 except the last paragraph concerning refunds), 20, 21 and 22 of
13 the Use Tax Act, and are not inconsistent with this paragraph,
14 as fully as if those provisions were set forth herein.

15 Whenever the Department determines that a refund should be
16 made under this paragraph to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the order to be drawn for the
19 amount specified, and to the person named in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the Regional Transportation Authority tax fund
22 established under paragraph (n) of this Section.

23 (h) The Authority may impose a replacement vehicle tax of
24 \$50 on any passenger car as defined in Section 1-157 of the
25 Illinois Vehicle Code purchased within the metropolitan region
26 by or on behalf of an insurance company to replace a passenger

1 car of an insured person in settlement of a total loss claim.
2 The tax imposed may not become effective before the first day
3 of the month following the passage of the ordinance imposing
4 the tax and receipt of a certified copy of the ordinance by the
5 Department of Revenue. The Department of Revenue shall collect
6 the tax for the Authority in accordance with Sections 3-2002
7 and 3-2003 of the Illinois Vehicle Code.

8 The Department shall immediately pay over to the State
9 Treasurer, ex officio, as trustee, all taxes collected
10 hereunder.

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

19 After the monthly transfer to the STAR Bonds Revenue Fund,
20 on or before the 25th day of each calendar month, the
21 Department shall prepare and certify to the Comptroller the
22 disbursement of stated sums of money to the Authority. The
23 amount to be paid to the Authority shall be the amount
24 collected hereunder during the second preceding calendar month
25 by the Department, less any amount determined by the Department
26 to be necessary for the payment of refunds, and less any

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

8 (i) The Board may not impose any other taxes except as it
9 may from time to time be authorized by law to impose.

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

19 (k) The provisions of any tax imposed under paragraph (c)
20 of this Section shall conform as closely as may be practicable
21 to the provisions of the Use Tax Act, including without
22 limitation conformity as to penalties with respect to the tax
23 imposed and as to the powers of the State Department of Revenue
24 to promulgate and enforce rules and regulations relating to the
25 administration and enforcement of the provisions of the tax
26 imposed. The taxes shall be imposed only on use within the

1 metropolitan region and at rates as provided in the paragraph.

2 (l) The Board in imposing any tax as provided in paragraphs
3 (b) and (c) of this Section, shall, after seeking the advice of
4 the State Department of Revenue, provide means for retailers,
5 users or purchasers of motor fuel for purposes other than those
6 with regard to which the taxes may be imposed as provided in
7 those paragraphs to receive refunds of taxes improperly paid,
8 which provisions may be at variance with the refund provisions
9 as applicable under the Municipal Retailers Occupation Tax Act.
10 The State Department of Revenue may provide for certificates of
11 registration for users or purchasers of motor fuel for purposes
12 other than those with regard to which taxes may be imposed as
13 provided in paragraphs (b) and (c) of this Section to
14 facilitate the reporting and nontaxability of the exempt sales
15 or uses.

16 (m) Any ordinance imposing or discontinuing any tax under
17 this Section shall be adopted and a certified copy thereof
18 filed with the Department on or before June 1, whereupon the
19 Department of Revenue shall proceed to administer and enforce
20 this Section on behalf of the Regional Transportation Authority
21 as of September 1 next following such adoption and filing.
22 Beginning January 1, 1992, an ordinance or resolution imposing
23 or discontinuing the tax hereunder shall be adopted and a
24 certified copy thereof filed with the Department on or before
25 the first day of July, whereupon the Department shall proceed
26 to administer and enforce this Section as of the first day of

1 October next following such adoption and filing. Beginning
2 January 1, 1993, an ordinance or resolution imposing,
3 increasing, decreasing, or discontinuing the tax hereunder
4 shall be adopted and a certified copy thereof filed with the
5 Department, whereupon the Department shall proceed to
6 administer and enforce this Section as of the first day of the
7 first month to occur not less than 60 days following such
8 adoption and filing. Any ordinance or resolution of the
9 Authority imposing a tax under this Section and in effect on
10 August 1, 2007 shall remain in full force and effect and shall
11 be administered by the Department of Revenue under the terms
12 and conditions and rates of tax established by such ordinance
13 or resolution until the Department begins administering and
14 enforcing an increased tax under this Section as authorized by
15 Public Act 95-708. The tax rates authorized by Public Act
16 95-708 are effective only if imposed by ordinance of the
17 Authority.

18 (n) The State Department of Revenue shall, upon collecting
19 any taxes as provided in this Section, pay the taxes over to
20 the State Treasurer as trustee for the Authority. The taxes
21 shall be held in a trust fund outside the State Treasury. On or
22 before the 25th day of each calendar month, the State
23 Department of Revenue shall prepare and certify to the
24 Comptroller of the State of Illinois and to the Authority (i)
25 the amount of taxes collected in each County other than Cook
26 County in the metropolitan region, (ii) the amount of taxes

1 collected within the City of Chicago, and (iii) the amount
2 collected in that portion of Cook County outside of Chicago,
3 each amount less the amount necessary for the payment of
4 refunds to taxpayers located in those areas described in items
5 (i), (ii), and (iii). Within 10 days after receipt by the
6 Comptroller of the certification of the amounts, the
7 Comptroller shall cause an order to be drawn for the payment of
8 two-thirds of the amounts certified in item (i) of this
9 subsection to the Authority and one-third of the amounts
10 certified in item (i) of this subsection to the respective
11 counties other than Cook County and the amount certified in
12 items (ii) and (iii) of this subsection to the Authority.

13 In addition to the disbursement required by the preceding
14 paragraph, an allocation shall be made in July 1991 and each
15 year thereafter to the Regional Transportation Authority. The
16 allocation shall be made in an amount equal to the average
17 monthly distribution during the preceding calendar year
18 (excluding the 2 months of lowest receipts) and the allocation
19 shall include the amount of average monthly distribution from
20 the Regional Transportation Authority Occupation and Use Tax
21 Replacement Fund. The distribution made in July 1992 and each
22 year thereafter under this paragraph and the preceding
23 paragraph shall be reduced by the amount allocated and
24 disbursed under this paragraph in the preceding calendar year.
25 The Department of Revenue shall prepare and certify to the
26 Comptroller for disbursement the allocations made in

1 accordance with this paragraph.

2 (o) Failure to adopt a budget ordinance or otherwise to
3 comply with Section 4.01 of this Act or to adopt a Five-year
4 Capital Program or otherwise to comply with paragraph (b) of
5 Section 2.01 of this Act shall not affect the validity of any
6 tax imposed by the Authority otherwise in conformity with law.

7 (p) At no time shall a public transportation tax or motor
8 vehicle parking tax authorized under paragraphs (b), (c) and
9 (d) of this Section be in effect at the same time as any
10 retailers' occupation, use or service occupation tax
11 authorized under paragraphs (e), (f) and (g) of this Section is
12 in effect.

13 Any taxes imposed under the authority provided in
14 paragraphs (b), (c) and (d) shall remain in effect only until
15 the time as any tax authorized by paragraphs (e), (f) or (g) of
16 this Section are imposed and becomes effective. Once any tax
17 authorized by paragraphs (e), (f) or (g) is imposed the Board
18 may not reimpose taxes as authorized in paragraphs (b), (c) and
19 (d) of the Section unless any tax authorized by paragraphs (e),
20 (f) or (g) of this Section becomes ineffective by means other
21 than an ordinance of the Board.

22 (q) Any existing rights, remedies and obligations
23 (including enforcement by the Regional Transportation
24 Authority) arising under any tax imposed under paragraphs (b),
25 (c) or (d) of this Section shall not be affected by the
26 imposition of a tax under paragraphs (e), (f) or (g) of this

1 Section.

2 (Source: P.A. 98-104, eff. 7-22-13; 99-180, eff. 7-29-15;
3 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

4 Section 160. The Water Commission Act of 1985 is amended by
5 changing Section 4 as follows:

6 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

7 Sec. 4. Taxes.

8 (a) The board of commissioners of any county water
9 commission may, by ordinance, impose throughout the territory
10 of the commission any or all of the taxes provided in this
11 Section for its corporate purposes. However, no county water
12 commission may impose any such tax unless the commission
13 certifies the proposition of imposing the tax to the proper
14 election officials, who shall submit the proposition to the
15 voters residing in the territory at an election in accordance
16 with the general election law, and the proposition has been
17 approved by a majority of those voting on the proposition.

18 The proposition shall be in the form provided in Section 5
19 or shall be substantially in the following form:

20 -----

21 Shall the (insert corporate
22 name of county water commission)
23 impose (state type of tax or
24 taxes to be imposed) at the

YES

NO

1 rate of 1/4%?

2 -----

3 Taxes imposed under this Section and civil penalties
4 imposed incident thereto shall be collected and enforced by the
5 State Department of Revenue. The Department shall have the
6 power to administer and enforce the taxes and to determine all
7 rights for refunds for erroneous payments of the taxes.

8 (b) The board of commissioners may impose a County Water
9 Commission Retailers' Occupation Tax upon all persons engaged
10 in the business of selling tangible personal property at retail
11 in the territory of the commission at a rate of 1/4% of the
12 gross receipts from the sales made in the course of such
13 business within the territory. The tax imposed under this
14 paragraph and all civil penalties that may be assessed as an
15 incident thereof shall be collected and enforced by the State
16 Department of Revenue. The Department shall have full power to
17 administer and enforce this paragraph; to collect all taxes and
18 penalties due hereunder; to dispose of taxes and penalties so
19 collected in the manner hereinafter provided; and to determine
20 all rights to credit memoranda arising on account of the
21 erroneous payment of tax or penalty hereunder. In the
22 administration of, and compliance with, this paragraph, the
23 Department and persons who are subject to this paragraph shall
24 have the same rights, remedies, privileges, immunities, powers
25 and duties, and be subject to the same conditions,
26 restrictions, limitations, penalties, exclusions, exemptions

1 and definitions of terms, and employ the same modes of
2 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
3 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
4 therein other than the State rate of tax except that food for
5 human consumption that is to be consumed off the premises where
6 it is sold (other than alcoholic beverages, soft drinks, and
7 food that has been prepared for immediate consumption) and
8 prescription and nonprescription medicine, drugs, medical
9 appliances, products classified as Class III medical devices by
10 the United States Food and Drug Administration that are used
11 for cancer treatment pursuant to a prescription, as well as any
12 accessories and components related to those devices,
13 modifications to a motor vehicle for the purpose of rendering
14 it usable by a person with a disability, and insulin, urine
15 testing materials, syringes, and needles used by diabetics, for
16 human use, shall not be subject to tax hereunder), 2c, 3
17 (except as to the disposition of taxes and penalties
18 collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,
19 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
20 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
21 Penalty and Interest Act, as fully as if those provisions were
22 set forth herein.

23 Persons subject to any tax imposed under the authority
24 granted in this paragraph may reimburse themselves for their
25 seller's tax liability hereunder by separately stating the tax
26 as an additional charge, which charge may be stated in

1 combination, in a single amount, with State taxes that sellers
2 are required to collect under the Use Tax Act and under
3 subsection (e) of Section 4.03 of the Regional Transportation
4 Authority Act, in accordance with such bracket schedules as the
5 Department may prescribe.

6 Whenever the Department determines that a refund should be
7 made under this paragraph 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 a county water commission tax fund established
13 under paragraph (g) of this Section.

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

23 If a tax is imposed under this subsection (b) a tax shall
24 also be imposed under subsections (c) and (d) of this Section.

25 No tax shall be imposed or collected under this subsection
26 on the sale of a motor vehicle in this State to a resident of

1 another state if that motor vehicle will not be titled in this
2 State.

3 Nothing in this paragraph shall be construed to authorize a
4 county water commission to impose a tax upon the privilege of
5 engaging in any business which under the Constitution of the
6 United States may not be made the subject of taxation by this
7 State.

8 (c) If a tax has been imposed under subsection (b), a
9 County Water Commission Service Occupation Tax shall also be
10 imposed upon all persons engaged, in the territory of the
11 commission, in the business of making sales of service, who, as
12 an incident to making the sales of service, transfer tangible
13 personal property within the territory. The tax rate shall be
14 1/4% of the selling price of tangible personal property so
15 transferred within the territory. The tax imposed under this
16 paragraph and all civil penalties that may be assessed as an
17 incident thereof shall be collected and enforced by the State
18 Department of Revenue. The Department shall have full power to
19 administer and enforce this paragraph; to collect all taxes and
20 penalties due hereunder; to dispose of taxes and penalties so
21 collected in the manner hereinafter provided; and to determine
22 all rights to credit memoranda arising on account of the
23 erroneous payment of tax or penalty hereunder. In the
24 administration of, and compliance with, this paragraph, the
25 Department and persons who are subject to this paragraph shall
26 have the same rights, remedies, privileges, immunities, powers

1 and duties, and be subject to the same conditions,
2 restrictions, limitations, penalties, exclusions, exemptions
3 and definitions of terms, and employ the same modes of
4 procedure, as are prescribed in Sections 1a-1, 2 (except that
5 the reference to State in the definition of supplier
6 maintaining a place of business in this State shall mean the
7 territory of the commission), 2a, 3 through 3-50 (in respect to
8 all provisions therein other than the State rate of tax except
9 that food for human consumption that is to be consumed off the
10 premises where it is sold (other than alcoholic beverages, soft
11 drinks, and food that has been prepared for immediate
12 consumption) and prescription and nonprescription medicines,
13 drugs, medical appliances, products classified as Class III
14 medical devices by the United States Food and Drug
15 Administration that are used for cancer treatment pursuant to a
16 prescription, as well as any accessories and components related
17 to those devices, modifications to a motor vehicle for the
18 purpose of rendering it usable by a person with a disability,
19 and insulin, urine testing materials, syringes, and needles
20 used by diabetics, for human use, shall not be subject to tax
21 hereunder), 4 (except that the reference to the State shall be
22 to the territory of the commission), 5, 7, 8 (except that the
23 jurisdiction to which the tax shall be a debt to the extent
24 indicated in that Section 8 shall be the commission), 9 (except
25 as to the disposition of taxes and penalties collected and
26 except that the returned merchandise credit for this tax may

1 not be taken against any State tax), 10, 11, 12 (except the
2 reference therein to Section 2b of the Retailers' Occupation
3 Tax Act), 13 (except that any reference to the State shall mean
4 the territory of the commission), the first paragraph of
5 Section 15, 15.5, 16, 17, 18, 19 and 20 of the Service
6 Occupation Tax Act as fully as if those provisions were set
7 forth herein.

8 Persons subject to any tax imposed under the authority
9 granted in this paragraph may reimburse themselves for their
10 serviceman's tax liability hereunder by separately stating the
11 tax as an additional charge, which charge may be stated in
12 combination, in a single amount, with State tax that servicemen
13 are authorized to collect under the Service Use Tax Act, and
14 any tax for which servicemen may be liable under subsection (f)
15 of Section 4.03 of the Regional Transportation Authority Act,
16 in accordance with such bracket schedules as the Department may
17 prescribe.

18 Whenever the Department determines that a refund should be
19 made under this paragraph 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 a county water commission tax fund established
25 under paragraph (g) of this Section.

26 Nothing in this paragraph shall be construed to authorize a

1 county water commission to impose a tax upon the privilege of
2 engaging in any business which under the Constitution of the
3 United States may not be made the subject of taxation by the
4 State.

5 (d) If a tax has been imposed under subsection (b), a tax
6 shall also be imposed upon the privilege of using, in the
7 territory of the commission, any item of tangible personal
8 property that is purchased outside the territory at retail from
9 a retailer, and that is titled or registered with an agency of
10 this State's government, at a rate of 1/4% of the selling price
11 of the tangible personal property within the territory, as
12 "selling price" is defined in the Use Tax Act. The tax shall be
13 collected from persons whose Illinois address for titling or
14 registration purposes is given as being in the territory. The
15 tax shall be collected by the Department of Revenue for a
16 county water commission. The tax must be paid to the State, or
17 an exemption determination must be obtained from the Department
18 of Revenue, before the title or certificate of registration for
19 the property may be issued. The tax or proof of exemption may
20 be transmitted to the Department by way of the State agency
21 with which, or the State officer with whom, the tangible
22 personal property must be titled or registered if the
23 Department and the State agency or State officer determine that
24 this procedure will expedite the processing of applications for
25 title or registration.

26 The Department shall have full power to administer and

1 enforce this paragraph; to collect all taxes, penalties and
2 interest due hereunder; to dispose of taxes, penalties and
3 interest so collected in the manner hereinafter provided; and
4 to determine all rights to credit memoranda or refunds arising
5 on account of the erroneous payment of tax, penalty or interest
6 hereunder. In the administration of, and compliance with this
7 paragraph, the Department and persons who are subject to this
8 paragraph shall have the same rights, remedies, privileges,
9 immunities, powers and duties, and be subject to the same
10 conditions, restrictions, limitations, penalties, exclusions,
11 exemptions and definitions of terms and employ the same modes
12 of procedure, as are prescribed in Sections 2 (except the
13 definition of "retailer maintaining a place of business in this
14 State"), 3 through 3-80 (except provisions pertaining to the
15 State rate of tax, and except provisions concerning collection
16 or refunding of the tax by retailers, ~~and except that 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) and~~
20 ~~prescription and nonprescription medicines, drugs, medical~~
21 ~~appliances and insulin, urine testing materials, syringes, and~~
22 ~~needles used by diabetics, for human use,~~ shall not be subject
23 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the
24 portions pertaining to claims by retailers and except the last
25 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
26 and Section 3-7 of the Uniform Penalty and Interest Act that

1 are not inconsistent with this paragraph, as fully as if those
2 provisions were set forth herein.

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 order to be drawn for the
7 amount specified, and to the person named, in the notification
8 from the Department. The refund shall be paid by the State
9 Treasurer out of a county water commission tax fund established
10 under paragraph (g) of this Section.

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

20 (f) Any ordinance imposing or discontinuing any tax under
21 this Section shall be adopted and a certified copy thereof
22 filed with the Department on or before June 1, whereupon the
23 Department of Revenue shall proceed to administer and enforce
24 this Section on behalf of the county water commission as of
25 September 1 next following the adoption and filing. Beginning
26 January 1, 1992, an ordinance or resolution imposing or

1 discontinuing the tax hereunder shall be adopted and a
2 certified copy thereof filed with the Department on or before
3 the first day of July, whereupon the Department shall proceed
4 to administer and enforce this Section as of the first day of
5 October next following such adoption and filing. Beginning
6 January 1, 1993, an ordinance or resolution imposing or
7 discontinuing the tax hereunder shall be adopted and a
8 certified copy thereof filed with the Department on or before
9 the first day of October, whereupon the Department shall
10 proceed to administer and enforce this Section as of the first
11 day of January next following such adoption and filing.

12 (g) The State Department of Revenue shall, upon collecting
13 any taxes as provided in this Section, pay the taxes over to
14 the State Treasurer as trustee for the commission. The taxes
15 shall be held in a trust fund outside the State Treasury.

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 State
26 Department of Revenue shall prepare and certify to the

1 Comptroller of the State of Illinois the amount to be paid to
2 the commission, which shall be the amount (not including credit
3 memoranda) collected under this Section during the second
4 preceding calendar month by the Department plus an amount the
5 Department determines is necessary to offset any amounts that
6 were erroneously paid to a different taxing body, and not
7 including any amount equal to the amount of refunds made during
8 the second preceding calendar month by the Department on behalf
9 of the commission, and not including any amount that the
10 Department determines is necessary to offset any amounts that
11 were payable to a different taxing body but were erroneously
12 paid to the commission, and less any amounts that are
13 transferred to the STAR Bonds Revenue Fund. Within 10 days
14 after receipt by the Comptroller of the certification of the
15 amount to be paid to the commission, the Comptroller shall
16 cause an order to be drawn for the payment for the amount in
17 accordance with the direction in the certification.

18 (h) Beginning June 1, 2016, any tax imposed pursuant to
19 this Section may no longer be imposed or collected, unless a
20 continuation of the tax is approved by the voters at a
21 referendum as set forth in this Section.

22 (Source: P.A. 98-298, eff. 8-9-13; 99-217, eff. 7-31-15;
23 99-642, eff. 7-28-16.)

24 Section 163. The Raffles and Poker Runs Act is amended by
25 changing Section 2 as follows:

1 (230 ILCS 15/2) (from Ch. 85, par. 2302)

2 Sec. 2. Licensing.

3 (a) The governing body of any county or municipality within
4 this State may establish a system for the licensing of
5 organizations to operate raffles. The governing bodies of a
6 county and one or more municipalities may, pursuant to a
7 written contract, jointly establish a system for the licensing
8 of organizations to operate raffles within any area of
9 contiguous territory not contained within the corporate limits
10 of a municipality which is not a party to such contract. The
11 governing bodies of two or more adjacent counties or two or
12 more adjacent municipalities located within a county may,
13 pursuant to a written contract, jointly establish a system for
14 the licensing of organizations to operate raffles within the
15 corporate limits of such counties or municipalities. The
16 licensing authority may establish special categories of
17 licenses and promulgate rules relating to the various
18 categories. The licensing system shall provide for limitations
19 upon (1) the aggregate retail value of all prizes or
20 merchandise awarded by a licensee in a single raffle, (2) the
21 maximum retail value of each prize awarded by a licensee in a
22 single raffle, (3) the maximum price which may be charged for
23 each raffle chance issued or sold and (4) the maximum number of
24 days during which chances may be issued or sold. The licensing
25 system may include a fee for each license in an amount to be

1 determined by the local governing body. Licenses issued
2 pursuant to this Act shall be valid for one raffle or for a
3 specified number of raffles to be conducted during a specified
4 period not to exceed one year and may be suspended or revoked
5 for any violation of this Act. A local governing body shall act
6 on a license application within 30 days from the date of
7 application. Nothing in this Act shall be construed to prohibit
8 a county or municipality from adopting rules or ordinances for
9 the operation of raffles that are more restrictive than
10 provided for in this Act. Except for raffles organized by law
11 enforcement agencies and statewide associations that represent
12 law enforcement officials as provided in Section 9 of this Act,
13 the governing body of a municipality may authorize the sale of
14 raffle chances only within the borders of the municipality.
15 Except for raffles organized by law enforcement agencies and
16 statewide associations that represent law enforcement
17 officials as provided in Section 9, the governing body of the
18 county may authorize the sale of raffle chances only in those
19 areas which are both within the borders of the county and
20 outside the borders of any municipality.

21 (a-5) The governing body of Cook County may and any other
22 county within this State shall establish a system for the
23 licensing of organizations to operate poker runs. The governing
24 bodies of 2 or more adjacent counties may, pursuant to a
25 written contract, jointly establish a system for the licensing
26 of organizations to operate poker runs within the corporate

1 limits of such counties. The licensing authority may establish
2 special categories of licenses and adopt rules relating to the
3 various categories. The licensing system may include a fee not
4 to exceed \$25 for each license. Licenses issued pursuant to
5 this Act shall be valid for one poker run or for a specified
6 number of poker runs to be conducted during a specified period
7 not to exceed one year and may be suspended or revoked for any
8 violation of this Act. A local governing body shall act on a
9 license application within 30 days after the date of
10 application.

11 (b) Raffle licenses shall be issued only to bona fide
12 religious, charitable, labor, business, fraternal, educational
13 or veterans' organizations that operate without profit to their
14 members and which have been in existence continuously for a
15 period of 5 years immediately before making application for a
16 raffle license and which have had during that entire 5-year
17 period a bona fide membership engaged in carrying out their
18 objects, or to a non-profit fundraising organization that the
19 licensing authority determines is organized for the sole
20 purpose of providing financial assistance to an identified
21 individual or group of individuals suffering extreme financial
22 hardship as the result of an illness, disability, accident or
23 disaster; or to ~~, as well as~~ law enforcement agencies and
24 statewide associations that represent law enforcement
25 officials as provided for in Section 9 of this Act; or to State
26 agencies conducting fundraising raffles as part of the State

1 and University Employees Combined Appeal, pursuant to the
2 Voluntary Payroll Deductions Act of 1983. Poker run licenses
3 shall be issued only to bona fide religious, charitable, labor,
4 business, fraternal, educational, veterans', or other bona
5 fide not-for-profit organizations that operate without profit
6 to their members and which have been in existence continuously
7 for a period of 5 years immediately before making application
8 for a poker run license and which have had during that entire
9 5-year period a bona fide membership engaged in carrying out
10 their objects. Licenses for poker runs shall be issued for the
11 following purposes: (i) providing financial assistance to an
12 identified individual or group of individuals suffering
13 extreme financial hardship as the result of an illness,
14 disability, accident, or disaster or (ii) to maintain the
15 financial stability of the organization. A licensing authority
16 may waive the 5-year requirement under this subsection (b) for
17 a bona fide religious, charitable, labor, business, fraternal,
18 educational, or veterans' organization that applies for a
19 license to conduct a poker run if the organization is a local
20 organization that is affiliated with and chartered by a
21 national or State organization that meets the 5-year
22 requirement.

23 For purposes of this Act, the following definitions apply.
24 Non-profit: An organization or institution organized and
25 conducted on a not-for-profit basis with no personal profit
26 inuring to any one as a result of the operation. Charitable: An

1 organization or institution organized and operated to benefit
2 an indefinite number of the public. The service rendered to
3 those eligible for benefits must also confer some benefit on
4 the public. Educational: An organization or institution
5 organized and operated to provide systematic instruction in
6 useful branches of learning by methods common to schools and
7 institutions of learning which compare favorably in their scope
8 and intensity with the course of study presented in
9 tax-supported schools. Religious: Any church, congregation,
10 society, or organization founded for the purpose of religious
11 worship. Fraternal: An organization of persons having a common
12 interest, the primary interest of which is to both promote the
13 welfare of its members and to provide assistance to the general
14 public in such a way as to lessen the burdens of government by
15 caring for those that otherwise would be cared for by the
16 government. Veterans: An organization or association comprised
17 of members of which substantially all are individuals who are
18 veterans or spouses, widows, or widowers of veterans, the
19 primary purpose of which is to promote the welfare of its
20 members and to provide assistance to the general public in such
21 a way as to confer a public benefit. Labor: An organization
22 composed of workers organized with the objective of betterment
23 of the conditions of those engaged in such pursuit and the
24 development of a higher degree of efficiency in their
25 respective occupations. Business: A voluntary organization
26 composed of individuals and businesses who have joined together

1 to advance the commercial, financial, industrial and civic
2 interests of a community.

3 (c) Poker runs shall be licensed by the county with
4 jurisdiction over the key location. The license granted by the
5 key location shall cover the entire poker run, including
6 locations other than the key location. Each license issued
7 shall include the name and address of each predetermined
8 location.

9 (Source: P.A. 98-644, eff. 6-10-14; 99-405, eff. 8-19-15;
10 99-757, eff. 8-12-16; revised 9-14-16.)

11 Section 165. The Illinois Pull Tabs and Jar Games Act is
12 amended by changing Section 5 as follows:

13 (230 ILCS 20/5) (from Ch. 120, par. 1055)

14 Sec. 5. Payments; returns. There shall be paid to the
15 Department of Revenue 5% of the gross proceeds of any pull tabs
16 and jar games conducted under this Act. Such payments shall be
17 made 4 times per year, between the first and the 20th day of
18 April, July, October and January. Accompanying each payment
19 shall be a return, on forms prescribed by the Department of
20 Revenue. Failure to submit either the payment or the return
21 within the specified time shall result in suspension or
22 revocation of the license. Tax returns filed pursuant to this
23 Act shall not be confidential and shall be available for public
24 inspection. All payments made to the Department of Revenue

1 under this Act shall be deposited as follows:

2 (a) 50% shall be deposited in the Common School Fund;

3 and

4 (b) 50% shall be deposited in the Illinois Gaming Law
5 Enforcement Fund. Of the monies deposited in the Illinois
6 Gaming Law Enforcement Fund under this Section, the General
7 Assembly shall appropriate two-thirds to the Department of
8 Revenue, Department of State Police and the Office of the
9 Attorney General for State law enforcement purposes, and
10 one-third shall be appropriated to the Department of
11 Revenue for the purpose of distribution in the form of
12 grants to counties or municipalities for law enforcement
13 purposes. The amounts of grants to counties or
14 municipalities shall bear the same ratio as the number of
15 licenses issued in counties or municipalities bears to the
16 total number of licenses issued in the State. In computing
17 the number of licenses issued in a county, licenses issued
18 for locations within a municipality's boundaries shall be
19 excluded.

20 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
21 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the
22 Retailers' Occupation Tax Act, and Section 3-7 of the Uniform
23 Penalty and Interest Act, which are not inconsistent with this
24 Act shall apply, as far as practicable, to the subject matter
25 of this Act to the same extent as if such provisions were
26 included in this Act. For the purposes of this Act, references

1 in such incorporated Sections of the Retailers' Occupation Tax
2 Act to retailers, sellers or persons engaged in the business of
3 selling tangible personal property means persons engaged in
4 conducting pull tabs and jar games and references in such
5 incorporated Sections of the Retailers' Occupation Tax Act to
6 sales of tangible personal property mean the conducting of pull
7 tabs and jar games and the making of charges for participating
8 in such drawings.

9 If any payment provided for in this Section exceeds the
10 taxpayer's liabilities under this Act, as shown on an original
11 return, the taxpayer 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. 95-228, eff. 8-16-07.)

16 Section 170. The Bingo License and Tax Act is amended by
17 changing Section 3 as follows:

18 (230 ILCS 25/3) (from Ch. 120, par. 1103)

19 Sec. 3. Payments; returns. There shall be paid to the
20 Department of Revenue, 5% of the gross proceeds of any game of
21 bingo conducted under the provision of this Act. Such payments
22 shall be made 4 times per year, between the first and the 20th
23 day of April, July, October and January. Accompanying each
24 payment shall be a return, on forms prescribed by the

1 Department of Revenue. Failure to submit either the payment or
2 the return within the specified time may result in suspension
3 or revocation of the license. Tax returns filed pursuant to
4 this Act shall not be confidential and shall be available for
5 public inspection.

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

12 All payments made to the Department of Revenue under this
13 Section shall be deposited as follows:

14 (1) 50% shall be deposited in the Mental Health Fund;

15 and

16 (2) 50% shall be deposited in the Common School Fund.

17 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
18 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers'
19 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
20 Interest Act, which are not inconsistent with this Act, shall
21 apply, as far as practicable, to the subject matter of this Act
22 to the same extent as if such provisions were included in this
23 Act. For the purposes of this Act, references in such
24 incorporated Sections of the Retailers' Occupation Tax Act to
25 retailers, sellers or persons engaged in the business of
26 selling tangible personal property means persons engaged in

1 conducting bingo games, and references in such incorporated
2 Sections of the Retailers' Occupation Tax Act to sales of
3 tangible personal property mean the conducting of bingo games
4 and the making of charges for playing such games.

5 (Source: P.A. 95-228, eff. 8-16-07.)

6 Section 180. The Charitable Games Act is amended by
7 changing Section 9 as follows:

8 (230 ILCS 30/9) (from Ch. 120, par. 1129)

9 Sec. 9. Payments; returns. There shall be paid to the
10 Department of Revenue, 5% of the net proceeds of charitable
11 games conducted under the provisions of this Act. Such payments
12 shall be made within 30 days after the completion of the games.
13 Accompanying each payment shall be a return, on forms
14 prescribed by the Department of Revenue. Failure to submit
15 either the payment or the return within the specified time may
16 result in suspension or revocation of the license. Tax returns
17 filed pursuant to this Act shall not be confidential and shall
18 be available for public inspection.

19 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
20 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers'
21 Occupation Tax Act, and Section 3-7 of the Uniform Penalty and
22 Interest Act, which are not inconsistent with this Act shall
23 apply, as far as practicable, to the subject matter of this Act
24 to the same extent as if such provisions were included in this

1 Act. For the purposes of this Act, references in such
2 incorporated Sections of the Retailers' Occupation Tax Act to
3 retailers, sellers or persons engaged in the business of
4 selling tangible personal property means persons engaged in
5 conducting charitable games, and references in such
6 incorporated Sections of the Retailers' Occupation Tax Act to
7 sales of tangible personal property mean the conducting of
8 charitable games and the making of charges for playing such
9 games.

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

16 All payments made to the Department of Revenue under this
17 Section shall be deposited into the Illinois Gaming Law
18 Enforcement Fund of the State Treasury.

19 (Source: P.A. 98-377, eff. 1-1-14.)

20 Section 185. The Liquor Control Act of 1934 is amended by
21 changing Section 8-2 as follows:

22 (235 ILCS 5/8-2) (from Ch. 43, par. 159)

23 Sec. 8-2. Payments; reports. It is the duty of each
24 manufacturer with respect to alcoholic liquor produced or

1 imported by such manufacturer, or purchased tax-free by such
2 manufacturer from another manufacturer or importing
3 distributor, and of each importing distributor as to alcoholic
4 liquor purchased by such importing distributor from foreign
5 importers or from anyone from any point in the United States
6 outside of this State or purchased tax-free from another
7 manufacturer or importing distributor, to pay the tax imposed
8 by Section 8-1 to the Department of Revenue on or before the
9 15th day of the calendar month following the calendar month in
10 which such alcoholic liquor is sold or used by such
11 manufacturer or by such importing distributor other than in an
12 authorized tax-free manner or to pay that tax electronically as
13 provided in this Section.

14 Each manufacturer and each importing distributor shall
15 make payment under one of the following methods: (1) on or
16 before the 15th day of each calendar month, file in person or
17 by United States first-class mail, postage pre-paid, with the
18 Department of Revenue, on forms prescribed and furnished by the
19 Department, a report in writing in such form as may be required
20 by the Department in order to compute, and assure the accuracy
21 of, the tax due on all taxable sales and uses of alcoholic
22 liquor occurring during the preceding month. Payment of the tax
23 in the amount disclosed by the report shall accompany the
24 report or, (2) on or before the 15th day of each calendar
25 month, electronically file with the Department of Revenue, on
26 forms prescribed and furnished by the Department, an electronic

1 report in such form as may be required by the Department in
2 order to compute, and assure the accuracy of, the tax due on
3 all taxable sales and uses of alcoholic liquor occurring during
4 the preceding month. An electronic payment of the tax in the
5 amount disclosed by the report shall accompany the report. A
6 manufacturer or distributor who files an electronic report and
7 electronically pays the tax imposed pursuant to Section 8-1 to
8 the Department of Revenue on or before the 15th day of the
9 calendar month following the calendar month in which such
10 alcoholic liquor is sold or used by that manufacturer or
11 importing distributor other than in an authorized tax-free
12 manner shall pay to the Department the amount of the tax
13 imposed pursuant to Section 8-1, less a discount which is
14 allowed to reimburse the manufacturer or importing distributor
15 for the expenses incurred in keeping and maintaining records,
16 preparing and filing the electronic returns, remitting the tax,
17 and supplying data to the Department upon request.

18 The discount shall be in an amount as follows:

19 (1) For original returns due on or after January 1,
20 2003 through September 30, 2003, the discount shall be
21 1.75% or \$1,250 per return, whichever is less;

22 (2) For original returns due on or after October 1,
23 2003 through September 30, 2004, the discount shall be 2%
24 or \$3,000 per return, whichever is less; and

25 (3) For original returns due on or after October 1,
26 2004, the discount shall be 2% or \$2,000 per return,

1 whichever is less.

2 The Department may, if it deems it necessary in order to
3 insure the payment of the tax imposed by this Article, require
4 returns to be made more frequently than and covering periods of
5 less than a month. Such return shall contain such further
6 information as the Department may reasonably require.

7 It shall be presumed that all alcoholic liquors acquired or
8 made by any importing distributor or manufacturer have been
9 sold or used by him in this State and are the basis for the tax
10 imposed by this Article unless proven, to the satisfaction of
11 the Department, that such alcoholic liquors are (1) still in
12 the possession of such importing distributor or manufacturer,
13 or (2) prior to the termination of possession have been lost by
14 theft or through unintentional destruction, or (3) that such
15 alcoholic liquors are otherwise exempt from taxation under this
16 Act.

17 If any payment provided for in this Section exceeds the
18 manufacturer's or importing distributor's liabilities under
19 this Act, as shown on an original report, the manufacturer or
20 importing distributor may credit such excess payment against
21 liability subsequently to be remitted to the Department under
22 this Act, in accordance with reasonable rules adopted by the
23 Department. If the Department subsequently determines that all
24 or any part of the credit taken was not actually due to the
25 manufacturer or importing distributor, the manufacturer's or
26 importing distributor's discount shall be reduced by an amount

1 equal to the difference between the discount as applied to the
2 credit taken and that actually due, and the manufacturer or
3 importing distributor shall be liable for penalties and
4 interest on such difference.

5 The Department may require any foreign importer to file
6 monthly information returns, by the 15th day of the month
7 following the month which any such return covers, if the
8 Department determines this to be necessary to the proper
9 performance of the Department's functions and duties under this
10 Act. Such return shall contain such information as the
11 Department may reasonably require.

12 Every manufacturer and importing distributor shall also
13 file, with the Department, a bond in an amount not less than
14 \$1,000 and not to exceed \$100,000 on a form to be approved by,
15 and with a surety or sureties satisfactory to, the Department.
16 Such bond shall be conditioned upon the manufacturer or
17 importing distributor paying to the Department all monies
18 becoming due from such manufacturer or importing distributor
19 under this Article. The Department shall fix the penalty of
20 such bond in each case, taking into consideration the amount of
21 alcoholic liquor expected to be sold and used by such
22 manufacturer or importing distributor, and the penalty fixed by
23 the Department shall be sufficient, in the Department's
24 opinion, to protect the State of Illinois against failure to
25 pay any amount due under this Article, but the amount of the
26 penalty fixed by the Department shall not exceed twice the

1 amount of tax liability of a monthly return, nor shall the
2 amount of such penalty be less than \$1,000. The Department
3 shall notify the Commission of the Department's approval or
4 disapproval of any such manufacturer's or importing
5 distributor's bond, or of the termination or cancellation of
6 any such bond, or of the Department's direction to a
7 manufacturer or importing distributor that he must file
8 additional bond in order to comply with this Section. The
9 Commission shall not issue a license to any applicant for a
10 manufacturer's or importing distributor's license unless the
11 Commission has received a notification from the Department
12 showing that such applicant has filed a satisfactory bond with
13 the Department hereunder and that such bond has been approved
14 by the Department. Failure by any licensed manufacturer or
15 importing distributor to keep a satisfactory bond in effect
16 with the Department or to furnish additional bond to the
17 Department, when required hereunder by the Department to do so,
18 shall be grounds for the revocation or suspension of such
19 manufacturer's or importing distributor's license by the
20 Commission. If a manufacturer or importing distributor fails to
21 pay any amount due under this Article, his bond with the
22 Department shall be deemed forfeited, and the Department may
23 institute a suit in its own name on such bond.

24 After notice and opportunity for a hearing the State
25 Commission may revoke or suspend the license of any
26 manufacturer or importing distributor who fails to comply with

1 the provisions of this Section. Notice of such hearing and the
2 time and place thereof shall be in writing and shall contain a
3 statement of the charges against the licensee. Such notice may
4 be given by United States registered or certified mail with
5 return receipt requested, addressed to the person concerned at
6 his last known address and shall be given not less than 7 days
7 prior to the date fixed for the hearing. An order revoking or
8 suspending a license under the provisions of this Section may
9 be reviewed in the manner provided in Section 7-10 of this Act.
10 No new license shall be granted to a person whose license has
11 been revoked for a violation of this Section or, in case of
12 suspension, shall such suspension be terminated until he has
13 paid to the Department all taxes and penalties which he owes
14 the State under the provisions of this Act.

15 Every manufacturer or importing distributor who has, as
16 verified by the Department, continuously complied with the
17 conditions of the bond under this Act for a period of 2 years
18 shall be considered to be a prior continuous compliance
19 taxpayer. In determining the consecutive period of time for
20 qualification as a prior continuous compliance taxpayer, any
21 consecutive period of time of qualifying compliance
22 immediately prior to the effective date of this amendatory Act
23 of 1987 shall be credited to any manufacturer or importing
24 distributor.

25 A manufacturer or importing distributor that is a prior
26 continuous compliance taxpayer under this Section and becomes a

1 successor as the result of an acquisition, merger, or
2 consolidation of a manufacturer or importing distributor shall
3 be deemed to be a prior continuous compliance taxpayer with
4 respect to the acquired, merged, or consolidated entity.

5 Every prior continuous compliance taxpayer shall be exempt
6 from the bond requirements of this Act until the Department has
7 determined the taxpayer to be delinquent in the filing of any
8 return or deficient in the payment of any tax under this Act.
9 Any taxpayer who fails to pay an admitted or established
10 liability under this Act may also be required to post bond or
11 other acceptable security with the Department guaranteeing the
12 payment of such admitted or established liability.

13 The Department shall discharge any surety and shall release
14 and return any bond or security deposit assigned, pledged or
15 otherwise provided to it by a taxpayer under this Section
16 within 30 days after: (1) such taxpayer becomes a prior
17 continuous compliance taxpayer; or (2) such taxpayer has ceased
18 to collect receipts on which he is required to remit tax to the
19 Department, has filed a final tax return, and has paid to the
20 Department an amount sufficient to discharge his remaining tax
21 liability as determined by the Department under this Act.

22 (Source: P.A. 95-769, eff. 7-29-08.)

23 Section 190. The Energy Assistance Act is amended by
24 changing Section 13 and by adding Section 19 as follows:

1 (305 ILCS 20/13)

2 (Text of Section before amendment by P.A. 99-906)

3 (Section scheduled to be repealed on January 1, 2025)

4 Sec. 13. Supplemental Low-Income Energy Assistance Fund.

5 (a) The Supplemental Low-Income Energy Assistance Fund is
6 hereby created as a special fund in the State Treasury. The
7 Supplemental Low-Income Energy Assistance Fund is authorized
8 to receive moneys from voluntary donations from individuals,
9 foundations, corporations, and other sources, moneys received
10 pursuant to Section 17, and, by statutory deposit, the moneys
11 collected pursuant to this Section. The Fund is also authorized
12 to receive voluntary donations from individuals, foundations,
13 corporations, and other sources, as well as contributions made
14 in accordance with Section 507MM of the Illinois Income Tax
15 Act. Subject to appropriation, the Department shall use moneys
16 from the Supplemental Low-Income Energy Assistance Fund for
17 payments to electric or gas public utilities, municipal
18 electric or gas utilities, and electric cooperatives on behalf
19 of their customers who are participants in the program
20 authorized by Sections 4 and 18 of this Act, for the provision
21 of weatherization services and for administration of the
22 Supplemental Low-Income Energy Assistance Fund. The yearly
23 expenditures for weatherization may not exceed 10% of the
24 amount collected during the year pursuant to this Section. The
25 yearly administrative expenses of the Supplemental Low-Income
26 Energy Assistance Fund may not exceed 10% of the amount

1 collected during that year pursuant to this Section, except
2 when unspent funds from the Supplemental Low-Income Energy
3 Assistance Fund are reallocated from a previous year; any
4 unspent balance of the 10% administrative allowance may be
5 utilized for administrative expenses in the year they are
6 reallocated.

7 (b) Notwithstanding the provisions of Section 16-111 of the
8 Public Utilities Act but subject to subsection (k) of this
9 Section, each public utility, electric cooperative, as defined
10 in Section 3.4 of the Electric Supplier Act, and municipal
11 utility, as referenced in Section 3-105 of the Public Utilities
12 Act, that is engaged in the delivery of electricity or the
13 distribution of natural gas within the State of Illinois shall,
14 effective January 1, 1998, assess each of its customer accounts
15 a monthly Energy Assistance Charge for the Supplemental
16 Low-Income Energy Assistance Fund. The delivering public
17 utility, municipal electric or gas utility, or electric or gas
18 cooperative for a self-assessing purchaser remains subject to
19 the collection of the fee imposed by this Section. The monthly
20 charge shall be as follows:

21 (1) \$0.48 per month on each account for residential
22 electric service;

23 (2) \$0.48 per month on each account for residential gas
24 service;

25 (3) \$4.80 per month on each account for non-residential
26 electric service which had less than 10 megawatts of peak

1 demand during the previous calendar year;

2 (4) \$4.80 per month on each account for non-residential
3 gas service which had distributed to it less than 4,000,000
4 therms of gas during the previous calendar year;

5 (5) \$360 per month on each account for non-residential
6 electric service which had 10 megawatts or greater of peak
7 demand during the previous calendar year; and

8 (6) \$360 per month on each account for non-residential
9 gas service which had 4,000,000 or more therms of gas
10 distributed to it during the previous calendar year.

11 The incremental change to such charges imposed by this
12 amendatory Act of the 96th General Assembly shall not (i) be
13 used for any purpose other than to directly assist customers
14 and (ii) be applicable to utilities serving less than 100,000
15 customers in Illinois on January 1, 2009.

16 In addition, electric and gas utilities have committed, and
17 shall contribute, a one-time payment of \$22 million to the
18 Fund, within 10 days after the effective date of the tariffs
19 established pursuant to Sections 16-111.8 and 19-145 of the
20 Public Utilities Act to be used for the Department's cost of
21 implementing the programs described in Section 18 of this
22 amendatory Act of the 96th General Assembly, the Arrearage
23 Reduction Program described in Section 18, and the programs
24 described in Section 8-105 of the Public Utilities Act. If a
25 utility elects not to file a rider within 90 days after the
26 effective date of this amendatory Act of the 96th General

1 Assembly, then the contribution from such utility shall be made
2 no later than February 1, 2010.

3 (c) For purposes of this Section:

4 (1) "residential electric service" means electric
5 utility service for household purposes delivered to a
6 dwelling of 2 or fewer units which is billed under a
7 residential rate, or electric utility service for
8 household purposes delivered to a dwelling unit or units
9 which is billed under a residential rate and is registered
10 by a separate meter for each dwelling unit;

11 (2) "residential gas service" means gas utility
12 service for household purposes distributed to a dwelling of
13 2 or fewer units which is billed under a residential rate,
14 or gas utility service for household purposes distributed
15 to a dwelling unit or units which is billed under a
16 residential rate and is registered by a separate meter for
17 each dwelling unit;

18 (3) "non-residential electric service" means electric
19 utility service which is not residential electric service;
20 and

21 (4) "non-residential gas service" means gas utility
22 service which is not residential gas service.

23 (d) Within 30 days after the effective date of this
24 amendatory Act of the 96th General Assembly, each public
25 utility engaged in the delivery of electricity or the
26 distribution of natural gas shall file with the Illinois

1 Commerce Commission tariffs incorporating the Energy
2 Assistance Charge in other charges stated in such tariffs,
3 which shall become effective no later than the beginning of the
4 first billing cycle following such filing.

5 (e) The Energy Assistance Charge assessed by electric and
6 gas public utilities shall be considered a charge for public
7 utility service.

8 (f) By the 20th day of the month following the month in
9 which the charges imposed by the Section were collected, each
10 public utility, municipal utility, and electric cooperative
11 shall remit to the Department of Revenue all moneys received as
12 payment of the Energy Assistance Charge on a return prescribed
13 and furnished by the Department of Revenue showing such
14 information as the Department of Revenue may reasonably
15 require; provided, however, that a utility offering an
16 Arrearage Reduction Program pursuant to Section 18 of this Act
17 shall be entitled to net those amounts necessary to fund and
18 recover the costs of such Program as authorized by that Section
19 that is no more than the incremental change in such Energy
20 Assistance Charge authorized by this amendatory Act of the 96th
21 General Assembly. If a customer makes a partial payment, a
22 public utility, municipal utility, or electric cooperative may
23 elect either: (i) to apply such partial payments first to
24 amounts owed to the utility or cooperative for its services and
25 then to payment for the Energy Assistance Charge or (ii) to
26 apply such partial payments on a pro-rata basis between amounts

1 owed to the utility or cooperative for its services and to
2 payment for the Energy Assistance Charge.

3 If any payment provided for in this Section exceeds the
4 public utility, municipal utility, or electric cooperative's
5 liabilities under this Act, as shown on an original return, the
6 public utility, municipal utility, or electric cooperative may
7 credit the excess payment against liability subsequently to be
8 remitted to the Department of Revenue under this Act.

9 (g) The Department of Revenue shall deposit into the
10 Supplemental Low-Income Energy Assistance Fund all moneys
11 remitted to it in accordance with subsection (f) of this
12 Section; provided, however, that the amounts remitted by each
13 utility shall be used to provide assistance to that utility's
14 customers. The utilities shall coordinate with the Department
15 to establish an equitable and practical methodology for
16 implementing this subsection (g) beginning with the 2010
17 program year.

18 (h) On or before December 31, 2002, the Department shall
19 prepare a report for the General Assembly on the expenditure of
20 funds appropriated from the Low-Income Energy Assistance Block
21 Grant Fund for the program authorized under Section 4 of this
22 Act.

23 (i) The Department of Revenue may establish such rules as
24 it deems necessary to implement this Section.

25 (j) The Department of Commerce and Economic Opportunity may
26 establish such rules as it deems necessary to implement this

1 Section.

2 (k) 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 cooperative makes an affirmative decision to impose
8 the charge provided by this Section, the municipal electric or
9 gas utility or electric cooperative shall inform the Department
10 of Revenue in writing of such decision when it begins to impose
11 the charge. If a municipal electric or gas utility or electric
12 or gas cooperative does not assess this charge, the Department
13 may not use funds from the Supplemental Low-Income Energy
14 Assistance Fund to provide benefits to its customers under the
15 program authorized by Section 4 of this Act.

16 In its use of federal funds under this Act, the Department
17 may not cause a disproportionate share of those federal funds
18 to benefit customers of systems which do not assess the charge
19 provided by this Section.

20 This Section is repealed effective December 31, 2018 unless
21 renewed by action of the General Assembly. The General Assembly
22 shall consider the results of the evaluations described in
23 Section 8 in its deliberations.

24 (Source: P.A. 98-429, eff. 8-16-13; 99-457, eff. 1-1-16.)

25 (Text of Section after amendment by P.A. 99-906)

1 (Section scheduled to be repealed on January 1, 2025)

2 Sec. 13. Supplemental Low-Income Energy Assistance Fund.

3 (a) The Supplemental Low-Income Energy Assistance Fund is
4 hereby created as a special fund in the State Treasury. The
5 Supplemental Low-Income Energy Assistance Fund is authorized
6 to receive moneys from voluntary donations from individuals,
7 foundations, corporations, and other sources, moneys received
8 pursuant to Section 17, and, by statutory deposit, the moneys
9 collected pursuant to this Section. The Fund is also authorized
10 to receive voluntary donations from individuals, foundations,
11 corporations, and other sources, as well as contributions made
12 in accordance with Section 507MM of the Illinois Income Tax
13 Act. Subject to appropriation, the Department shall use moneys
14 from the Supplemental Low-Income Energy Assistance Fund for
15 payments to electric or gas public utilities, municipal
16 electric or gas utilities, and electric cooperatives on behalf
17 of their customers who are participants in the program
18 authorized by Sections 4 and 18 of this Act, for the provision
19 of weatherization services and for administration of the
20 Supplemental Low-Income Energy Assistance Fund. The yearly
21 expenditures for weatherization may not exceed 10% of the
22 amount collected during the year pursuant to this Section. The
23 yearly administrative expenses of the Supplemental Low-Income
24 Energy Assistance Fund may not exceed 10% of the amount
25 collected during that year pursuant to this Section, except
26 when unspent funds from the Supplemental Low-Income Energy

1 Assistance Fund are reallocated from a previous year; any
2 unspent balance of the 10% administrative allowance may be
3 utilized for administrative expenses in the year they are
4 reallocated.

5 (b) Notwithstanding the provisions of Section 16-111 of the
6 Public Utilities Act but subject to subsection (k) of this
7 Section, each public utility, electric cooperative, as defined
8 in Section 3.4 of the Electric Supplier Act, and municipal
9 utility, as referenced in Section 3-105 of the Public Utilities
10 Act, that is engaged in the delivery of electricity or the
11 distribution of natural gas within the State of Illinois shall,
12 effective January 1, 1998, assess each of its customer accounts
13 a monthly Energy Assistance Charge for the Supplemental
14 Low-Income Energy Assistance Fund. The delivering public
15 utility, municipal electric or gas utility, or electric or gas
16 cooperative for a self-assessing purchaser remains subject to
17 the collection of the fee imposed by this Section. The monthly
18 charge shall be as follows:

19 (1) \$0.48 per month on each account for residential
20 electric service;

21 (2) \$0.48 per month on each account for residential gas
22 service;

23 (3) \$4.80 per month on each account for non-residential
24 electric service which had less than 10 megawatts of peak
25 demand during the previous calendar year;

26 (4) \$4.80 per month on each account for non-residential

1 gas service which had distributed to it less than 4,000,000
2 therms of gas during the previous calendar year;

3 (5) \$360 per month on each account for non-residential
4 electric service which had 10 megawatts or greater of peak
5 demand during the previous calendar year; and

6 (6) \$360 per month on each account for non-residential
7 gas service which had 4,000,000 or more therms of gas
8 distributed to it during the previous calendar year.

9 The incremental change to such charges imposed by this
10 amendatory Act of the 96th General Assembly shall not (i) be
11 used for any purpose other than to directly assist customers
12 and (ii) be applicable to utilities serving less than 100,000
13 customers in Illinois on January 1, 2009.

14 In addition, electric and gas utilities have committed, and
15 shall contribute, a one-time payment of \$22 million to the
16 Fund, within 10 days after the effective date of the tariffs
17 established pursuant to Sections 16-111.8 and 19-145 of the
18 Public Utilities Act to be used for the Department's cost of
19 implementing the programs described in Section 18 of this
20 amendatory Act of the 96th General Assembly, the Arrearage
21 Reduction Program described in Section 18, and the programs
22 described in Section 8-105 of the Public Utilities Act. If a
23 utility elects not to file a rider within 90 days after the
24 effective date of this amendatory Act of the 96th General
25 Assembly, then the contribution from such utility shall be made
26 no later than February 1, 2010.

1 (c) For purposes of this Section:

2 (1) "residential electric service" means electric
3 utility service for household purposes delivered to a
4 dwelling of 2 or fewer units which is billed under a
5 residential rate, or electric utility service for
6 household purposes delivered to a dwelling unit or units
7 which is billed under a residential rate and is registered
8 by a separate meter for each dwelling unit;

9 (2) "residential gas service" means gas utility
10 service for household purposes distributed to a dwelling of
11 2 or fewer units which is billed under a residential rate,
12 or gas utility service for household purposes distributed
13 to a dwelling unit or units which is billed under a
14 residential rate and is registered by a separate meter for
15 each dwelling unit;

16 (3) "non-residential electric service" means electric
17 utility service which is not residential electric service;
18 and

19 (4) "non-residential gas service" means gas utility
20 service which is not residential gas service.

21 (d) Within 30 days after the effective date of this
22 amendatory Act of the 96th General Assembly, each public
23 utility engaged in the delivery of electricity or the
24 distribution of natural gas shall file with the Illinois
25 Commerce Commission tariffs incorporating the Energy
26 Assistance Charge in other charges stated in such tariffs,

1 which shall become effective no later than the beginning of the
2 first billing cycle following such filing.

3 (e) The Energy Assistance Charge assessed by electric and
4 gas public utilities shall be considered a charge for public
5 utility service.

6 (f) By the 20th day of the month following the month in
7 which the charges imposed by the Section were collected, each
8 public utility, municipal utility, and electric cooperative
9 shall remit to the Department of Revenue all moneys received as
10 payment of the Energy Assistance Charge on a return prescribed
11 and furnished by the Department of Revenue showing such
12 information as the Department of Revenue may reasonably
13 require; provided, however, that a utility offering an
14 Arrearage Reduction Program or Supplemental Arrearage
15 Reduction Program pursuant to Section 18 of this Act shall be
16 entitled to net those amounts necessary to fund and recover the
17 costs of such Programs as authorized by that Section that is no
18 more than the incremental change in such Energy Assistance
19 Charge authorized by Public Act 96-33. If a customer makes a
20 partial payment, a public utility, municipal utility, or
21 electric cooperative may elect either: (i) to apply such
22 partial payments first to amounts owed to the utility or
23 cooperative for its services and then to payment for the Energy
24 Assistance Charge or (ii) to apply such partial payments on a
25 pro-rata basis between amounts owed to the utility or
26 cooperative for its services and to payment for the Energy

1 Assistance Charge.

2 If any payment provided for in this Section exceeds the
3 public utility, municipal utility, or electric cooperative's
4 liabilities under this Act, as shown on an original return, the
5 public utility, municipal utility, or electric cooperative may
6 credit the excess payment against liability subsequently to be
7 remitted to the Department of Revenue under this Act.

8 (g) The Department of Revenue shall deposit into the
9 Supplemental Low-Income Energy Assistance Fund all moneys
10 remitted to it in accordance with subsection (f) of this
11 Section; provided, however, that the amounts remitted by each
12 utility shall be used to provide assistance to that utility's
13 customers. The utilities shall coordinate with the Department
14 to establish an equitable and practical methodology for
15 implementing this subsection (g) beginning with the 2010
16 program year.

17 (h) On or before December 31, 2002, the Department shall
18 prepare a report for the General Assembly on the expenditure of
19 funds appropriated from the Low-Income Energy Assistance Block
20 Grant Fund for the program authorized under Section 4 of this
21 Act.

22 (i) The Department of Revenue may establish such rules as
23 it deems necessary to implement this Section.

24 (j) The Department of Commerce and Economic Opportunity may
25 establish such rules as it deems necessary to implement this
26 Section.

1 (k) The charges imposed by this Section shall only apply to
2 customers of municipal electric or gas utilities and electric
3 or gas cooperatives if the municipal electric or gas utility or
4 electric or gas cooperative makes an affirmative decision to
5 impose the charge. If a municipal electric or gas utility or an
6 electric cooperative makes an affirmative decision to impose
7 the charge provided by this Section, the municipal electric or
8 gas utility or electric cooperative shall inform the Department
9 of Revenue in writing of such decision when it begins to impose
10 the charge. If a municipal electric or gas utility or electric
11 or gas cooperative does not assess this charge, the Department
12 may not use funds from the Supplemental Low-Income Energy
13 Assistance Fund to provide benefits to its customers under the
14 program authorized by Section 4 of this Act.

15 In its use of federal funds under this Act, the Department
16 may not cause a disproportionate share of those federal funds
17 to benefit customers of systems which do not assess the charge
18 provided by this Section.

19 This Section is repealed on January 1, 2025 unless renewed
20 by action of the General Assembly.

21 (Source: P.A. 98-429, eff. 8-16-13; 99-457, eff. 1-1-16;
22 99-906, eff. 6-1-17.)

23 (305 ILCS 20/19 new)

24 Sec. 19. Application of Retailers' Occupation Tax
25 provisions. All the provisions of Sections 4, 5, 5a, 5b, 5c,

1 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12,
2 and 13 of the Retailers' Occupation Tax Act that are not
3 inconsistent with this Act apply, as far as practicable, to the
4 surcharge imposed by this Act to the same extent as if those
5 provisions were included in this Act. References in the
6 incorporated Sections of the Retailers' Occupation Tax Act to
7 retailers, to sellers, or to persons engaged in the business of
8 selling tangible personal property mean persons required to
9 remit the charge imposed under this Act.

10 Section 195. The Environmental Protection Act is amended by
11 changing Section 55.10 as follows:

12 (415 ILCS 5/55.10) (from Ch. 111 1/2, par. 1055.10)

13 Sec. 55.10. Tax returns by retailer.

14 (a) Except as otherwise provided in this Section, for
15 returns due on or before January 31, 2010, each retailer of
16 tires maintaining a place of business in this State shall make
17 a return to the Department of Revenue on a quarter annual
18 basis, with the return for January, February and March of a
19 given year being due by April 30 of that year; with the return
20 for April, May and June of a given year being due by July 31 of
21 that year; with the return for July, August and September of a
22 given year being due by October 31 of that year; and with the
23 return for October, November and December of a given year being
24 due by January 31 of the following year.

1 For returns due after January 31, 2010, each retailer of
2 tires maintaining a place of business in this State shall make
3 a return to the Department of Revenue on a quarter annual
4 basis, with the return for January, February, and March of a
5 given year being due by April 20 of that year; with the return
6 for April, May, and June of a given year being due by July 20 of
7 that year; with the return for July, August, and September of a
8 given year being due by October 20 of that year; and with the
9 return for October, November, and December of a given year
10 being due by January 20 of the following year.

11 Notwithstanding any other provision of this Section to the
12 contrary, the return for October, November, and December of
13 2009 is due by February 20, 2010.

14 (b) Each return made to the Department of Revenue shall
15 state:

16 (1) the name of the retailer;

17 (2) the address of the retailer's principal place of
18 business, and the address of the principal place of
19 business (if that is a different address) from which the
20 retailer engages in the business of making retail sales of
21 tires;

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

24 (4) the amount of tax due; and

25 (5) such other reasonable information as the
26 Department of Revenue may require.

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

13 Notwithstanding any other provision of this Act concerning
14 the time within which a retailer may file his return, in the
15 case of any retailer who ceases to engage in the retail sale of
16 tires, the retailer shall file a final return under this Act
17 with the Department of Revenue not more than one month after
18 discontinuing that business.

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

20 Section 200. The Environmental Impact Fee Law is amended by
21 changing Section 315 as follows:

22 (415 ILCS 125/315)

23 (Section scheduled to be repealed on January 1, 2025)

24 Sec. 315. Fee on receivers of fuel for sale or use;

1 collection and reporting. A person that is required to pay the
2 fee imposed by this Law shall pay the fee to the Department by
3 return showing all fuel purchased, acquired, or received and
4 sold, distributed or used during the preceding calendar month,
5 including losses of fuel as the result of evaporation or
6 shrinkage due to temperature variations, and such other
7 reasonable information as the Department may require. Losses of
8 fuel as the result of evaporation or shrinkage due to
9 temperature variations may not exceed 1% of the total gallons
10 in storage at the beginning of the month, plus the receipts of
11 gallonage during the month, minus the gallonage remaining in
12 storage at the end of the month. Any loss reported that is in
13 excess of this amount shall be subject to the fee imposed by
14 Section 310 of this Law. On and after July 1, 2001, for each
15 6-month period January through June, net losses of fuel (for
16 each category of fuel that is required to be reported on a
17 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 January, plus the receipts
20 of gallonage each January through June, minus the gallonage
21 remaining in storage at the end of each June. On and after July
22 1, 2001, for each 6-month period July through December, net
23 losses of fuel (for each category of fuel that is required to
24 be reported on a return) as the result of evaporation or
25 shrinkage due to temperature variations may not exceed 1% of
26 the total gallons in storage at the beginning of each July,

1 plus the receipts of gallonage each July through December,
2 minus the gallonage remaining in storage at the end of each
3 December. Any net loss reported that is in excess of this
4 amount shall be subject to the fee imposed by Section 310 of
5 this Law. For purposes of this Section, "net loss" means the
6 number of gallons gained through temperature variations minus
7 the number of gallons lost through temperature variations or
8 evaporation for each of the respective 6-month periods.

9 The return shall be prescribed by the Department and shall
10 be filed between the 1st and 20th days of each calendar month.
11 The Department may, in its discretion, combine the return filed
12 under this Law with the return filed under Section 2b of the
13 Motor Fuel Tax Law. If the return is timely filed, the receiver
14 may take a discount of 2% through June 30, 2003 and 1.75%
15 thereafter to reimburse himself for the expenses incurred in
16 keeping records, preparing and filing returns, collecting and
17 remitting the fee, and supplying data to the Department on
18 request. However, the discount applies only to the amount of
19 the fee payment that accompanies a return that is timely filed
20 in accordance with this Section.

21 If any payment provided for in this Section exceeds the
22 receiver's liabilities under this Act, as shown on an original
23 return, the Department may authorize the receiver to credit
24 such excess payment against liability subsequently to be
25 remitted to the Department under this Act, in accordance with
26 reasonable rules adopted by the Department. If the Department

1 subsequently determines that all or any part of the credit
2 taken was not actually due to the receiver, the receiver's
3 discount shall be reduced by an amount equal to the difference
4 between the discount as applied to the credit taken and that
5 actually due, and that receiver shall be liable for penalties
6 and interest on such difference.

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

8 Section 205. The Drycleaner Environmental Response Trust
9 Fund Act is amended by changing Section 65 as follows:

10 (415 ILCS 135/65)

11 (Section scheduled to be repealed on January 1, 2020)

12 Sec. 65. Drycleaning solvent tax.

13 (a) On and after January 1, 1998, a tax is imposed upon the
14 use of drycleaning solvent by a person engaged in the business
15 of operating a drycleaning facility in this State at the rate
16 of \$3.50 per gallon of perchloroethylene or other chlorinated
17 drycleaning solvents used in drycleaning operations, \$0.35 per
18 gallon of petroleum-based drycleaning solvent, and \$1.75 per
19 gallon of green solvents, unless the green solvent is used at a
20 virgin facility, in which case the rate is \$0.35 per gallon.
21 The Council shall determine by rule which products are
22 chlorine-based solvents, which products are petroleum-based
23 solvents, and which products are green solvents. All
24 drycleaning solvents shall be considered chlorinated solvents

1 unless the Council determines that the solvents are
2 petroleum-based drycleaning solvents or green solvents.

3 (b) The tax imposed by this Act shall be collected from the
4 purchaser at the time of sale by a seller of drycleaning
5 solvents maintaining a place of business in this State and
6 shall be remitted to the Department of Revenue under the
7 provisions of this Act.

8 (c) The tax imposed by this Act that is not collected by a
9 seller of drycleaning solvents shall be paid directly to the
10 Department of Revenue by the purchaser or end user who is
11 subject to the tax imposed by this Act.

12 (d) No tax shall be imposed upon the use of drycleaning
13 solvent if the drycleaning solvent will not be used in a
14 drycleaning facility or if a floor stock tax has been imposed
15 and paid on the drycleaning solvent. Prior to the purchase of
16 the solvent, the purchaser shall provide a written and signed
17 certificate to the drycleaning solvent seller stating:

- 18 (1) the name and address of the purchaser;
19 (2) the purchaser's signature and date of signing; and
20 (3) one of the following:

21 (A) that the drycleaning solvent will not be used
22 in a drycleaning facility; or

23 (B) that a floor stock tax has been imposed and
24 paid on the drycleaning solvent.

25 (e) On January 1, 1998, there is imposed on each operator
26 of a drycleaning facility a tax on drycleaning solvent held by

1 the operator on that date for use in a drycleaning facility.
2 The tax imposed shall be the tax that would have been imposed
3 under subsection (a) if the drycleaning solvent held by the
4 operator on that date had been purchased by the operator during
5 the first year of this Act.

6 (f) On or before the 25th day of the 1st month following
7 the end of the calendar quarter, a seller of drycleaning
8 solvents who has collected a tax pursuant to this Section
9 during the previous calendar quarter, or a purchaser or end
10 user of drycleaning solvents required under subsection (c) to
11 submit the tax directly to the Department, shall file a return
12 with the Department of Revenue. The return shall be filed on a
13 form prescribed by the Department of Revenue and shall contain
14 information that the Department of Revenue reasonably
15 requires, but at a minimum will require the reporting of the
16 volume of drycleaning solvent sold to each licensed drycleaner.
17 The Department of Revenue shall report quarterly to the Council
18 the volume of drycleaning solvent purchased for the quarter by
19 each licensed drycleaner. Each seller of drycleaning solvent
20 maintaining a place of business in this State who is required
21 or authorized to collect the tax imposed by this Act shall pay
22 to the Department the amount of the tax at the time when he or
23 she is required to file his or her return for the period during
24 which the tax was collected. Purchasers or end users remitting
25 the tax directly to the Department under subsection (c) shall
26 file a return with the Department of Revenue and pay the tax so

1 incurred by the purchaser or end user during the preceding
2 calendar quarter.

3 Except as provided in this Section, the seller of
4 drycleaning solvents filing the return under this Section
5 shall, at the time of filing the return, pay to the Department
6 the amount of tax imposed by this Act less a discount of 1.75%,
7 or \$5 per calendar year, whichever is greater. Failure to
8 timely file the returns and provide to the Department the data
9 requested under this Act will result in disallowance of the
10 reimbursement discount.

11 (g) The tax on drycleaning solvents used in drycleaning
12 facilities and the floor stock tax shall be administered by
13 Department of Revenue under rules adopted by that Department.

14 (h) On and after January 1, 1998, no person shall knowingly
15 sell or transfer drycleaning solvent to an operator of a
16 drycleaning facility that is not licensed by the Council under
17 Section 60.

18 (i) The Department of Revenue may adopt rules as necessary
19 to implement this Section.

20 (j) If any payment provided for in this Section exceeds the
21 seller's liabilities under this Act, as shown on an original
22 return, the seller 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. If the Department subsequently determines that all
26 or any part of the credit taken was not actually due to the

1 seller, the seller's discount shall be reduced by an amount
2 equal to the difference between the discount as applied to the
3 credit taken and that actually due, and the seller shall be
4 liable for penalties and interest on such difference.

5 (Source: P.A. 96-774, eff. 1-1-10.)

6 Section 995. No acceleration or delay. Where this Act makes
7 changes in a statute that is represented in this Act by text
8 that is not yet or no longer in effect (for example, a Section
9 represented by multiple versions), the use of that text does
10 not accelerate or delay the taking effect of (i) the changes
11 made by this Act or (ii) provisions derived from any other
12 Public Act.

13 Section 999. Effective date. This Act takes effect upon
14 becoming law.

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4	20 ILCS 687/6-8 new	
5	20 ILCS 715/10	
6	20 ILCS 2505/2505-210	was 20 ILCS 2505/39c-1
7	30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
8	35 ILCS 5/901	from Ch. 120, par. 9-901
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10	35 ILCS 105/3-5.5	
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4	35 ILCS 450/2-50	
5	35 ILCS 505/2b	from Ch. 120, par. 418b
6	35 ILCS 505/5	from Ch. 120, par. 421
7	35 ILCS 505/5a	from Ch. 120, par. 421a
8	35 ILCS 505/13	from Ch. 120, par. 429
9	35 ILCS 615/2a.2	from Ch. 120, par. 467.17a.2
10	35 ILCS 615/3	from Ch. 120, par. 467.18
11	35 ILCS 620/2a.2	from Ch. 120, par. 469a.2
12	35 ILCS 630/6	from Ch. 120, par. 2006
13	35 ILCS 636/5-50	
14	35 ILCS 640/2-9	
15	35 ILCS 640/2-11	
16	50 ILCS 470/31	
17	55 ILCS 5/5-1006	from Ch. 34, par. 5-1006
18	55 ILCS 5/5-1006.5	
19	55 ILCS 5/5-1006.7	
20	55 ILCS 5/5-1007	from Ch. 34, par. 5-1007
21	55 ILCS 5/5-1008.5	
22	65 ILCS 5/8-11-1	from Ch. 24, par. 8-11-1
23	65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3
24	65 ILCS 5/8-11-1.4	from Ch. 24, par. 8-11-1.4
25	65 ILCS 5/8-11-1.6	
26	65 ILCS 5/8-11-1.7	

1	65 ILCS 5/8-11-5	from Ch. 24, par. 8-11-5
2	65 ILCS 5/8-11-6b	
3	65 ILCS 5/11-74.3-6	
4	70 ILCS 210/13	from Ch. 85, par. 1233
5	70 ILCS 750/25	
6	70 ILCS 1605/30	
7	70 ILCS 3610/5.01	from Ch. 111 2/3, par. 355.01
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	
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17	415 ILCS 5/55.10	from Ch. 111 1/2, par. 1055.10
18	415 ILCS 125/315	
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