



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB2026

Introduced 2/10/2017, by Sen. Toi W. Hutchinson

SYNOPSIS AS INTRODUCED:

35 ILCS 105/3-5.5	
35 ILCS 105/3-10	
35 ILCS 105/9	from Ch. 120, par. 439.9
35 ILCS 110/3-5.5	
35 ILCS 110/3-10	from Ch. 120, par. 439.33-10
35 ILCS 110/9	from Ch. 120, par. 439.39
35 ILCS 115/3-5.5	
35 ILCS 115/3-10	from Ch. 120, par. 439.103-10
35 ILCS 115/9	from Ch. 120, par. 439.109
35 ILCS 120/2-5.5	
35 ILCS 120/2-10	
35 ILCS 120/3	from Ch. 120, par. 442

Amends the Retailers' Occupation Tax Act. Provides that female and male condoms shall be taxed by the State at a rate of 1% (currently, 6.25%). Provides that the net revenue from the 1% tax collected from the sale of female and male condoms shall be deposited into the State and Local Sales Tax Reform Fund. Amends the Use Tax, Service Occupation Tax, and Service Occupation Use Tax Acts to make conforming changes.

LRB100 08814 HLH 18955 b

FISCAL NOTE ACT
MAY APPLY

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

6 (35 ILCS 105/3-5.5)

7 Sec. 3-5.5. Food and drugs sold by not-for-profit
8 organizations; exemption. The Department shall not collect the
9 1% tax imposed on 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, female
14 and male condoms, and insulin, urine testing materials,
15 syringes, and needles used by diabetics, for human use from any
16 not-for-profit organization, that sells food in a food
17 distribution program at a price below the retail cost of the
18 food to purchasers who, as a condition of participation in the
19 program, are required to perform community service, located in
20 a county or municipality that notifies the Department, in
21 writing, that the county or municipality does not want the tax
22 to be collected from any of such organizations located in the
23 county or municipality.

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

2 (35 ILCS 105/3-10)

3 Sec. 3-10. Rate of tax. Unless otherwise provided in this
4 Section, the tax imposed by this Act is at the rate of 6.25% of
5 either the selling price or the fair market value, if any, of
6 the tangible personal property. In all cases where property
7 functionally used or consumed is the same as the property that
8 was purchased at retail, then the tax is imposed on the selling
9 price of the property. In all cases where property functionally
10 used or consumed is a by-product or waste product that has been
11 refined, manufactured, or produced from property purchased at
12 retail, then the tax is imposed on the lower of the fair market
13 value, if any, of the specific property so used in this State
14 or on the selling price of the property purchased at retail.
15 For purposes of this Section "fair market value" means the
16 price at which property would change hands between a willing
17 buyer and a willing seller, neither being under any compulsion
18 to buy or sell and both having reasonable knowledge of the
19 relevant facts. The fair market value shall be established by
20 Illinois sales by the taxpayer of the same property as that
21 functionally used or consumed, or if there are no such sales by
22 the taxpayer, then comparable sales or purchases of property of
23 like kind and character in Illinois.

24 Beginning on July 1, 2000 and through December 31, 2000,
25 with respect to motor fuel, as defined in Section 1.1 of the

1 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
2 the Use Tax Act, the tax is imposed at the rate of 1.25%.

3 Beginning on August 6, 2010 through August 15, 2010, with
4 respect to sales tax holiday items as defined in Section 3-6 of
5 this Act, the tax is imposed at the rate of 1.25%.

6 With respect to gasohol, the tax imposed by this Act
7 applies to (i) 70% of the proceeds of sales made on or after
8 January 1, 1990, and before July 1, 2003, (ii) 80% of the
9 proceeds of sales made on or after July 1, 2003 and on or
10 before December 31, 2018, and (iii) 100% of the proceeds of
11 sales made thereafter. If, at any time, however, the tax under
12 this Act on sales of gasohol is imposed at the rate of 1.25%,
13 then the tax imposed by this Act applies to 100% of the
14 proceeds of sales of gasohol made during that time.

15 With respect to majority blended ethanol fuel, the tax
16 imposed by this Act does not apply to the proceeds of sales
17 made on or after July 1, 2003 and on or before December 31,
18 2018 but applies to 100% of the proceeds of sales made
19 thereafter.

20 With respect to biodiesel blends with no less than 1% and
21 no more than 10% biodiesel, the tax imposed by this Act applies
22 to (i) 80% of the proceeds of sales made on or after July 1,
23 2003 and on or before December 31, 2018 and (ii) 100% of the
24 proceeds of sales made thereafter. If, at any time, however,
25 the tax under this Act on sales of biodiesel blends with no
26 less than 1% and no more than 10% biodiesel is imposed at the

1 rate of 1.25%, then the tax imposed by this Act applies to 100%
2 of the proceeds of sales of biodiesel blends with no less than
3 1% and no more than 10% biodiesel made during that time.

4 With respect to 100% biodiesel and biodiesel blends with
5 more than 10% but no more than 99% biodiesel, the tax imposed
6 by this Act does not apply to the proceeds of sales made on or
7 after July 1, 2003 and on or before December 31, 2018 but
8 applies to 100% of the proceeds of sales made thereafter.

9 With respect 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, female
14 and male condoms, products classified as Class III medical
15 devices by the United States Food and Drug Administration that
16 are used for cancer treatment pursuant to a prescription, as
17 well as any accessories and components related to those
18 devices, modifications to a motor vehicle for the purpose of
19 rendering it usable by a person with a disability, and insulin,
20 urine testing materials, syringes, and needles used by
21 diabetics, for human use, the tax is imposed at the rate of 1%.
22 For the purposes of this Section, until September 1, 2009: the
23 term "soft drinks" means any complete, finished, ready-to-use,
24 non-alcoholic drink, whether carbonated or not, including but
25 not limited to soda water, cola, fruit juice, vegetable juice,
26 carbonated water, and all other preparations commonly known as

1 soft drinks of whatever kind or description that are contained
2 in any closed or sealed bottle, can, carton, or container,
3 regardless of size; but "soft drinks" does not include coffee,
4 tea, non-carbonated water, infant formula, milk or milk
5 products as defined in the Grade A Pasteurized Milk and Milk
6 Products Act, or drinks containing 50% or more natural fruit or
7 vegetable juice.

8 Notwithstanding any other provisions of this Act,
9 beginning September 1, 2009, "soft drinks" means non-alcoholic
10 beverages that contain natural or artificial sweeteners. "Soft
11 drinks" do not include beverages that contain milk or milk
12 products, soy, rice or similar milk substitutes, or greater
13 than 50% of vegetable or fruit juice by volume.

14 Until August 1, 2009, and notwithstanding any other
15 provisions of this Act, "food for human consumption that is to
16 be consumed off the premises where it is sold" includes all
17 food sold through a vending machine, except soft drinks and
18 food products that are dispensed hot from a vending machine,
19 regardless of the location of the vending machine. Beginning
20 August 1, 2009, and notwithstanding any other provisions of
21 this Act, "food for human consumption that is to be consumed
22 off the premises where it is sold" includes all food sold
23 through a vending machine, except soft drinks, candy, and food
24 products that are dispensed hot from a vending machine,
25 regardless of the location of the vending machine.

26 Notwithstanding any other provisions of this Act,

1 beginning September 1, 2009, "food for human consumption that
2 is to be consumed off the premises where it is sold" does not
3 include candy. For purposes of this Section, "candy" means a
4 preparation of sugar, honey, or other natural or artificial
5 sweeteners in combination with chocolate, fruits, nuts or other
6 ingredients or flavorings in the form of bars, drops, or
7 pieces. "Candy" does not include any preparation that contains
8 flour or requires refrigeration.

9 Notwithstanding any other provisions of this Act,
10 beginning September 1, 2009, "nonprescription medicines and
11 drugs" does not include grooming and hygiene products. For
12 purposes of this Section, "grooming and hygiene products"
13 includes, but is not limited to, soaps and cleaning solutions,
14 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
15 lotions and screens, unless those products are available by
16 prescription only, regardless of whether the products meet the
17 definition of "over-the-counter-drugs". For the purposes of
18 this paragraph, "over-the-counter-drug" means a drug for human
19 use that contains a label that identifies the product as a drug
20 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
21 label includes:

22 (A) A "Drug Facts" panel; or

23 (B) A statement of the "active ingredient(s)" with a
24 list of those ingredients contained in the compound,
25 substance or preparation.

26 Beginning on the effective date of this amendatory Act of

1 the 98th General Assembly, "prescription and nonprescription
2 medicines and drugs" includes medical cannabis purchased from a
3 registered dispensing organization under the Compassionate Use
4 of Medical Cannabis Pilot Program Act.

5 If the property that is purchased at retail from a retailer
6 is acquired outside Illinois and used outside Illinois before
7 being brought to Illinois for use here and is taxable under
8 this Act, the "selling price" on which the tax is computed
9 shall be reduced by an amount that represents a reasonable
10 allowance for depreciation for the period of prior out-of-state
11 use.

12 (Source: P.A. 98-122, eff. 1-1-14; 99-143, eff. 7-27-15;
13 99-858, eff. 8-19-16.)

14 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

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

1 the tax and supplying data to the Department on request. In the
2 case of retailers who report and pay the tax on a transaction
3 by transaction basis, as provided in this Section, such
4 discount shall be taken with each such tax remittance instead
5 of when such retailer files his periodic return. The Department
6 may disallow the discount for retailers whose certificate of
7 registration is revoked at the time the return is filed, but
8 only if the Department's decision to revoke the certificate of
9 registration has become final. A retailer need not remit that
10 part of any tax collected by him to the extent that he is
11 required to remit and does remit the tax imposed by the
12 Retailers' Occupation Tax Act, with respect to the sale of the
13 same property.

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

24 Except as provided in this Section, on or before the
25 twentieth day of each calendar month, such retailer shall file
26 a return for the preceding calendar month. Such return shall be

1 filed on forms prescribed by the Department and shall furnish
2 such information as the Department may reasonably require.

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

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

25 If a taxpayer fails to sign a return within 30 days after
26 the proper notice and demand for signature by the Department,

1 the return shall be considered valid and any amount shown to be
2 due on the return shall be deemed assessed.

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

1 funds transfer.

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

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

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

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

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

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

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

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

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

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

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

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
13 year being due by April 20 of such year; with the return for
14 April, May and June of a given year being due by July 20 of such
15 year; with the return for July, August and September of a given
16 year being due by October 20 of such year, and with the return
17 for 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 to the Department does not exceed \$50, the Department
22 may authorize his returns to be filed on an annual basis, with
23 the return for a given year being due by January 20 of the
24 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 In addition, with respect to motor vehicles, watercraft,
10 aircraft, and trailers that are required to be registered with
11 an agency of this State, every retailer selling this kind of
12 tangible personal property shall file, with the Department,
13 upon a form to be prescribed and supplied by the Department, a
14 separate return for each such item of tangible personal
15 property which the retailer sells, except that if, in the same
16 transaction, (i) a retailer of aircraft, watercraft, motor
17 vehicles or trailers transfers more than one aircraft,
18 watercraft, motor vehicle or trailer to another aircraft,
19 watercraft, motor vehicle or trailer retailer for the purpose
20 of resale or (ii) a retailer of aircraft, watercraft, motor
21 vehicles, or trailers transfers more than one aircraft,
22 watercraft, motor vehicle, or trailer to a purchaser for use as
23 a qualifying rolling stock as provided in Section 3-55 of this
24 Act, then that seller may report the transfer of all the
25 aircraft, watercraft, motor vehicles or trailers involved in
26 that transaction to the Department on the same uniform

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

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

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

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

1 that this procedure will expedite the processing of
2 applications for title or registration.

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

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

24 If the user who would otherwise pay tax to the retailer
25 wants the transaction reporting return filed and the payment of
26 tax or proof of exemption made to the Department before the

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

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

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

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

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

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

25 Beginning January 1, 1990, each month the Department shall
26 pay into the State and Local Sales Tax Reform Fund, a special

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

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

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

1 of this State's government.

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

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

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

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

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

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

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

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

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

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

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

26 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 August 26, 2014 (the
11 effective date of Public Act 98-1098) ~~this amendatory Act of~~
12 ~~the 98th General Assembly~~, each month, from the collections
13 made under Section 9 of the Use Tax Act, Section 9 of the
14 Service Use Tax Act, Section 9 of the Service Occupation Tax
15 Act, and Section 3 of the Retailers' Occupation Tax Act, the
16 Department shall pay into the Tax Compliance and Administration
17 Fund, to be used, subject to appropriation, to fund additional
18 auditors and compliance personnel at the Department of Revenue,
19 an amount equal to 1/12 of 5% of 80% of the cash receipts
20 collected during the preceding fiscal year by the Audit Bureau
21 of the Department under the Use Tax Act, the Service Use Tax
22 Act, the Service Occupation Tax Act, the Retailers' Occupation
23 Tax Act, and associated local occupation and use taxes
24 administered by the Department.

25 Of the remainder of the moneys received by the Department
26 pursuant to this Act, 75% thereof shall be paid into the State

1 Treasury and 25% shall be reserved in a special account and
2 used only for the transfer to the Common School Fund as part of
3 the monthly transfer from the General Revenue Fund in
4 accordance with Section 8a of the State 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 For greater simplicity of administration, manufacturers,
17 importers and wholesalers whose products are sold at retail in
18 Illinois by numerous retailers, and who wish to do so, may
19 assume the responsibility for accounting and paying to the
20 Department all tax accruing under this Act with respect to such
21 sales, if the retailers who are affected do not make written
22 objection to the Department to this arrangement.

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

1 Section 10. The Service Use Tax Act is amended by changing
2 Sections 3-5.5, 3-10, 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 on food for human consumption that is to be
7 consumed off the premises where it is sold (other than
8 alcoholic beverages, soft drinks, and food that has been
9 prepared for immediate consumption) and prescription and
10 nonprescription medicines, drugs, medical appliances, female
11 and male condoms, and insulin, urine testing materials,
12 syringes, and needles used by diabetics, for human use from any
13 not-for-profit organization, that sells food in a food
14 distribution program at a price below the retail cost of the
15 food to purchasers who, as a condition of participation in the
16 program, are required to perform community service, located in
17 a county or municipality that notifies the Department, in
18 writing, that the county or municipality does not want the tax
19 to be collected from any of such organizations located in the
20 county or municipality.

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

22 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

23 Sec. 3-10. Rate of tax. Unless otherwise provided in this

1 Section, the tax imposed by this Act is at the rate of 6.25% of
2 the selling price of tangible personal property transferred as
3 an incident to the sale of service, but, for the purpose of
4 computing this tax, in no event shall the selling price be less
5 than the cost price of the property to the serviceman.

6 Beginning on July 1, 2000 and through December 31, 2000,
7 with respect to motor fuel, as defined in Section 1.1 of the
8 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
9 the Use Tax Act, the tax is imposed at the rate of 1.25%.

10 With respect to gasohol, as defined in the Use Tax Act, the
11 tax imposed by this Act applies to (i) 70% of the selling price
12 of property transferred as an incident to the sale of service
13 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
14 of the selling price of property transferred as an incident to
15 the sale of service on or after July 1, 2003 and on or before
16 December 31, 2018, and (iii) 100% of the selling price
17 thereafter. If, at any time, however, the tax under this Act on
18 sales of gasohol, as defined in the Use Tax Act, is imposed at
19 the rate of 1.25%, then the tax imposed by this Act applies to
20 100% of the proceeds of sales of gasohol made during that time.

21 With respect to majority blended ethanol fuel, as defined
22 in the Use Tax Act, the tax imposed by this Act does not apply
23 to the selling price of property transferred as an incident to
24 the sale of service on or after July 1, 2003 and on or before
25 December 31, 2018 but applies to 100% of the selling price
26 thereafter.

1 With respect to biodiesel blends, as defined in the Use Tax
2 Act, with no less than 1% and no more than 10% biodiesel, the
3 tax imposed by this Act applies to (i) 80% of the selling price
4 of property transferred as an incident to the sale of service
5 on or after July 1, 2003 and on or before December 31, 2018 and
6 (ii) 100% of the proceeds of the selling price thereafter. If,
7 at any time, however, the tax under this Act on sales of
8 biodiesel blends, as defined in the Use Tax Act, with no less
9 than 1% and no more than 10% biodiesel is imposed at the rate
10 of 1.25%, then the tax imposed by this Act applies to 100% of
11 the proceeds of sales of biodiesel blends with no less than 1%
12 and no more than 10% biodiesel made during that time.

13 With respect to 100% biodiesel, as defined in the Use Tax
14 Act, and biodiesel blends, as defined in the Use Tax Act, with
15 more than 10% but no more than 99% biodiesel, the tax imposed
16 by this Act does not apply to the proceeds of the selling price
17 of property transferred as an incident to the sale of service
18 on or after July 1, 2003 and on or before December 31, 2018 but
19 applies to 100% of the selling price thereafter.

20 At the election of any registered serviceman made for each
21 fiscal year, sales of service in which the aggregate annual
22 cost price of tangible personal property transferred as an
23 incident to the sales of service is less than 35%, or 75% in
24 the case of servicemen transferring prescription drugs or
25 servicemen engaged in graphic arts production, of the aggregate
26 annual total gross receipts from all sales of service, the tax

1 imposed by this Act shall be based on the serviceman's cost
2 price of the tangible personal property transferred as an
3 incident to the sale of those services.

4 The tax shall be imposed at the rate of 1% on food prepared
5 for immediate consumption and transferred incident to a sale of
6 service subject to this Act or the Service Occupation Tax Act
7 by an entity licensed under the Hospital Licensing Act, the
8 Nursing Home Care Act, the ID/DD Community Care Act, the MC/DD
9 Act, the Specialized Mental Health Rehabilitation Act of 2013,
10 or the Child Care Act of 1969. The tax shall also be imposed at
11 the rate of 1% on food for human consumption that is to be
12 consumed off the premises where it is sold (other than
13 alcoholic beverages, soft drinks, and food that has been
14 prepared for immediate consumption and is not otherwise
15 included in this paragraph) and prescription and
16 nonprescription medicines, drugs, medical appliances, female
17 and male condoms, products classified as Class III medical
18 devices by the United States Food and Drug Administration that
19 are used for cancer treatment pursuant to a prescription, as
20 well as any accessories and components related to those
21 devices, modifications to a motor vehicle for the purpose of
22 rendering it usable by a person with a disability, and insulin,
23 urine testing materials, syringes, and needles used by
24 diabetics, for human use. For the purposes of this Section,
25 until September 1, 2009: the term "soft drinks" means any
26 complete, finished, ready-to-use, non-alcoholic drink, whether

1 carbonated or not, including but not limited to soda water,
2 cola, fruit juice, vegetable juice, carbonated water, and all
3 other preparations commonly known as soft drinks of whatever
4 kind or description that are contained in any closed or sealed
5 bottle, can, carton, or container, regardless of size; but
6 "soft drinks" does not include coffee, tea, non-carbonated
7 water, infant formula, milk or milk products as defined in the
8 Grade A Pasteurized Milk and Milk Products Act, or drinks
9 containing 50% or more natural fruit or vegetable juice.

10 Notwithstanding any other provisions of this Act,
11 beginning September 1, 2009, "soft drinks" means non-alcoholic
12 beverages that contain natural or artificial sweeteners. "Soft
13 drinks" do not include beverages that contain milk or milk
14 products, soy, rice or similar milk substitutes, or greater
15 than 50% of vegetable or fruit juice by volume.

16 Until August 1, 2009, and notwithstanding any other
17 provisions of this Act, "food for human consumption that is to
18 be consumed off the premises where it is sold" includes all
19 food sold through a vending machine, except soft drinks and
20 food products that are dispensed hot from a vending machine,
21 regardless of the location of the vending machine. Beginning
22 August 1, 2009, and notwithstanding any other provisions of
23 this Act, "food for human consumption that is to be consumed
24 off the premises where it is sold" includes all food sold
25 through a vending machine, except soft drinks, candy, and food
26 products that are dispensed hot from a vending machine,

1 regardless of the location of the vending machine.

2 Notwithstanding any other provisions of this Act,
3 beginning September 1, 2009, "food for human consumption that
4 is to be consumed off the premises where it is sold" does not
5 include candy. For purposes of this Section, "candy" means a
6 preparation of sugar, honey, or other natural or artificial
7 sweeteners in combination with chocolate, fruits, nuts or other
8 ingredients or flavorings in the form of bars, drops, or
9 pieces. "Candy" does not include any preparation that contains
10 flour or requires refrigeration.

11 Notwithstanding any other provisions of this Act,
12 beginning September 1, 2009, "nonprescription medicines and
13 drugs" does not include grooming and hygiene products. For
14 purposes of this Section, "grooming and hygiene products"
15 includes, but is not limited to, soaps and cleaning solutions,
16 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
17 lotions and screens, unless those products are available by
18 prescription only, regardless of whether the products meet the
19 definition of "over-the-counter-drugs". For the purposes of
20 this paragraph, "over-the-counter-drug" means a drug for human
21 use that contains a label that identifies the product as a drug
22 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
23 label includes:

24 (A) A "Drug Facts" panel; or

25 (B) A statement of the "active ingredient(s)" with a
26 list of those ingredients contained in the compound,

1 substance or preparation.

2 Beginning on January 1, 2014 (the effective date of Public
3 Act 98-122), "prescription and nonprescription medicines and
4 drugs" includes medical cannabis purchased from a registered
5 dispensing organization under the Compassionate Use of Medical
6 Cannabis Pilot Program Act.

7 If the property that is acquired from a serviceman is
8 acquired outside Illinois and used outside Illinois before
9 being brought to Illinois for use here and is taxable under
10 this Act, the "selling price" on which the tax is computed
11 shall be reduced by an amount that represents a reasonable
12 allowance for depreciation for the period of prior out-of-state
13 use.

14 (Source: P.A. 98-104, eff. 7-22-13; 98-122, eff. 1-1-14;
15 98-756, eff. 7-16-14; 99-143, eff. 7-27-15; 99-180, eff.
16 7-29-15; 99-642, eff. 7-28-16; 99-858, eff. 8-19-16.)

17 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

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

1 records, preparing and filing returns, remitting the tax and
2 supplying data to the Department on request. The Department may
3 disallow the discount for servicemen 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 serviceman need not remit that
7 part of any tax collected by him to the extent that he is
8 required to pay and does pay the tax imposed by the Service
9 Occupation Tax Act with respect to his sale of service
10 involving the incidental transfer by him of the same property.

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

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

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

- 1 which he engages in business as a serviceman in this State;
- 2 3. The total amount of taxable receipts received by him
- 3 during the preceding calendar month, including receipts
- 4 from charge and time sales, but less all deductions allowed
- 5 by law;
- 6 4. The amount of credit provided in Section 2d of this
- 7 Act;
- 8 5. The amount of tax due;
- 9 5-5. The signature of the taxpayer; and
- 10 6. Such other reasonable information as the Department
- 11 may require.

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

13 the proper notice and demand for signature by the Department,

14 the return shall be considered valid and any amount shown to be

15 due on the return shall be deemed assessed.

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

17 monthly tax liability of \$150,000 or more shall make all

18 payments required by rules of the Department by electronic

19 funds transfer. Beginning October 1, 1994, a taxpayer who has

20 an average monthly tax liability of \$100,000 or more shall make

21 all payments required by rules of the Department by electronic

22 funds transfer. Beginning October 1, 1995, a taxpayer who has

23 an average monthly tax liability of \$50,000 or more shall make

24 all payments required by rules of the Department by electronic

25 funds transfer. Beginning October 1, 2000, a taxpayer who has

26 an annual tax liability of \$200,000 or more shall make all

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

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

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

23 All taxpayers required to make payment by electronic funds
24 transfer and any taxpayers authorized to voluntarily make
25 payments by electronic funds transfer shall make those payments
26 in the manner authorized by the Department.

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

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

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

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

24 Notwithstanding any other provision in this Act concerning
25 the time within which a serviceman may file his return, in the
26 case of any serviceman who ceases to engage in a kind of

1 business which makes him responsible for filing returns under
2 this Act, such serviceman shall file a final return under this
3 Act with the Department not more than 1 month after
4 discontinuing such business.

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

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

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

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

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

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

1 pay into the State and Local Sales Tax Reform Fund 20% of the
2 net revenue realized for the preceding month from the 6.25%
3 general rate on transfers of tangible personal property, other
4 than tangible personal property which is purchased outside
5 Illinois at retail from a retailer and which is titled or
6 registered by an agency of this State's government.

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

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

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

1 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in
2 any State fiscal year. As used in this paragraph, the "average
3 monthly deficit" shall be equal to the difference between the
4 average monthly claims for payment by the fund and the average
5 monthly revenues deposited into the fund, excluding payments
6 made pursuant to this paragraph.

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

12 Of the remainder of the moneys received by the Department
13 pursuant to this Act, (a) 1.75% thereof shall be paid into the
14 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
15 and after July 1, 1989, 3.8% thereof shall be paid into the
16 Build Illinois Fund; provided, however, that if in any fiscal
17 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
18 may be, of the moneys received by the Department and required
19 to be paid into the Build Illinois Fund pursuant to Section 3
20 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
21 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
22 Service Occupation Tax Act, such Acts being hereinafter called
23 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
24 may be, of moneys being hereinafter called the "Tax Act
25 Amount", and (2) the amount transferred to the Build Illinois
26 Fund from the State and Local Sales Tax Reform Fund shall be

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

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

25 Subject to payment of amounts into the Build Illinois Fund
26 as provided in the preceding paragraph or in any amendment

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

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

1	2007	119,000,000
2	2008	126,000,000
3	2009	132,000,000
4	2010	139,000,000
5	2011	146,000,000
6	2012	153,000,000
7	2013	161,000,000
8	2014	170,000,000
9	2015	179,000,000
10	2016	189,000,000
11	2017	199,000,000
12	2018	210,000,000
13	2019	221,000,000
14	2020	233,000,000
15	2021	246,000,000
16	2022	260,000,000
17	2023	275,000,000
18	2024	275,000,000
19	2025	275,000,000
20	2026	279,000,000
21	2027	292,000,000
22	2028	307,000,000
23	2029	322,000,000
24	2030	338,000,000
25	2031	350,000,000
26	2032	350,000,000

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

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

22 Subject to payment of amounts into the Build Illinois Fund
23 and the McCormick Place Expansion Project Fund pursuant to the
24 preceding paragraphs or in any amendments thereto hereafter
25 enacted, beginning July 1, 1993 and ending on September 30,
26 2013, the Department shall each month pay into the Illinois Tax

1 Increment Fund 0.27% of 80% of the net revenue realized for the
2 preceding month from the 6.25% general rate on the selling
3 price of tangible personal property.

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

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

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

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

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

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

1 overpayment of liability.

2 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
3 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;
4 98-1098, eff. 8-26-14; 99-352, eff. 8-12-15; 99-858, eff.
5 8-19-16.)

6 Section 15. The Service Occupation Tax Act is amended by
7 changing Sections 3-5.5, 3-10, and 9 as follows:

8 (35 ILCS 115/3-5.5)

9 Sec. 3-5.5. Food and drugs sold by not-for-profit
10 organizations; exemption. The Department shall not collect the
11 1% tax imposed on food for human consumption that is to be
12 consumed off the premises where it is sold (other than
13 alcoholic beverages, soft drinks, and food that has been
14 prepared for immediate consumption) and prescription and
15 nonprescription medicines, drugs, medical appliances, female
16 and male condoms, and insulin, urine testing materials,
17 syringes, and needles used by diabetics, for human use from any
18 not-for-profit organization, that sells food in a food
19 distribution program at a price below the retail cost of the
20 food to purchasers who, as a condition of participation in the
21 program, are required to perform community service, located in
22 a county or municipality that notifies the Department, in
23 writing, that the county or municipality does not want the tax
24 to be collected from any of such organizations located in the

1 county or municipality.

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

3 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

4 Sec. 3-10. Rate of tax. Unless otherwise provided in this
5 Section, the tax imposed by this Act is at the rate of 6.25% of
6 the "selling price", as defined in Section 2 of the Service Use
7 Tax Act, of the tangible personal property. For the purpose of
8 computing this tax, in no event shall the "selling price" be
9 less than the cost price to the serviceman of the tangible
10 personal property transferred. The selling price of each item
11 of tangible personal property transferred as an incident of a
12 sale of service may be shown as a distinct and separate item on
13 the serviceman's billing to the service customer. If the
14 selling price is not so shown, the selling price of the
15 tangible personal property is deemed to be 50% of the
16 serviceman's entire billing to the service customer. When,
17 however, a serviceman contracts to design, develop, and produce
18 special order machinery or equipment, the tax imposed by this
19 Act shall be based on the serviceman's cost price of the
20 tangible personal property transferred incident to the
21 completion of the contract.

22 Beginning on July 1, 2000 and through December 31, 2000,
23 with respect to motor fuel, as defined in Section 1.1 of the
24 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
25 the Use Tax Act, the tax is imposed at the rate of 1.25%.

1 With respect to gasohol, as defined in the Use Tax Act, the
2 tax imposed by this Act shall apply to (i) 70% of the cost
3 price of property transferred as an incident to the sale of
4 service on or after January 1, 1990, and before July 1, 2003,
5 (ii) 80% of the selling price of property transferred as an
6 incident to the sale of service on or after July 1, 2003 and on
7 or before December 31, 2018, and (iii) 100% of the cost price
8 thereafter. If, at any time, however, the tax under this Act on
9 sales of gasohol, as defined in the Use Tax Act, is imposed at
10 the rate of 1.25%, then the tax imposed by this Act applies to
11 100% of the proceeds of sales of gasohol made during that time.

12 With respect to majority blended ethanol fuel, as defined
13 in the Use Tax Act, the tax imposed by this Act does not apply
14 to the selling price of property transferred as an incident to
15 the sale of service on or after July 1, 2003 and on or before
16 December 31, 2018 but applies to 100% of the selling price
17 thereafter.

18 With respect to biodiesel blends, as defined in the Use Tax
19 Act, with no less than 1% and no more than 10% biodiesel, the
20 tax imposed by this Act applies to (i) 80% of the selling price
21 of property transferred as an incident to the sale of service
22 on or after July 1, 2003 and on or before December 31, 2018 and
23 (ii) 100% of the proceeds of the selling price thereafter. If,
24 at any time, however, the tax under this Act on sales of
25 biodiesel blends, as defined in the Use Tax Act, with no less
26 than 1% and no more than 10% biodiesel is imposed at the rate

1 of 1.25%, then the tax imposed by this Act applies to 100% of
2 the proceeds of sales of biodiesel blends with no less than 1%
3 and no more than 10% biodiesel made during that time.

4 With respect to 100% biodiesel, as defined in the Use Tax
5 Act, and biodiesel blends, as defined in the Use Tax Act, with
6 more than 10% but no more than 99% biodiesel material, the tax
7 imposed by this Act does not apply to the proceeds of the
8 selling price of property transferred as an incident to the
9 sale of service on or after July 1, 2003 and on or before
10 December 31, 2018 but applies to 100% of the selling price
11 thereafter.

12 At the election of any registered serviceman made for each
13 fiscal year, sales of service in which the aggregate annual
14 cost price of tangible personal property transferred as an
15 incident to the sales of service is less than 35%, or 75% in
16 the case of servicemen transferring prescription drugs or
17 servicemen engaged in graphic arts production, of the aggregate
18 annual total gross receipts from all sales of service, the tax
19 imposed by this Act shall be based on the serviceman's cost
20 price of the tangible personal property transferred incident to
21 the sale of those services.

22 The tax shall be imposed at the rate of 1% on food prepared
23 for immediate consumption and transferred incident to a sale of
24 service subject to this Act or the Service Occupation Tax Act
25 by an entity licensed under the Hospital Licensing Act, the
26 Nursing Home Care Act, the ID/DD Community Care Act, the MC/DD

1 Act, the Specialized Mental Health Rehabilitation Act of 2013,
2 or the Child Care Act of 1969. The tax shall also be imposed at
3 the rate of 1% on food for human consumption that is to be
4 consumed off the premises where it is sold (other than
5 alcoholic beverages, soft drinks, and food that has been
6 prepared for immediate consumption and is not otherwise
7 included in this paragraph) and prescription and
8 nonprescription medicines, drugs, medical appliances, female
9 and male condoms, products classified as Class III medical
10 devices by the United States Food and Drug Administration that
11 are used for cancer treatment pursuant to a prescription, as
12 well as any accessories and components related to those
13 devices, modifications to a motor vehicle for the purpose of
14 rendering it usable by a person with a disability, and insulin,
15 urine testing materials, syringes, and needles used by
16 diabetics, for human use. For the purposes of this Section,
17 until September 1, 2009: the term "soft drinks" means any
18 complete, finished, ready-to-use, non-alcoholic drink, whether
19 carbonated or not, including but not limited to soda water,
20 cola, fruit juice, vegetable juice, carbonated water, and all
21 other preparations commonly known as soft drinks of whatever
22 kind or description that are contained in any closed or sealed
23 can, carton, or container, regardless of size; but "soft
24 drinks" does not include coffee, tea, non-carbonated water,
25 infant formula, milk or milk products as defined in the Grade A
26 Pasteurized Milk and Milk Products Act, or drinks containing

1 50% or more natural fruit or vegetable juice.

2 Notwithstanding any other provisions of this Act,
3 beginning September 1, 2009, "soft drinks" means non-alcoholic
4 beverages that contain natural or artificial sweeteners. "Soft
5 drinks" do not include beverages that contain milk or milk
6 products, soy, rice or similar milk substitutes, or greater
7 than 50% of vegetable or fruit juice by volume.

8 Until August 1, 2009, and notwithstanding any other
9 provisions of this Act, "food for human consumption that is to
10 be consumed off the premises where it is sold" includes all
11 food sold through a vending machine, except soft drinks and
12 food products that are dispensed hot from a vending machine,
13 regardless of the location of the vending machine. Beginning
14 August 1, 2009, and notwithstanding any other provisions of
15 this Act, "food for human consumption that is to be consumed
16 off the premises where it is sold" includes all food sold
17 through a vending machine, except soft drinks, candy, and food
18 products that are dispensed hot from a vending machine,
19 regardless of the location of the vending machine.

20 Notwithstanding any other provisions of this Act,
21 beginning September 1, 2009, "food for human consumption that
22 is to be consumed off the premises where it is sold" does not
23 include candy. For purposes of this Section, "candy" means a
24 preparation of sugar, honey, or other natural or artificial
25 sweeteners in combination with chocolate, fruits, nuts or other
26 ingredients or flavorings in the form of bars, drops, or

1 pieces. "Candy" does not include any preparation that contains
2 flour or requires refrigeration.

3 Notwithstanding any other provisions of this Act,
4 beginning September 1, 2009, "nonprescription medicines and
5 drugs" does not include grooming and hygiene products. For
6 purposes of this Section, "grooming and hygiene products"
7 includes, but is not limited to, soaps and cleaning solutions,
8 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
9 lotions and screens, unless those products are available by
10 prescription only, regardless of whether the products meet the
11 definition of "over-the-counter-drugs". For the purposes of
12 this paragraph, "over-the-counter-drug" means a drug for human
13 use that contains a label that identifies the product as a drug
14 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
15 label includes:

16 (A) A "Drug Facts" panel; or

17 (B) A statement of the "active ingredient(s)" with a
18 list of those ingredients contained in the compound,
19 substance or preparation.

20 Beginning on January 1, 2014 (the effective date of Public
21 Act 98-122), "prescription and nonprescription medicines and
22 drugs" includes medical cannabis purchased from a registered
23 dispensing organization under the Compassionate Use of Medical
24 Cannabis Pilot Program Act.

25 (Source: P.A. 98-104, eff. 7-22-13; 98-122, eff. 1-1-14;
26 98-756, eff. 7-16-14; 99-143, eff. 7-27-15; 99-180, eff.

1 7-29-15; 99-642, eff. 7-28-16; 99-858, eff. 8-19-16.)

2 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

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

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

25 Except as provided hereinafter in this Section, on or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

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

1 has been deposited.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 Net revenue realized for a month shall be the revenue

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

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

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

16 Section 20. The Retailers' Occupation Tax Act is amended by
17 changing Sections 2-5.5, 2-10, and 3 as follows:

18 (35 ILCS 120/2-5.5)

19 Sec. 2-5.5. Food and drugs sold by not-for-profit
20 organizations; exemption. The Department shall not collect the
21 1% tax imposed on food for human consumption that is to be
22 consumed off the premises where it is sold (other than
23 alcoholic beverages, soft drinks, and food that has been
24 prepared for immediate consumption) and prescription and

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

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

13 (35 ILCS 120/2-10)

14 Sec. 2-10. Rate of tax. Unless otherwise provided in this
15 Section, the tax imposed by this Act is at the rate of 6.25% of
16 gross receipts from sales of tangible personal property made in
17 the course of business.

18 Beginning on July 1, 2000 and through December 31, 2000,
19 with respect to motor fuel, as defined in Section 1.1 of the
20 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
21 the Use Tax Act, the tax is imposed at the rate of 1.25%.

22 Beginning on August 6, 2010 through August 15, 2010, with
23 respect to sales tax holiday items as defined in Section 2-8 of
24 this Act, the tax is imposed at the rate of 1.25%.

25 Within 14 days after the effective date of this amendatory

1 Act of the 91st General Assembly, each retailer of motor fuel
2 and gasohol shall cause the following notice to be posted in a
3 prominently visible place on each retail dispensing device that
4 is used to dispense motor fuel or gasohol in the State of
5 Illinois: "As of July 1, 2000, the State of Illinois has
6 eliminated the State's share of sales tax on motor fuel and
7 gasohol through December 31, 2000. The price on this pump
8 should reflect the elimination of the tax." The notice shall be
9 printed in bold print on a sign that is no smaller than 4
10 inches by 8 inches. The sign shall be clearly visible to
11 customers. Any retailer who fails to post or maintain a
12 required sign through December 31, 2000 is guilty of a petty
13 offense for which the fine shall be \$500 per day per each
14 retail premises where a violation occurs.

15 With respect to gasohol, as defined in the Use Tax Act, the
16 tax imposed by this Act applies to (i) 70% of the proceeds of
17 sales made on or after January 1, 1990, and before July 1,
18 2003, (ii) 80% of the proceeds of sales made on or after July
19 1, 2003 and on or before December 31, 2018, and (iii) 100% of
20 the proceeds of sales made thereafter. If, at any time,
21 however, the tax under this Act on sales of gasohol, as defined
22 in the Use Tax Act, is imposed at the rate of 1.25%, then the
23 tax imposed by this Act applies to 100% of the proceeds of
24 sales of gasohol made during that time.

25 With respect to majority blended ethanol fuel, as defined
26 in the Use Tax Act, the tax imposed by this Act does not apply

1 to the proceeds of sales made on or after July 1, 2003 and on or
2 before December 31, 2018 but applies to 100% of the proceeds of
3 sales made thereafter.

4 With respect to biodiesel blends, as defined in the Use Tax
5 Act, with no less than 1% and no more than 10% biodiesel, the
6 tax imposed by this Act applies to (i) 80% of the proceeds of
7 sales made on or after July 1, 2003 and on or before December
8 31, 2018 and (ii) 100% of the proceeds of sales made
9 thereafter. If, at any time, however, the tax under this Act on
10 sales of biodiesel blends, as defined in the Use Tax Act, with
11 no less than 1% and no more than 10% biodiesel is imposed at
12 the rate of 1.25%, then the tax imposed by this Act applies to
13 100% of the proceeds of sales of biodiesel blends with no less
14 than 1% and no more than 10% biodiesel made during that time.

15 With respect to 100% biodiesel, as defined in the Use Tax
16 Act, and biodiesel blends, as defined in the Use Tax Act, with
17 more than 10% but no more than 99% biodiesel, the tax imposed
18 by this Act does not apply to the proceeds of sales made on or
19 after July 1, 2003 and on or before December 31, 2018 but
20 applies to 100% of the proceeds of sales made thereafter.

21 With respect to food for human consumption that is to be
22 consumed off the premises where it is sold (other than
23 alcoholic beverages, soft drinks, and food that has been
24 prepared for immediate consumption) and prescription and
25 nonprescription medicines, drugs, medical appliances, female
26 and male condoms, products classified as Class III medical

1 devices by the United States Food and Drug Administration that
2 are used for cancer treatment pursuant to a prescription, as
3 well as any accessories and components related to those
4 devices, modifications to a motor vehicle for the purpose of
5 rendering it usable by a person with a disability, and insulin,
6 urine testing materials, syringes, and needles used by
7 diabetics, for human use, the tax is imposed at the rate of 1%.
8 For the purposes of this Section, until September 1, 2009: the
9 term "soft drinks" means any complete, finished, ready-to-use,
10 non-alcoholic drink, whether carbonated or not, including but
11 not limited to soda water, cola, fruit juice, vegetable juice,
12 carbonated water, and all other preparations commonly known as
13 soft drinks of whatever kind or description that are contained
14 in any closed or sealed bottle, can, carton, or container,
15 regardless of size; but "soft drinks" does not include coffee,
16 tea, non-carbonated water, infant formula, milk or milk
17 products as defined in the Grade A Pasteurized Milk and Milk
18 Products Act, or drinks containing 50% or more natural fruit or
19 vegetable juice.

20 Notwithstanding any other provisions of this Act,
21 beginning September 1, 2009, "soft drinks" means non-alcoholic
22 beverages that contain natural or artificial sweeteners. "Soft
23 drinks" do not include beverages that contain milk or milk
24 products, soy, rice or similar milk substitutes, or greater
25 than 50% of vegetable or fruit juice by volume.

26 Until August 1, 2009, and notwithstanding any other

1 provisions of this Act, "food for human consumption that is to
2 be consumed off the premises where it is sold" includes all
3 food sold through a vending machine, except soft drinks and
4 food products that are dispensed hot from a vending machine,
5 regardless of the location of the vending machine. Beginning
6 August 1, 2009, and notwithstanding any other provisions of
7 this Act, "food for human consumption that is to be consumed
8 off the premises where it is sold" includes all food sold
9 through a vending machine, except soft drinks, candy, and food
10 products that are dispensed hot from a vending machine,
11 regardless of the location of the vending machine.

12 Notwithstanding any other provisions of this Act,
13 beginning September 1, 2009, "food for human consumption that
14 is to be consumed off the premises where it is sold" does not
15 include candy. For purposes of this Section, "candy" means a
16 preparation of sugar, honey, or other natural or artificial
17 sweeteners in combination with chocolate, fruits, nuts or other
18 ingredients or flavorings in the form of bars, drops, or
19 pieces. "Candy" does not include any preparation that contains
20 flour or requires refrigeration.

21 Notwithstanding any other provisions of this Act,
22 beginning September 1, 2009, "nonprescription medicines and
23 drugs" does not include grooming and hygiene products. For
24 purposes of this Section, "grooming and hygiene products"
25 includes, but is not limited to, soaps and cleaning solutions,
26 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan

1 lotions and screens, unless those products are available by
2 prescription only, regardless of whether the products meet the
3 definition of "over-the-counter-drugs". For the purposes of
4 this paragraph, "over-the-counter-drug" means a drug for human
5 use that contains a label that identifies the product as a drug
6 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
7 label includes:

8 (A) A "Drug Facts" panel; or

9 (B) A statement of the "active ingredient(s)" with a
10 list of those ingredients contained in the compound,
11 substance or preparation.

12 Beginning on the effective date of this amendatory Act of
13 the 98th General Assembly, "prescription and nonprescription
14 medicines and drugs" includes medical cannabis purchased from a
15 registered dispensing organization under the Compassionate Use
16 of Medical Cannabis Pilot Program Act.

17 (Source: P.A. 98-122, eff. 1-1-14; 99-143, eff. 7-27-15;
18 99-858, eff. 8-19-16.)

19 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

25 1. The name of the seller;

1 2. His residence address and the address of his
2 principal place of business and the address of the
3 principal place of business (if that is a different
4 address) from which he engages in the business of selling
5 tangible personal property at retail in this State;

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

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

16 5. Deductions allowed by law;

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

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

22 8. The amount of tax due;

23 9. The signature of the taxpayer; and

24 10. Such other reasonable information as the
25 Department may require.

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

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

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

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

1 audit liability.

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 the business of selling tangible
12 personal property at retail in this State;

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

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

20 5. The amount of tax due; and

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

23 Beginning on October 1, 2003, any person who is not a
24 licensed distributor, importing distributor, or manufacturer,
25 as defined in the Liquor Control Act of 1934, but is engaged in
26 the business of selling, at retail, alcoholic liquor shall file

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

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

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

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

16 Beginning October 1, 1993, a taxpayer who has an average
17 monthly tax liability of \$150,000 or more shall make all
18 payments required by rules of the Department by electronic
19 funds transfer. Beginning October 1, 1994, a taxpayer who has
20 an average monthly tax liability of \$100,000 or more shall make
21 all payments required by rules of the Department by electronic
22 funds transfer. Beginning October 1, 1995, a taxpayer who has
23 an average monthly tax liability of \$50,000 or more shall make
24 all payments required by rules of the Department by electronic
25 funds transfer. Beginning October 1, 2000, a taxpayer who has
26 an annual tax liability of \$200,000 or more shall make all

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

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

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

23 All taxpayers required to make payment by electronic funds
24 transfer and any taxpayers authorized to voluntarily make
25 payments by electronic funds transfer shall make those payments
26 in the manner authorized by the Department.

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

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

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

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

1 of the following year.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 Except as provided in this Section, the retailer filing the
23 return under this Section shall, at the time of filing such
24 return, pay to the Department the amount of tax imposed by this
25 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
26 on and after January 1, 1990, or \$5 per calendar year,

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

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

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

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

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

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

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

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

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

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

26 If any payment provided for in this Section exceeds the

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

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

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

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

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

1 selling price of sales tax holiday items.

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

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

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

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

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

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

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

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

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

26 and means the Certified Annual Debt Service Requirement (as

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

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

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

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

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

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

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

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

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

1 price of tangible personal property.

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

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

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

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

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

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

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

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

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

25 The chief executive officer, proprietor, owner or highest
26 ranking manager shall sign the annual return to certify the

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

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

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

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

22 For greater simplicity of administration, manufacturers,
23 importers and wholesalers whose products are sold at retail in
24 Illinois by numerous retailers, and who wish to do so, may
25 assume the responsibility for accounting and paying to the
26 Department all tax accruing under this Act with respect to such

1 sales, if the retailers who are affected do not make written
2 objection to the Department to this arrangement.

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

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

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

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