

HB3523



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3523

by Rep. Michael D. Unes

SYNOPSIS AS INTRODUCED:

35 ILCS 105/3-5
35 ILCS 120/2-5

Amends the Use Tax Act and the Retailers' Occupation Tax Act. Creates an exemption for a motor vehicle purchased by a veteran with a disability that is designed to accommodate a wheelchair or any other special need of the veteran.

LRB101 07883 HLH 55926 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Section
5 3-5 as follows:

6 (35 ILCS 105/3-5)

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

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

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

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

1 support of arts or cultural programming, activities, or
2 services. These organizations include, but are not limited to,
3 music and dramatic arts organizations such as symphony
4 orchestras and theatrical groups, arts and cultural service
5 organizations, local arts councils, visual arts organizations,
6 and media arts organizations. On and after July 1, 2001 (the
7 effective date of Public Act 92-35), however, an entity
8 otherwise eligible for this exemption shall not make tax-free
9 purchases unless it has an active identification number issued
10 by the Department.

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

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

1 the car is subject to the Replacement Vehicle Tax.

2 (6) Until July 1, 2003 and beginning again on September 1,
3 2004 through August 30, 2014, graphic arts machinery and
4 equipment, including repair and replacement parts, both new and
5 used, and including that manufactured on special order,
6 certified by the purchaser to be used primarily for graphic
7 arts production, and including machinery and equipment
8 purchased for lease. Equipment includes chemicals or chemicals
9 acting as catalysts but only if the chemicals or chemicals
10 acting as catalysts effect a direct and immediate change upon a
11 graphic arts product. Beginning on July 1, 2017, graphic arts
12 machinery and equipment is included in the manufacturing and
13 assembling machinery and equipment exemption under paragraph
14 (18).

15 (7) Farm chemicals.

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

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

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

26 (11) Farm machinery and equipment, both new and used,

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

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

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

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

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

26 (13) Proceeds of mandatory service charges separately

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

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

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

22 (16) Until July 1, 2023, coal and aggregate exploration,
23 mining, off-highway hauling, processing, maintenance, and
24 reclamation equipment, including replacement parts and
25 equipment, and including equipment purchased for lease, but
26 excluding motor vehicles required to be registered under the

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

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

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

1 for wholesale or retail sale that is delivered to customers
2 through pipes, pipelines, or mains; or (iii) the treatment of
3 water for wholesale or retail sale that is delivered to
4 customers through pipes, pipelines, or mains. The provisions of
5 Public Act 98-583 are declaratory of existing law as to the
6 meaning and scope of this exemption. Beginning on July 1, 2017,
7 the exemption provided by this paragraph (18) includes, but is
8 not limited to, graphic arts machinery and equipment, as
9 defined in paragraph (6) of this Section.

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

15 (20) Semen used for artificial insemination of livestock
16 for direct agricultural production.

17 (21) Horses, or interests in horses, registered with and
18 meeting the requirements of any of the Arabian Horse Club
19 Registry of America, Appaloosa Horse Club, American Quarter
20 Horse Association, United States Trotting Association, or
21 Jockey Club, as appropriate, used for purposes of breeding or
22 racing for prizes. This item (21) is exempt from the provisions
23 of Section 3-90, and the exemption provided for under this item
24 (21) applies for all periods beginning May 30, 1995, but no
25 claim for credit or refund is allowed on or after January 1,
26 2008 for such taxes paid during the period beginning May 30,

1 2000 and ending on January 1, 2008.

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

25 (23) Personal property purchased by a lessor who leases the
26 property, under a lease of one year or longer executed or in

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

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

1 number by the Department that assists victims of the disaster
2 who reside within the declared disaster area.

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

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

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

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

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

25 (29) Beginning January 1, 2000 and through December 31,
26 2001, new or used automatic vending machines that prepare and

1 serve hot food and beverages, including coffee, soup, and other
2 items, and replacement parts for these machines. Beginning
3 January 1, 2002 and through June 30, 2003, machines and parts
4 for machines used in commercial, coin-operated amusement and
5 vending business if a use or occupation tax is paid on the
6 gross receipts derived from the use of the commercial,
7 coin-operated amusement and vending machines. This paragraph
8 is exempt from the provisions of Section 3-90.

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

22 (31) Beginning on August 2, 2001 (the effective date of
23 Public Act 92-227), computers and communications equipment
24 utilized for any hospital purpose and equipment used in the
25 diagnosis, analysis, or treatment of hospital patients
26 purchased by a lessor who leases the equipment, under a lease

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

21 (32) Beginning on August 2, 2001 (the effective date of
22 Public Act 92-227), personal property purchased by a lessor who
23 leases the property, under a lease of one year or longer
24 executed or in effect at the time the lessor would otherwise be
25 subject to the tax imposed by this Act, to a governmental body
26 that has been issued an active sales tax exemption

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

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

1 primarily used for commercial purposes. Through June 30, 2005,
2 this exemption applies to repair and replacement parts added
3 after the initial purchase of such a motor vehicle if that
4 motor vehicle is used in a manner that would qualify for the
5 rolling stock exemption otherwise provided for in this Act. For
6 purposes of this paragraph, the term "used for commercial
7 purposes" means the transportation of persons or property in
8 furtherance of any commercial or industrial enterprise,
9 whether for-hire or not.

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

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

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

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

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

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

8 (38) Merchandise that is subject to the Rental Purchase
9 Agreement Occupation and Use Tax. The purchaser must certify
10 that the item is purchased to be rented subject to a rental
11 purchase agreement, as defined in the Rental Purchase Agreement
12 Act, and provide proof of registration under the Rental
13 Purchase Agreement Occupation and Use Tax Act. This paragraph
14 is exempt from the provisions of Section 3-90.

15 (39) Tangible personal property purchased by a purchaser
16 who is exempt from the tax imposed by this Act by operation of
17 federal law. This paragraph is exempt from the provisions of
18 Section 3-90.

19 (40) A motor vehicle purchased by a veteran with a
20 disability that is designed to accommodate a wheelchair or any
21 other special need of a veteran with a disability. As used in
22 this subsection "veteran with a disability" means an Illinois
23 resident who has served as a member of the United States Armed
24 Forces on active duty or State active duty, a member of the
25 Illinois National Guard, or a member of the United States
26 Reserve Forces, who has received an honorable discharge, and

1 who has a service-connected disability of 30% or more, as
2 certified by the United States Department of Veterans Affairs.

3 This paragraph is exempt from the provisions of Section 3-90.

4 (Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16;
5 100-22, eff. 7-6-17; 100-437, eff. 1-1-18; 100-594, eff.
6 6-29-18; 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; revised
7 1-8-19.)

8 Section 10. The Retailers' Occupation Tax Act is amended by
9 changing Section 2-5 as follows:

10 (35 ILCS 120/2-5)

11 Sec. 2-5. Exemptions. Gross receipts from proceeds from the
12 sale of the following tangible personal property are exempt
13 from the tax imposed by this Act:

14 (1) Farm chemicals.

15 (2) Farm machinery and equipment, both new and used,
16 including that manufactured on special order, certified by
17 the purchaser to be used primarily for production
18 agriculture or State or federal agricultural programs,
19 including individual replacement parts for the machinery
20 and equipment, including machinery and equipment purchased
21 for lease, and including implements of husbandry defined in
22 Section 1-130 of the Illinois Vehicle Code, farm machinery
23 and agricultural chemical and fertilizer spreaders, and
24 nurse wagons required to be registered under Section 3-809

1 of the Illinois Vehicle Code, but excluding other motor
2 vehicles required to be registered under the Illinois
3 Vehicle Code. Horticultural polyhouses or hoop houses used
4 for propagating, growing, or overwintering plants shall be
5 considered farm machinery and equipment under this item
6 (2). Agricultural chemical tender tanks and dry boxes shall
7 include units sold separately from a motor vehicle required
8 to be licensed and units sold mounted on a motor vehicle
9 required to be licensed, if the selling price of the tender
10 is separately stated.

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

19 Farm machinery and equipment also includes computers,
20 sensors, software, and related equipment used primarily in
21 the computer-assisted operation of production agriculture
22 facilities, equipment, and activities such as, but not
23 limited to, the collection, monitoring, and correlation of
24 animal and crop data for the purpose of formulating animal
25 diets and agricultural chemicals. This item (2) is exempt
26 from the provisions of Section 2-70.

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

8 (4) Until July 1, 2003 and beginning again September 1,
9 2004 through August 30, 2014, graphic arts machinery and
10 equipment, including repair and replacement parts, both
11 new and used, and including that manufactured on special
12 order or purchased for lease, certified by the purchaser to
13 be used primarily for graphic arts production. Equipment
14 includes chemicals or chemicals acting as catalysts but
15 only if the chemicals or chemicals acting as catalysts
16 effect a direct and immediate change upon a graphic arts
17 product. Beginning on July 1, 2017, graphic arts machinery
18 and equipment is included in the manufacturing and
19 assembling machinery and equipment exemption under
20 paragraph (14).

21 (5) A motor vehicle that is used for automobile
22 renting, as defined in the Automobile Renting Occupation
23 and Use Tax Act. This paragraph is exempt from the
24 provisions of Section 2-70.

25 (6) Personal property sold by a teacher-sponsored
26 student organization affiliated with an elementary or

1 secondary school located in Illinois.

2 (7) Until July 1, 2003, proceeds of that portion of the
3 selling price of a passenger car the sale of which is
4 subject to the Replacement Vehicle Tax.

5 (8) Personal property sold to an Illinois county fair
6 association for use in conducting, operating, or promoting
7 the county fair.

8 (9) Personal property sold to a not-for-profit arts or
9 cultural organization that establishes, by proof required
10 by the Department by rule, that it has received an
11 exemption under Section 501(c)(3) of the Internal Revenue
12 Code and that is organized and operated primarily for the
13 presentation or support of arts or cultural programming,
14 activities, or services. These organizations include, but
15 are not limited to, music and dramatic arts organizations
16 such as symphony orchestras and theatrical groups, arts and
17 cultural service organizations, local arts councils,
18 visual arts organizations, and media arts organizations.
19 On and after July 1, 2001 (the effective date of Public Act
20 92-35), however, an entity otherwise eligible for this
21 exemption shall not make tax-free purchases unless it has
22 an active identification number issued by the Department.

23 (10) Personal property sold by a corporation, society,
24 association, foundation, institution, or organization,
25 other than a limited liability company, that is organized
26 and operated as a not-for-profit service enterprise for the

1 benefit of persons 65 years of age or older if the personal
2 property was not purchased by the enterprise for the
3 purpose of resale by the enterprise.

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

19 (12) (Blank).

20 (12-5) On and after July 1, 2003 and through June 30,
21 2004, motor vehicles of the second division with a gross
22 vehicle weight in excess of 8,000 pounds that are subject
23 to the commercial distribution fee imposed under Section
24 3-815.1 of the Illinois Vehicle Code. Beginning on July 1,
25 2004 and through June 30, 2005, the use in this State of
26 motor vehicles of the second division: (i) with a gross

1 vehicle weight rating in excess of 8,000 pounds; (ii) that
2 are subject to the commercial distribution fee imposed
3 under Section 3-815.1 of the Illinois Vehicle Code; and
4 (iii) that are primarily used for commercial purposes.
5 Through June 30, 2005, this exemption applies to repair and
6 replacement parts added after the initial purchase of such
7 a motor vehicle if that motor vehicle is used in a manner
8 that would qualify for the rolling stock exemption
9 otherwise provided for in this Act. For purposes of this
10 paragraph, "used for commercial purposes" means the
11 transportation of persons or property in furtherance of any
12 commercial or industrial enterprise whether for-hire or
13 not.

14 (13) Proceeds from sales to owners, lessors, or
15 shippers of tangible personal property that is utilized by
16 interstate carriers for hire for use as rolling stock
17 moving in interstate commerce and equipment operated by a
18 telecommunications provider, licensed as a common carrier
19 by the Federal Communications Commission, which is
20 permanently installed in or affixed to aircraft moving in
21 interstate commerce.

22 (14) Machinery and equipment that will be used by the
23 purchaser, or a lessee of the purchaser, primarily in the
24 process of manufacturing or assembling tangible personal
25 property for wholesale or retail sale or lease, whether the
26 sale or lease is made directly by the manufacturer or by

1 some other person, whether the materials used in the
2 process are owned by the manufacturer or some other person,
3 or whether the sale or lease is made apart from or as an
4 incident to the seller's engaging in the service occupation
5 of producing machines, tools, dies, jigs, patterns,
6 gauges, or other similar items of no commercial value on
7 special order for a particular purchaser. The exemption
8 provided by this paragraph (14) does not include machinery
9 and equipment used in (i) the generation of electricity for
10 wholesale or retail sale; (ii) the generation or treatment
11 of natural or artificial gas for wholesale or retail sale
12 that is delivered to customers through pipes, pipelines, or
13 mains; or (iii) the treatment of water for wholesale or
14 retail sale that is delivered to customers through pipes,
15 pipelines, or mains. The provisions of Public Act 98-583
16 are declaratory of existing law as to the meaning and scope
17 of this exemption. Beginning on July 1, 2017, the exemption
18 provided by this paragraph (14) includes, but is not
19 limited to, graphic arts machinery and equipment, as
20 defined in paragraph (4) of this Section.

21 (15) Proceeds of mandatory service charges separately
22 stated on customers' bills for purchase and consumption of
23 food and beverages, to the extent that the proceeds of the
24 service charge are in fact turned over as tips or as a
25 substitute for tips to the employees who participate
26 directly in preparing, serving, hosting or cleaning up the

1 food or beverage function with respect to which the service
2 charge is imposed.

3 (16) Tangible personal property sold to a purchaser if
4 the purchaser is exempt from use tax by operation of
5 federal law. This paragraph is exempt from the provisions
6 of Section 2-70.

7 (17) Tangible personal property sold to a common
8 carrier by rail or motor that receives the physical
9 possession of the property in Illinois and that transports
10 the property, or shares with another common carrier in the
11 transportation of the property, out of Illinois on a
12 standard uniform bill of lading showing the seller of the
13 property as the shipper or consignor of the property to a
14 destination outside Illinois, for use outside Illinois.

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

19 (19) Until July 1, 2003, oil field exploration,
20 drilling, and production equipment, including (i) rigs and
21 parts of rigs, rotary rigs, cable tool rigs, and workover
22 rigs, (ii) pipe and tubular goods, including casing and
23 drill strings, (iii) pumps and pump-jack units, (iv)
24 storage tanks and flow lines, (v) any individual
25 replacement part for oil field exploration, drilling, and
26 production equipment, and (vi) machinery and equipment

1 purchased for lease; but excluding motor vehicles required
2 to be registered under the Illinois Vehicle Code.

3 (20) Photoprocessing machinery and equipment,
4 including repair and replacement parts, both new and used,
5 including that manufactured on special order, certified by
6 the purchaser to be used primarily for photoprocessing, and
7 including photoprocessing machinery and equipment
8 purchased for lease.

9 (21) Until July 1, 2023, coal and aggregate
10 exploration, mining, off-highway hauling, processing,
11 maintenance, and reclamation equipment, including
12 replacement parts and equipment, and including equipment
13 purchased for lease, but excluding motor vehicles required
14 to be registered under the Illinois Vehicle Code. The
15 changes made to this Section by Public Act 97-767 apply on
16 and after July 1, 2003, but no claim for credit or refund
17 is allowed on or after August 16, 2013 (the effective date
18 of Public Act 98-456) for such taxes paid during the period
19 beginning July 1, 2003 and ending on August 16, 2013 (the
20 effective date of Public Act 98-456).

21 (22) Until June 30, 2013, fuel and petroleum products
22 sold to or used by an air carrier, certified by the carrier
23 to be used for consumption, shipment, or storage in the
24 conduct of its business as an air common carrier, for a
25 flight destined for or returning from a location or
26 locations outside the United States without regard to

1 previous or subsequent domestic stopovers.

2 Beginning July 1, 2013, fuel and petroleum products
3 sold to or used by an air carrier, certified by the carrier
4 to be used for consumption, shipment, or storage in the
5 conduct of its business as an air common carrier, for a
6 flight that (i) is engaged in foreign trade or is engaged
7 in trade between the United States and any of its
8 possessions and (ii) transports at least one individual or
9 package for hire from the city of origination to the city
10 of final destination on the same aircraft, without regard
11 to a change in the flight number of that aircraft.

12 (23) A transaction in which the purchase order is
13 received by a florist who is located outside Illinois, but
14 who has a florist located in Illinois deliver the property
15 to the purchaser or the purchaser's donee in Illinois.

16 (24) Fuel consumed or used in the operation of ships,
17 barges, or vessels that are used primarily in or for the
18 transportation of property or the conveyance of persons for
19 hire on rivers bordering on this State if the fuel is
20 delivered by the seller to the purchaser's barge, ship, or
21 vessel while it is afloat upon that bordering river.

22 (25) Except as provided in item (25-5) of this Section,
23 a motor vehicle sold in this State to a nonresident even
24 though the motor vehicle is delivered to the nonresident in
25 this State, if the motor vehicle is not to be titled in
26 this State, and if a drive-away permit is issued to the

1 motor vehicle as provided in Section 3-603 of the Illinois
2 Vehicle Code or if the nonresident purchaser has vehicle
3 registration plates to transfer to the motor vehicle upon
4 returning to his or her home state. The issuance of the
5 drive-away permit or having the out-of-state registration
6 plates to be transferred is prima facie evidence that the
7 motor vehicle will not be titled in this State.

8 (25-5) The exemption under item (25) does not apply if
9 the state in which the motor vehicle will be titled does
10 not allow a reciprocal exemption for a motor vehicle sold
11 and delivered in that state to an Illinois resident but
12 titled in Illinois. The tax collected under this Act on the
13 sale of a motor vehicle in this State to a resident of
14 another state that does not allow a reciprocal exemption
15 shall be imposed at a rate equal to the state's rate of tax
16 on taxable property in the state in which the purchaser is
17 a resident, except that the tax shall not exceed the tax
18 that would otherwise be imposed under this Act. At the time
19 of the sale, the purchaser shall execute a statement,
20 signed under penalty of perjury, of his or her intent to
21 title the vehicle in the state in which the purchaser is a
22 resident within 30 days after the sale and of the fact of
23 the payment to the State of Illinois of tax in an amount
24 equivalent to the state's rate of tax on taxable property
25 in his or her state of residence and shall submit the
26 statement to the appropriate tax collection agency in his

1 or her state of residence. In addition, the retailer must
2 retain a signed copy of the statement in his or her
3 records. Nothing in this item shall be construed to require
4 the removal of the vehicle from this state following the
5 filing of an intent to title the vehicle in the purchaser's
6 state of residence if the purchaser titles the vehicle in
7 his or her state of residence within 30 days after the date
8 of sale. The tax collected under this Act in accordance
9 with this item (25-5) shall be proportionately distributed
10 as if the tax were collected at the 6.25% general rate
11 imposed under this Act.

12 (25-7) Beginning on July 1, 2007, no tax is imposed
13 under this Act on the sale of an aircraft, as defined in
14 Section 3 of the Illinois Aeronautics Act, if all of the
15 following conditions are met:

16 (1) the aircraft leaves this State within 15 days
17 after the later of either the issuance of the final
18 billing for the sale of the aircraft, or the authorized
19 approval for return to service, completion of the
20 maintenance record entry, and completion of the test
21 flight and ground test for inspection, as required by
22 14 C.F.R. 91.407;

23 (2) the aircraft is not based or registered in this
24 State after the sale of the aircraft; and

25 (3) the seller retains in his or her books and
26 records and provides to the Department a signed and

1 dated certification from the purchaser, on a form
2 prescribed by the Department, certifying that the
3 requirements of this item (25-7) are met. The
4 certificate must also include the name and address of
5 the purchaser, the address of the location where the
6 aircraft is to be titled or registered, the address of
7 the primary physical location of the aircraft, and
8 other information that the Department may reasonably
9 require.

10 For purposes of this item (25-7):

11 "Based in this State" means hangared, stored, or
12 otherwise used, excluding post-sale customizations as
13 defined in this Section, for 10 or more days in each
14 12-month period immediately following the date of the sale
15 of the aircraft.

16 "Registered in this State" means an aircraft
17 registered with the Department of Transportation,
18 Aeronautics Division, or titled or registered with the
19 Federal Aviation Administration to an address located in
20 this State.

21 This paragraph (25-7) is exempt from the provisions of
22 Section 2-70.

23 (26) Semen used for artificial insemination of
24 livestock for direct agricultural production.

25 (27) Horses, or interests in horses, registered with
26 and meeting the requirements of any of the Arabian Horse

1 Club Registry of America, Appaloosa Horse Club, American
2 Quarter Horse Association, United States Trotting
3 Association, or Jockey Club, as appropriate, used for
4 purposes of breeding or racing for prizes. This item (27)
5 is exempt from the provisions of Section 2-70, and the
6 exemption provided for under this item (27) applies for all
7 periods beginning May 30, 1995, but no claim for credit or
8 refund is allowed on or after January 1, 2008 (the
9 effective date of Public Act 95-88) for such taxes paid
10 during the period beginning May 30, 2000 and ending on
11 January 1, 2008 (the effective date of Public Act 95-88).

12 (28) Computers and communications equipment utilized
13 for any hospital purpose and equipment used in the
14 diagnosis, analysis, or treatment of hospital patients
15 sold to a lessor who leases the equipment, under a lease of
16 one year or longer executed or in effect at the time of the
17 purchase, to a hospital that has been issued an active tax
18 exemption identification number by the Department under
19 Section 1g of this Act.

20 (29) Personal property sold to a lessor who leases the
21 property, under a lease of one year or longer executed or
22 in effect at the time of the purchase, to a governmental
23 body that has been issued an active tax exemption
24 identification number by the Department under Section 1g of
25 this Act.

26 (30) Beginning with taxable years ending on or after

1 December 31, 1995 and ending with taxable years ending on
2 or before December 31, 2004, personal property that is
3 donated for disaster relief to be used in a State or
4 federally declared disaster area in Illinois or bordering
5 Illinois by a manufacturer or retailer that is registered
6 in this State to a corporation, society, association,
7 foundation, or institution that has been issued a sales tax
8 exemption identification number by the Department that
9 assists victims of the disaster who reside within the
10 declared disaster area.

11 (31) Beginning with taxable years ending on or after
12 December 31, 1995 and ending with taxable years ending on
13 or before December 31, 2004, personal property that is used
14 in the performance of infrastructure repairs in this State,
15 including but not limited to municipal roads and streets,
16 access roads, bridges, sidewalks, waste disposal systems,
17 water and sewer line extensions, water distribution and
18 purification facilities, storm water drainage and
19 retention facilities, and sewage treatment facilities,
20 resulting from a State or federally declared disaster in
21 Illinois or bordering Illinois when such repairs are
22 initiated on facilities located in the declared disaster
23 area within 6 months after the disaster.

24 (32) Beginning July 1, 1999, game or game birds sold at
25 a "game breeding and hunting preserve area" as that term is
26 used in the Wildlife Code. This paragraph is exempt from

1 the provisions of Section 2-70.

2 (33) A motor vehicle, as that term is defined in
3 Section 1-146 of the Illinois Vehicle Code, that is donated
4 to a corporation, limited liability company, society,
5 association, foundation, or institution that is determined
6 by the Department to be organized and operated exclusively
7 for educational purposes. For purposes of this exemption,
8 "a corporation, limited liability company, society,
9 association, foundation, or institution organized and
10 operated exclusively for educational purposes" means all
11 tax-supported public schools, private schools that offer
12 systematic instruction in useful branches of learning by
13 methods common to public schools and that compare favorably
14 in their scope and intensity with the course of study
15 presented in tax-supported schools, and vocational or
16 technical schools or institutes organized and operated
17 exclusively to provide a course of study of not less than 6
18 weeks duration and designed to prepare individuals to
19 follow a trade or to pursue a manual, technical,
20 mechanical, industrial, business, or commercial
21 occupation.

22 (34) Beginning January 1, 2000, personal property,
23 including food, purchased through fundraising events for
24 the benefit of a public or private elementary or secondary
25 school, a group of those schools, or one or more school
26 districts if the events are sponsored by an entity

1 recognized by the school district that consists primarily
2 of volunteers and includes parents and teachers of the
3 school children. This paragraph does not apply to
4 fundraising events (i) for the benefit of private home
5 instruction or (ii) for which the fundraising entity
6 purchases the personal property sold at the events from
7 another individual or entity that sold the property for the
8 purpose of resale by the fundraising entity and that
9 profits from the sale to the fundraising entity. This
10 paragraph is exempt from the provisions of Section 2-70.

11 (35) Beginning January 1, 2000 and through December 31,
12 2001, new or used automatic vending machines that prepare
13 and serve hot food and beverages, including coffee, soup,
14 and other items, and replacement parts for these machines.
15 Beginning January 1, 2002 and through June 30, 2003,
16 machines and parts for machines used in commercial,
17 coin-operated amusement and vending business if a use or
18 occupation tax is paid on the gross receipts derived from
19 the use of the commercial, coin-operated amusement and
20 vending machines. This paragraph is exempt from the
21 provisions of Section 2-70.

22 (35-5) Beginning August 23, 2001 and through June 30,
23 2016, food for human consumption that is to be consumed off
24 the premises where it is sold (other than alcoholic
25 beverages, soft drinks, and food that has been prepared for
26 immediate consumption) and prescription and

1 nonprescription medicines, drugs, medical appliances, and
2 insulin, urine testing materials, syringes, and needles
3 used by diabetics, for human use, when purchased for use by
4 a person receiving medical assistance under Article V of
5 the Illinois Public Aid Code who resides in a licensed
6 long-term care facility, as defined in the Nursing Home
7 Care Act, or a licensed facility as defined in the ID/DD
8 Community Care Act, the MC/DD Act, or the Specialized
9 Mental Health Rehabilitation Act of 2013.

10 (36) Beginning August 2, 2001, computers and
11 communications equipment utilized for any hospital purpose
12 and equipment used in the diagnosis, analysis, or treatment
13 of hospital patients sold to a lessor who leases the
14 equipment, under a lease of one year or longer executed or
15 in effect at the time of the purchase, to a hospital that
16 has been issued an active tax exemption identification
17 number by the Department under Section 1g of this Act. This
18 paragraph is exempt from the provisions of Section 2-70.

19 (37) Beginning August 2, 2001, personal property sold
20 to a lessor who leases the property, under a lease of one
21 year or longer executed or in effect at the time of the
22 purchase, to a governmental body that has been issued an
23 active tax exemption identification number by the
24 Department under Section 1g of this Act. This paragraph is
25 exempt from the provisions of Section 2-70.

26 (38) Beginning on January 1, 2002 and through June 30,

1 2016, tangible personal property purchased from an
2 Illinois retailer by a taxpayer engaged in centralized
3 purchasing activities in Illinois who will, upon receipt of
4 the property in Illinois, temporarily store the property in
5 Illinois (i) for the purpose of subsequently transporting
6 it outside this State for use or consumption thereafter
7 solely outside this State or (ii) for the purpose of being
8 processed, fabricated, or manufactured into, attached to,
9 or incorporated into other tangible personal property to be
10 transported outside this State and thereafter used or
11 consumed solely outside this State. The Director of Revenue
12 shall, pursuant to rules adopted in accordance with the
13 Illinois Administrative Procedure Act, issue a permit to
14 any taxpayer in good standing with the Department who is
15 eligible for the exemption under this paragraph (38). The
16 permit issued under this paragraph (38) shall authorize the
17 holder, to the extent and in the manner specified in the
18 rules adopted under this Act, to purchase tangible personal
19 property from a retailer exempt from the taxes imposed by
20 this Act. Taxpayers shall maintain all necessary books and
21 records to substantiate the use and consumption of all such
22 tangible personal property outside of the State of
23 Illinois.

24 (39) Beginning January 1, 2008, tangible personal
25 property used in the construction or maintenance of a
26 community water supply, as defined under Section 3.145 of

1 the Environmental Protection Act, that is operated by a
2 not-for-profit corporation that holds a valid water supply
3 permit issued under Title IV of the Environmental
4 Protection Act. This paragraph is exempt from the
5 provisions of Section 2-70.

6 (40) Beginning January 1, 2010, materials, parts,
7 equipment, components, and furnishings incorporated into
8 or upon an aircraft as part of the modification,
9 refurbishment, completion, replacement, repair, or
10 maintenance of the aircraft. This exemption includes
11 consumable supplies used in the modification,
12 refurbishment, completion, replacement, repair, and
13 maintenance of aircraft, but excludes any materials,
14 parts, equipment, components, and consumable supplies used
15 in the modification, replacement, repair, and maintenance
16 of aircraft engines or power plants, whether such engines
17 or power plants are installed or uninstalled upon any such
18 aircraft. "Consumable supplies" include, but are not
19 limited to, adhesive, tape, sandpaper, general purpose
20 lubricants, cleaning solution, latex gloves, and
21 protective films. This exemption applies only to the sale
22 of qualifying tangible personal property to persons who
23 modify, refurbish, complete, replace, or maintain an
24 aircraft and who (i) hold an Air Agency Certificate and are
25 empowered to operate an approved repair station by the
26 Federal Aviation Administration, (ii) have a Class IV

1 Rating, and (iii) conduct operations in accordance with
2 Part 145 of the Federal Aviation Regulations. The exemption
3 does not include aircraft operated by a commercial air
4 carrier providing scheduled passenger air service pursuant
5 to authority issued under Part 121 or Part 129 of the
6 Federal Aviation Regulations. The changes made to this
7 paragraph (40) by Public Act 98-534 are declarative of
8 existing law.

9 (41) Tangible personal property sold to a
10 public-facilities corporation, as described in Section
11 11-65-10 of the Illinois Municipal Code, for purposes of
12 constructing or furnishing a municipal convention hall,
13 but only if the legal title to the municipal convention
14 hall is transferred to the municipality without any further
15 consideration by or on behalf of the municipality at the
16 time of the completion of the municipal convention hall or
17 upon the retirement or redemption of any bonds or other
18 debt instruments issued by the public-facilities
19 corporation in connection with the development of the
20 municipal convention hall. This exemption includes
21 existing public-facilities corporations as provided in
22 Section 11-65-25 of the Illinois Municipal Code. This
23 paragraph is exempt from the provisions of Section 2-70.

24 (42) Beginning January 1, 2017, menstrual pads,
25 tampons, and menstrual cups.

26 (43) Merchandise that is subject to the Rental Purchase

1 Agreement Occupation and Use Tax. The purchaser must
2 certify that the item is purchased to be rented subject to
3 a rental purchase agreement, as defined in the Rental
4 Purchase Agreement Act, and provide proof of registration
5 under the Rental Purchase Agreement Occupation and Use Tax
6 Act. This paragraph is exempt from the provisions of
7 Section 2-70.

8 (44) A motor vehicle purchased by a veteran with a
9 disability that is designed to accommodate a wheelchair or
10 any other special need of a veteran with a disability. As
11 used in this subsection "veteran with a disability" means
12 an Illinois resident who has served as a member of the
13 United States Armed Forces on active duty or State active
14 duty, a member of the Illinois National Guard, or a member
15 of the United States Reserve Forces, who has received an
16 honorable discharge, and who has a service-connected
17 disability of 30% or more, as certified by the United
18 States Department of Veterans Affairs. This paragraph is
19 exempt from the provisions of Section 2-70.

20 (Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16;
21 100-22, eff. 7-6-17; 100-321, eff. 8-24-17; 100-437, eff.
22 1-1-18; 100-594, eff. 6-29-18; 100-863, eff. 8-14-18;
23 100-1171, eff. 1-4-19; revised 1-8-19.)