

1 AN ACT concerning revenue.

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

4 ARTICLE 5. SECOND FY2020 BUDGET IMPLEMENTATION ACT

5 Section 5-1. Short title. This Article may be cited as the  
6 Second FY2020 Budget Implementation Act.

7 Section 5-5. Purpose. It is the purpose of this Article to  
8 make additional changes in State programs that are necessary to  
9 implement the State operating and capital budgets for State  
10 fiscal year 2020.

11 Section 5-10. The Department of Commerce and Economic  
12 Opportunity Law of the Civil Administrative Code of Illinois is  
13 amended by renumbering and changing Section 605-1025 as added  
14 by Public Act 101-10 as follows:

15 (20 ILCS 605/605-1030)

16 Sec. 605-1030 ~~605-1025~~. Human Services Capital Investment  
17 Grant Program.

18 (a) The Department of Commerce and Economic Opportunity, in  
19 coordination with the Department of Human Services, shall  
20 establish a Human Services Capital Investment Grant Program.

1 The Department shall, subject to appropriation, make capital  
2 improvement grants to human services providers serving  
3 low-income or marginalized populations. The Build Illinois  
4 Bond Fund and the Rebuild Illinois Projects Fund shall be the  
5 sources ~~source~~ of funding for the program. Eligible grant  
6 recipients shall be human services providers that offer  
7 facilities and services in a manner that supports and fulfills  
8 the mission of Department of Human Services. Eligible grant  
9 recipients include, but are not limited to, domestic violence  
10 shelters, rape crisis centers, comprehensive youth services,  
11 teen REACH providers, supportive housing providers,  
12 developmental disability community providers, behavioral  
13 health providers, and other community-based providers.  
14 Eligible grant recipients have no entitlement to a grant under  
15 this Section.

16 (b) The Department, in consultation with the Department of  
17 Human Services, shall adopt rules to implement this Section and  
18 shall create a competitive application procedure for grants to  
19 be awarded. The rules shall specify the manner of applying for  
20 grants; grantee eligibility requirements; project eligibility  
21 requirements; restrictions on the use of grant moneys; the  
22 manner in which grantees must account for the use of grant  
23 moneys; and any other provision that the Department of Commerce  
24 and Economic Opportunity or Department of Human Services  
25 determine to be necessary or useful for the administration of  
26 this Section. Rules may include a requirement for grantees to

1 provide local matching funds in an amount equal to a specific  
2 percentage of the grant.

3 (c) The Department of Human Services shall establish  
4 standards for determining the priorities concerning the  
5 necessity for capital facilities for the provision of human  
6 services based on data available to the Department.

7 (d) No portion of a human services capital investment grant  
8 awarded under this Section may be used by a grantee to pay for  
9 any on-going operational costs or outstanding debt.

10 (Source: P.A. 101-10, eff. 6-5-19; revised 10-18-19.)

11 Section 5-15. The Capital Development Board Act is amended  
12 by changing Section 20 as follows:

13 (20 ILCS 3105/20)

14 Sec. 20. Hospital and Healthcare Transformation Capital  
15 Investment Grant Program.

16 (a) The Capital Development Board, in coordination with the  
17 Department of Healthcare and Family Services, shall establish a  
18 Hospital and Healthcare Transformation Capital Investment  
19 Grant Program. The Board shall, subject to appropriation, make  
20 capital improvement grants to Illinois hospitals licensed  
21 under the Hospital Licensing Act and other qualified healthcare  
22 providers serving the people of Illinois. The Build Illinois  
23 Bond Fund and the Capital Development Fund shall be the sources  
24 ~~source~~ of funding for the program. Eligible grant recipients

1 shall be hospitals and other healthcare providers that offer  
2 facilities and services in a manner that supports and fulfills  
3 the mission of the Department of Healthcare and Family  
4 Services. Eligible grant recipients have no entitlement to a  
5 grant under this Section.

6 (b) The Capital Development Board, in consultation with the  
7 Department of Healthcare and Family Services shall adopt rules  
8 to implement this Section and shall create a competitive  
9 application procedure for grants to be awarded. The rules shall  
10 specify: the manner of applying for grants; grantee eligibility  
11 requirements; project eligibility requirements; restrictions  
12 on the use of grant moneys; the manner in grantees must account  
13 for the use of grant moneys; and any other provision that the  
14 Capital Development Board or Department of Healthcare and  
15 Family Services determine to be necessary or useful for the  
16 administration of this Section. Rules may include a requirement  
17 for grantees to provide local matching funds in an amount equal  
18 to a certain percentage of the grant.

19 (c) The Department of Healthcare and Family Services shall  
20 establish standards for the determination of priority needs  
21 concerning health care transformation based on projects  
22 located in communities in the State with the greatest  
23 utilization of Medicaid services or underserved communities,  
24 including, but not limited to Safety Net Hospitals and Critical  
25 Access Hospitals, utilizing data available to the Department.

26 (d) Nothing in this Section shall exempt nor relieve any

1 healthcare provider receiving a grant under this Section from  
2 any requirement of the Illinois Health Facilities Planning Act.

3 (e) No portion of a healthcare transformation capital  
4 investment program grant awarded under this Section may be used  
5 by a hospital or other healthcare provider to pay for any  
6 on-going operational costs, pay outstanding debt, or be  
7 allocated to an endowment or other invested fund.

8 (Source: P.A. 101-10, eff. 6-5-19; revised 7-16-19.)

9 Section 5-20. The State Finance Act is amended by changing  
10 Section 6z-78 as follows:

11 (30 ILCS 105/6z-78)

12 Sec. 6z-78. Capital Projects Fund; bonded indebtedness;  
13 transfers. Money in the Capital Projects Fund shall, if and  
14 when the State of Illinois incurs any bonded indebtedness using  
15 the bond authorizations for capital projects enacted in Public  
16 Act 96-36, Public Act 96-1554, Public Act 97-771, Public Act  
17 98-94, and using the general obligation bond authorizations for  
18 capital projects enacted in Public Act 101-30 ~~and this~~  
19 ~~amendatory Act of the 101st General Assembly~~, be set aside and  
20 used for the purpose of paying and discharging annually the  
21 principal and interest on that bonded indebtedness then due and  
22 payable.

23 In addition to other transfers to the General Obligation  
24 Bond Retirement and Interest Fund made pursuant to Section 15

1 of the General Obligation Bond Act, upon each delivery of  
2 general obligation bonds for capital projects using bond  
3 authorizations enacted in Public Act 96-36, Public Act 96-1554,  
4 Public Act 97-771, Public Act 98-94, and Public Act 101-30 ~~this~~  
5 ~~amendatory Act of the 101st General Assembly~~ (except for  
6 amounts in Public Act 101-30 ~~this amendatory Act of the 101st~~  
7 ~~General Assembly~~ that increase bond authorization under  
8 paragraph (1) of subsection (a) of Section 4 and subsection (e)  
9 of Section 4 of the General Obligation Bond Act), the State  
10 Comptroller shall compute and certify to the State Treasurer  
11 the total amount of principal of, interest on, and premium, if  
12 any, on such bonds during the then current and each succeeding  
13 fiscal year. With respect to the interest payable on variable  
14 rate bonds, such certifications shall be calculated at the  
15 maximum rate of interest that may be payable during the fiscal  
16 year, after taking into account any credits permitted in the  
17 related indenture or other instrument against the amount of  
18 such interest required to be appropriated for the period.

19 (a) Except as provided for in subsection (b), on or before  
20 the last day of each month, the State Treasurer and State  
21 Comptroller shall transfer from the Capital Projects Fund to  
22 the General Obligation Bond Retirement and Interest Fund an  
23 amount sufficient to pay the aggregate of the principal of,  
24 interest on, and premium, if any, on the bonds payable on their  
25 next payment date, divided by the number of monthly transfers  
26 occurring between the last previous payment date (or the

1 delivery date if no payment date has yet occurred) and the next  
2 succeeding payment date. Interest payable on variable rate  
3 bonds shall be calculated at the maximum rate of interest that  
4 may be payable for the relevant period, after taking into  
5 account any credits permitted in the related indenture or other  
6 instrument against the amount of such interest required to be  
7 appropriated for that period. Interest for which moneys have  
8 already been deposited into the capitalized interest account  
9 within the General Obligation Bond Retirement and Interest Fund  
10 shall not be included in the calculation of the amounts to be  
11 transferred under this subsection.

12 (b) On or before the last day of each month, the State  
13 Treasurer and State Comptroller shall transfer from the Capital  
14 Projects Fund to the General Obligation Bond Retirement and  
15 Interest Fund an amount sufficient to pay the aggregate of the  
16 principal of, interest on, and premium, if any, on the bonds  
17 issued prior to January 1, 2012 pursuant to Section 4(d) of the  
18 General Obligation Bond Act payable on their next payment date,  
19 divided by the number of monthly transfers occurring between  
20 the last previous payment date (or the delivery date if no  
21 payment date has yet occurred) and the next succeeding payment  
22 date. If the available balance in the Capital Projects Fund is  
23 not sufficient for the transfer required in this subsection,  
24 the State Treasurer and State Comptroller shall transfer the  
25 difference from the Road Fund to the General Obligation Bond  
26 Retirement and Interest Fund; except that such Road Fund

1 transfers shall constitute a debt of the Capital Projects Fund  
2 which shall be repaid according to subsection (c). Interest  
3 payable on variable rate bonds shall be calculated at the  
4 maximum rate of interest that may be payable for the relevant  
5 period, after taking into account any credits permitted in the  
6 related indenture or other instrument against the amount of  
7 such interest required to be appropriated for that period.  
8 Interest for which moneys have already been deposited into the  
9 capitalized interest account within the General Obligation  
10 Bond Retirement and Interest Fund shall not be included in the  
11 calculation of the amounts to be transferred under this  
12 subsection.

13 (c) On the first day of any month when the Capital Projects  
14 Fund is carrying a debt to the Road Fund due to the provisions  
15 of subsection (b), the State Treasurer and State Comptroller  
16 shall transfer from the Capital Projects Fund to the Road Fund  
17 an amount sufficient to discharge that debt. These transfers to  
18 the Road Fund shall continue until the Capital Projects Fund  
19 has repaid to the Road Fund all transfers made from the Road  
20 Fund pursuant to subsection (b). Notwithstanding any other law  
21 to the contrary, transfers to the Road Fund from the Capital  
22 Projects Fund shall be made prior to any other expenditures or  
23 transfers out of the Capital Projects Fund.

24 (Source: P.A. 101-30, eff. 6-28-19.)

25 Section 5-25. The General Obligation Bond Act is amended by



1 changing Section 7.6 as follows:

2 (30 ILCS 330/7.6)

3 Sec. 7.6. Income Tax Proceed Bonds.

4 (a) As used in this Act, "Income Tax Proceed Bonds" means  
5 Bonds (i) authorized by this amendatory Act of the 100th  
6 General Assembly or any other Public Act of the 100th General  
7 Assembly authorizing the issuance of Income Tax Proceed Bonds  
8 and (ii) used for the payment of unpaid obligations of the  
9 State as incurred from time to time and as authorized by the  
10 General Assembly.

11 (b) Income Tax Proceed Bonds in the amount of  
12 \$6,000,000,000 are hereby authorized to be used for the purpose  
13 of paying vouchers incurred by the State prior to July 1, 2017.  
14 Additional Income Tax Proceed Bonds in the amount of  
15 \$1,200,000,000 are hereby authorized to be used for the purpose  
16 of paying vouchers incurred by the State and accruing interest  
17 payable by the State ~~more than 90 days~~ prior to the date on  
18 which the Income Tax Proceed Bonds are issued.

19 (c) The Income Tax Bond Fund is hereby created as a special  
20 fund in the State treasury. All moneys from the proceeds of the  
21 sale of the Income Tax Proceed Bonds, less the amounts  
22 authorized in the Bond Sale Order to be directly paid out for  
23 bond sale expenses under Section 8, shall be deposited into the  
24 Income Tax Bond Fund. All moneys in the Income Tax Bond Fund  
25 shall be used for the purpose of paying vouchers incurred by

1 the State prior to July 1, 2017 or for paying vouchers incurred  
2 by the State more than 90 days prior to the date on which the  
3 Income Tax Proceed Bonds are issued. For the purpose of paying  
4 such vouchers, the Comptroller has the authority to transfer  
5 moneys from the Income Tax Bond Fund to general funds and the  
6 Health Insurance Reserve Fund. "General funds" has the meaning  
7 provided in Section 50-40 of the State Budget Law.

8 (Source: P.A. 100-23, eff. 7-6-17; 101-30, eff. 6-28-19.)

9 Section 5-30. The Private Colleges and Universities  
10 Capital Distribution Formula Act is amended by changing Section  
11 25-7 as follows:

12 (30 ILCS 769/25-7)

13 Sec. 25-7. Capital Investment Grant Program.

14 (a) The Board of Higher Education, jointly ~~Capital~~  
15 ~~Development Board~~, in coordination with the Capital  
16 Development Board of Higher Education, shall establish a  
17 Capital Investment Grant Program for independent colleges. The  
18 Capital Development Board shall, subject to appropriation, and  
19 subject to direction by the Board of Higher Education, make  
20 capital improvement grants to independent colleges in  
21 Illinois. The Build Illinois Bond Fund shall be the source of  
22 funding for the program. Eligible grant recipients shall be  
23 independent colleges that offer facilities and services in a  
24 manner that supports and fulfills the mission of the Board of

1 Higher Education. Eligible grant recipients have no  
2 entitlement to a grant under this Section.

3 (b) Board of Higher Education, jointly ~~The Capital~~  
4 ~~Development Board, in consultation~~ with the Capital  
5 Development Board of Higher Education, shall adopt rules to  
6 implement this Section and shall create an application  
7 procedure for grants to be awarded. The rules shall specify:  
8 the manner of applying for grants; grantee eligibility  
9 requirements; project eligibility requirements; restrictions  
10 on the use of grant moneys; the manner in which grantees must  
11 account for the use of grant moneys; and any other provision  
12 that the Capital Development Board or Board of Higher Education  
13 determine to be necessary or useful for the administration of  
14 this Section.

15 (c) No portion of an independent college capital investment  
16 program grant awarded under this Section may be used by an  
17 independent college to pay for any on-going operational costs,  
18 pay outstanding debt, or be allocated to an endowment or other  
19 invested fund.

20 (Source: P.A. 101-10, eff. 6-5-19; revised 7-22-19.)

21 Section 5-35. The Motor Fuel Tax Law is amended by changing  
22 Section 8b as follows:

23 (35 ILCS 505/8b)

24 Sec. 8b. Transportation Renewal Fund; creation;

1 distribution of proceeds.

2 (a) The Transportation Renewal Fund is hereby created as a  
3 special fund in the State treasury. Moneys in the Fund shall be  
4 used as provided in this Section:

5 (1) 80% of the moneys in the Fund shall be used for  
6 highway maintenance, highway construction, bridge repair,  
7 congestion relief, and construction of aviation  
8 facilities; of that 80%:

9 (A) the State Comptroller shall order transferred  
10 and the State Treasurer shall transfer 60% to the State  
11 Construction Account Fund; those moneys shall be used  
12 solely for construction, reconstruction, improvement,  
13 repair, maintenance, operation, and administration of  
14 highways and are limited to payments made pursuant to  
15 design and construction contracts awarded by the  
16 Department of Transportation;

17 (B) 40% shall be distributed by the Department of  
18 Transportation to municipalities, counties, and road  
19 districts of the State using the percentages set forth  
20 in subdivisions (A), (B), (C), and (D) of paragraph (2)  
21 of subsection (e) of Section 8; distributions to  
22 particular municipalities, counties, and road  
23 districts under this subdivision (B) shall be made  
24 according to the allocation procedures described for  
25 municipalities, counties, and road districts in  
26 subsection (e) of Section 8 and shall be subject to the

1           same requirements and limitations described in that  
2           subsection; and as follows:

3                   ~~(i) 49.10% to the municipalities of the State;~~

4                   ~~(ii) 16.74% to the counties of the State having~~  
5                   ~~1,000,000 or more inhabitants;~~

6                   ~~(iii) 18.27% to the counties of the State~~  
7                   ~~having less than 1,000,000 inhabitants; and~~

8                   ~~(iv) 15.89% to the road districts of the State;~~

9                   and

10           (2) 20% of the moneys in the Fund shall be used for  
11           projects related to rail facilities and mass transit  
12           facilities, as defined in Section 2705-305 of the  
13           Department of Transportation Law of the Civil  
14           Administrative Code of Illinois, including rapid transit,  
15           rail, high-speed rail, bus and other equipment in  
16           connection with the State or a unit of local government,  
17           special district, municipal corporation, or other public  
18           agency authorized to provide and promote public  
19           transportation within the State; of that 20%:

20                   (A) 90% shall be deposited into the Regional  
21           Transportation Authority Capital Improvement Fund, a  
22           special fund created in the State Treasury; moneys in  
23           the Regional Transportation Authority Capital  
24           Improvement Fund shall be used by the Regional  
25           Transportation Authority for construction,  
26           improvements, and deferred maintenance on mass transit

1 facilities and acquisition of buses and other  
2 equipment; and

3 (B) 10% shall be deposited into the Downstate Mass  
4 Transportation Capital Improvement Fund, a special  
5 fund created in the State Treasury; moneys in the  
6 Downstate Mass Transportation Capital Improvement Fund  
7 shall be used by local mass transit districts other  
8 than the Regional Transportation Authority for  
9 construction, improvements, and deferred maintenance  
10 on mass transit facilities and acquisition of buses and  
11 other equipment.

12 (b)Beginning on July 1, 2020, the Auditor General shall  
13 conduct an annual financial audit of the obligations,  
14 expenditures, receipt, and use of the funds deposited into the  
15 Transportation Renewal ~~Reform~~ Fund and provide specific  
16 recommendations to help ensure compliance with State and  
17 federal statutes, rules, and regulations.

18 (Source: P.A. 101-32, eff. 6-28-19.)

19 ARTICLE 10. ADDITIONAL AMENDATORY PROVISIONS

20 Section 10-5. The New Markets Development Program Act is  
21 amended by changing Section 25 as follows:

22 (20 ILCS 663/25)

23 Sec. 25. Certification of qualified equity investments.

1           (a) A qualified community development entity that seeks to  
2 have an equity investment or long-term debt security designated  
3 as a qualified equity investment and eligible for tax credits  
4 under this Section shall apply to the Department. The qualified  
5 community development entity must submit an application on a  
6 form that the Department provides that includes:

7           (1) The name, address, tax identification number of the  
8 entity, and evidence of the entity's certification as a  
9 qualified community development entity.

10           (2) A copy of the allocation agreement executed by the  
11 entity, or its controlling entity, and the Community  
12 Development Financial Institutions Fund.

13           (3) A certificate executed by an executive officer of  
14 the entity attesting that the allocation agreement remains  
15 in effect and has not been revoked or cancelled by the  
16 Community Development Financial Institutions Fund.

17           (4) A description of the proposed amount, structure,  
18 and purchaser of the equity investment or long-term debt  
19 security.

20           (5) The name and tax identification number of any  
21 taxpayer eligible to utilize tax credits earned as a result  
22 of the issuance of the qualified equity investment.

23           (6) Information regarding the proposed use of proceeds  
24 from the issuance of the qualified equity investment.

25           (7) A nonrefundable application fee of \$5,000. This fee  
26 shall be paid to the Department and shall be required of

1 each application submitted.

2 (8) With respect to qualified equity investments made  
3 on or after January 1, 2017, the amount of qualified equity  
4 investment authority the applicant agrees to designate as a  
5 federal qualified equity investment under Section 45D of  
6 the Internal Revenue Code, including a copy of the screen  
7 shot from the Community Development Financial Institutions  
8 Fund's Allocation Tracking System of the applicant's  
9 remaining federal qualified equity investment authority.

10 (b) Within 30 days after receipt of a completed application  
11 containing the information necessary for the Department to  
12 certify a potential qualified equity investment, including the  
13 payment of the application fee, the Department shall grant or  
14 deny the application in full or in part. If the Department  
15 denies any part of the application, it shall inform the  
16 qualified community development entity of the grounds for the  
17 denial. If the qualified community development entity provides  
18 any additional information required by the Department or  
19 otherwise completes its application within 15 days of the  
20 notice of denial, the application shall be considered completed  
21 as of the original date of submission. If the qualified  
22 community development entity fails to provide the information  
23 or complete its application within the 15-day period, the  
24 application remains denied and must be resubmitted in full with  
25 a new submission date.

26 (c) If the application is deemed complete, the Department



1 shall certify the proposed equity investment or long-term debt  
2 security as a qualified equity investment that is eligible for  
3 tax credits under this Section, subject to the limitations  
4 contained in Section 20. The Department shall provide written  
5 notice of the certification to the qualified community  
6 development entity. The notice shall include the names of those  
7 taxpayers who are eligible to utilize the credits and their  
8 respective credit amounts. If the names of the taxpayers who  
9 are eligible to utilize the credits change due to a transfer of  
10 a qualified equity investment or a change in an allocation  
11 pursuant to Section 15, the qualified community development  
12 entity shall notify the Department of such change.

13 (d) With respect to applications received before January 1,  
14 2017, the Department shall certify qualified equity  
15 investments in the order applications are received by the  
16 Department. Applications received on the same day shall be  
17 deemed to have been received simultaneously. For applications  
18 received on the same day and deemed complete, the Department  
19 shall certify, consistent with remaining tax credit capacity,  
20 qualified equity investments in proportionate percentages  
21 based upon the ratio of the amount of qualified equity  
22 investment requested in an application to the total amount of  
23 qualified equity investments requested in all applications  
24 received on the same day.

25 (d-5) With respect to applications received on or after  
26 January 1, 2017, the Department shall certify applications by

1 applicants that agree to designate qualified equity  
2 investments as federal qualified equity investments in  
3 accordance with item (8) of subsection (a) of this Section in  
4 proportionate percentages based upon the ratio of the amount of  
5 qualified equity investments requested in an application to be  
6 designated as federal qualified equity investments to the total  
7 amount of qualified equity investments to be designated as  
8 federal qualified equity investments requested in all  
9 applications received on the same day.

10 (d-10) With respect to applications received on or after  
11 January 1, 2017, after complying with subsection (d-5), the  
12 Department shall certify the qualified equity investments of  
13 all other applicants, including the remaining qualified equity  
14 investment authority requested by applicants not designated as  
15 federal qualified equity investments in accordance with item  
16 (8) of subsection (a) of this Section, in proportionate  
17 percentages based upon the ratio of the amount of qualified  
18 equity investments requested in the applications to the total  
19 amount of qualified equity investments requested in all  
20 applications received on the same day.

21 (e) Once the Department has certified qualified equity  
22 investments that, on a cumulative basis, are eligible for  
23 \$20,000,000 in tax credits, the Department may not certify any  
24 more qualified equity investments. If a pending request cannot  
25 be fully certified, the Department shall certify the portion  
26 that may be certified unless the qualified community

1 development entity elects to withdraw its request rather than  
2 receive partial credit.

3 (f) Within 30 days after receiving notice of certification,  
4 the qualified community development entity shall (i) issue the  
5 qualified equity investment and receive cash in the amount of  
6 the certified amount and (ii) with respect to qualified equity  
7 investments made on or after January 1, 2017, if applicable,  
8 designate the required amount of qualified equity investment  
9 authority as a federal qualified equity investment. The  
10 qualified community development entity must provide the  
11 Department with evidence of the receipt of the cash investment  
12 within 10 business days after receipt and, with respect to  
13 qualified equity investments made on or after January 1, 2017,  
14 if applicable, provide evidence that the required amount of  
15 qualified equity investment authority was designated as a  
16 federal qualified equity investment. If the qualified  
17 community development entity does not receive the cash  
18 investment and issue the qualified equity investment within 30  
19 days following receipt of the certification notice, the  
20 certification shall lapse and the entity may not issue the  
21 qualified equity investment without reapplying to the  
22 Department for certification. A certification that lapses  
23 reverts back to the Department and may be reissued only in  
24 accordance with the application process outline in this Section  
25 25.

26 (g) Allocation rounds enabled by this Act shall be applied

1 for according to the following schedule:

2 (1) on January 2, 2019, \$125,000,000 of qualified  
3 equity investments; and

4 (2) not less than 45 days after but not more than 90  
5 days after the Community Development Financial  
6 Institutions Fund of the United States Department of the  
7 Treasury announces allocation awards under a Notice of  
8 Funding Availability that is published in the Federal  
9 Register after September 6, 2019, ~~on January 2, 2020,~~  
10 \$125,000,000 of qualified equity investments.

11 (Source: P.A. 100-408, eff. 8-25-17.)

12 Section 10-10. The Department of Commerce and Economic  
13 Opportunity Law of the Civil Administrative Code of Illinois is  
14 amended by changing Section 605-1025 as follows:

15 (20 ILCS 605/605-1025)

16 Sec. 605-1025. Data center investment.

17 (a) The Department shall issue certificates of exemption  
18 from the Retailers' Occupation Tax Act, the Use Tax Act, the  
19 Service Use Tax Act, and the Service Occupation Tax Act, all  
20 locally-imposed retailers' occupation taxes administered and  
21 collected by the Department, the Chicago non-titled Use Tax,  
22 ~~the Electricity Excise Tax Act,~~ and a credit certification  
23 against the taxes imposed under subsections (a) and (b) of  
24 Section 201 of the Illinois Income Tax Act to qualifying

1 Illinois data centers.

2 (b) For taxable years beginning on or after January 1,  
3 2019, the Department shall award credits against the taxes  
4 imposed under subsections (a) and (b) of Section 201 of the  
5 Illinois Income Tax Act as provided in Section 229 of the  
6 Illinois Income Tax Act.

7 (c) For purposes of this Section:

8 "Data center" means a facility: (1) whose primary  
9 services are the storage, management, and processing of  
10 digital data; and (2) that is used to house (i) computer  
11 and network systems, including associated components such  
12 as servers, network equipment and appliances,  
13 telecommunications, and data storage systems, (ii) systems  
14 for monitoring and managing infrastructure performance,  
15 (iii) Internet-related equipment and services, (iv) data  
16 communications connections, (v) environmental controls,  
17 (vi) fire protection systems, and (vii) security systems  
18 and services.

19 "Qualifying Illinois data center" means a new or  
20 existing data center that:

21 (1) is located in the State of Illinois;

22 (2) in the case of an existing data center, made a  
23 capital investment of at least \$250,000,000  
24 collectively by the data center operator and the  
25 tenants of the data center ~~all of its data centers~~ over  
26 the 60-month period immediately prior to January 1,

1 2020 or committed to make a capital investment of at  
2 least \$250,000,000 over a 60-month period commencing  
3 before January 1, 2020 and ending after January 1,  
4 2020; or

5 (3) in the case of a new data center, or an  
6 existing data center making an upgrade, makes a capital  
7 investment of at least \$250,000,000 over a 60-month  
8 period beginning on or after January 1, 2020; and

9 (4) in the case of both existing and new data  
10 centers, results in the creation of at least 20  
11 full-time or full-time equivalent new jobs over a  
12 period of 60 months by the data center operator and the  
13 tenants of the data center, collectively, associated  
14 with the operation or maintenance of the data center;  
15 those jobs must have a total compensation equal to or  
16 greater than 120% of the average median wage paid to  
17 full-time employees in the county where the data center  
18 is located, as determined by the U.S. Bureau of Labor  
19 Statistics; and

20 (5) within 90 days after being placed in service,  
21 certifies to the Department that it is carbon neutral  
22 or has attained ~~attains~~ certification under one or more  
23 of the following green building standards:

24 (A) BREEAM for New Construction or BREEAM  
25 In-Use;

26 (B) ENERGY STAR;

- 1 (C) Envision;
- 2 (D) ISO 50001-energy management;
- 3 (E) LEED for Building Design and Construction
- 4 or LEED for Operations and Maintenance;
- 5 (F) Green Globes for New Construction or Green
- 6 Globes for Existing Buildings;
- 7 (G) UL 3223; or
- 8 (H) an equivalent program approved by the
- 9 Department of Commerce and Economic Opportunity.

10 "Full-time equivalent job" means a job in which the new

11 employee works for the owner, operator, contractor, or

12 tenant of a data center or for a corporation under contract

13 with the owner, operator or tenant of a data center at a

14 rate of at least 35 hours per week. An owner, operator or

15 tenant who employs labor or services at a specific site or

16 facility under contract with another may declare one

17 full-time, permanent job for every 1,820 man hours worked

18 per year under that contract. Vacations, paid holidays, and

19 sick time are included in this computation. Overtime is not

20 considered a part of regular hours.

21 "Qualified tangible personal property" means:

22 electrical systems and equipment; climate control and

23 chilling equipment and systems; mechanical systems and

24 equipment; monitoring and secure systems; emergency

25 generators; hardware; computers; servers; data storage

26 devices; network connectivity equipment; racks; cabinets;

1 telecommunications cabling infrastructure; raised floor  
2 systems; peripheral components or systems; software;  
3 mechanical, electrical, or plumbing systems; battery  
4 systems; cooling systems and towers; temperature control  
5 systems; other cabling; and other data center  
6 infrastructure equipment and systems necessary to operate  
7 qualified tangible personal property, including fixtures;  
8 and component parts of any of the foregoing, including  
9 installation, maintenance, repair, refurbishment, and  
10 replacement of qualified tangible personal property to  
11 generate, transform, transmit, distribute, or manage  
12 electricity necessary to operate qualified tangible  
13 personal property; and all other tangible personal  
14 property that is essential to the operations of a computer  
15 data center. "Qualified tangible personal property" also  
16 includes building materials physically incorporated in to  
17 the qualifying data center.

18 To document the exemption allowed under this Section, the  
19 retailer must obtain from the purchaser a copy of the  
20 certificate of eligibility issued by the Department.

21 (d) New and existing data centers seeking a certificate of  
22 exemption for new or existing facilities shall apply to the  
23 Department in the manner specified by the Department. The  
24 Department shall determine the duration of the certificate of  
25 exemption awarded under this Act. The duration of the  
26 certificate of exemption may not exceed 20 calendar years. The



1 Department and any data center seeking the exemption, including  
2 a data center operator on behalf of itself and its tenants,  
3 must enter into a memorandum of understanding that at a minimum  
4 provides:

5 (1) the details for determining the amount of capital  
6 investment to be made;

7 (2) the number of new jobs created;

8 (3) the timeline for achieving the capital investment  
9 and new job goals;

10 (4) the repayment obligation should those goals not be  
11 achieved and any conditions under which repayment by the  
12 qualifying data center or data center tenant claiming the  
13 exemption will be required;

14 (5) the duration of the exemption; and

15 (6) other provisions as deemed necessary by the  
16 Department.

17 (e) Beginning July 1, 2021, and each year thereafter, the  
18 Department shall annually report to the Governor and the  
19 General Assembly on the outcomes and effectiveness of Public  
20 Act 101-31 ~~this amendatory Act of the 101st General Assembly~~  
21 that shall include the following:

22 (1) the name of each recipient business;

23 (2) the location of the project;

24 (3) the estimated value of the credit;

25 (4) the number of new jobs and, if applicable, retained  
26 jobs pledged as a result of the project; and

1           (5) whether or not the project is located in an  
2           underserved area.

3           (f) New and existing data centers seeking a certificate of  
4           exemption related to the rehabilitation or construction of data  
5           centers in the State shall require the contractor and all  
6           subcontractors to comply with the requirements of Section 30-22  
7           of the Illinois Procurement Code as they apply to responsible  
8           bidders and to present satisfactory evidence of that compliance  
9           to the Department.

10          (g) New and existing data centers seeking a certificate of  
11          exemption for the rehabilitation or construction of data  
12          centers in the State shall require the contractor to enter into  
13          a project labor agreement approved by the Department.

14          (h) Any qualifying data center issued a certificate of  
15          exemption under this Section must annually report to the  
16          Department the total data center tax benefits that are received  
17          by the business. Reports are due no later than May 31 of each  
18          year and shall cover the previous calendar year. The first  
19          report is for the 2019 calendar year and is due no later than  
20          May 31, 2020.

21          To the extent that a business issued a certificate of  
22          exemption under this Section has obtained an Enterprise Zone  
23          Building Materials Exemption Certificate or a High Impact  
24          Business Building Materials Exemption Certificate, no  
25          additional reporting for those building materials exemption  
26          benefits is required under this Section.

1 Failure to file a report under this subsection (h) may  
2 result in suspension or revocation of the certificate of  
3 exemption. ~~The Department shall adopt rules governing~~  
4 ~~suspension or revocation of the certificate of exemption,~~  
5 ~~including the length of suspension.~~ Factors to be considered in  
6 determining whether a data center certificate of exemption  
7 shall be suspended or revoked include, but are not limited to,  
8 prior compliance with the reporting requirements, cooperation  
9 in discontinuing and correcting violations, the extent of the  
10 violation, and whether the violation was willful or  
11 inadvertent.

12 (i) The Department shall not issue any new certificates of  
13 exemption under the provisions of this Section after July 1,  
14 2029. This sunset shall not affect any existing certificates of  
15 exemption in effect on July 1, 2029.

16 (j) The Department shall adopt rules to implement and  
17 administer this Section.

18 (Source: P.A. 101-31, eff. 6-28-19; revised 10-18-19.)

19 Section 10-15. The State Finance Act is amended by adding  
20 Section 8.53 as follows:

21 (30 ILCS 105/8.53 new)

22 Sec. 8.53. Fund transfers. As soon as practical after the  
23 effective date of this amendatory Act of the 101st General  
24 Assembly, for Fiscal Year 2020 only, the State Comptroller

1 shall direct and the State Treasurer shall transfer the amount  
2 of \$1,500,000 from the State and Local Sales Tax Reform Fund to  
3 the Sound-Reducing Windows and Doors Replacement Fund. Any  
4 amounts transferred under this Section shall be repaid no later  
5 than June 30, 2020.

6 Section 10-20. The Illinois Income Tax Act is amended by  
7 changing Section 229 as follows:

8 (35 ILCS 5/229)

9 Sec. 229. Data center construction employment tax credit.

10 (a) A taxpayer who has been awarded a credit by the  
11 Department of Commerce and Economic Opportunity under Section  
12 605-1025 of the Department of Commerce and Economic Opportunity  
13 Law of the Civil Administrative Code of Illinois is entitled to  
14 a credit against the taxes imposed under subsections (a) and  
15 (b) of Section 201 of this Act. The amount of the credit shall  
16 be 20% of the wages paid during the taxable year to a full-time  
17 or part-time employee of a construction contractor employed by  
18 a certified data center if those wages are paid for the  
19 construction of a new data center in a geographic area that  
20 meets any one of the following criteria:

21 (1) the area has a poverty rate of at least 20%,  
22 according to the U.S. Census Bureau American Community  
23 Survey 5-Year Estimates ~~latest federal decennial census~~;

24 (2) 75% or more of the children in the area participate

1 in the federal free lunch program, according to reported  
2 statistics from the State Board of Education;

3 (3) 20% or more of the households in the area receive  
4 assistance under the Supplemental Nutrition Assistance  
5 Program (SNAP), according to data from the U.S. Census  
6 Bureau American Community Survey 5-year Estimates; or

7 (4) the area has an average unemployment rate, as  
8 determined by the Department of Employment Security, that  
9 is more than 120% of the national unemployment average, as  
10 determined by the U.S. Department of Labor, for a period of  
11 at least 2 consecutive calendar years preceding the date of  
12 the application.

13 If the taxpayer is a partnership, a Subchapter S  
14 corporation, or a limited liability company that has elected  
15 partnership tax treatment, the credit shall be allowed to the  
16 partners, shareholders, or members in accordance with the  
17 determination of income and distributive share of income under  
18 Sections 702 and 704 and subchapter S of the Internal Revenue  
19 Code, as applicable. The Department, in cooperation with the  
20 Department of Commerce and Economic Opportunity, shall adopt  
21 rules to enforce and administer this Section. This Section is  
22 exempt from the provisions of Section 250 of this Act.

23 (b) In no event shall a credit under this Section reduce  
24 the taxpayer's liability to less than zero. If the amount of  
25 the credit exceeds the tax liability for the year, the excess  
26 may be carried forward and applied to the tax liability of the

1 5 taxable years following the excess credit year. The tax  
2 credit shall be applied to the earliest year for which there is  
3 a tax liability. If there are credits for more than one year  
4 that are available to offset a liability, the earlier credit  
5 shall be applied first.

6 (c) No credit shall be allowed with respect to any  
7 certification for any taxable year ending after the revocation  
8 of the certification by the Department of Commerce and Economic  
9 Opportunity. Upon receiving notification by the Department of  
10 Commerce and Economic Opportunity of the revocation of  
11 certification, the Department shall notify the taxpayer that no  
12 credit is allowed for any taxable year ending after the  
13 revocation date, as stated in such notification. If any credit  
14 has been allowed with respect to a certification for a taxable  
15 year ending after the revocation date, any refund paid to the  
16 taxpayer for that taxable year shall, to the extent of that  
17 credit allowed, be an erroneous refund within the meaning of  
18 Section 912 of this Act.

19 (Source: P.A. 101-31, eff. 6-28-19.)

20 Section 10-25. The Use Tax Act is amended by changing  
21 Sections 3-50 and 9 as follows:

22 (35 ILCS 105/3-50) (from Ch. 120, par. 439.3-50)

23 Sec. 3-50. Manufacturing and assembly exemption. The  
24 manufacturing and assembling machinery and equipment exemption

1 includes machinery and equipment that replaces machinery and  
2 equipment in an existing manufacturing facility as well as  
3 machinery and equipment that are for use in an expanded or new  
4 manufacturing facility. The machinery and equipment exemption  
5 also includes machinery and equipment used in the general  
6 maintenance or repair of exempt machinery and equipment or for  
7 in-house manufacture of exempt machinery and equipment.  
8 Beginning on July 1, 2017, the manufacturing and assembling  
9 machinery and equipment exemption also includes graphic arts  
10 machinery and equipment, as defined in paragraph (6) of Section  
11 3-5. The machinery and equipment exemption does not include  
12 machinery and equipment used in (i) the generation of  
13 electricity for wholesale or retail sale; (ii) the generation  
14 or treatment of natural or artificial gas for wholesale or  
15 retail sale that is delivered to customers through pipes,  
16 pipelines, or mains; or (iii) the treatment of water for  
17 wholesale or retail sale that is delivered to customers through  
18 pipes, pipelines, or mains. The provisions of this amendatory  
19 Act of the 98th General Assembly are declaratory of existing  
20 law as to the meaning and scope of this exemption. For the  
21 purposes of this exemption, terms have the following meanings:

22 (1) "Manufacturing process" means the production of an  
23 article of tangible personal property, whether the article  
24 is a finished product or an article for use in the process  
25 of manufacturing or assembling a different article of  
26 tangible personal property, by a procedure commonly

1       regarded as manufacturing, processing, fabricating, or  
2       refining that changes some existing material into a  
3       material with a different form, use, or name. In relation  
4       to a recognized integrated business composed of a series of  
5       operations that collectively constitute manufacturing, or  
6       individually constitute manufacturing operations, the  
7       manufacturing process commences with the first operation  
8       or stage of production in the series and does not end until  
9       the completion of the final product in the last operation  
10      or stage of production in the series. For purposes of this  
11      exemption, photoprocessing is a manufacturing process of  
12      tangible personal property for wholesale or retail sale.

13           (2) "Assembling process" means the production of an  
14      article of tangible personal property, whether the article  
15      is a finished product or an article for use in the process  
16      of manufacturing or assembling a different article of  
17      tangible personal property, by the combination of existing  
18      materials in a manner commonly regarded as assembling that  
19      results in an article or material of a different form, use,  
20      or name.

21           (3) "Machinery" means major mechanical machines or  
22      major components of those machines contributing to a  
23      manufacturing or assembling process.

24           (4) "Equipment" includes an independent device or tool  
25      separate from machinery but essential to an integrated  
26      manufacturing or assembly process; including computers



1 used primarily in a manufacturer's computer assisted  
2 design, computer assisted manufacturing (CAD/CAM) system;  
3 any subunit or assembly comprising a component of any  
4 machinery or auxiliary, adjunct, or attachment parts of  
5 machinery, such as tools, dies, jigs, fixtures, patterns,  
6 and molds; and any parts that require periodic replacement  
7 in the course of normal operation; but does not include  
8 hand tools. 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  
11 upon a product being manufactured or assembled for  
12 wholesale or retail sale or lease.

13 (5) "Production related tangible personal property"  
14 means all tangible personal property that is used or  
15 consumed by the purchaser in a manufacturing facility in  
16 which a manufacturing process takes place and includes,  
17 without limitation, tangible personal property that is  
18 purchased for incorporation into real estate within a  
19 manufacturing facility, supplies and consumables used in a  
20 manufacturing facility including fuels, coolants,  
21 solvents, oils, lubricants, and adhesives, hand tools,  
22 protective apparel, and fire and safety equipment used or  
23 consumed within a manufacturing facility, and tangible  
24 personal property that is used or consumed in activities  
25 such as research and development, preproduction material  
26 handling, receiving, quality control, inventory control,

1 storage, staging, and packaging for shipping and  
2 transportation purposes. "Production related tangible  
3 personal property" does not include (i) tangible personal  
4 property that is used, within or without a manufacturing  
5 facility, in sales, purchasing, accounting, fiscal  
6 management, marketing, personnel recruitment or selection,  
7 or landscaping or (ii) tangible personal property that is  
8 required to be titled or registered with a department,  
9 agency, or unit of federal, State, or local government.

10 The manufacturing and assembling machinery and equipment  
11 exemption includes production related tangible personal  
12 property that is purchased on or after July 1, 2007 and on or  
13 before June 30, 2008 and on or after July 1, 2019. The  
14 exemption for production related tangible personal property  
15 purchased on or after July 1, 2007 and on or before June 30,  
16 2008 is subject to both of the following limitations:

17 (1) The maximum amount of the exemption for any one  
18 taxpayer may not exceed 5% of the purchase price of  
19 production related tangible personal property that is  
20 purchased on or after July 1, 2007 and on or before June  
21 30, 2008. A credit under Section 3-85 of this Act may not  
22 be earned by the purchase of production related tangible  
23 personal property for which an exemption is received under  
24 this Section.

25 (2) The maximum aggregate amount of the exemptions for  
26 production related tangible personal property purchased on

1 or after July 1, 2007 and on or before June 30, 2008  
2 awarded under this Act and the Retailers' Occupation Tax  
3 Act to all taxpayers may not exceed \$10,000,000. If the  
4 claims for the exemption exceed \$10,000,000, then the  
5 Department shall reduce the amount of the exemption to each  
6 taxpayer on a pro rata basis.

7 The Department shall adopt rules to implement and administer  
8 the exemption for production related tangible personal  
9 property.

10 The manufacturing and assembling machinery and equipment  
11 exemption includes the sale of materials to a purchaser who  
12 produces exempted types of machinery, equipment, or tools and  
13 who rents or leases that machinery, equipment, or tools to a  
14 manufacturer of tangible personal property. This exemption  
15 also includes the sale of materials to a purchaser who  
16 manufactures those materials into an exempted type of  
17 machinery, equipment, or tools that the purchaser uses himself  
18 or herself in the manufacturing of tangible personal property.  
19 This exemption includes the sale of exempted types of machinery  
20 or equipment to a purchaser who is not the manufacturer, but  
21 who rents or leases the use of the property to a manufacturer.  
22 The purchaser of the machinery and equipment who has an active  
23 resale registration number shall furnish that number to the  
24 seller at the time of purchase. A purchaser ~~user~~ of the  
25 machinery, equipment, or tools without an active resale  
26 registration number shall prepare a certificate of exemption

1 ~~for each transaction~~ stating facts establishing the exemption  
2 ~~for that transaction~~, and that certificate shall be available  
3 to the Department for inspection or audit. The Department shall  
4 prescribe the form of the certificate. Informal rulings,  
5 opinions, or letters issued by the Department in response to an  
6 inquiry or request for an opinion from any person regarding the  
7 coverage and applicability of this exemption to specific  
8 devices shall be published, maintained as a public record, and  
9 made available for public inspection and copying. If the  
10 informal ruling, opinion, or letter contains trade secrets or  
11 other confidential information, where possible, the Department  
12 shall delete that information before publication. Whenever  
13 informal rulings, opinions, or letters contain a policy of  
14 general applicability, the Department shall formulate and  
15 adopt that policy as a rule in accordance with the Illinois  
16 Administrative Procedure Act.

17 The manufacturing and assembling machinery and equipment  
18 exemption is exempt from the provisions of Section 3-90.

19 (Source: P.A. 100-22, eff. 7-6-17; 101-9, eff. 6-5-19.)

20 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

21 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
22 and trailers that are required to be registered with an agency  
23 of this State, each retailer required or authorized to collect  
24 the tax imposed by this Act shall pay to the Department the  
25 amount of such tax (except as otherwise provided) at the time

1 when he is required to file his return for the period during  
2 which such tax was collected, less a discount of 2.1% prior to  
3 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
4 per calendar year, whichever is greater, which is allowed to  
5 reimburse the retailer for expenses incurred in collecting the  
6 tax, keeping records, preparing and filing returns, remitting  
7 the tax and supplying data to the Department on request. The  
8 discount under this Section is not allowed for the 1.25%  
9 portion of taxes paid on aviation fuel that is subject to the  
10 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
11 47133 ~~are deposited into the State Aviation Program Fund under~~  
12 ~~this Act.~~ In the case of retailers who report and pay the tax  
13 on a transaction by transaction basis, as provided in this  
14 Section, such discount shall be taken with each such tax  
15 remittance instead of when such retailer files his periodic  
16 return. The discount allowed under this Section is allowed only  
17 for returns that are filed in the manner required by this Act.  
18 The Department may disallow the discount for retailers whose  
19 certificate of registration is revoked at the time the return  
20 is filed, but only if the Department's decision to revoke the  
21 certificate of registration has become final. A retailer need  
22 not remit that part of any tax collected by him to the extent  
23 that he is required to remit and does remit the tax imposed by  
24 the Retailers' Occupation Tax Act, with respect to the sale of  
25 the same property.

26 Where such tangible personal property is sold under a

1 conditional sales contract, or under any other form of sale  
2 wherein the payment of the principal sum, or a part thereof, is  
3 extended beyond the close of the period for which the return is  
4 filed, the retailer, in collecting the tax (except as to motor  
5 vehicles, watercraft, aircraft, and trailers that are required  
6 to be registered with an agency of this State), may collect for  
7 each tax return period, only the tax applicable to that part of  
8 the selling price actually received during such tax return  
9 period.

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

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

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

5 1. The name of the seller;

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

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

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

16 5. The amount of tax due;

17 5-5. The signature of the taxpayer; and

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

20 ~~Each Beginning on January 1, 2020, each~~ retailer required  
21 or authorized to collect the tax imposed by this Act on  
22 aviation fuel sold at retail in this State during the preceding  
23 calendar month shall, instead of reporting and paying tax on  
24 aviation fuel as otherwise required by this Section, report  
25 ~~file~~ and pay such tax ~~to the Department~~ on a separate an  
26 aviation fuel tax return, ~~on or before the twentieth day of~~

1 ~~each calendar month.~~ The requirements related to the return  
2 shall be as otherwise provided in this Section. Notwithstanding  
3 any other provisions of this Act to the contrary, retailers  
4 collecting tax on aviation fuel shall file all aviation fuel  
5 tax returns and shall make all aviation fuel tax ~~fee~~ payments  
6 by electronic means in the manner and form required by the  
7 Department. For purposes of this Section ~~paragraph~~, "aviation  
8 fuel" means jet fuel and aviation gasoline ~~a product that is~~  
9 ~~intended for use or offered for sale as fuel for an aircraft.~~

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

14 Notwithstanding any other provision of this Act to the  
15 contrary, retailers subject to tax on cannabis shall file all  
16 cannabis tax returns and shall make all cannabis tax payments  
17 by electronic means in the manner and form required by the  
18 Department.

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



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

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

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

26 All taxpayers required to make payment by electronic funds

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

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

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

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

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

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

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

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

24 If the retailer is otherwise required to file a monthly  
25 return and if the retailer's average monthly tax liability to  
26 the Department does not exceed \$200, the Department may

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

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

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

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

25 In addition, with respect to motor vehicles, watercraft,  
26 aircraft, and trailers that are required to be registered with

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

22 In addition, with respect to motor vehicles, watercraft,  
23 aircraft, and trailers that are required to be registered with  
24 an agency of this State, every person who is engaged in the  
25 business of leasing or renting such items and who, in  
26 connection with such business, sells any such item to a



1 retailer for the purpose of resale is, notwithstanding any  
2 other provision of this Section to the contrary, authorized to  
3 meet the return-filing requirement of this Act by reporting the  
4 transfer of all the aircraft, watercraft, motor vehicles, or  
5 trailers transferred for resale during a month to the  
6 Department on the same uniform invoice-transaction reporting  
7 return form on or before the 20th of the month following the  
8 month in which the transfer takes place. Notwithstanding any  
9 other provision of this Act to the contrary, all returns filed  
10 under this paragraph must be filed by electronic means in the  
11 manner and form as required by the Department.

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

1 due in that particular instance, if that is claimed to be the  
2 fact); the place and date of the sale; a sufficient  
3 identification of the property sold; such other information as  
4 is required in Section 5-402 of the Illinois Vehicle Code, and  
5 such other information as the Department may reasonably  
6 require.

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

23 Such transaction reporting return shall be filed not later  
24 than 20 days after the date of delivery of the item that is  
25 being sold, but may be filed by the retailer at any time sooner  
26 than that if he chooses to do so. The transaction reporting

1 return and tax remittance or proof of exemption from the tax  
2 that is imposed by this Act may be transmitted to the  
3 Department by way of the State agency with which, or State  
4 officer with whom, the tangible personal property must be  
5 titled or registered (if titling or registration is required)  
6 if the Department and such agency or State officer determine  
7 that this procedure will expedite the processing of  
8 applications for title or registration.

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

22 No retailer's failure or refusal to remit tax under this  
23 Act precludes a user, who has paid the proper tax to the  
24 retailer, from obtaining his certificate of title or other  
25 evidence of title or registration (if titling or registration  
26 is required) upon satisfying the Department that such user has

1 paid the proper tax (if tax is due) to the retailer. The  
2 Department shall adopt appropriate rules to carry out the  
3 mandate of this paragraph.

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

22 Where a retailer collects the tax with respect to the  
23 selling price of tangible personal property which he sells and  
24 the purchaser thereafter returns such tangible personal  
25 property and the retailer refunds the selling price thereof to  
26 the purchaser, such retailer shall also refund, to the

1 purchaser, the tax so collected from the purchaser. When filing  
2 his return for the period in which he refunds such tax to the  
3 purchaser, the retailer may deduct the amount of the tax so  
4 refunded by him to the purchaser from any other use tax which  
5 such retailer may be required to pay or remit to the  
6 Department, as shown by such return, if the amount of the tax  
7 to be deducted was previously remitted to the Department by  
8 such retailer. If the retailer has not previously remitted the  
9 amount of such tax to the Department, he is entitled to no  
10 deduction under this Act upon refunding such tax to the  
11 purchaser.

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

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

26 Where the retailer has more than one business registered

1 with the Department under separate registration under this Act,  
2 such retailer may not file each return that is due as a single  
3 return covering all such registered businesses, but shall file  
4 separate returns for each such registered business.

5 Beginning January 1, 1990, each month the Department shall  
6 pay into the State and Local Sales Tax Reform Fund, a special  
7 fund in the State Treasury which is hereby created, the net  
8 revenue realized for the preceding month from the 1% tax  
9 imposed under this Act.

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

17 Beginning January 1, 1990, each month the Department shall  
18 pay into the State and Local Sales Tax Reform Fund, a special  
19 fund in the State Treasury, 20% of the net revenue realized for  
20 the preceding month from the 6.25% general rate on the selling  
21 price of tangible personal property, other than (i) tangible  
22 personal property which is purchased outside Illinois at retail  
23 from a retailer and which is titled or registered by an agency  
24 of this State's government and (ii) aviation fuel sold on or  
25 after December 1, 2019. This exception for aviation fuel only  
26 applies for so long as the revenue use requirements of 49

1 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

2 For aviation fuel sold on or after December 1, 2019, each  
3 month the Department shall pay into the State Aviation Program  
4 Fund 20% of the net revenue realized for the preceding month  
5 from the 6.25% general rate on the selling price of aviation  
6 fuel, less an amount estimated by the Department to be required  
7 for refunds of the 20% portion of the tax on aviation fuel  
8 under this Act, which amount shall be deposited into the  
9 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
10 pay moneys into the State Aviation Program Fund and the  
11 Aviation Fuels Sales Tax Refund Fund under this Act for so long  
12 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
13 U.S.C. 47133 are binding on the State.

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

22 Beginning January 1, 1990, each month the Department shall  
23 pay into the Local Government Tax Fund 16% of the net revenue  
24 realized for the preceding month from the 6.25% general rate on  
25 the selling price of tangible personal property which is  
26 purchased outside Illinois at retail from a retailer and which

1 is titled or registered by an agency of this State's  
2 government.

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

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

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



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

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

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

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

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

26 Subject to payment of amounts into the Build Illinois Fund

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

12	Fiscal Year	Total Deposit
13	1993	\$0
14	1994	53,000,000
15	1995	58,000,000
16	1996	61,000,000
17	1997	64,000,000
18	1998	68,000,000
19	1999	71,000,000
20	2000	75,000,000
21	2001	80,000,000
22	2002	93,000,000
23	2003	99,000,000
24	2004	103,000,000
25	2005	108,000,000
26	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 Capital Projects  
23                   Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,  
24                   and the McCormick Place Expansion Project Fund pursuant to the  
25                   preceding paragraphs or in any amendments thereto hereafter  
26                   enacted, for aviation fuel sold on or after December 1, 2019,

1 the Department shall each month deposit into the Aviation Fuel  
2 Sales Tax Refund Fund an amount estimated by the Department to  
3 be required for refunds of the 80% portion of the tax on  
4 aviation fuel under this Act. The Department shall only deposit  
5 moneys into the Aviation Fuel Sales Tax Refund Fund under this  
6 paragraph for so long as the revenue use requirements of 49  
7 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

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

1 the Department of Commerce and Economic Opportunity Law of the  
2 Civil Administrative Code of Illinois.

3 Subject to payment of amounts into the Build Illinois Fund,  
4 the McCormick Place Expansion Project Fund, the Illinois Tax  
5 Increment Fund, and the Energy Infrastructure Fund pursuant to  
6 the preceding paragraphs or in any amendments to this Section  
7 hereafter enacted, beginning on the first day of the first  
8 calendar month to occur on or after August 26, 2014 (the  
9 effective date of Public Act 98-1098), each month, from the  
10 collections made under Section 9 of the Use Tax Act, Section 9  
11 of the Service Use Tax Act, Section 9 of the Service Occupation  
12 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
13 the Department shall pay into the Tax Compliance and  
14 Administration Fund, to be used, subject to appropriation, to  
15 fund additional auditors and compliance personnel at the  
16 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
17 the cash receipts collected during the preceding fiscal year by  
18 the Audit Bureau of the Department under the Use Tax Act, the  
19 Service Use Tax Act, the Service Occupation Tax Act, the  
20 Retailers' Occupation Tax Act, and associated local occupation  
21 and use taxes administered by the Department ~~(except the amount~~  
22 ~~collected on aviation fuel sold on or after December 1, 2019)~~.

23 Subject to payments of amounts into the Build Illinois  
24 Fund, the McCormick Place Expansion Project Fund, the Illinois  
25 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
26 Compliance and Administration Fund as provided in this Section,



1 beginning on July 1, 2018 the Department shall pay each month  
2 into the Downstate Public Transportation Fund the moneys  
3 required to be so paid under Section 2-3 of the Downstate  
4 Public Transportation Act.

5 Subject to successful execution and delivery of a  
6 public-private ~~public-private~~ agreement between the public  
7 agency and private entity and completion of the civic build,  
8 beginning on July 1, 2023, of the remainder of the moneys  
9 received by the Department under the Use Tax Act, the Service  
10 Use Tax Act, the Service Occupation Tax Act, and this Act, the  
11 Department shall deposit the following specified deposits in  
12 the aggregate from collections under the Use Tax Act, the  
13 Service Use Tax Act, the Service Occupation Tax Act, and the  
14 Retailers' Occupation Tax Act, as required under Section 8.25g  
15 of the State Finance Act for distribution consistent with the  
16 Public-Private Partnership for Civic and Transit  
17 Infrastructure Project Act. The moneys received by the  
18 Department pursuant to this Act and required to be deposited  
19 into the Civic and Transit Infrastructure Fund are subject to  
20 the pledge, claim, and charge set forth in Section 25-55 ~~55~~ of  
21 the Public-Private Partnership for Civic and Transit  
22 Infrastructure Project Act. As used in this paragraph, "civic  
23 build", "private entity", "public-private ~~private-public~~  
24 agreement", and "public agency" have the meanings provided in  
25 Section 25-10 of the Public-Private Partnership for Civic and  
26 Transit Infrastructure Project Act.

1	Fiscal Year.....	Total Deposit
2	2024 .....	\$200,000,000
3	2025 .....	\$206,000,000
4	2026 .....	\$212,200,000
5	2027 .....	\$218,500,000
6	2028 .....	\$225,100,000
7	2029 .....	\$288,700,000
8	2030 .....	\$298,900,000
9	2031 .....	\$309,300,000
10	2032 .....	\$320,100,000
11	2033 .....	\$331,200,000
12	2034 .....	\$341,200,000
13	2035 .....	\$351,400,000
14	2036 .....	\$361,900,000
15	2037 .....	\$372,800,000
16	2038 .....	\$384,000,000
17	2039 .....	\$395,500,000
18	2040 .....	\$407,400,000
19	2041 .....	\$419,600,000
20	2042 .....	\$432,200,000
21	2043 .....	\$445,100,000

22           Beginning July 1, 2021 and until July 1, 2022, subject to  
23 the payment of amounts into the State and Local Sales Tax  
24 Reform Fund, the Build Illinois Fund, the McCormick Place  
25 Expansion Project Fund, the Illinois Tax Increment Fund, the  
26 Energy Infrastructure Fund, and the Tax Compliance and

1 Administration Fund as provided in this Section, the Department  
2 shall pay each month into the Road Fund the amount estimated to  
3 represent 16% of the net revenue realized from the taxes  
4 imposed on motor fuel and gasohol. Beginning July 1, 2022 and  
5 until July 1, 2023, subject to the payment of amounts into the  
6 State and Local Sales Tax Reform Fund, the Build Illinois Fund,  
7 the McCormick Place Expansion Project Fund, the Illinois Tax  
8 Increment Fund, the Energy Infrastructure Fund, and the Tax  
9 Compliance and Administration Fund as provided in this Section,  
10 the Department shall pay each month into the Road Fund the  
11 amount estimated to represent 32% of the net revenue realized  
12 from the taxes imposed on motor fuel and gasohol. Beginning  
13 July 1, 2023 and until July 1, 2024, subject to the payment of  
14 amounts into the State and Local Sales Tax Reform Fund, the  
15 Build Illinois Fund, the McCormick Place Expansion Project  
16 Fund, the Illinois Tax Increment Fund, the Energy  
17 Infrastructure Fund, and the Tax Compliance and Administration  
18 Fund as provided in this Section, the Department shall pay each  
19 month into the Road Fund the amount estimated to represent 48%  
20 of the net revenue realized from the taxes imposed on motor  
21 fuel and gasohol. Beginning July 1, 2024 and until July 1,  
22 2025, subject to the payment of amounts into the State and  
23 Local Sales Tax Reform Fund, the Build Illinois Fund, the  
24 McCormick Place Expansion Project Fund, the Illinois Tax  
25 Increment Fund, the Energy Infrastructure Fund, and the Tax  
26 Compliance and Administration Fund as provided in this Section,

1 the Department shall pay each month into the Road Fund the  
2 amount estimated to represent 64% of the net revenue realized  
3 from the taxes imposed on motor fuel and gasohol. Beginning on  
4 July 1, 2025, subject to the payment of amounts into the State  
5 and Local Sales Tax Reform Fund, the Build Illinois Fund, the  
6 McCormick Place Expansion Project Fund, the Illinois Tax  
7 Increment Fund, the Energy Infrastructure Fund, and the Tax  
8 Compliance and Administration Fund as provided in this Section,  
9 the Department shall pay each month into the Road Fund the  
10 amount estimated to represent 80% of the net revenue realized  
11 from the taxes imposed on motor fuel and gasohol. As used in  
12 this paragraph "motor fuel" has the meaning given to that term  
13 in Section 1.1 of the Motor Fuel Tax Act, and "gasohol" has the  
14 meaning given to that term in Section 3-40 of this Act.

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

21 As soon as possible after the first day of each month, upon  
22 certification of the Department of Revenue, the Comptroller  
23 shall order transferred and the Treasurer shall transfer from  
24 the General Revenue Fund to the Motor Fuel Tax Fund an amount  
25 equal to 1.7% of 80% of the net revenue realized under this Act  
26 for the second preceding month. Beginning April 1, 2000, this

1 transfer is no longer required and shall not be made.

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

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

13 (Source: P.A. 100-303, eff. 8-24-17; 100-363, eff. 7-1-18;  
14 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, Article  
15 15, Section 15-10, eff. 6-5-19; 101-10, Article 25, Section  
16 25-105, eff. 6-5-19; 101-27, eff. 6-25-19; 101-32, eff.  
17 6-28-19; revised 7-29-19.)

18 Section 10-30. The Service Use Tax Act is amended by  
19 changing Sections 2 and 9 as follows:

20 (35 ILCS 110/2) (from Ch. 120, par. 439.32)

21 Sec. 2. Definitions. In this Act:

22 "Use" means the exercise by any person of any right or  
23 power over tangible personal property incident to the ownership  
24 of that property, but does not include the sale or use for

1 demonstration by him of that property in any form as tangible  
2 personal property in the regular course of business. "Use" does  
3 not mean the interim use of tangible personal property nor the  
4 physical incorporation of tangible personal property, as an  
5 ingredient or constituent, into other tangible personal  
6 property, (a) which is sold in the regular course of business  
7 or (b) which the person incorporating such ingredient or  
8 constituent therein has undertaken at the time of such purchase  
9 to cause to be transported in interstate commerce to  
10 destinations outside the State of Illinois.

11 "Purchased from a serviceman" means the acquisition of the  
12 ownership of, or title to, tangible personal property through a  
13 sale of service.

14 "Purchaser" means any person who, through a sale of  
15 service, acquires the ownership of, or title to, any tangible  
16 personal property.

17 "Cost price" means the consideration paid by the serviceman  
18 for a purchase valued in money, whether paid in money or  
19 otherwise, including cash, credits and services, and shall be  
20 determined without any deduction on account of the supplier's  
21 cost of the property sold or on account of any other expense  
22 incurred by the supplier. When a serviceman contracts out part  
23 or all of the services required in his sale of service, it  
24 shall be presumed that the cost price to the serviceman of the  
25 property transferred to him or her by his or her subcontractor  
26 is equal to 50% of the subcontractor's charges to the

1 serviceman in the absence of proof of the consideration paid by  
2 the subcontractor for the purchase of such property.

3 "Selling price" means the consideration for a sale valued  
4 in money whether received in money or otherwise, including  
5 cash, credits and service, and shall be determined without any  
6 deduction on account of the serviceman's cost of the property  
7 sold, the cost of materials used, labor or service cost or any  
8 other expense whatsoever, but does not include interest or  
9 finance charges which appear as separate items on the bill of  
10 sale or sales contract nor charges that are added to prices by  
11 sellers on account of the seller's duty to collect, from the  
12 purchaser, the tax that is imposed by this Act.

13 "Department" means the Department of Revenue.

14 "Person" means any natural individual, firm, partnership,  
15 association, joint stock company, joint venture, public or  
16 private corporation, limited liability company, and any  
17 receiver, executor, trustee, guardian or other representative  
18 appointed by order of any court.

19 "Sale of service" means any transaction except:

20 (1) a retail sale of tangible personal property taxable  
21 under the Retailers' Occupation Tax Act or under the Use  
22 Tax Act.

23 (2) a sale of tangible personal property for the  
24 purpose of resale made in compliance with Section 2c of the  
25 Retailers' Occupation Tax Act.

26 (3) except as hereinafter provided, a sale or transfer

1 of tangible personal property as an incident to the  
2 rendering of service for or by any governmental body, or  
3 for or by any corporation, society, association,  
4 foundation or institution organized and operated  
5 exclusively for charitable, religious or educational  
6 purposes or any not-for-profit corporation, society,  
7 association, foundation, institution or organization which  
8 has no compensated officers or employees and which is  
9 organized and operated primarily for the recreation of  
10 persons 55 years of age or older. A limited liability  
11 company may qualify for the exemption under this paragraph  
12 only if the limited liability company is organized and  
13 operated exclusively for educational purposes.

14 (4) (blank).

15 (4a) a sale or transfer of tangible personal property  
16 as an incident to the rendering of service for owners,  
17 lessors, or shippers of tangible personal property which is  
18 utilized by interstate carriers for hire for use as rolling  
19 stock moving in interstate commerce so long as so used by  
20 interstate carriers for hire, and equipment operated by a  
21 telecommunications provider, licensed as a common carrier  
22 by the Federal Communications Commission, which is  
23 permanently installed in or affixed to aircraft moving in  
24 interstate commerce.

25 (4a-5) on and after July 1, 2003 and through June 30,  
26 2004, a sale or transfer of a motor vehicle of the second



1 division with a gross vehicle weight in excess of 8,000  
2 pounds as an incident to the rendering of service if that  
3 motor vehicle is subject to the commercial distribution fee  
4 imposed under Section 3-815.1 of the Illinois Vehicle Code.  
5 Beginning on July 1, 2004 and through June 30, 2005, the  
6 use in this State of motor vehicles of the second division:  
7 (i) with a gross vehicle weight rating in excess of 8,000  
8 pounds; (ii) that are subject to the commercial  
9 distribution fee imposed under Section 3-815.1 of the  
10 Illinois Vehicle Code; and (iii) that are primarily used  
11 for commercial purposes. Through June 30, 2005, this  
12 exemption applies to repair and replacement parts added  
13 after the initial purchase of such a motor vehicle if that  
14 motor vehicle is used in a manner that would qualify for  
15 the rolling stock exemption otherwise provided for in this  
16 Act. For purposes of this paragraph, "used for commercial  
17 purposes" means the transportation of persons or property  
18 in furtherance of any commercial or industrial enterprise  
19 whether for-hire or not.

20 (5) a sale or transfer of machinery and equipment used  
21 primarily in the process of the manufacturing or  
22 assembling, either in an existing, an expanded or a new  
23 manufacturing facility, of tangible personal property for  
24 wholesale or retail sale or lease, whether such sale or  
25 lease is made directly by the manufacturer or by some other  
26 person, whether the materials used in the process are owned

1 by the manufacturer or some other person, or whether such  
2 sale or lease is made apart from or as an incident to the  
3 seller's engaging in a service occupation and the  
4 applicable tax is a Service Use Tax or Service Occupation  
5 Tax, rather than Use Tax or Retailers' Occupation Tax. The  
6 exemption provided by this paragraph (5) includes  
7 production related tangible personal property, as defined  
8 in Section 3-50 of the Use Tax Act, purchased on or after  
9 July 1, 2019. The exemption provided by this paragraph (5)  
10 does not include machinery and equipment used in (i) the  
11 generation of electricity for wholesale or retail sale;  
12 (ii) the generation or treatment of natural or artificial  
13 gas for wholesale or retail sale that is delivered to  
14 customers through pipes, pipelines, or mains; or (iii) the  
15 treatment of water for wholesale or retail sale that is  
16 delivered to customers through pipes, pipelines, or mains.  
17 The provisions of Public Act 98-583 are declaratory of  
18 existing law as to the meaning and scope of this exemption.  
19 The exemption under this paragraph (5) is exempt from the  
20 provisions of Section 3-75.

21 (5a) the repairing, reconditioning or remodeling, for  
22 a common carrier by rail, of tangible personal property  
23 which belongs to such carrier for hire, and as to which  
24 such carrier receives the physical possession of the  
25 repaired, reconditioned or remodeled item of tangible  
26 personal property in Illinois, and which such carrier

1 transports, or shares with another common carrier in the  
2 transportation of such property, out of Illinois on a  
3 standard uniform bill of lading showing the person who  
4 repaired, reconditioned or remodeled the property to a  
5 destination outside Illinois, for use outside Illinois.

6 (5b) a sale or transfer of tangible personal property  
7 which is produced by the seller thereof on special order in  
8 such a way as to have made the applicable tax the Service  
9 Occupation Tax or the Service Use Tax, rather than the  
10 Retailers' Occupation Tax or the Use Tax, for an interstate  
11 carrier by rail which receives the physical possession of  
12 such property in Illinois, and which transports such  
13 property, or shares with another common carrier in the  
14 transportation of such property, out of Illinois on a  
15 standard uniform bill of lading showing the seller of the  
16 property as the shipper or consignor of such property to a  
17 destination outside Illinois, for use outside Illinois.

18 (6) until July 1, 2003, a sale or transfer of  
19 distillation machinery and equipment, sold as a unit or kit  
20 and assembled or installed by the retailer, which machinery  
21 and equipment is certified by the user to be used only for  
22 the production of ethyl alcohol that will be used for  
23 consumption as motor fuel or as a component of motor fuel  
24 for the personal use of such user and not subject to sale  
25 or resale.

26 (7) at the election of any serviceman not required to

1 be otherwise registered as a retailer under Section 2a of  
2 the Retailers' Occupation Tax Act, made for each fiscal  
3 year sales of service in which the aggregate annual cost  
4 price of tangible personal property transferred as an  
5 incident to the sales of service is less than 35%, or 75%  
6 in the case of servicemen transferring prescription drugs  
7 or servicemen engaged in graphic arts production, of the  
8 aggregate annual total gross receipts from all sales of  
9 service. The purchase of such tangible personal property by  
10 the serviceman shall be subject to tax under the Retailers'  
11 Occupation Tax Act and the Use Tax Act. However, if a  
12 primary serviceman who has made the election described in  
13 this paragraph subcontracts service work to a secondary  
14 serviceman who has also made the election described in this  
15 paragraph, the primary serviceman does not incur a Use Tax  
16 liability if the secondary serviceman (i) has paid or will  
17 pay Use Tax on his or her cost price of any tangible  
18 personal property transferred to the primary serviceman  
19 and (ii) certifies that fact in writing to the primary  
20 serviceman.

21 Tangible personal property transferred incident to the  
22 completion of a maintenance agreement is exempt from the tax  
23 imposed pursuant to this Act.

24 Exemption (5) also includes machinery and equipment used in  
25 the general maintenance or repair of such exempt machinery and  
26 equipment or for in-house manufacture of exempt machinery and

1 equipment. On and after July 1, 2017, exemption (5) also  
2 includes graphic arts machinery and equipment, as defined in  
3 paragraph (5) of Section 3-5. The machinery and equipment  
4 exemption does not include machinery and equipment used in (i)  
5 the generation of electricity for wholesale or retail sale;  
6 (ii) the generation or treatment of natural or artificial gas  
7 for wholesale or retail sale that is delivered to customers  
8 through pipes, pipelines, or mains; or (iii) the treatment of  
9 water for wholesale or retail sale that is delivered to  
10 customers through pipes, pipelines, or mains. The provisions of  
11 Public Act 98-583 are declaratory of existing law as to the  
12 meaning and scope of this exemption. For the purposes of  
13 exemption (5), each of these terms shall have the following  
14 meanings: (1) "manufacturing process" shall mean the  
15 production of any article of tangible personal property,  
16 whether such article is a finished product or an article for  
17 use in the process of manufacturing or assembling a different  
18 article of tangible personal property, by procedures commonly  
19 regarded as manufacturing, processing, fabricating, or  
20 refining which changes some existing material or materials into  
21 a material with a different form, use or name. In relation to a  
22 recognized integrated business composed of a series of  
23 operations which collectively constitute manufacturing, or  
24 individually constitute manufacturing operations, the  
25 manufacturing process shall be deemed to commence with the  
26 first operation or stage of production in the series, and shall

1 not be deemed to end until the completion of the final product  
2 in the last operation or stage of production in the series; and  
3 further, for purposes of exemption (5), photoprocessing is  
4 deemed to be a manufacturing process of tangible personal  
5 property for wholesale or retail sale; (2) "assembling process"  
6 shall mean the production of any article of tangible personal  
7 property, whether such article is a finished product or an  
8 article for use in the process of manufacturing or assembling a  
9 different article of tangible personal property, by the  
10 combination of existing materials in a manner commonly regarded  
11 as assembling which results in a material of a different form,  
12 use or name; (3) "machinery" shall mean major mechanical  
13 machines or major components of such machines contributing to a  
14 manufacturing or assembling process; and (4) "equipment" shall  
15 include any independent device or tool separate from any  
16 machinery but essential to an integrated manufacturing or  
17 assembly process; including computers used primarily in a  
18 manufacturer's computer assisted design, computer assisted  
19 manufacturing (CAD/CAM) system; or any subunit or assembly  
20 comprising a component of any machinery or auxiliary, adjunct  
21 or attachment parts of machinery, such as tools, dies, jigs,  
22 fixtures, patterns and molds; or any parts which require  
23 periodic replacement in the course of normal operation; but  
24 shall not include hand tools. Equipment includes chemicals or  
25 chemicals acting as catalysts but only if the chemicals or  
26 chemicals acting as catalysts effect a direct and immediate

1 change upon a product being manufactured or assembled for  
2 wholesale or retail sale or lease. The purchaser of such  
3 machinery and equipment who has an active resale registration  
4 number shall furnish such number to the seller at the time of  
5 purchase. The purchaser ~~user~~ of such machinery and equipment  
6 and tools without an active resale registration number shall  
7 prepare a certificate of exemption ~~for each transaction~~ stating  
8 facts establishing the exemption ~~for that transaction~~, which  
9 certificate shall be available to the Department for inspection  
10 or audit. The Department shall prescribe the form of the  
11 certificate.

12 Any informal rulings, opinions or letters issued by the  
13 Department in response to an inquiry or request for any opinion  
14 from any person regarding the coverage and applicability of  
15 exemption (5) to specific devices shall be published,  
16 maintained as a public record, and made available for public  
17 inspection and copying. If the informal ruling, opinion or  
18 letter contains trade secrets or other confidential  
19 information, where possible the Department shall delete such  
20 information prior to publication. Whenever such informal  
21 rulings, opinions, or letters contain any policy of general  
22 applicability, the Department shall formulate and adopt such  
23 policy as a rule in accordance with the provisions of the  
24 Illinois Administrative Procedure Act.

25 On and after July 1, 1987, no entity otherwise eligible  
26 under exemption (3) of this Section shall make tax-free

1 purchases unless it has an active exemption identification  
2 number issued by the Department.

3 The purchase, employment and transfer of such tangible  
4 personal property as newsprint and ink for the primary purpose  
5 of conveying news (with or without other information) is not a  
6 purchase, use or sale of service or of tangible personal  
7 property within the meaning of this Act.

8 "Serviceman" means any person who is engaged in the  
9 occupation of making sales of service.

10 "Sale at retail" means "sale at retail" as defined in the  
11 Retailers' Occupation Tax Act.

12 "Supplier" means any person who makes sales of tangible  
13 personal property to servicemen for the purpose of resale as an  
14 incident to a sale of service.

15 "Serviceman maintaining a place of business in this State",  
16 or any like term, means and includes any serviceman:

17 (1) having or maintaining within this State, directly  
18 or by a subsidiary, an office, distribution house, sales  
19 house, warehouse or other place of business, or any agent  
20 or other representative operating within this State under  
21 the authority of the serviceman or its subsidiary,  
22 irrespective of whether such place of business or agent or  
23 other representative is located here permanently or  
24 temporarily, or whether such serviceman or subsidiary is  
25 licensed to do business in this State;

26 (1.1) having a contract with a person located in this



1 State under which the person, for a commission or other  
2 consideration based on the sale of service by the  
3 serviceman, directly or indirectly refers potential  
4 customers to the serviceman by providing to the potential  
5 customers a promotional code or other mechanism that allows  
6 the serviceman to track purchases referred by such persons.  
7 Examples of mechanisms that allow the serviceman to track  
8 purchases referred by such persons include but are not  
9 limited to the use of a link on the person's Internet  
10 website, promotional codes distributed through the  
11 person's hand-delivered or mailed material, and  
12 promotional codes distributed by the person through radio  
13 or other broadcast media. The provisions of this paragraph  
14 (1.1) shall apply only if the cumulative gross receipts  
15 from sales of service by the serviceman to customers who  
16 are referred to the serviceman by all persons in this State  
17 under such contracts exceed \$10,000 during the preceding 4  
18 quarterly periods ending on the last day of March, June,  
19 September, and December; a serviceman meeting the  
20 requirements of this paragraph (1.1) shall be presumed to  
21 be maintaining a place of business in this State but may  
22 rebut this presumption by submitting proof that the  
23 referrals or other activities pursued within this State by  
24 such persons were not sufficient to meet the nexus  
25 standards of the United States Constitution during the  
26 preceding 4 quarterly periods;

1           (1.2) beginning July 1, 2011, having a contract with a  
2 person located in this State under which:

3           (A) the serviceman sells the same or substantially  
4 similar line of services as the person located in this  
5 State and does so using an identical or substantially  
6 similar name, trade name, or trademark as the person  
7 located in this State; and

8           (B) the serviceman provides a commission or other  
9 consideration to the person located in this State based  
10 upon the sale of services by the serviceman.

11 The provisions of this paragraph (1.2) shall apply only if  
12 the cumulative gross receipts from sales of service by the  
13 serviceman to customers in this State under all such  
14 contracts exceed \$10,000 during the preceding 4 quarterly  
15 periods ending on the last day of March, June, September,  
16 and December;

17           (2) soliciting orders for tangible personal property  
18 by means of a telecommunication or television shopping  
19 system (which utilizes toll free numbers) which is intended  
20 by the retailer to be broadcast by cable television or  
21 other means of broadcasting, to consumers located in this  
22 State;

23           (3) pursuant to a contract with a broadcaster or  
24 publisher located in this State, soliciting orders for  
25 tangible personal property by means of advertising which is  
26 disseminated primarily to consumers located in this State

1 and only secondarily to bordering jurisdictions;

2 (4) soliciting orders for tangible personal property  
3 by mail if the solicitations are substantial and recurring  
4 and if the retailer benefits from any banking, financing,  
5 debt collection, telecommunication, or marketing  
6 activities occurring in this State or benefits from the  
7 location in this State of authorized installation,  
8 servicing, or repair facilities;

9 (5) being owned or controlled by the same interests  
10 which own or control any retailer engaging in business in  
11 the same or similar line of business in this State;

12 (6) having a franchisee or licensee operating under its  
13 trade name if the franchisee or licensee is required to  
14 collect the tax under this Section;

15 (7) pursuant to a contract with a cable television  
16 operator located in this State, soliciting orders for  
17 tangible personal property by means of advertising which is  
18 transmitted or distributed over a cable television system  
19 in this State;

20 (8) engaging in activities in Illinois, which  
21 activities in the state in which the supply business  
22 engaging in such activities is located would constitute  
23 maintaining a place of business in that state; or

24 (9) beginning October 1, 2018, making sales of service  
25 to purchasers in Illinois from outside of Illinois if:

26 (A) the cumulative gross receipts from sales of

1 service to purchasers in Illinois are \$100,000 or more;  
2 or

3 (B) the serviceman enters into 200 or more separate  
4 transactions for sales of service to purchasers in  
5 Illinois.

6 The serviceman shall determine on a quarterly basis,  
7 ending on the last day of March, June, September, and  
8 December, whether he or she meets the criteria of either  
9 subparagraph (A) or (B) of this paragraph (9) for the  
10 preceding 12-month period. If the serviceman meets the  
11 criteria of either subparagraph (A) or (B) for a 12-month  
12 period, he or she is considered a serviceman maintaining a  
13 place of business in this State and is required to collect  
14 and remit the tax imposed under this Act and file returns  
15 for one year. At the end of that one-year period, the  
16 serviceman shall determine whether the serviceman met the  
17 criteria of either subparagraph (A) or (B) during the  
18 preceding 12-month period. If the serviceman met the  
19 criteria in either subparagraph (A) or (B) for the  
20 preceding 12-month period, he or she is considered a  
21 serviceman maintaining a place of business in this State  
22 and is required to collect and remit the tax imposed under  
23 this Act and file returns for the subsequent year. If at  
24 the end of a one-year period a serviceman that was required  
25 to collect and remit the tax imposed under this Act  
26 determines that he or she did not meet the criteria in

1           either subparagraph (A) or (B) during the preceding  
2           12-month period, the serviceman subsequently shall  
3           determine on a quarterly basis, ending on the last day of  
4           March, June, September, and December, whether he or she  
5           meets the criteria of either subparagraph (A) or (B) for  
6           the preceding 12-month period.

7           Beginning January 1, 2020, neither the gross receipts  
8           from nor the number of separate transactions for sales of  
9           service to purchasers in Illinois that a serviceman makes  
10          through a marketplace facilitator and for which the  
11          serviceman has received a certification from the  
12          marketplace facilitator pursuant to Section 2d of this Act  
13          shall be included for purposes of determining whether he or  
14          she has met the thresholds of this paragraph (9).

15          (10) Beginning January 1, 2020, a marketplace  
16          facilitator, as defined in Section 2d of this Act.

17          (Source: P.A. 100-22, eff. 7-6-17; 100-321, eff. 8-24-17;  
18          100-587, eff. 6-4-18; 100-863, eff. 8-14-18; 101-9, Article 10,  
19          Section 10-15, eff. 6-5-19; 101-9, Article 25, Section 25-10,  
20          eff. 6-5-19; revised 7-10-19.)

21          (35 ILCS 110/9) (from Ch. 120, par. 439.39)

22          Sec. 9. Each serviceman required or authorized to collect  
23          the tax herein imposed shall pay to the Department the amount  
24          of such tax (except as otherwise provided) at the time when he  
25          is required to file his return for the period during which such

1 tax was collected, less a discount of 2.1% prior to January 1,  
2 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar  
3 year, whichever is greater, which is allowed to reimburse the  
4 serviceman for expenses incurred in collecting the tax, keeping  
5 records, preparing and filing returns, remitting the tax and  
6 supplying data to the Department on request. The discount under  
7 this Section is not allowed for the 1.25% portion of taxes paid  
8 on aviation fuel that is subject to the revenue use  
9 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~are~~  
10 ~~deposited into the State Aviation Program Fund under this Act.~~  
11 The discount allowed under this Section is allowed only for  
12 returns that are filed in the manner required by this Act. The  
13 Department may disallow the discount for servicemen whose  
14 certificate of registration is revoked at the time the return  
15 is filed, but only if the Department's decision to revoke the  
16 certificate of registration has become final. A serviceman need  
17 not remit that part of any tax collected by him to the extent  
18 that he is required to pay and does pay the tax imposed by the  
19 Service Occupation Tax Act with respect to his sale of service  
20 involving the incidental transfer by him of the same property.

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

1 information as the Department may reasonably require. On and  
2 after January 1, 2018, with respect to servicemen whose annual  
3 gross receipts average \$20,000 or more, all returns required to  
4 be filed pursuant to this Act shall be filed electronically.  
5 Servicemen who demonstrate that they do not have access to the  
6 Internet or demonstrate hardship in filing electronically may  
7 petition the Department to waive the electronic filing  
8 requirement.

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

16 1. The name of the seller;

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

19 3. The total amount of taxable receipts received by him  
20 during the preceding calendar month, including receipts  
21 from charge and time sales, but less all deductions allowed  
22 by law;

23 4. The amount of credit provided in Section 2d of this  
24 Act;

25 5. The amount of tax due;

26 5-5. The signature of the taxpayer; and

1           6. Such other reasonable information as the Department  
2           may require.

3           ~~Each Beginning on January 1, 2020, each serviceman required~~  
4           ~~or authorized to collect the tax imposed by this Act on~~  
5           ~~aviation fuel transferred as an incident of a sale of service~~  
6           ~~in this State during the preceding calendar month shall,~~  
7           ~~instead of reporting and paying tax on aviation fuel as~~  
8           ~~otherwise required by this Section, report and pay such the tax~~  
9           ~~on a separate by filing an aviation fuel tax return with the~~  
10          ~~Department on or before the twentieth day of each calendar~~  
11          ~~month.~~ The requirements related to the return shall be as  
12          otherwise provided in this Section. Notwithstanding any other  
13          provisions of this Act to the contrary, servicemen collecting  
14          tax on aviation fuel shall file all aviation fuel tax returns  
15          and shall make all aviation fuel tax payments by electronic  
16          means in the manner and form required by the Department. For  
17          purposes of this Section ~~paragraph~~, "aviation fuel" means jet  
18          ~~fuel and aviation gasoline~~ a product that is intended for use  
19          ~~or offered for sale as fuel for an aircraft.~~

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

24           Notwithstanding any other provision of this Act to the  
25           contrary, servicemen subject to tax on cannabis shall file all  
26           cannabis tax returns and shall make all cannabis tax payments



1 by electronic means in the manner and form required by the  
2 Department.

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

1 January 20 of the following year.

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

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

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

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

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

9 Any serviceman filing a return hereunder shall also include  
10 the total tax upon the selling price of tangible personal  
11 property purchased for use by him as an incident to a sale of  
12 service, and such serviceman shall remit the amount of such tax  
13 to the Department when filing such 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 servicemen, who are required to file  
17 returns hereunder and also under the Service Occupation Tax  
18 Act, to furnish all the return information required by both  
19 Acts on the one form.

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

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

1 the State Treasury, the net revenue realized for the preceding  
2 month from the 1% tax imposed under this Act.

3 Beginning January 1, 1990, each month the Department shall  
4 pay into the State and Local Sales Tax Reform Fund 20% of the  
5 net revenue realized for the preceding month from the 6.25%  
6 general rate on transfers of tangible personal property, other  
7 than (i) tangible personal property which is purchased outside  
8 Illinois at retail from a retailer and which is titled or  
9 registered by an agency of this State's government and (ii)  
10 aviation fuel sold on or after December 1, 2019. This exception  
11 for aviation fuel only applies for so long as the revenue use  
12 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
13 binding on the State.

14 For aviation fuel sold on or after December 1, 2019, each  
15 month the Department shall pay into the State Aviation Program  
16 Fund 20% of the net revenue realized for the preceding month  
17 from the 6.25% general rate on the selling price of aviation  
18 fuel, less an amount estimated by the Department to be required  
19 for refunds of the 20% portion of the tax on aviation fuel  
20 under this Act, which amount shall be deposited into the  
21 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
22 pay moneys into the State Aviation Program Fund and the  
23 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
24 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
25 U.S.C. 47133 are binding on the State.

26 Beginning August 1, 2000, each month the Department shall

1 pay into the State and Local Sales Tax Reform Fund 100% of the  
2 net revenue realized for the preceding month from the 1.25%  
3 rate on the selling price of motor fuel and gasohol.

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

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

26 Beginning July 1, 2015, of the remainder of the moneys

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

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

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



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

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

1 9 of the Service Occupation Tax Act, and Section 3 of the  
2 Retailers' Occupation Tax Act into the McCormick Place  
3 Expansion Project Fund in the specified fiscal years.

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

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

20 and

21 each fiscal year  
22 thereafter that bonds  
23 are outstanding under  
24 Section 13.2 of the  
25 Metropolitan Pier and  
26 Exposition Authority Act,

1 but not after fiscal year 2060.

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

15 Subject to payment of amounts into the Capital Projects  
16 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,  
17 and the McCormick Place Expansion Project Fund pursuant to the  
18 preceding paragraphs or in any amendments thereto hereafter  
19 enacted, for aviation fuel sold on or after December 1, 2019,  
20 the Department shall each month deposit into the Aviation Fuel  
21 Sales Tax Refund Fund an amount estimated by the Department to  
22 be required for refunds of the 80% portion of the tax on  
23 aviation fuel under this Act. The Department shall only deposit  
24 moneys into the Aviation Fuel Sales Tax Refund Fund under this  
25 paragraph for so long as the revenue use requirements of 49  
26 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

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

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

1 calendar month to occur on or after August 26, 2014 (the  
2 effective date of Public Act 98-1098), each month, from the  
3 collections made under Section 9 of the Use Tax Act, Section 9  
4 of the Service Use Tax Act, Section 9 of the Service Occupation  
5 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
6 the Department shall pay into the Tax Compliance and  
7 Administration Fund, to be used, subject to appropriation, to  
8 fund additional auditors and compliance personnel at the  
9 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
10 the cash receipts collected during the preceding fiscal year by  
11 the Audit Bureau of the Department under the Use Tax Act, the  
12 Service Use Tax Act, the Service Occupation Tax Act, the  
13 Retailers' Occupation Tax Act, and associated local occupation  
14 and use taxes administered by the Department ~~(except the amount~~  
15 ~~collected on aviation fuel sold on or after December 1, 2019).~~

16 Subject to payments of amounts into the Build Illinois  
17 Fund, the McCormick Place Expansion Project Fund, the Illinois  
18 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
19 Compliance and Administration Fund as provided in this Section,  
20 beginning on July 1, 2018 the Department shall pay each month  
21 into the Downstate Public Transportation Fund the moneys  
22 required to be so paid under Section 2-3 of the Downstate  
23 Public Transportation Act.

24 Subject to successful execution and delivery of a  
25 public-private ~~public-private~~ agreement between the public  
26 agency and private entity and completion of the civic build,

1 beginning on July 1, 2023, of the remainder of the moneys  
 2 received by the Department under the Use Tax Act, the Service  
 3 Use Tax Act, the Service Occupation Tax Act, and this Act, the  
 4 Department shall deposit the following specified deposits in  
 5 the aggregate from collections under the Use Tax Act, the  
 6 Service Use Tax Act, the Service Occupation Tax Act, and the  
 7 Retailers' Occupation Tax Act, as required under Section 8.25g  
 8 of the State Finance Act for distribution consistent with the  
 9 Public-Private Partnership for Civic and Transit  
 10 Infrastructure Project Act. The moneys received by the  
 11 Department pursuant to this Act and required to be deposited  
 12 into the Civic and Transit Infrastructure Fund are subject to  
 13 the pledge, claim, and charge set forth in Section 25-55 ~~55~~ of  
 14 the Public-Private Partnership for Civic and Transit  
 15 Infrastructure Project Act. As used in this paragraph, "civic  
 16 build", "private entity", "public-private ~~private-public~~  
 17 agreement", and "public agency" have the meanings provided in  
 18 Section 25-10 of the Public-Private Partnership for Civic and  
 19 Transit Infrastructure Project Act.

20	Fiscal Year .....	Total Deposit
21	2024 .....	\$200,000,000
22	2025 .....	\$206,000,000
23	2026 .....	\$212,200,000
24	2027 .....	\$218,500,000
25	2028 .....	\$225,100,000
26	2029 .....	\$288,700,000

1	2030	.....	\$298,900,000
2	2031	.....	\$309,300,000
3	2032	.....	\$320,100,000
4	2033	.....	\$331,200,000
5	2034	.....	\$341,200,000
6	2035	.....	\$351,400,000
7	2036	.....	\$361,900,000
8	2037	.....	\$372,800,000
9	2038	.....	\$384,000,000
10	2039	.....	\$395,500,000
11	2040	.....	\$407,400,000
12	2041	.....	\$419,600,000
13	2042	.....	\$432,200,000
14	2043	.....	\$445,100,000

15           Beginning July 1, 2021 and until July 1, 2022, subject to  
16 the payment of amounts into the State and Local Sales Tax  
17 Reform Fund, the Build Illinois Fund, the McCormick Place  
18 Expansion Project Fund, the Illinois Tax Increment Fund, the  
19 Energy Infrastructure Fund, and the Tax Compliance and  
20 Administration Fund as provided in this Section, the Department  
21 shall pay each month into the Road Fund the amount estimated to  
22 represent 16% of the net revenue realized from the taxes  
23 imposed on motor fuel and gasohol. Beginning July 1, 2022 and  
24 until July 1, 2023, subject to the payment of amounts into the  
25 State and Local Sales Tax Reform Fund, the Build Illinois Fund,  
26 the McCormick Place Expansion Project Fund, the Illinois Tax



1 Increment Fund, the Energy Infrastructure Fund, and the Tax  
2 Compliance and Administration Fund as provided in this Section,  
3 the Department shall pay each month into the Road Fund the  
4 amount estimated to represent 32% of the net revenue realized  
5 from the taxes imposed on motor fuel and gasohol. Beginning  
6 July 1, 2023 and until July 1, 2024, subject to the payment of  
7 amounts into the State and Local Sales Tax Reform Fund, the  
8 Build Illinois Fund, the McCormick Place Expansion Project  
9 Fund, the Illinois Tax Increment Fund, the Energy  
10 Infrastructure Fund, and the Tax Compliance and Administration  
11 Fund as provided in this Section, the Department shall pay each  
12 month into the Road Fund the amount estimated to represent 48%  
13 of the net revenue realized from the taxes imposed on motor  
14 fuel and gasohol. Beginning July 1, 2024 and until July 1,  
15 2025, subject to the payment of amounts into the State and  
16 Local Sales Tax Reform Fund, the Build Illinois Fund, the  
17 McCormick Place Expansion Project Fund, the Illinois Tax  
18 Increment Fund, the Energy Infrastructure Fund, and the Tax  
19 Compliance and Administration Fund as provided in this Section,  
20 the Department shall pay each month into the Road Fund the  
21 amount estimated to represent 64% of the net revenue realized  
22 from the taxes imposed on motor fuel and gasohol. Beginning on  
23 July 1, 2025, subject to the payment of amounts into the State  
24 and Local Sales Tax Reform Fund, the Build Illinois Fund, the  
25 McCormick Place Expansion Project Fund, the Illinois Tax  
26 Increment Fund, the Energy Infrastructure Fund, and the Tax

1 Compliance and Administration Fund as provided in this Section,  
2 the Department shall pay each month into the Road Fund the  
3 amount estimated to represent 80% of the net revenue realized  
4 from the taxes imposed on motor fuel and gasohol. As used in  
5 this paragraph "motor fuel" has the meaning given to that term  
6 in Section 1.1 of the Motor Fuel Tax Act, and "gasohol" has the  
7 meaning given to that term in Section 3-40 of the Use Tax Act.

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

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

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

26 (Source: P.A. 100-303, eff. 8-24-17; 100-363, eff. 7-1-18;

1 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, Article  
2 15, Section 15-15, eff. 6-5-19; 101-10, Article 25, Section  
3 25-110, eff. 6-5-19; 101-27, eff. 6-25-19; 101-32, eff.  
4 6-28-19; revised 8-20-19.)

5 Section 10-35. The Service Occupation Tax Act is amended by  
6 changing Sections 2 and 9 as follows:

7 (35 ILCS 115/2) (from Ch. 120, par. 439.102)

8 Sec. 2. In this Act:

9 "Transfer" means any transfer of the title to property or  
10 of the ownership of property whether or not the transferor  
11 retains title as security for the payment of amounts due him  
12 from the transferee.

13 "Cost Price" means the consideration paid by the serviceman  
14 for a purchase valued in money, whether paid in money or  
15 otherwise, including cash, credits and services, and shall be  
16 determined without any deduction on account of the supplier's  
17 cost of the property sold or on account of any other expense  
18 incurred by the supplier. When a serviceman contracts out part  
19 or all of the services required in his sale of service, it  
20 shall be presumed that the cost price to the serviceman of the  
21 property transferred to him by his or her subcontractor is  
22 equal to 50% of the subcontractor's charges to the serviceman  
23 in the absence of proof of the consideration paid by the  
24 subcontractor for the purchase of such property.

1 "Department" means the Department of Revenue.

2 "Person" means any natural individual, firm, partnership,  
3 association, joint stock company, joint venture, public or  
4 private corporation, limited liability company, and any  
5 receiver, executor, trustee, guardian or other representative  
6 appointed by order of any court.

7 "Sale of Service" means any transaction except:

8 (a) A retail sale of tangible personal property taxable  
9 under the Retailers' Occupation Tax Act or under the Use Tax  
10 Act.

11 (b) A sale of tangible personal property for the purpose of  
12 resale made in compliance with Section 2c of the Retailers'  
13 Occupation Tax Act.

14 (c) Except as hereinafter provided, a sale or transfer of  
15 tangible personal property as an incident to the rendering of  
16 service for or by any governmental body or for or by any  
17 corporation, society, association, foundation or institution  
18 organized and operated exclusively for charitable, religious  
19 or educational purposes or any not-for-profit corporation,  
20 society, association, foundation, institution or organization  
21 which has no compensated officers or employees and which is  
22 organized and operated primarily for the recreation of persons  
23 55 years of age or older. A limited liability company may  
24 qualify for the exemption under this paragraph only if the  
25 limited liability company is organized and operated  
26 exclusively for educational purposes.

1 (d) (Blank).

2 (d-1) A sale or transfer of tangible personal property as  
3 an incident to the rendering of service for owners, lessors or  
4 shippers of tangible personal property which is utilized by  
5 interstate carriers for hire for use as rolling stock moving in  
6 interstate commerce, and equipment operated by a  
7 telecommunications provider, licensed as a common carrier by  
8 the Federal Communications Commission, which is permanently  
9 installed in or affixed to aircraft moving in interstate  
10 commerce.

11 (d-1.1) On and after July 1, 2003 and through June 30,  
12 2004, a sale or transfer of a motor vehicle of the second  
13 division with a gross vehicle weight in excess of 8,000 pounds  
14 as an incident to the rendering of service if that motor  
15 vehicle is subject to the commercial distribution fee imposed  
16 under Section 3-815.1 of the Illinois Vehicle Code. Beginning  
17 on July 1, 2004 and through June 30, 2005, the use in this  
18 State of motor vehicles of the second division: (i) with a  
19 gross vehicle weight rating in excess of 8,000 pounds; (ii)  
20 that are subject to the commercial distribution fee imposed  
21 under Section 3-815.1 of the Illinois Vehicle Code; and (iii)  
22 that are primarily used for commercial purposes. Through June  
23 30, 2005, this exemption applies to repair and replacement  
24 parts added after the initial purchase of such a motor vehicle  
25 if that motor vehicle is used in a manner that would qualify  
26 for the rolling stock exemption otherwise provided for in this

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

5 (d-2) The repairing, reconditioning or remodeling, for a  
6 common carrier by rail, of tangible personal property which  
7 belongs to such carrier for hire, and as to which such carrier  
8 receives the physical possession of the repaired,  
9 reconditioned or remodeled item of tangible personal property  
10 in Illinois, and which such carrier transports, or shares with  
11 another common carrier in the transportation of such property,  
12 out of Illinois on a standard uniform bill of lading showing  
13 the person who repaired, reconditioned or remodeled the  
14 property as the shipper or consignor of such property to a  
15 destination outside Illinois, for use outside Illinois.

16 (d-3) A sale or transfer of tangible personal property  
17 which is produced by the seller thereof on special order in  
18 such a way as to have made the applicable tax the Service  
19 Occupation Tax or the Service Use Tax, rather than the  
20 Retailers' Occupation Tax or the Use Tax, for an interstate  
21 carrier by rail which receives the physical possession of such  
22 property in Illinois, and which transports such property, or  
23 shares with another common carrier in the transportation of  
24 such property, out of Illinois on a standard uniform bill of  
25 lading showing the seller of the property as the shipper or  
26 consignor of such property to a destination outside Illinois,

1 for use outside Illinois.

2 (d-4) Until January 1, 1997, a sale, by a registered  
3 serviceman paying tax under this Act to the Department, of  
4 special order printed materials delivered outside Illinois and  
5 which are not returned to this State, if delivery is made by  
6 the seller or agent of the seller, including an agent who  
7 causes the product to be delivered outside Illinois by a common  
8 carrier or the U.S. postal service.

9 (e) A sale or transfer of machinery and equipment used  
10 primarily in the process of the manufacturing or assembling,  
11 either in an existing, an expanded or a new manufacturing  
12 facility, of tangible personal property for wholesale or retail  
13 sale or lease, whether such sale or lease is made directly by  
14 the manufacturer or by some other person, whether the materials  
15 used in the process are owned by the manufacturer or some other  
16 person, or whether such sale or lease is made apart from or as  
17 an incident to the seller's engaging in a service occupation  
18 and the applicable tax is a Service Occupation Tax or Service  
19 Use Tax, rather than Retailers' Occupation Tax or Use Tax. The  
20 exemption provided by this paragraph (e) includes production  
21 related tangible personal property, as defined in Section 3-50  
22 of the Use Tax Act, purchased on or after July 1, 2019. The  
23 exemption provided by this paragraph (e) does not include  
24 machinery and equipment used in (i) the generation of  
25 electricity for wholesale or retail sale; (ii) the generation  
26 or treatment of natural or artificial gas for wholesale or

1 retail sale that is delivered to customers through pipes,  
2 pipelines, or mains; or (iii) the treatment of water for  
3 wholesale or retail sale that is delivered to customers through  
4 pipes, pipelines, or mains. The provisions of Public Act 98-583  
5 are declaratory of existing law as to the meaning and scope of  
6 this exemption. The exemption under this subsection (e) is  
7 exempt from the provisions of Section 3-75.

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

15 (g) At the election of any serviceman not required to be  
16 otherwise registered as a retailer under Section 2a of the  
17 Retailers' Occupation Tax Act, made for each fiscal year sales  
18 of service in which the aggregate annual cost price of tangible  
19 personal property transferred as an incident to the sales of  
20 service is less than 35% (75% in the case of servicemen  
21 transferring prescription drugs or servicemen engaged in  
22 graphic arts production) of the aggregate annual total gross  
23 receipts from all sales of service. The purchase of such  
24 tangible personal property by the serviceman shall be subject  
25 to tax under the Retailers' Occupation Tax Act and the Use Tax  
26 Act. However, if a primary serviceman who has made the election



1 described in this paragraph subcontracts service work to a  
2 secondary serviceman who has also made the election described  
3 in this paragraph, the primary serviceman does not incur a Use  
4 Tax liability if the secondary serviceman (i) has paid or will  
5 pay Use Tax on his or her cost price of any tangible personal  
6 property transferred to the primary serviceman and (ii)  
7 certifies that fact in writing to the primary serviceman.

8 Tangible personal property transferred incident to the  
9 completion of a maintenance agreement is exempt from the tax  
10 imposed pursuant to this Act.

11 Exemption (e) also includes machinery and equipment used in  
12 the general maintenance or repair of such exempt machinery and  
13 equipment or for in-house manufacture of exempt machinery and  
14 equipment. On and after July 1, 2017, exemption (e) also  
15 includes graphic arts machinery and equipment, as defined in  
16 paragraph (5) of Section 3-5. The machinery and equipment  
17 exemption does not include machinery and equipment used in (i)  
18 the generation of electricity for wholesale or retail sale;  
19 (ii) the generation or treatment of natural or artificial gas  
20 for wholesale or retail sale that is delivered to customers  
21 through pipes, pipelines, or mains; or (iii) the treatment of  
22 water for wholesale or retail sale that is delivered to  
23 customers through pipes, pipelines, or mains. The provisions of  
24 Public Act 98-583 are declaratory of existing law as to the  
25 meaning and scope of this exemption. For the purposes of  
26 exemption (e), each of these terms shall have the following

1 meanings: (1) "manufacturing process" shall mean the  
2 production of any article of tangible personal property,  
3 whether such article is a finished product or an article for  
4 use in the process of manufacturing or assembling a different  
5 article of tangible personal property, by procedures commonly  
6 regarded as manufacturing, processing, fabricating, or  
7 refining which changes some existing material or materials into  
8 a material with a different form, use or name. In relation to a  
9 recognized integrated business composed of a series of  
10 operations which collectively constitute manufacturing, or  
11 individually constitute manufacturing operations, the  
12 manufacturing process shall be deemed to commence with the  
13 first operation or stage of production in the series, and shall  
14 not be deemed to end until the completion of the final product  
15 in the last operation or stage of production in the series; and  
16 further for purposes of exemption (e), photoprocessing is  
17 deemed to be a manufacturing process of tangible personal  
18 property for wholesale or retail sale; (2) "assembling process"  
19 shall mean the production of any article of tangible personal  
20 property, whether such article is a finished product or an  
21 article for use in the process of manufacturing or assembling a  
22 different article of tangible personal property, by the  
23 combination of existing materials in a manner commonly regarded  
24 as assembling which results in a material of a different form,  
25 use or name; (3) "machinery" shall mean major mechanical  
26 machines or major components of such machines contributing to a

1 manufacturing or assembling process; and (4) "equipment" shall  
2 include any independent device or tool separate from any  
3 machinery but essential to an integrated manufacturing or  
4 assembly process; including computers used primarily in a  
5 manufacturer's computer assisted design, computer assisted  
6 manufacturing (CAD/CAM) system; or any subunit or assembly  
7 comprising a component of any machinery or auxiliary, adjunct  
8 or attachment parts of machinery, such as tools, dies, jigs,  
9 fixtures, patterns and molds; or any parts which require  
10 periodic replacement in the course of normal operation; but  
11 shall not include hand tools. Equipment includes chemicals or  
12 chemicals acting as catalysts but only if the chemicals or  
13 chemicals acting as catalysts effect a direct and immediate  
14 change upon a product being manufactured or assembled for  
15 wholesale or retail sale or lease. The purchaser of such  
16 machinery and equipment who has an active resale registration  
17 number shall furnish such number to the seller at the time of  
18 purchase. The purchaser of such machinery and equipment and  
19 tools without an active resale registration number shall  
20 furnish to the seller a certificate of exemption ~~for each~~  
21 ~~transaction~~ stating facts establishing the exemption ~~for that~~  
22 ~~transaction~~, which certificate shall be available to the  
23 Department for inspection or audit.

24 Except as provided in Section 2d of this Act, the rolling  
25 stock exemption applies to rolling stock used by an interstate  
26 carrier for hire, even just between points in Illinois, if such

1 rolling stock transports, for hire, persons whose journeys or  
2 property whose shipments originate or terminate outside  
3 Illinois.

4 Any informal rulings, opinions or letters issued by the  
5 Department in response to an inquiry or request for any opinion  
6 from any person regarding the coverage and applicability of  
7 exemption (e) to specific devices shall be published,  
8 maintained as a public record, and made available for public  
9 inspection and copying. If the informal ruling, opinion or  
10 letter contains trade secrets or other confidential  
11 information, where possible the Department shall delete such  
12 information prior to publication. Whenever such informal  
13 rulings, opinions, or letters contain any policy of general  
14 applicability, the Department shall formulate and adopt such  
15 policy as a rule in accordance with the provisions of the  
16 Illinois Administrative Procedure Act.

17 On and after July 1, 1987, no entity otherwise eligible  
18 under exemption (c) of this Section shall make tax-free  
19 purchases unless it has an active exemption identification  
20 number issued by the Department.

21 "Serviceman" means any person who is engaged in the  
22 occupation of making sales of service.

23 "Sale at Retail" means "sale at retail" as defined in the  
24 Retailers' Occupation Tax Act.

25 "Supplier" means any person who makes sales of tangible  
26 personal property to servicemen for the purpose of resale as an

1 incident to a sale of service.

2 (Source: P.A. 100-22, eff. 7-6-17; 100-321, eff. 8-24-17;  
3 100-863, eff. 8-14-18; 101-9, eff. 6-5-19.)

4 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

5 Sec. 9. Each serviceman required or authorized to collect  
6 the tax herein imposed shall pay to the Department the amount  
7 of such tax at the time when he is required to file his return  
8 for the period during which such tax was collectible, less a  
9 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
10 after January 1, 1990, or \$5 per calendar year, whichever is  
11 greater, which is allowed to reimburse the serviceman for  
12 expenses incurred in collecting the tax, keeping records,  
13 preparing and filing returns, remitting the tax and supplying  
14 data to the Department on request. The discount under this  
15 Section is not allowed for the 1.25% portion of taxes paid on  
16 aviation fuel that is subject to the revenue use requirements  
17 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~are deposited into~~  
18 ~~the State Aviation Program Fund under this Act.~~ The discount  
19 allowed under this Section is allowed only for returns that are  
20 filed in the manner required by this Act. The Department may  
21 disallow the discount for servicemen whose certificate of  
22 registration is revoked at the time the return is filed, but  
23 only if the Department's decision to revoke the certificate of  
24 registration has become final.

25 Where such tangible personal property is sold under a

1 conditional sales contract, or under any other form of sale  
2 wherein the payment of the principal sum, or a part thereof, is  
3 extended beyond the close of the period for which the return is  
4 filed, the serviceman, in collecting the tax may collect, for  
5 each tax return period, only the tax applicable to the part of  
6 the selling price actually received during such tax return  
7 period.

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

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

1 of the first two months of each calendar quarter, on or before  
2 the twentieth day of the following calendar month, stating:

3 1. The name of the seller;

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

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

10 4. The amount of credit provided in Section 2d of this  
11 Act;

12 5. The amount of tax due;

13 5-5. The signature of the taxpayer; and

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

16 ~~Each Beginning on January 1, 2020, each~~ serviceman required  
17 or authorized to collect the tax herein imposed on aviation  
18 fuel acquired as an incident to the purchase of a service in  
19 this State during the preceding calendar month shall, instead  
20 of reporting and paying tax as otherwise required by this  
21 Section, report and pay such tax on a separate file ~~an~~ aviation  
22 fuel tax return ~~with the Department on or before the twentieth~~  
23 ~~day of each calendar month~~. The requirements related to the  
24 return shall be as otherwise provided in this Section.  
25 Notwithstanding any other provisions of this Act to the  
26 contrary, servicemen transferring aviation fuel incident to

1 sales of service shall file all aviation fuel tax returns and  
2 shall make all aviation fuel tax payments by electronic means  
3 in the manner and form required by the Department. For purposes  
4 of this ~~Section paragraph~~, "aviation fuel" means jet fuel and  
5 aviation gasoline ~~a product that is intended for use or offered~~  
6 ~~for sale as fuel for an aircraft.~~

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

11 Notwithstanding any other provision of this Act to the  
12 contrary, servicemen subject to tax on cannabis shall file all  
13 cannabis tax returns and shall make all cannabis tax payments  
14 by electronic means in the manner and form required by the  
15 Department.

16 Prior to October 1, 2003, and on and after September 1,  
17 2004 a serviceman may accept a Manufacturer's Purchase Credit  
18 certification from a purchaser in satisfaction of Service Use  
19 Tax as provided in Section 3-70 of the Service Use Tax Act if  
20 the purchaser provides the appropriate documentation as  
21 required by Section 3-70 of the Service Use Tax Act. A  
22 Manufacturer's Purchase Credit certification, accepted prior  
23 to October 1, 2003 or on or after September 1, 2004 by a  
24 serviceman as provided in Section 3-70 of the Service Use Tax  
25 Act, may be used by that serviceman to satisfy Service  
26 Occupation Tax liability in the amount claimed in the



1 certification, not to exceed 6.25% of the receipts subject to  
2 tax from a qualifying purchase. A Manufacturer's Purchase  
3 Credit reported on any original or amended return filed under  
4 this Act after October 20, 2003 for reporting periods prior to  
5 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
6 Credit reported on annual returns due on or after January 1,  
7 2005 will be disallowed for periods prior to September 1, 2004.  
8 No Manufacturer's Purchase Credit may be used after September  
9 30, 2003 through August 31, 2004 to satisfy any tax liability  
10 imposed under this Act, including any audit liability.

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

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

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

1 returns.

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

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

1 State and local occupation and use tax laws administered by the  
2 Department, for the immediately preceding calendar year  
3 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
4 a tax liability in the amount set forth in subsection (b) of  
5 Section 2505-210 of the Department of Revenue Law shall make  
6 all payments required by rules of the Department by electronic  
7 funds transfer.

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

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

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

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

23 Where a serviceman collects the tax with respect to the  
24 selling price of tangible personal property which he sells and  
25 the purchaser thereafter returns such tangible personal  
26 property and the serviceman refunds the selling price thereof

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

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 servicemen, who are required to file  
17 returns hereunder and also under the Retailers' Occupation Tax  
18 Act, the Use Tax Act or the Service Use Tax Act, to furnish all  
19 the return information required by all said Acts on the one  
20 form.

21 Where the serviceman has more than one business registered  
22 with the Department under separate registrations hereunder,  
23 such serviceman shall file separate returns for each registered  
24 business.

25 Beginning January 1, 1990, each month the Department shall  
26 pay into the Local Government Tax Fund the revenue realized for

1 the preceding month from the 1% tax imposed under this Act.

2 Beginning January 1, 1990, each month the Department shall  
3 pay into the County and Mass Transit District Fund 4% of the  
4 revenue realized for the preceding month from the 6.25% general  
5 rate on sales of tangible personal property other than aviation  
6 fuel sold on or after December 1, 2019. This exception for  
7 aviation fuel only applies for so long as the revenue use  
8 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
9 binding on the State.

10 ~~For aviation fuel sold on or after December 1, 2019, each~~  
11 ~~month the Department shall pay into the State Aviation Program~~  
12 ~~Fund 4% of the net revenue realized for the preceding month~~  
13 ~~from the 6.25% general rate on the selling price of aviation~~  
14 ~~fuel, less an amount estimated by the Department to be required~~  
15 ~~for refunds of the 4% portion of the tax on aviation fuel under~~  
16 ~~this Act, which amount shall be deposited into the Aviation~~  
17 ~~Fuel Sales Tax Refund Fund. The Department shall only pay~~  
18 ~~moneys into the State Aviation Program Fund and the Aviation~~  
19 ~~Fuel Sales Tax Refund Fund under this Act for so long as the~~  
20 ~~revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.~~  
21 ~~47133 are binding on the State.~~

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

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

1 pay into the Local Government Tax Fund 16% of the revenue  
2 realized for the preceding month from the 6.25% general rate on  
3 transfers of tangible personal property other than aviation  
4 fuel sold on or after December 1, 2019. This exception for  
5 aviation fuel only applies for so long as the revenue use  
6 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
7 binding on the State.

8 For aviation fuel sold on or after December 1, 2019, each  
9 month the Department shall pay into the State Aviation Program  
10 Fund 20% ~~16%~~ of the net revenue realized for the preceding  
11 month from the 6.25% general rate on the selling price of  
12 aviation fuel, less an amount estimated by the Department to be  
13 required for refunds of the 20% ~~16%~~ portion of the tax on  
14 aviation fuel under this Act, which amount shall be deposited  
15 into the Aviation Fuel Sales Tax Refund Fund. The Department  
16 shall only pay moneys into the State Aviation Program Fund and  
17 the Aviation Fuel Sales Tax Refund Fund under this Act for so  
18 long as the revenue use requirements of 49 U.S.C. 47107(b) and  
19 49 U.S.C. 47133 are binding on the State.

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

24 Beginning October 1, 2009, each month the Department shall  
25 pay into the Capital Projects Fund an amount that is equal to  
26 an amount estimated by the Department to represent 80% of the

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

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

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

25 Of the remainder of the moneys received by the Department  
26 pursuant to this Act, (a) 1.75% thereof shall be paid into the

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



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

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

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

24	Fiscal Year	Total
		Deposit
25	1993	\$0

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

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

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

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

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

9 Subject to payment of amounts into the Capital Projects  
10 Fund, the Build Illinois Fund, and the McCormick Place  
11 Expansion Project Fund pursuant to the preceding paragraphs or  
12 in any amendments thereto hereafter enacted, for aviation fuel  
13 sold on or after December 1, 2019, the Department shall each  
14 month deposit into the Aviation Fuel Sales Tax Refund Fund an  
15 amount estimated by the Department to be required for refunds  
16 of the 80% portion of the tax on aviation fuel under this Act.  
17 The Department shall only deposit moneys into the Aviation Fuel  
18 Sales Tax Refund Fund under this paragraph for so long as the  
19 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
20 47133 are binding on the State.

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

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

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

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

1 Administration Fund, to be used, subject to appropriation, to  
2 fund additional auditors and compliance personnel at the  
3 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
4 the cash receipts collected during the preceding fiscal year by  
5 the Audit Bureau of the Department under the Use Tax Act, the  
6 Service Use Tax Act, the Service Occupation Tax Act, the  
7 Retailers' Occupation Tax Act, and associated local occupation  
8 and use taxes administered by the Department ~~(except the amount~~  
9 ~~collected on aviation fuel sold on or after December 1, 2019).~~

10 Subject to payments of amounts into the Build Illinois  
11 Fund, the McCormick Place Expansion Project Fund, the Illinois  
12 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
13 Compliance and Administration Fund as provided in this Section,  
14 beginning on July 1, 2018 the Department shall pay each month  
15 into the Downstate Public Transportation Fund the moneys  
16 required to be so paid under Section 2-3 of the Downstate  
17 Public Transportation Act.

18 Subject to successful execution and delivery of a  
19 public-private ~~public-private~~ agreement between the public  
20 agency and private entity and completion of the civic build,  
21 beginning on July 1, 2023, of the remainder of the moneys  
22 received by the Department under the Use Tax Act, the Service  
23 Use Tax Act, the Service Occupation Tax Act, and this Act, the  
24 Department shall deposit the following specified deposits in  
25 the aggregate from collections under the Use Tax Act, the  
26 Service Use Tax Act, the Service Occupation Tax Act, and the

1 Retailers' Occupation Tax Act, as required under Section 8.25g  
 2 of the State Finance Act for distribution consistent with the  
 3 Public-Private Partnership for Civic and Transit  
 4 Infrastructure Project Act. The moneys received by the  
 5 Department pursuant to this Act and required to be deposited  
 6 into the Civic and Transit Infrastructure Fund are subject to  
 7 the pledge, claim and charge set forth in Section 25-55 ~~55~~ of  
 8 the Public-Private Partnership for Civic and Transit  
 9 Infrastructure Project Act. As used in this paragraph, "civic  
 10 build", "private entity", "public-private ~~private~~ ~~public~~  
 11 agreement", and "public agency" have the meanings provided in  
 12 Section 25-10 of the Public-Private Partnership for Civic and  
 13 Transit Infrastructure Project Act.

14	Fiscal Year.....	Total Deposit
15	2024 .....	\$200,000,000
16	2025 .....	\$206,000,000
17	2026 .....	\$212,200,000
18	2027 .....	\$218,500,000
19	2028 .....	\$225,100,000
20	2029 .....	\$288,700,000
21	2030 .....	\$298,900,000
22	2031 .....	\$309,300,000
23	2032 .....	\$320,100,000
24	2033 .....	\$331,200,000
25	2034 .....	\$341,200,000
26	2035 .....	\$351,400,000



1	2036	.....	\$361,900,000
2	2037	.....	\$372,800,000
3	2038	.....	\$384,000,000
4	2039	.....	\$395,500,000
5	2040	.....	\$407,400,000
6	2041	.....	\$419,600,000
7	2042	.....	\$432,200,000
8	2043	.....	\$445,100,000

9           Beginning July 1, 2021 and until July 1, 2022, subject to  
10 the payment of amounts into the County and Mass Transit  
11 District Fund, the Local Government Tax Fund, the Build  
12 Illinois Fund, the McCormick Place Expansion Project Fund, the  
13 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
14 and the Tax Compliance and Administration Fund as provided in  
15 this Section, the Department shall pay each month into the Road  
16 Fund the amount estimated to represent 16% of the net revenue  
17 realized from the taxes imposed on motor fuel and gasohol.  
18 Beginning July 1, 2022 and until July 1, 2023, subject to the  
19 payment of amounts into the County and Mass Transit District  
20 Fund, the Local Government Tax Fund, the Build Illinois Fund,  
21 the McCormick Place Expansion Project Fund, the Illinois Tax  
22 Increment Fund, the Energy Infrastructure Fund, and the Tax  
23 Compliance and Administration Fund as provided in this Section,  
24 the Department shall pay each month into the Road Fund the  
25 amount estimated to represent 32% of the net revenue realized  
26 from the taxes imposed on motor fuel and gasohol. Beginning

1 July 1, 2023 and until July 1, 2024, subject to the payment of  
2 amounts into the County and Mass Transit District Fund, the  
3 Local Government Tax Fund, the Build Illinois Fund, the  
4 McCormick Place Expansion Project Fund, the Illinois Tax  
5 Increment Fund, the Energy Infrastructure Fund, and the Tax  
6 Compliance and Administration Fund as provided in this Section,  
7 the Department shall pay each month into the Road Fund the  
8 amount estimated to represent 48% of the net revenue realized  
9 from the taxes imposed on motor fuel and gasohol. Beginning  
10 July 1, 2024 and until July 1, 2025, subject to the payment of  
11 amounts into the County and Mass Transit District Fund, the  
12 Local Government Tax Fund, the Build Illinois Fund, the  
13 McCormick Place Expansion Project Fund, the Illinois Tax  
14 Increment Fund, the Energy Infrastructure Fund, and the Tax  
15 Compliance and Administration Fund as provided in this Section,  
16 the Department shall pay each month into the Road Fund the  
17 amount estimated to represent 64% of the net revenue realized  
18 from the taxes imposed on motor fuel and gasohol. Beginning on  
19 July 1, 2025, subject to the payment of amounts into the County  
20 and Mass Transit District Fund, the Local Government Tax Fund,  
21 the Build Illinois Fund, the McCormick Place Expansion Project  
22 Fund, the Illinois Tax Increment Fund, the Energy  
23 Infrastructure Fund, and the Tax Compliance and Administration  
24 Fund as provided in this Section, the Department shall pay each  
25 month into the Road Fund the amount estimated to represent 80%  
26 of the net revenue realized from the taxes imposed on motor

1 fuel and gasohol. As used in this paragraph "motor fuel" has  
2 the meaning given to that term in Section 1.1 of the Motor Fuel  
3 Tax Act, and "gasohol" has the meaning given to that term in  
4 Section 3-40 of the Use Tax Act.

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

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

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

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

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

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

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

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

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

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

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

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

1 (Source: P.A. 100-303, eff. 8-24-17; 100-363, eff. 7-1-18;  
2 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, Article  
3 15, Section 15-20, eff. 6-5-19; 101-10, Article 25, Section  
4 25-115, eff. 6-5-19; 101-27, eff. 6-25-19; 101-32, eff.  
5 6-28-19; revised 7-23-19.)

6 Section 10-40. The Retailers' Occupation Tax Act is amended  
7 by changing Sections 2-45 and 3 and by adding Section 2-22 as  
8 follows:

9 (35 ILCS 120/2-22 new)

10 Sec. 2-22. Certification of airport-related purpose.

11 (a) Initial certification and annual recertification. If a  
12 unit of local government has an airport-related purpose, as  
13 defined in Section 6z-20.2 of the State Finance Act, which  
14 would allow any retailers' occupation tax and service  
15 occupation tax imposed by the unit of local government and  
16 administered by the Department to include tax on aviation fuel,  
17 then, on or before September 1, 2019, and on or before each  
18 April 1 thereafter, the unit of local government must certify  
19 to the Department of Transportation, in the form and manner  
20 required by the Department of Transportation, that it has an  
21 airport-related purpose. All disputes regarding whether or not  
22 a unit of local government has an airport-related purpose shall  
23 be resolved by the Department of Transportation.

24 On or before October 1, 2019, and on or before each May 1

1 thereafter, the Department of Transportation shall provide to  
2 the Department a list of units of local government that have  
3 certified to the Department of Transportation that they have an  
4 airport-related purpose. If a unit of local government is  
5 included in the list of units of local government that have  
6 certified that they have an airport-related purpose that is  
7 provided by the Department of Transportation to the Department  
8 on or before October 1, 2019, then, beginning on December 1,  
9 2019, any retailers' occupation tax and service occupation tax  
10 imposed by the unit of local government and administered by the  
11 Department shall continue to be collected on aviation fuel sold  
12 in that unit of local government. Failure by a unit of local  
13 government to file an initial certification shall be treated as  
14 confirmation that the unit of local government does not have an  
15 airport-related purpose, thereby exempting, beginning on  
16 December 1, 2019, aviation fuel from any retailers' occupation  
17 tax and service occupation tax imposed by the unit of local  
18 government and administered by the Department.

19 Beginning in 2020 and in each year thereafter, if a unit of  
20 local government is included in the list of units of local  
21 government that have certified that they have an  
22 airport-related purpose that is provided by the Department of  
23 Transportation to the Department on or before May 1, then any  
24 retailers' occupation tax and service occupation tax imposed by  
25 the unit of local government and administered by the Department  
26 shall continue to be (or begin to be, as the case may be)

1 collected on aviation fuel sold in that unit of local  
2 government beginning on the following July 1. Once a unit of  
3 local government has certified that it has an airport-related  
4 purpose, failure during an annual recertification period to  
5 file a certification that it has an airport-related purpose  
6 shall be treated as confirmation that it no longer has an  
7 airport-related purpose, thereby exempting, beginning on July  
8 1 of that year, aviation fuel from any retailers' occupation  
9 tax and service occupation tax imposed by the unit of local  
10 government and administered by the Department.

11 (b) Penalties. If a unit of local government certifies that  
12 it has an airport-related purpose and therefore receives tax  
13 revenues from a tax imposed by the unit of local government and  
14 administered by the Department of Revenue on sales of aviation  
15 fuel, but the Federal Aviation Administration thereafter  
16 determines that the tax revenues on aviation fuel generated by  
17 that tax were expended by the unit of local government for a  
18 purpose other than an airport-related purpose and the Federal  
19 Aviation Administration imposes a penalty on the State of  
20 Illinois as a result, then the State is authorized to pass this  
21 penalty on to the unit of local government by withholding an  
22 amount up to the amount of the penalty out of local retailers'  
23 occupation taxes and service occupation taxes to be allocated  
24 to the unit of local government by the State.



1           Sec. 2-45. Manufacturing and assembly exemption. The  
2 manufacturing and assembly machinery and equipment exemption  
3 includes machinery and equipment that replaces machinery and  
4 equipment in an existing manufacturing facility as well as  
5 machinery and equipment that are for use in an expanded or new  
6 manufacturing facility.

7           The machinery and equipment exemption also includes  
8 machinery and equipment used in the general maintenance or  
9 repair of exempt machinery and equipment or for in-house  
10 manufacture of exempt machinery and equipment. Beginning on  
11 July 1, 2017, the manufacturing and assembling machinery and  
12 equipment exemption also includes graphic arts machinery and  
13 equipment, as defined in paragraph (4) of Section 2-5. The  
14 machinery and equipment exemption does not include machinery  
15 and equipment used in (i) the generation of electricity for  
16 wholesale or retail sale; (ii) the generation or treatment of  
17 natural or artificial gas for wholesale or retail sale that is  
18 delivered to customers through pipes, pipelines, or mains; or  
19 (iii) the treatment of water for wholesale or retail sale that  
20 is delivered to customers through pipes, pipelines, or mains.  
21 The provisions of this amendatory Act of the 98th General  
22 Assembly are declaratory of existing law as to the meaning and  
23 scope of this exemption. For the purposes of this exemption,  
24 terms have the following meanings:

25           (1) "Manufacturing process" means the production of an  
26           article of tangible personal property, whether the article

1 is a finished product or an article for use in the process  
2 of manufacturing or assembling a different article of  
3 tangible personal property, by a procedure commonly  
4 regarded as manufacturing, processing, fabricating, or  
5 refining that changes some existing material or materials  
6 into a material with a different form, use, or name. In  
7 relation to a recognized integrated business composed of a  
8 series of operations that collectively constitute  
9 manufacturing, or individually constitute manufacturing  
10 operations, the manufacturing process commences with the  
11 first operation or stage of production in the series and  
12 does not end until the completion of the final product in  
13 the last operation or stage of production in the series.  
14 For purposes of this exemption, photoprocessing is a  
15 manufacturing process of tangible personal property for  
16 wholesale or retail sale.

17 (2) "Assembling process" means the production of an  
18 article of tangible personal property, whether the article  
19 is a finished product or an article for use in the process  
20 of manufacturing or assembling a different article of  
21 tangible personal property, by the combination of existing  
22 materials in a manner commonly regarded as assembling that  
23 results in a material of a different form, use, or name.

24 (3) "Machinery" means major mechanical machines or  
25 major components of those machines contributing to a  
26 manufacturing or assembling process.

1           (4) "Equipment" includes an independent device or tool  
2           separate from machinery but essential to an integrated  
3           manufacturing or assembly process; including computers  
4           used primarily in a manufacturer's computer assisted  
5           design, computer assisted manufacturing (CAD/CAM) system;  
6           any subunit or assembly comprising a component of any  
7           machinery or auxiliary, adjunct, or attachment parts of  
8           machinery, such as tools, dies, jigs, fixtures, patterns,  
9           and molds; and any parts that require periodic replacement  
10          in the course of normal operation; but does not include  
11          hand tools. Equipment includes chemicals or chemicals  
12          acting as catalysts but only if the chemicals or chemicals  
13          acting as catalysts effect a direct and immediate change  
14          upon a product being manufactured or assembled for  
15          wholesale or retail sale or lease.

16          (5) "Production related tangible personal property"  
17          means all tangible personal property that is used or  
18          consumed by the purchaser in a manufacturing facility in  
19          which a manufacturing process takes place and includes,  
20          without limitation, tangible personal property that is  
21          purchased for incorporation into real estate within a  
22          manufacturing facility, supplies and consumables used in a  
23          manufacturing facility including fuels, coolants,  
24          solvents, oils, lubricants, and adhesives, hand tools,  
25          protective apparel, and fire and safety equipment used or  
26          consumed within a manufacturing facility, and tangible

1 personal property that is used or consumed in activities  
2 such as research and development, preproduction material  
3 handling, receiving, quality control, inventory control,  
4 storage, staging, and packaging for shipping and  
5 transportation purposes. "Production related tangible  
6 personal property" does not include (i) tangible personal  
7 property that is used, within or without a manufacturing  
8 facility, in sales, purchasing, accounting, fiscal  
9 management, marketing, personnel recruitment or selection,  
10 or landscaping or (ii) tangible personal property that is  
11 required to be titled or registered with a department,  
12 agency, or unit of federal, State, or local government.

13 The manufacturing and assembling machinery and equipment  
14 exemption includes production related tangible personal  
15 property that is purchased on or after July 1, 2007 and on or  
16 before June 30, 2008 and on or after July 1, 2019. The  
17 exemption for production related tangible personal property  
18 purchased on or after July 1, 2007 and before June 30, 2008 is  
19 subject to both of the following limitations:

20 (1) The maximum amount of the exemption for any one  
21 taxpayer may not exceed 5% of the purchase price of  
22 production related tangible personal property that is  
23 purchased on or after July 1, 2007 and on or before June  
24 30, 2008. A credit under Section 3-85 of this Act may not  
25 be earned by the purchase of production related tangible  
26 personal property for which an exemption is received under

1           this Section.

2           (2) The maximum aggregate amount of the exemptions for  
3           production related tangible personal property awarded  
4           under this Act and the Use Tax Act to all taxpayers may not  
5           exceed \$10,000,000. If the claims for the exemption exceed  
6           \$10,000,000, then the Department shall reduce the amount of  
7           the exemption to each taxpayer on a pro rata basis.

8           The Department shall adopt rules to implement and administer  
9           the exemption for production related tangible personal  
10          property.

11          The manufacturing and assembling machinery and equipment  
12          exemption includes the sale of materials to a purchaser who  
13          produces exempted types of machinery, equipment, or tools and  
14          who rents or leases that machinery, equipment, or tools to a  
15          manufacturer of tangible personal property. This exemption  
16          also includes the sale of materials to a purchaser who  
17          manufactures those materials into an exempted type of  
18          machinery, equipment, or tools that the purchaser uses himself  
19          or herself in the manufacturing of tangible personal property.  
20          The purchaser of the machinery and equipment who has an active  
21          resale registration number shall furnish that number to the  
22          seller at the time of purchase. A purchaser of the machinery,  
23          equipment, and tools without an active resale registration  
24          number shall furnish to the seller a certificate of exemption  
25          ~~for each transaction~~ stating facts establishing the exemption  
26          ~~for that transaction~~, and that certificate shall be available

1 to the Department for inspection or audit. Informal rulings,  
2 opinions, or letters issued by the Department in response to an  
3 inquiry or request for an opinion from any person regarding the  
4 coverage and applicability of this exemption to specific  
5 devices shall be published, maintained as a public record, and  
6 made available for public inspection and copying. If the  
7 informal ruling, opinion, or letter contains trade secrets or  
8 other confidential information, where possible, the Department  
9 shall delete that information before publication. Whenever  
10 informal rulings, opinions, or letters contain a policy of  
11 general applicability, the Department shall formulate and  
12 adopt that policy as a rule in accordance with the Illinois  
13 Administrative Procedure Act.

14 The manufacturing and assembling machinery and equipment  
15 exemption is exempt from the provisions of Section 2-70.

16 (Source: P.A. 100-22, eff. 7-6-17; 101-9, eff. 6-5-19.)

17 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

23 1. The name of the seller;

24 2. His residence address and the address of his  
25 principal place of business and the address of the

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

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

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

14 5. Deductions allowed by law;

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

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

20 8. The amount of tax due;

21 9. The signature of the taxpayer; and

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

24 On and after January 1, 2018, except for returns for motor  
25 vehicles, watercraft, aircraft, and trailers that are required  
26 to be registered with an agency of this State, with respect to

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

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

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

14 Prior to October 1, 2003, and on and after September 1,  
15 2004 a retailer may accept a Manufacturer's Purchase Credit  
16 certification from a purchaser in satisfaction of Use Tax as  
17 provided in Section 3-85 of the Use Tax Act if the purchaser  
18 provides the appropriate documentation as required by Section  
19 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
20 certification, accepted by a retailer prior to October 1, 2003  
21 and on and after September 1, 2004 as provided in Section 3-85  
22 of the Use Tax Act, may be used by that retailer to satisfy  
23 Retailers' Occupation Tax liability in the amount claimed in  
24 the certification, not to exceed 6.25% of the receipts subject  
25 to tax from a qualifying purchase. A Manufacturer's Purchase  
26 Credit reported on any original or amended return filed under



1 this Act after October 20, 2003 for reporting periods prior to  
2 September 1, 2004 shall be disallowed. Manufacturer's  
3 Purchaser Credit reported on annual returns due on or after  
4 January 1, 2005 will be disallowed for periods prior to  
5 September 1, 2004. No Manufacturer's Purchase Credit may be  
6 used after September 30, 2003 through August 31, 2004 to  
7 satisfy any tax liability imposed under this Act, including any  
8 audit liability.

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

16 1. The name of the seller;

17 2. The address of the principal place of business from  
18 which he engages in the business of selling tangible  
19 personal property at retail in this State;

20 3. The total amount of taxable receipts received by him  
21 during the preceding calendar month from sales of tangible  
22 personal property by him during such preceding calendar  
23 month, including receipts from charge and time sales, but  
24 less all deductions allowed by law;

25 4. The amount of credit provided in Section 2d of this  
26 Act;

1           5. The amount of tax due; and

2           6. Such other reasonable information as the Department  
3           may require.

4           ~~Every Beginning on January 1, 2020, every~~ person engaged in  
5           the business of selling aviation fuel at retail in this State  
6           during the preceding calendar month shall, instead of reporting  
7           and paying tax as otherwise required by this Section, report  
8           and pay such tax on a separate file an aviation fuel tax return  
9           ~~with the Department on or before the twentieth day of each~~  
10          ~~calendar month~~. The requirements related to the return shall be  
11          as otherwise provided in this Section. Notwithstanding any  
12          other provisions of this Act to the contrary, retailers selling  
13          aviation fuel shall file all aviation fuel tax returns and  
14          shall make all aviation fuel tax payments by electronic means  
15          in the manner and form required by the Department. For purposes  
16          of this Section ~~paragraph~~, "aviation fuel" means jet fuel and  
17          aviation gasoline ~~a product that is intended for use or offered~~  
18          ~~for sale as fuel for an aircraft.~~

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

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

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

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

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

12 Notwithstanding any other provision of this Act to the  
13 contrary, retailers subject to tax on cannabis shall file all  
14 cannabis tax returns and shall make all cannabis tax payments  
15 by electronic means in the manner and form required by the  
16 Department.

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

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

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

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

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

1 in the manner authorized by the Department.

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

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

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

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

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

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

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

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

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

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

15 In addition, with respect to motor vehicles, watercraft,  
16 aircraft, and trailers that are required to be registered with  
17 an agency of this State, every person who is engaged in the  
18 business of leasing or renting such items and who, in  
19 connection with such business, sells any such item to a  
20 retailer for the purpose of resale is, notwithstanding any  
21 other provision of this Section to the contrary, authorized to  
22 meet the return-filing requirement of this Act by reporting the  
23 transfer of all the aircraft, watercraft, motor vehicles, or  
24 trailers transferred for resale during a month to the  
25 Department on the same uniform invoice-transaction reporting  
26 return form on or before the 20th of the month following the



1 month in which the transfer takes place. Notwithstanding any  
2 other provision of this Act to the contrary, all returns filed  
3 under this paragraph must be filed by electronic means in the  
4 manner and form as required by the Department.

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

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

1 such transaction (or satisfactory evidence that such tax is not  
2 due in that particular instance, if that is claimed to be the  
3 fact); the place and date of the sale; a sufficient  
4 identification of the property sold; such other information as  
5 is required in Section 5-402 of the Illinois Vehicle Code, and  
6 such other information as the Department may reasonably  
7 require.

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

24 Such transaction reporting return shall be filed not later  
25 than 20 days after the day of delivery of the item that is  
26 being sold, but may be filed by the retailer at any time sooner

1 than that if he chooses to do so. The transaction reporting  
2 return and tax remittance or proof of exemption from the  
3 Illinois use tax may be transmitted to the Department by way of  
4 the State agency with which, or State officer with whom the  
5 tangible personal property must be titled or registered (if  
6 titling or registration is required) if the Department and such  
7 agency or State officer determine that this procedure will  
8 expedite the processing of applications for title or  
9 registration.

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

23 No retailer's failure or refusal to remit tax under this  
24 Act precludes a user, who has paid the proper tax to the  
25 retailer, from obtaining his certificate of title or other  
26 evidence of title or registration (if titling or registration

1 is required) upon satisfying the Department that such user has  
2 paid the proper tax (if tax is due) to the retailer. The  
3 Department shall adopt appropriate rules to carry out the  
4 mandate of this paragraph.

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

23 Refunds made by the seller during the preceding return  
24 period to purchasers, on account of tangible personal property  
25 returned to the seller, shall be allowed as a deduction under  
26 subdivision 5 of his monthly or quarterly return, as the case

1 may be, in case the seller had theretofore included the  
2 receipts from the sale of such tangible personal property in a  
3 return filed by him and had paid the tax imposed by this Act  
4 with respect to such receipts.

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

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

13 Except as provided in this Section, the retailer filing the  
14 return under this Section shall, at the time of filing such  
15 return, pay to the Department the amount of tax imposed by this  
16 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
17 on and after January 1, 1990, or \$5 per calendar year,  
18 whichever is greater, which is allowed to reimburse the  
19 retailer for the expenses incurred in keeping records,  
20 preparing and filing returns, remitting the tax and supplying  
21 data to the Department on request. The discount under this  
22 Section is not allowed for the 1.25% portion of taxes paid on  
23 aviation fuel that is subject to the revenue use requirements  
24 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~are deposited into~~  
25 ~~the State Aviation Program Fund under this Act.~~ Any prepayment  
26 made pursuant to Section 2d of this Act shall be included in

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

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

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

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



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

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

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

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

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

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

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

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

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

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

1 realized for the preceding month from the 1% tax imposed under  
2 this Act.

3 Beginning January 1, 1990, each month the Department shall  
4 pay into the County and Mass Transit District Fund, a special  
5 fund in the State treasury which is hereby created, 4% of the  
6 net revenue realized for the preceding month from the 6.25%  
7 general rate other than aviation fuel sold on or after December  
8 1, 2019. This exception for aviation fuel only applies for so  
9 long as the revenue use requirements of 49 U.S.C. 47107(b) and  
10 49 U.S.C. 47133 are binding on the State.

11 ~~For aviation fuel sold on or after December 1, 2019, each~~  
12 ~~month the Department shall pay into the State Aviation Program~~  
13 ~~Fund 4% of the net revenue realized for the preceding month~~  
14 ~~from the 6.25% general rate on the selling price of aviation~~  
15 ~~fuel, less an amount estimated by the Department to be required~~  
16 ~~for refunds of the 4% portion of the tax on aviation fuel under~~  
17 ~~this Act, which amount shall be deposited into the Aviation~~  
18 ~~Fuel Sales Tax Refund Fund. The Department shall only pay~~  
19 ~~moneys into the State Aviation Program Fund and the Aviation~~  
20 ~~Fuel Sales Tax Refund Fund under this Act for so long as the~~  
21 ~~revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.~~  
22 ~~47133 are binding on the State.~~

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

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

5 Beginning January 1, 1990, each month the Department shall  
6 pay into the Local Government Tax Fund 16% of the net revenue  
7 realized for the preceding month from the 6.25% general rate on  
8 the selling price of tangible personal property other than  
9 aviation fuel sold on or after December 1, 2019. This exception  
10 for aviation fuel only applies for so long as the revenue use  
11 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
12 binding on the State.

13 For aviation fuel sold on or after December 1, 2019, each  
14 month the Department shall pay into the State Aviation Program  
15 Fund 20% ~~16%~~ of the net revenue realized for the preceding  
16 month from the 6.25% general rate on the selling price of  
17 aviation fuel, less an amount estimated by the Department to be  
18 required for refunds of the 20% ~~16%~~ portion of the tax on  
19 aviation fuel under this Act, which amount shall be deposited  
20 into the Aviation Fuel Sales Tax Refund Fund. The Department  
21 shall only pay moneys into the State Aviation Program Fund and  
22 the Aviation Fuel Sales Tax Refund Fund under this Act for so  
23 long as the revenue use requirements of 49 U.S.C. 47107(b) and  
24 49 U.S.C. 47133 are binding on the State.

25 Beginning August 1, 2000, each month the Department shall  
26 pay into the Local Government Tax Fund 80% of the net revenue

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

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

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

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



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

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

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

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

10	Fiscal Year	Annual Specified Amount
11	1986	\$54,800,000
12	1987	\$76,650,000
13	1988	\$80,480,000
14	1989	\$88,510,000
15	1990	\$115,330,000
16	1991	\$145,470,000
17	1992	\$182,730,000
18	1993	\$206,520,000;

19 and means the Certified Annual Debt Service Requirement (as  
20 defined in Section 13 of the Build Illinois Bond Act) or the  
21 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
22 each fiscal year thereafter; and further provided, that if on  
23 the last business day of any month the sum of (1) the Tax Act  
24 Amount required to be deposited into the Build Illinois Bond  
25 Account in the Build Illinois Fund during such month and (2)  
26 the amount transferred to the Build Illinois Fund from the

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

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

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

1 Expansion Project Fund in the specified fiscal years.

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

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

18 and

19 each fiscal year

20 thereafter that bonds

21 are outstanding under

22 Section 13.2 of the

23 Metropolitan Pier and

24 Exposition Authority Act,

25 but not after fiscal year 2060.

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

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

13 Subject to payment of amounts into the Capital Projects  
14 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,  
15 and the McCormick Place Expansion Project Fund pursuant to the  
16 preceding paragraphs or in any amendments thereto hereafter  
17 enacted, for aviation fuel sold on or after December 1, 2019,  
18 the Department shall each month deposit into the Aviation Fuel  
19 Sales Tax Refund Fund an amount estimated by the Department to  
20 be required for refunds of the 80% portion of the tax on  
21 aviation fuel under this Act. The Department shall only deposit  
22 moneys into the Aviation Fuel Sales Tax Refund Fund under this  
23 paragraph for so long as the revenue use requirements of 49  
24 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

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

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

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



1 collections made under Section 9 of the Use Tax Act, Section 9  
2 of the Service Use Tax Act, Section 9 of the Service Occupation  
3 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,  
4 the Department shall pay into the Tax Compliance and  
5 Administration Fund, to be used, subject to appropriation, to  
6 fund additional auditors and compliance personnel at the  
7 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
8 the cash receipts collected during the preceding fiscal year by  
9 the Audit Bureau of the Department under the Use Tax Act, the  
10 Service Use Tax Act, the Service Occupation Tax Act, the  
11 Retailers' Occupation Tax Act, and associated local occupation  
12 and use taxes administered by the Department ~~(except the amount~~  
13 ~~collected on aviation fuel sold on or after December 1, 2019)~~.

14 Subject to payments of amounts into the Build Illinois  
15 Fund, the McCormick Place Expansion Project Fund, the Illinois  
16 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax  
17 Compliance and Administration Fund as provided in this Section,  
18 beginning on July 1, 2018 the Department shall pay each month  
19 into the Downstate Public Transportation Fund the moneys  
20 required to be so paid under Section 2-3 of the Downstate  
21 Public Transportation Act.

22 Subject to successful execution and delivery of a  
23 public-private ~~public-private~~ agreement between the public  
24 agency and private entity and completion of the civic build,  
25 beginning on July 1, 2023, of the remainder of the moneys  
26 received by the Department under the Use Tax Act, the Service

1 Use Tax Act, the Service Occupation Tax Act, and this Act, the  
 2 Department shall deposit the following specified deposits in  
 3 the aggregate from collections under the Use Tax Act, the  
 4 Service Use Tax Act, the Service Occupation Tax Act, and the  
 5 Retailers' Occupation Tax Act, as required under Section 8.25g  
 6 of the State Finance Act for distribution consistent with the  
 7 Public-Private Partnership for Civic and Transit  
 8 Infrastructure Project Act. The moneys received by the  
 9 Department pursuant to this Act and required to be deposited  
 10 into the Civic and Transit Infrastructure Fund are subject to  
 11 the pledge, claim and charge set forth in Section 25-55 ~~55~~ of  
 12 the Public-Private Partnership for Civic and Transit  
 13 Infrastructure Project Act. As used in this paragraph, "civic  
 14 build", "private entity", "public-private ~~private~~ ~~public~~  
 15 agreement", and "public agency" have the meanings provided in  
 16 Section 25-10 of the Public-Private Partnership for Civic and  
 17 Transit Infrastructure Project Act.

18	Fiscal Year .....	Total Deposit
19	2024 .....	\$200,000,000
20	2025 .....	\$206,000,000
21	2026 .....	\$212,200,000
22	2027 .....	\$218,500,000
23	2028 .....	\$225,100,000
24	2029 .....	\$288,700,000
25	2030 .....	\$298,900,000
26	2031 .....	\$309,300,000

1	2032	.....	\$320,100,000
2	2033	.....	\$331,200,000
3	2034	.....	\$341,200,000
4	2035	.....	\$351,400,000
5	2036	.....	\$361,900,000
6	2037	.....	\$372,800,000
7	2038	.....	\$384,000,000
8	2039	.....	\$395,500,000
9	2040	.....	\$407,400,000
10	2041	.....	\$419,600,000
11	2042	.....	\$432,200,000
12	2043	.....	\$445,100,000

13           Beginning July 1, 2021 and until July 1, 2022, subject to  
14 the payment of amounts into the County and Mass Transit  
15 District Fund, the Local Government Tax Fund, the Build  
16 Illinois Fund, the McCormick Place Expansion Project Fund, the  
17 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
18 and the Tax Compliance and Administration Fund as provided in  
19 this Section, the Department shall pay each month into the Road  
20 Fund the amount estimated to represent 16% of the net revenue  
21 realized from the taxes imposed on motor fuel and gasohol.  
22 Beginning July 1, 2022 and until July 1, 2023, subject to the  
23 payment of amounts into the County and Mass Transit District  
24 Fund, the Local Government Tax Fund, the Build Illinois Fund,  
25 the McCormick Place Expansion Project Fund, the Illinois Tax  
26 Increment Fund, the Energy Infrastructure Fund, and the Tax

1 Compliance and Administration Fund as provided in this Section,  
2 the Department shall pay each month into the Road Fund the  
3 amount estimated to represent 32% of the net revenue realized  
4 from the taxes imposed on motor fuel and gasohol. Beginning  
5 July 1, 2023 and until July 1, 2024, subject to the payment of  
6 amounts into the County and Mass Transit District Fund, the  
7 Local Government Tax Fund, the Build Illinois Fund, the  
8 McCormick Place Expansion Project Fund, the Illinois Tax  
9 Increment Fund, the Energy Infrastructure Fund, and the Tax  
10 Compliance and Administration Fund as provided in this Section,  
11 the Department shall pay each month into the Road Fund the  
12 amount estimated to represent 48% of the net revenue realized  
13 from the taxes imposed on motor fuel and gasohol. Beginning  
14 July 1, 2024 and until July 1, 2025, subject to the payment of  
15 amounts into the County and Mass Transit District Fund, the  
16 Local Government Tax Fund, the Build Illinois Fund, the  
17 McCormick Place Expansion Project Fund, the Illinois Tax  
18 Increment Fund, the Energy Infrastructure Fund, and the Tax  
19 Compliance and Administration Fund as provided in this Section,  
20 the Department shall pay each month into the Road Fund the  
21 amount estimated to represent 64% of the net revenue realized  
22 from the taxes imposed on motor fuel and gasohol. Beginning on  
23 July 1, 2025, subject to the payment of amounts into the County  
24 and Mass Transit District Fund, the Local Government Tax Fund,  
25 the Build Illinois Fund, the McCormick Place Expansion Project  
26 Fund, the Illinois Tax Increment Fund, the Energy

1 Infrastructure Fund, and the Tax Compliance and Administration  
2 Fund as provided in this Section, the Department shall pay each  
3 month into the Road Fund the amount estimated to represent 80%  
4 of the net revenue realized from the taxes imposed on motor  
5 fuel and gasohol. As used in this paragraph "motor fuel" has  
6 the meaning given to that term in Section 1.1 of the Motor Fuel  
7 Tax Act, and "gasohol" has the meaning given to that term in  
8 Section 3-40 of the Use Tax Act.

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  $\frac{1}{6}$  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. 100-303, eff. 8-24-17; 100-363, eff. 7-1-18;  
15 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, Article  
16 15, Section 15-25, eff. 6-5-19; 101-10, Article 25, Section  
17 25-120, eff. 6-5-19; 101-27, eff. 6-25-19; 101-32, eff.  
18 6-28-19; revised 7-17-19.)

19 Section 10-45. The Cigarette Tax Act is amended by changing  
20 Section 2 as follows:

21 (35 ILCS 130/2) (from Ch. 120, par. 453.2)

22 Sec. 2. Tax imposed; rate; collection, payment, and  
23 distribution; discount.

24 (a) Beginning on July 1, 2019, in place of the aggregate

1 tax rate of 99 mills previously imposed by this Act, a tax is  
2 imposed upon any person engaged in business as a retailer of  
3 cigarettes at the rate of 149 mills per cigarette sold or  
4 otherwise disposed of in the course of such business in this  
5 State.

6 (b) The payment of such taxes shall be evidenced by a stamp  
7 affixed to each original package of cigarettes, or an  
8 authorized substitute for such stamp imprinted on each original  
9 package of such cigarettes underneath the sealed transparent  
10 outside wrapper of such original package, as hereinafter  
11 provided. However, such taxes are not imposed upon any activity  
12 in such business in interstate commerce or otherwise, which  
13 activity may not under the Constitution and statutes of the  
14 United States be made the subject of taxation by this State.

15 Out of the 149 mills per cigarette tax imposed by  
16 subsection (a), the revenues received from 4 mills shall be  
17 paid into the Common School Fund each month, not to exceed  
18 \$9,000,000 per month. Out of the 149 mills per cigarette tax  
19 imposed by subsection (a), all of the revenues received from 7  
20 mills shall be paid into the Common School Fund each month. Out  
21 of the 149 mills per cigarette tax imposed by subsection (a),  
22 50 mills per cigarette each month shall be paid into the  
23 Healthcare Provider Relief Fund.

24 Beginning on July 1, 2006, all of the moneys received by  
25 the Department of Revenue pursuant to this Act and the  
26 Cigarette Use Tax Act, other than the moneys that are dedicated

1 to the Common School Fund and, beginning on the effective date  
2 of this amendatory Act of the 97th General Assembly, other than  
3 the moneys from the additional taxes imposed by this amendatory  
4 Act of the 97th General Assembly that must be paid each month  
5 into the Healthcare Provider Relief Fund, and other than the  
6 moneys from the additional taxes imposed by this amendatory Act  
7 of the 101st General Assembly that must be paid each month  
8 under subsection (c), shall be distributed each month as  
9 follows: first, there shall be paid into the General Revenue  
10 Fund an amount that, when added to the amount paid into the  
11 Common School Fund for that month, equals \$29,200,000; then,  
12 from the moneys remaining, if any amounts required to be paid  
13 into the General Revenue Fund in previous months remain unpaid,  
14 those amounts shall be paid into the General Revenue Fund; then  
15 from the moneys remaining, \$5,000,000 per month shall be paid  
16 into the School Infrastructure Fund; then, if any amounts  
17 required to be paid into the School Infrastructure Fund in  
18 previous months remain unpaid, those amounts shall be paid into  
19 the School Infrastructure Fund; then the moneys remaining, if  
20 any, shall be paid into the Long-Term Care Provider Fund.

21 (c) Beginning on July 1, 2019, all of the moneys from the  
22 additional taxes imposed by Public Act 101-31, except for  
23 moneys received from the tax on electronic cigarettes, this  
24 amendatory Act of the 101st General Assembly received by the  
25 Department of Revenue pursuant to this Act, ~~and~~ the Cigarette  
26 Use Tax Act, and the Tobacco Products Tax Act of 1995 shall be

1 distributed each month into the Capital Projects Fund.

2 (d) Except for moneys received from the additional taxes  
3 imposed by Public Act 101-31, moneys ~~Moneys~~ collected from the  
4 tax imposed on little cigars under Section 10-10 of the Tobacco  
5 Products Tax Act of 1995 shall be included with the moneys  
6 collected under the Cigarette Tax Act and the Cigarette Use Tax  
7 Act when making distributions to the Common School Fund, the  
8 Healthcare Provider Relief Fund, the General Revenue Fund, the  
9 School Infrastructure Fund, and the Long-Term Care Provider  
10 Fund under this Section.

11 (e) If the tax imposed herein terminates or has terminated,  
12 distributors who have bought stamps while such tax was in  
13 effect and who therefore paid such tax, but who can show, to  
14 the Department's satisfaction, that they sold the cigarettes to  
15 which they affixed such stamps after such tax had terminated  
16 and did not recover the tax or its equivalent from purchasers,  
17 shall be allowed by the Department to take credit for such  
18 absorbed tax against subsequent tax stamp purchases from the  
19 Department by such distributor.

20 (f) The impact of the tax levied by this Act is imposed  
21 upon the retailer and shall be prepaid or pre-collected by the  
22 distributor for the purpose of convenience and facility only,  
23 and the amount of the tax shall be added to the price of the  
24 cigarettes sold by such distributor. Collection of the tax  
25 shall be evidenced by a stamp or stamps affixed to each  
26 original package of cigarettes, as hereinafter provided. Any

1 distributor who purchases stamps may credit any excess payments  
2 verified by the Department against amounts subsequently due for  
3 the purchase of additional stamps, until such time as no excess  
4 payment remains.

5 (g) Each distributor shall collect the tax from the  
6 retailer at or before the time of the sale, shall affix the  
7 stamps as hereinafter required, and shall remit the tax  
8 collected from retailers to the Department, as hereinafter  
9 provided. Any distributor who fails to properly collect and pay  
10 the tax imposed by this Act shall be liable for the tax.

11 (h) Any distributor having cigarettes in his or her  
12 possession on July 1, 2019 to which tax stamps have been  
13 affixed, and any distributor having stamps in his or her  
14 possession on July 1, 2019 that have not been affixed to  
15 packages of cigarettes before July 1, 2019, is required to pay  
16 the additional tax that begins on July 1, 2019 imposed by this  
17 amendatory Act of the 101st General Assembly to the extent that  
18 the volume of affixed and unaffixed stamps in the distributor's  
19 possession on July 1, 2019 exceeds the average monthly volume  
20 of cigarette stamps purchased by the distributor in calendar  
21 year 2018. This payment, less the discount provided in  
22 subsection (l), is due when the distributor first makes a  
23 purchase of cigarette stamps on or after July 1, 2019 or on the  
24 first due date of a return under this Act occurring on or after  
25 July 1, 2019, whichever occurs first. Those distributors may  
26 elect to pay the additional tax on packages of cigarettes to

1 which stamps have been affixed and on any stamps in the  
2 distributor's possession that have not been affixed to packages  
3 of cigarettes in their possession on July 1, 2019 over a period  
4 not to exceed 12 months from the due date of the additional tax  
5 by notifying the Department in writing. The first payment for  
6 distributors making such election is due when the distributor  
7 first makes a purchase of cigarette tax stamps on or after July  
8 1, 2019 or on the first due date of a return under this Act  
9 occurring on or after July 1, 2019, whichever occurs first.  
10 Distributors making such an election are not entitled to take  
11 the discount provided in subsection (l) on such payments.

12 (i) Any retailer having cigarettes in its possession on  
13 July 1, 2019 to which tax stamps have been affixed is not  
14 required to pay the additional tax that begins on July 1, 2019  
15 imposed by this amendatory Act of the 101st General Assembly on  
16 those stamped cigarettes.

17 (j) Distributors making sales of cigarettes to secondary  
18 distributors shall add the amount of the tax to the price of  
19 the cigarettes sold by the distributors. Secondary  
20 distributors making sales of cigarettes to retailers shall  
21 include the amount of the tax in the price of the cigarettes  
22 sold to retailers. The amount of tax shall not be less than the  
23 amount of taxes imposed by the State and all local  
24 jurisdictions. The amount of local taxes shall be calculated  
25 based on the location of the retailer's place of business shown  
26 on the retailer's certificate of registration or

1 sub-registration issued to the retailer pursuant to Section 2a  
2 of the Retailers' Occupation Tax Act. The original packages of  
3 cigarettes sold to the retailer shall bear all the required  
4 stamps, or other indicia, for the taxes included in the price  
5 of cigarettes.

6 (k) The amount of the Cigarette Tax imposed by this Act  
7 shall be separately stated, apart from the price of the goods,  
8 by distributors, manufacturer representatives, secondary  
9 distributors, and retailers, in all bills and sales invoices.

10 (l) The distributor shall be required to collect the tax  
11 provided under paragraph (a) hereof, and, to cover the costs of  
12 such collection, shall be allowed a discount during any year  
13 commencing July 1st and ending the following June 30th in  
14 accordance with the schedule set out hereinbelow, which  
15 discount shall be allowed at the time of purchase of the stamps  
16 when purchase is required by this Act, or at the time when the  
17 tax is remitted to the Department without the purchase of  
18 stamps from the Department when that method of paying the tax  
19 is required or authorized by this Act.

20 On and after December 1, 1985, a discount equal to 1.75% of  
21 the amount of the tax payable under this Act up to and  
22 including the first \$3,000,000 paid hereunder by such  
23 distributor to the Department during any such year and 1.5% of  
24 the amount of any additional tax paid hereunder by such  
25 distributor to the Department during any such year shall apply.

26 Two or more distributors that use a common means of

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

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

8 (Source: P.A. 100-1171, eff. 1-4-19; 101-31, eff. 6-28-19.)

9 Section 10-50. The Motor Fuel Tax Law is amended by  
10 changing Sections 2, 2a, 2b, and 8a as follows:

11 (35 ILCS 505/2) (from Ch. 120, par. 418)

12 Sec. 2. A tax is imposed on the privilege of operating  
13 motor vehicles upon the public highways and recreational-type  
14 watercraft upon the waters of this State.

15 (a) Prior to August 1, 1989, the tax is imposed at the rate  
16 of 13 cents per gallon on all motor fuel used in motor vehicles  
17 operating on the public highways and recreational type  
18 watercraft operating upon the waters of this State. Beginning  
19 on August 1, 1989 and until January 1, 1990, the rate of the  
20 tax imposed in this paragraph shall be 16 cents per gallon.  
21 Beginning January 1, 1990 and until July 1, 2019, the rate of  
22 tax imposed in this paragraph, including the tax on compressed  
23 natural gas, shall be 19 cents per gallon. Beginning July 1,  
24 2019, the rate of tax imposed in this paragraph shall be 38



1 cents per gallon and increased on July 1 of each subsequent  
2 year by an amount equal to the percentage increase, if any, in  
3 the Consumer Price Index for All Urban Consumers for all items  
4 published by the United States Department of Labor for the 12  
5 months ending in March of each year. The rate shall be rounded  
6 to the nearest one-tenth of one cent.

7 (b) Until July 1, 2019, the ~~The~~ tax on the privilege of  
8 operating motor vehicles which use diesel fuel, liquefied  
9 natural gas, or propane shall be the rate according to  
10 paragraph (a) plus an additional 2 1/2 cents per gallon.  
11 Beginning July 1, 2019, the tax on the privilege of operating  
12 motor vehicles which use diesel fuel, liquefied natural gas, or  
13 propane ~~rate of tax imposed in this paragraph~~ shall be the rate  
14 according to subsection (a) plus an additional 7.5 cents per  
15 gallon. "Diesel fuel" is defined as any product intended for  
16 use or offered for sale as a fuel for engines in which the fuel  
17 is injected into the combustion chamber and ignited by pressure  
18 without electric spark.

19 (c) A tax is imposed upon the privilege of engaging in the  
20 business of selling motor fuel as a retailer or reseller on all  
21 motor fuel used in motor vehicles operating on the public  
22 highways and recreational type watercraft operating upon the  
23 waters of this State: (1) at the rate of 3 cents per gallon on  
24 motor fuel owned or possessed by such retailer or reseller at  
25 12:01 a.m. on August 1, 1989; and (2) at the rate of 3 cents per  
26 gallon on motor fuel owned or possessed by such retailer or

1 reseller at 12:01 A.M. on January 1, 1990.

2 Retailers and resellers who are subject to this additional  
3 tax shall be required to inventory such motor fuel and pay this  
4 additional tax in a manner prescribed by the Department of  
5 Revenue.

6 The tax imposed in this paragraph (c) shall be in addition  
7 to all other taxes imposed by the State of Illinois or any unit  
8 of local government in this State.

9 (d) Except as provided in Section 2a, the collection of a  
10 tax based on gallonage of gasoline used for the propulsion of  
11 any aircraft is prohibited on and after October 1, 1979, and  
12 the collection of a tax based on gallonage of special fuel used  
13 for the propulsion of any aircraft is prohibited on and after  
14 December 1, 2019.

15 (e) The collection of a tax, based on gallonage of all  
16 products commonly or commercially known or sold as 1-K  
17 kerosene, regardless of its classification or uses, is  
18 prohibited (i) on and after July 1, 1992 until December 31,  
19 1999, except when the 1-K kerosene is either: (1) delivered  
20 into bulk storage facilities of a bulk user, or (2) delivered  
21 directly into the fuel supply tanks of motor vehicles and (ii)  
22 on and after January 1, 2000. Beginning on January 1, 2000, the  
23 collection of a tax, based on gallonage of all products  
24 commonly or commercially known or sold as 1-K kerosene,  
25 regardless of its classification or uses, is prohibited except  
26 when the 1-K kerosene is delivered directly into a storage tank

1 that is located at a facility that has withdrawal facilities  
2 that are readily accessible to and are capable of dispensing  
3 1-K kerosene into the fuel supply tanks of motor vehicles. For  
4 purposes of this subsection (e), a facility is considered to  
5 have withdrawal facilities that are not "readily accessible to  
6 and capable of dispensing 1-K kerosene into the fuel supply  
7 tanks of motor vehicles" only if the 1-K kerosene is delivered  
8 from: (i) a dispenser hose that is short enough so that it will  
9 not reach the fuel supply tank of a motor vehicle or (ii) a  
10 dispenser that is enclosed by a fence or other physical barrier  
11 so that a vehicle cannot pull alongside the dispenser to permit  
12 fueling.

13 Any person who sells or uses 1-K kerosene for use in motor  
14 vehicles upon which the tax imposed by this Law has not been  
15 paid shall be liable for any tax due on the sales or use of 1-K  
16 kerosene.

17 (Source: P.A. 100-9, eff. 7-1-17; 101-10, eff. 6-5-19; 101-32,  
18 eff. 6-28-19; revised 7-12-19.)

19 (35 ILCS 505/2a) (from Ch. 120, par. 418a)

20 Sec. 2a. Except as hereinafter provided, on and after  
21 January 1, 1990 and before January 1, 2025, a tax of  
22 three-tenths of a cent per gallon is imposed upon the privilege  
23 of being a receiver in this State of fuel for sale or use.  
24 Beginning January 1, 2021, this tax is not imposed on sales of  
25 aviation fuel for so long as the revenue use requirements of 49

1 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

2 The tax shall be paid by the receiver in this State who  
3 first sells or uses fuel. In the case of a sale, the tax shall  
4 be stated as a separate item on the invoice.

5 For the purpose of the tax imposed by this Section, being a  
6 receiver of "motor fuel" as defined by Section 1.1 of this Act,  
7 and aviation fuels, home heating oil and kerosene, but  
8 excluding liquified petroleum gases, is subject to tax without  
9 regard to whether the fuel is intended to be used for operation  
10 of motor vehicles on the public highways and waters. However,  
11 no such tax shall be imposed upon the importation or receipt of  
12 aviation fuels and kerosene at airports with over 300,000  
13 operations per year, for years prior to 1991, and over 170,000  
14 operations per year beginning in 1991, located in a city of  
15 more than 1,000,000 inhabitants for sale to or use by holders  
16 of certificates of public convenience and necessity or foreign  
17 air carrier permits, issued by the United States Department of  
18 Transportation, and their air carrier affiliates, or upon the  
19 importation or receipt of aviation fuels and kerosene at  
20 facilities owned or leased by those certificate or permit  
21 holders and used in their activities at an airport described  
22 above. In addition, no such tax shall be imposed upon the  
23 importation or receipt of diesel fuel or liquefied natural gas  
24 sold to or used by a rail carrier registered pursuant to  
25 Section 18c-7201 of the Illinois Vehicle Code or otherwise  
26 recognized by the Illinois Commerce Commission as a rail

1 carrier, to the extent used directly in railroad operations. In  
2 addition, no such tax shall be imposed when the sale is made  
3 with delivery to a purchaser outside this State or when the  
4 sale is made to a person holding a valid license as a receiver.  
5 In addition, no tax shall be imposed upon diesel fuel or  
6 liquefied natural gas consumed or used in the operation of  
7 ships, barges, or vessels, that are used primarily in or for  
8 the transportation of property in interstate commerce for hire  
9 on rivers bordering on this State, if the diesel fuel or  
10 liquefied natural gas is delivered by a licensed receiver to  
11 the purchaser's barge, ship, or vessel while it is afloat upon  
12 that bordering river. A specific notation thereof shall be made  
13 on the invoices or sales slips covering each sale.

14 (Source: P.A. 100-9, eff. 7-1-17.)

15 (35 ILCS 505/2b) (from Ch. 120, par. 418b)

16 Sec. 2b. Receiver's monthly return. In addition to the tax  
17 collection and reporting responsibilities imposed elsewhere in  
18 this Act, a person who is required to pay the tax imposed by  
19 Section 2a of this Act shall pay the tax to the Department by  
20 return showing all fuel purchased, acquired or received and  
21 sold, distributed or used during the preceding calendar month  
22 including losses of fuel as the result of evaporation or  
23 shrinkage due to temperature variations, and such other  
24 reasonable information as the Department may require. Losses of  
25 fuel as the result of evaporation or shrinkage due to

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

1           The return shall be prescribed by the Department and shall  
2 be filed between the 1st and 20th days of each calendar month.  
3 The Department may, in its discretion, combine the returns  
4 filed under this Section, Section 5, and Section 5a of this  
5 Act. The return must be accompanied by appropriate  
6 computer-generated magnetic media supporting schedule data in  
7 the format required by the Department, unless, as provided by  
8 rule, the Department grants an exception upon petition of a  
9 taxpayer. If the return is filed timely, the seller shall take  
10 a discount of 2% through June 30, 2003 and 1.75% thereafter  
11 which is allowed to reimburse the seller for the expenses  
12 incurred in keeping records, preparing and filing returns,  
13 collecting and remitting the tax and supplying data to the  
14 Department on request. The discount, however, shall be  
15 applicable only to the amount of payment which accompanies a  
16 return that is filed timely in accordance with this Section.  
17 The discount under this Section is not allowed for taxes paid  
18 on aviation fuel that are subject to the revenue use  
19 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~are~~  
20 ~~deposited into the State Aviation Program Fund under this Act.~~

21           Beginning on January 1, 2020 and ending with returns due on  
22 January 20, 2021, each person who is required to pay the tax  
23 imposed under Section 2a of this Act on aviation fuel sold or  
24 used in this State during the preceding calendar month shall,  
25 instead of reporting and paying tax on aviation fuel as  
26 otherwise required by this Section, report and pay such tax on

1 a separate aviation fuel tax return or a separate line on the  
2 return ~~, on or before the twentieth day of each calendar month.~~

3 The requirements related to the return shall be as otherwise  
4 provided in this Section. Notwithstanding any other provisions  
5 of this Act to the contrary, a person required to pay the tax  
6 imposed by Section 2a of this Act on aviation fuel shall file  
7 all aviation fuel tax returns and shall make all aviation fuel  
8 tax payments by electronic means in the manner and form  
9 required by the Department. For purposes of this Law paragraph,  
10 "aviation fuel" means jet fuel and aviation gasoline ~~a product~~  
11 ~~that is intended for use or offered for sale as fuel for an~~  
12 ~~aircraft.~~

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

25 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19.)



1 (35 ILCS 505/8a) (from Ch. 120, par. 424a)

2 Sec. 8a. All money received by the Department under Section  
3 2a of this Act, except money received from taxes on aviation  
4 fuel sold or used on or after December 1, 2019 and through  
5 December 31, 2020, shall be deposited in the Underground  
6 Storage Tank Fund created by Section 57.11 of the Environmental  
7 Protection Act, as now or hereafter amended. All money received  
8 by the Department under Section 2a of this Act for aviation  
9 fuel sold or used on or after December 1, 2019, shall be  
10 deposited into the State Aviation Program Fund. This exception  
11 for aviation fuel only applies for so long as the revenue use  
12 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
13 binding on the State. For purposes of this Section, "aviation  
14 fuel" means jet fuel and aviation gasoline ~~a product that is~~  
15 ~~intended for use or offered for sale as fuel for an aircraft.~~

16 (Source: P.A. 101-10, eff. 6-5-19.)

17 Section 10-55. The Innovation Development and Economy Act  
18 is amended by changing Sections 10 and 31 as follows:

19 (50 ILCS 470/10)

20 Sec. 10. Definitions. As used in this Act, the following  
21 words and phrases shall have the following meanings unless a  
22 different meaning clearly appears from the context:

23 "Base year" means the calendar year immediately prior to  
24 the calendar year in which the STAR bond district is

1 established.

2 "Commence work" means the manifest commencement of actual  
3 operations on the development site, such as, erecting a  
4 building, general on-site and off-site grading and utility  
5 installations, commencing design and construction  
6 documentation, ordering lead-time materials, excavating the  
7 ground to lay a foundation or a basement, or work of like  
8 description which a reasonable person would recognize as being  
9 done with the intention and purpose to continue work until the  
10 project is completed.

11 "County" means the county in which a proposed STAR bond  
12 district is located.

13 "De minimis" means an amount less than 15% of the land area  
14 within a STAR bond district.

15 "Department of Revenue" means the Department of Revenue of  
16 the State of Illinois.

17 "Destination user" means an owner, operator, licensee,  
18 co-developer, subdeveloper, or tenant (i) that operates a  
19 business within a STAR bond district that is a retail store  
20 having at least 150,000 square feet of sales floor area; (ii)  
21 that at the time of opening does not have another Illinois  
22 location within a 70 mile radius; (iii) that has an annual  
23 average of not less than 30% of customers who travel from at  
24 least 75 miles away or from out-of-state, as demonstrated by  
25 data from a comparable existing store or stores, or, if there  
26 is no comparable existing store, as demonstrated by an economic

1 analysis that shows that the proposed retailer will have an  
2 annual average of not less than 30% of customers who travel  
3 from at least 75 miles away or from out-of-state; and (iv) that  
4 makes an initial capital investment, including project costs  
5 and other direct costs, of not less than \$30,000,000 for such  
6 retail store.

7 "Destination hotel" means a hotel (as that term is defined  
8 in Section 2 of the Hotel Operators' Occupation Tax Act)  
9 complex having at least 150 guest rooms and which also includes  
10 a venue for entertainment attractions, rides, or other  
11 activities oriented toward the entertainment and amusement of  
12 its guests and other patrons.

13 "Developer" means any individual, corporation, trust,  
14 estate, partnership, limited liability partnership, limited  
15 liability company, or other entity. The term does not include a  
16 not-for-profit entity, political subdivision, or other agency  
17 or instrumentality of the State.

18 "Director" means the Director of Revenue, who shall consult  
19 with the Director of Commerce and Economic Opportunity in any  
20 approvals or decisions required by the Director under this Act.

21 "Economic impact study" means a study conducted by an  
22 independent economist to project the financial benefit of the  
23 proposed STAR bond project to the local, regional, and State  
24 economies, consider the proposed adverse impacts on similar  
25 projects and businesses, as well as municipalities within the  
26 projected market area, and draw conclusions about the net

1 effect of the proposed STAR bond project on the local,  
2 regional, and State economies. A copy of the economic impact  
3 study shall be provided to the Director for review.

4 "Eligible area" means any improved or vacant area that (i)  
5 is contiguous and is not, in the aggregate, less than 250 acres  
6 nor more than 500 acres which must include only parcels of real  
7 property directly and substantially benefited by the proposed  
8 STAR bond district plan, (ii) is adjacent to a federal  
9 interstate highway, (iii) is within one mile of 2 State  
10 highways, (iv) is within one mile of an entertainment user, or  
11 a major or minor league sports stadium or other similar  
12 entertainment venue that had an initial capital investment of  
13 at least \$20,000,000, and (v) includes land that was previously  
14 surface or strip mined. The area may be bisected by streets,  
15 highways, roads, alleys, railways, bike paths, streams,  
16 rivers, and other waterways and still be deemed contiguous. In  
17 addition, in order to constitute an eligible area one of the  
18 following requirements must be satisfied and all of which are  
19 subject to the review and approval of the Director as provided  
20 in subsection (d) of Section 15:

21 (a) the governing body of the political subdivision  
22 shall have determined that the area meets the requirements  
23 of a "blighted area" as defined under the Tax Increment  
24 Allocation Redevelopment Act; or

25 (b) the governing body of the political subdivision  
26 shall have determined that the area is a blighted area as

1 determined under the provisions of Section 11-74.3-5 of the  
2 Illinois Municipal Code; or

3 (c) the governing body of the political subdivision  
4 shall make the following findings:

5 (i) that the vacant portions of the area have  
6 remained vacant for at least one year, or that any  
7 building located on a vacant portion of the property  
8 was demolished within the last year and that the  
9 building would have qualified under item (ii) of this  
10 subsection;

11 (ii) if portions of the area are currently  
12 developed, that the use, condition, and character of  
13 the buildings on the property are not consistent with  
14 the purposes set forth in Section 5;

15 (iii) that the STAR bond district is expected to  
16 create or retain job opportunities within the  
17 political subdivision;

18 (iv) that the STAR bond district will serve to  
19 further the development of adjacent areas;

20 (v) that without the availability of STAR bonds,  
21 the projects described in the STAR bond district plan  
22 would not be possible;

23 (vi) that the master developer meets high  
24 standards of creditworthiness and financial strength  
25 as demonstrated by one or more of the following: (i)  
26 corporate debenture ratings of BBB or higher by

1 Standard & Poor's Corporation or Baa or higher by  
2 Moody's Investors Service, Inc.; (ii) a letter from a  
3 financial institution with assets of \$10,000,000 or  
4 more attesting to the financial strength of the master  
5 developer; or (iii) specific evidence of equity  
6 financing for not less than 10% of the estimated total  
7 STAR bond project costs;

8 (vii) that the STAR bond district will strengthen  
9 the commercial sector of the political subdivision;

10 (viii) that the STAR bond district will enhance the  
11 tax base of the political subdivision; and

12 (ix) that the formation of a STAR bond district is  
13 in the best interest of the political subdivision.

14 "Entertainment user" means an owner, operator, licensee,  
15 co-developer, subdeveloper, or tenant that operates a business  
16 within a STAR bond district that has a primary use of providing  
17 a venue for entertainment attractions, rides, or other  
18 activities oriented toward the entertainment and amusement of  
19 its patrons, occupies at least 20 acres of land in the STAR  
20 bond district, and makes an initial capital investment,  
21 including project costs and other direct and indirect costs, of  
22 not less than \$25,000,000 for that venue.

23 "Feasibility study" means a feasibility study as defined in  
24 subsection (b) of Section 20.

25 "Infrastructure" means the public improvements and private  
26 improvements that serve the public purposes set forth in

1 Section 5 of this Act and that benefit the STAR bond district  
2 or any STAR bond projects, including, but not limited to,  
3 streets, drives and driveways, traffic and directional signs  
4 and signals, parking lots and parking facilities,  
5 interchanges, highways, sidewalks, bridges, underpasses and  
6 overpasses, bike and walking trails, sanitary storm sewers and  
7 lift stations, drainage conduits, channels, levees, canals,  
8 storm water detention and retention facilities, utilities and  
9 utility connections, water mains and extensions, and street and  
10 parking lot lighting and connections.

11 "Local sales taxes" means any locally-imposed ~~locally~~  
12 ~~imposed~~ taxes received by a municipality, county, or other  
13 local governmental entity arising from sales by retailers and  
14 servicemen within a STAR bond district, including business  
15 district sales taxes and STAR bond occupation taxes, and that  
16 portion of the net revenue realized under the Retailers'  
17 Occupation Tax Act, the Use Tax Act, the Service Use Tax Act,  
18 and the Service Occupation Tax Act from transactions at places  
19 of business located within a STAR bond district that is  
20 deposited into the Local Government Tax Fund and the County and  
21 Mass Transit District Fund. For the purpose of this Act, "local  
22 sales taxes" does not include (i) any taxes authorized pursuant  
23 to the Local Mass Transit District Act or the Metro-East Park  
24 and Recreation District Act for so long as the applicable  
25 taxing district does not impose a tax on real property, (ii)  
26 county school facility and resources occupation taxes imposed

1 pursuant to Section 5-1006.7 of the Counties Code, or (iii) any  
2 taxes authorized under the Flood Prevention District Act.

3 "Local sales tax increment" means, except as otherwise  
4 provided in this Section, with respect to local sales taxes  
5 administered by the Illinois Department of Revenue, (i) all of  
6 the local sales tax paid by destination users, destination  
7 hotels, and entertainment users that is in excess of the local  
8 sales tax paid by destination users, destination hotels, and  
9 entertainment users for the same month in the base year, as  
10 determined by the Illinois Department of Revenue, (ii) in the  
11 case of a municipality forming a STAR bond district that is  
12 wholly within the corporate boundaries of the municipality and  
13 in the case of a municipality and county forming a STAR bond  
14 district that is only partially within such municipality, that  
15 portion of the local sales tax paid by taxpayers that are not  
16 destination users, destination hotels, or entertainment users  
17 that is in excess of the local sales tax paid by taxpayers that  
18 are not destination users, destination hotels, or  
19 entertainment users for the same month in the base year, as  
20 determined by the Illinois Department of Revenue, and (iii) in  
21 the case of a county in which a STAR bond district is formed  
22 that is wholly within a municipality, that portion of the local  
23 sales tax paid by taxpayers that are not destination users,  
24 destination hotels, or entertainment users that is in excess of  
25 the local sales tax paid by taxpayers that are not destination  
26 users, destination hotels, or entertainment users for the same



1 month in the base year, as determined by the Illinois  
2 Department of Revenue, but only if the corporate authorities of  
3 the county adopts an ordinance, and files a copy with the  
4 Department within the same time frames as required for STAR  
5 bond occupation taxes under Section 31, that designates the  
6 taxes referenced in this clause (iii) as part of the local  
7 sales tax increment under this Act. "Local sales tax increment"  
8 means, with respect to local sales taxes administered by a  
9 municipality, county, or other unit of local government, that  
10 portion of the local sales tax that is in excess of the local  
11 sales tax for the same month in the base year, as determined by  
12 the respective municipality, county, or other unit of local  
13 government. If any portion of local sales taxes are, at the  
14 time of formation of a STAR bond district, already subject to  
15 tax increment financing under the Tax Increment Allocation  
16 Redevelopment Act, then the local sales tax increment for such  
17 portion shall be frozen at the base year established in  
18 accordance with this Act, and all future incremental increases  
19 shall be included in the "local sales tax increment" under this  
20 Act. Any party otherwise entitled to receipt of incremental  
21 local sales tax revenues through an existing tax increment  
22 financing district shall be entitled to continue to receive  
23 such revenues up to the amount frozen in the base year. Nothing  
24 in this Act shall affect the prior qualification of existing  
25 redevelopment project costs incurred that are eligible for  
26 reimbursement under the Tax Increment Allocation Redevelopment

1 Act. In such event, prior to approving a STAR bond district,  
2 the political subdivision forming the STAR bond district shall  
3 take such action as is necessary, including amending the  
4 existing tax increment financing district redevelopment plan,  
5 to carry out the provisions of this Act. The Illinois  
6 Department of Revenue shall allocate the local sales tax  
7 increment only if the local sales tax is administered by the  
8 Department. "Local sales tax increment" does not include taxes  
9 and penalties collected on aviation fuel, as defined in Section  
10 3 of the Retailers' Occupation Tax, sold on or after December  
11 1, 2019 and through December 31, 2020.

12 "Market study" means a study to determine the ability of  
13 the proposed STAR bond project to gain market share locally and  
14 regionally and to remain profitable past the term of repayment  
15 of STAR bonds.

16 "Master developer" means a developer cooperating with a  
17 political subdivision to plan, develop, and implement a STAR  
18 bond project plan for a STAR bond district. Subject to the  
19 limitations of Section 25, the master developer may work with  
20 and transfer certain development rights to other developers for  
21 the purpose of implementing STAR bond project plans and  
22 achieving the purposes of this Act. A master developer for a  
23 STAR bond district shall be appointed by a political  
24 subdivision in the resolution establishing the STAR bond  
25 district, and the master developer must, at the time of  
26 appointment, own or have control of, through purchase

1 agreements, option contracts, or other means, not less than 50%  
2 of the acreage within the STAR bond district and the master  
3 developer or its affiliate must have ownership or control on  
4 June 1, 2010.

5 "Master development agreement" means an agreement between  
6 the master developer and the political subdivision to govern a  
7 STAR bond district and any STAR bond projects.

8 "Municipality" means the city, village, or incorporated  
9 town in which a proposed STAR bond district is located.

10 "Pledged STAR revenues" means those sales tax and revenues  
11 and other sources of funds pledged to pay debt service on STAR  
12 bonds or to pay project costs pursuant to Section 30.  
13 Notwithstanding any provision to the contrary, the following  
14 revenues shall not constitute pledged STAR revenues or be  
15 available to pay principal and interest on STAR bonds: any  
16 State sales tax increment or local sales tax increment from a  
17 retail entity initiating operations in a STAR bond district  
18 while terminating operations at another Illinois location  
19 within 25 miles of the STAR bond district. For purposes of this  
20 paragraph, "terminating operations" means a closing of a retail  
21 operation that is directly related to the opening of the same  
22 operation or like retail entity owned or operated by more than  
23 50% of the original ownership in a STAR bond district within  
24 one year before or after initiating operations in the STAR bond  
25 district, but it does not mean closing an operation for reasons  
26 beyond the control of the retail entity, as documented by the

1 retail entity, subject to a reasonable finding by the  
2 municipality (or county if such retail operation is not located  
3 within a municipality) in which the terminated operations were  
4 located that the closed location contained inadequate space,  
5 had become economically obsolete, or was no longer a viable  
6 location for the retailer or serviceman.

7 "Political subdivision" means a municipality or county  
8 which undertakes to establish a STAR bond district pursuant to  
9 the provisions of this Act.

10 "Project costs" means and includes the sum total of all  
11 costs incurred or estimated to be incurred on or following the  
12 date of establishment of a STAR bond district that are  
13 reasonable or necessary to implement a STAR bond district plan  
14 or any STAR bond project plans, or both, including costs  
15 incurred for public improvements and private improvements that  
16 serve the public purposes set forth in Section 5 of this Act.  
17 Such costs include without limitation the following:

18 (a) costs of studies, surveys, development of plans and  
19 specifications, formation, implementation, and  
20 administration of a STAR bond district, STAR bond district  
21 plan, any STAR bond projects, or any STAR bond project  
22 plans, including, but not limited to, staff and  
23 professional service costs for architectural, engineering,  
24 legal, financial, planning, or other services, provided  
25 however that no charges for professional services may be  
26 based on a percentage of the tax increment collected and no

1 contracts for professional services, excluding  
2 architectural and engineering services, may be entered  
3 into if the terms of the contract extend beyond a period of  
4 3 years;

5 (b) property assembly costs, including, but not  
6 limited to, acquisition of land and other real property or  
7 rights or interests therein, located within the boundaries  
8 of a STAR bond district, demolition of buildings, site  
9 preparation, site improvements that serve as an engineered  
10 barrier addressing ground level or below ground  
11 environmental contamination, including, but not limited  
12 to, parking lots and other concrete or asphalt barriers,  
13 the clearing and grading of land, and importing additional  
14 soil and fill materials, or removal of soil and fill  
15 materials from the site;

16 (c) subject to paragraph (d), costs of buildings and  
17 other vertical improvements that are located within the  
18 boundaries of a STAR bond district and owned by a political  
19 subdivision or other public entity, including without  
20 limitation police and fire stations, educational  
21 facilities, and public restrooms and rest areas;

22 (c-1) costs of buildings and other vertical  
23 improvements that are located within the boundaries of a  
24 STAR bond district and owned by a destination user or  
25 destination hotel; except that only 2 destination users in  
26 a STAR bond district and one destination hotel are eligible

1 to include the cost of those vertical improvements as  
2 project costs;

3 (c-5) costs of buildings; rides and attractions, which  
4 include carousels, slides, roller coasters, displays,  
5 models, towers, works of art, and similar theme and  
6 amusement park improvements; and other vertical  
7 improvements that are located within the boundaries of a  
8 STAR bond district and owned by an entertainment user;  
9 except that only one entertainment user in a STAR bond  
10 district is eligible to include the cost of those vertical  
11 improvements as project costs;

12 (d) costs of the design and construction of  
13 infrastructure and public works located within the  
14 boundaries of a STAR bond district that are reasonable or  
15 necessary to implement a STAR bond district plan or any  
16 STAR bond project plans, or both, except that project costs  
17 shall not include the cost of constructing a new municipal  
18 public building principally used to provide offices,  
19 storage space, or conference facilities or vehicle  
20 storage, maintenance, or repair for administrative, public  
21 safety, or public works personnel and that is not intended  
22 to replace an existing public building unless the political  
23 subdivision makes a reasonable determination in a STAR bond  
24 district plan or any STAR bond project plans, supported by  
25 information that provides the basis for that  
26 determination, that the new municipal building is required

1 to meet an increase in the need for public safety purposes  
2 anticipated to result from the implementation of the STAR  
3 bond district plan or any STAR bond project plans;

4 (e) costs of the design and construction of the  
5 following improvements located outside the boundaries of a  
6 STAR bond district, provided that the costs are essential  
7 to further the purpose and development of a STAR bond  
8 district plan and either (i) part of and connected to  
9 sewer, water, or utility service lines that physically  
10 connect to the STAR bond district or (ii) significant  
11 improvements for adjacent offsite highways, streets,  
12 roadways, and interchanges that are approved by the  
13 Illinois Department of Transportation. No other cost of  
14 infrastructure and public works improvements located  
15 outside the boundaries of a STAR bond district may be  
16 deemed project costs;

17 (f) costs of job training and retraining projects,  
18 including the cost of "welfare to work" programs  
19 implemented by businesses located within a STAR bond  
20 district;

21 (g) financing costs, including, but not limited to, all  
22 necessary and incidental expenses related to the issuance  
23 of obligations and which may include payment of interest on  
24 any obligations issued hereunder including interest  
25 accruing during the estimated period of construction of any  
26 improvements in a STAR bond district or any STAR bond

1 projects for which such obligations are issued and for not  
2 exceeding 36 months thereafter and including reasonable  
3 reserves related thereto;

4 (h) to the extent the political subdivision by written  
5 agreement accepts and approves the same, all or a portion  
6 of a taxing district's capital costs resulting from a STAR  
7 bond district or STAR bond projects necessarily incurred or  
8 to be incurred within a taxing district in furtherance of  
9 the objectives of a STAR bond district plan or STAR bond  
10 project plans;

11 (i) interest cost incurred by a developer for project  
12 costs related to the acquisition, formation,  
13 implementation, development, construction, and  
14 administration of a STAR bond district, STAR bond district  
15 plan, STAR bond projects, or any STAR bond project plans  
16 provided that:

17 (i) payment of such costs in any one year may not  
18 exceed 30% of the annual interest costs incurred by the  
19 developer with regard to the STAR bond district or any  
20 STAR bond projects during that year; and

21 (ii) the total of such interest payments paid  
22 pursuant to this Act may not exceed 30% of the total  
23 cost paid or incurred by the developer for a STAR bond  
24 district or STAR bond projects, plus project costs,  
25 excluding any property assembly costs incurred by a  
26 political subdivision pursuant to this Act;



1           (j) costs of common areas located within the boundaries  
2 of a STAR bond district;

3           (k) costs of landscaping and plantings, retaining  
4 walls and fences, man-made lakes and ponds, shelters,  
5 benches, lighting, and similar amenities located within  
6 the boundaries of a STAR bond district;

7           (l) costs of mounted building signs, site monument, and  
8 pylon signs located within the boundaries of a STAR bond  
9 district; or

10           (m) if included in the STAR bond district plan and  
11 approved in writing by the Director, salaries or a portion  
12 of salaries for local government employees to the extent  
13 the same are directly attributable to the work of such  
14 employees on the establishment and management of a STAR  
15 bond district or any STAR bond projects.

16           Except as specified in items (a) through (m), "project  
17 costs" shall not include:

18           (i) the cost of construction of buildings that are  
19 privately owned or owned by a municipality and leased to a  
20 developer or retail user for non-entertainment retail  
21 uses;

22           (ii) moving expenses for employees of the businesses  
23 locating within the STAR bond district;

24           (iii) property taxes for property located in the STAR  
25 bond district;

26           (iv) lobbying costs; and

1           (v) general overhead or administrative costs of the  
2           political subdivision that would still have been incurred  
3           by the political subdivision if the political subdivision  
4           had not established a STAR bond district.

5           "Project development agreement" means any one or more  
6           agreements, including any amendments thereto, between a master  
7           developer and any co-developer or subdeveloper in connection  
8           with a STAR bond project, which project development agreement  
9           may include the political subdivision as a party.

10          "Projected market area" means any area within the State in  
11          which a STAR bond district or STAR bond project is projected to  
12          have a significant fiscal or market impact as determined by the  
13          Director.

14          "Resolution" means a resolution, order, ordinance, or  
15          other appropriate form of legislative action of a political  
16          subdivision or other applicable public entity approved by a  
17          vote of a majority of a quorum at a meeting of the governing  
18          body of the political subdivision or applicable public entity.

19          "STAR bond" means a sales tax and revenue bond, note, or  
20          other obligation payable from pledged STAR revenues and issued  
21          by a political subdivision, the proceeds of which shall be used  
22          only to pay project costs as defined in this Act.

23          "STAR bond district" means the specific area declared to be  
24          an eligible area as determined by the political subdivision,  
25          and approved by the Director, in which the political  
26          subdivision may develop one or more STAR bond projects.

1 "STAR bond district plan" means the preliminary or  
2 conceptual plan that generally identifies the proposed STAR  
3 bond project areas and identifies in a general manner the  
4 buildings, facilities, and improvements to be constructed or  
5 improved in each STAR bond project area.

6 "STAR bond project" means a project within a STAR bond  
7 district which is approved pursuant to Section 20.

8 "STAR bond project area" means the geographic area within a  
9 STAR bond district in which there may be one or more STAR bond  
10 projects.

11 "STAR bond project plan" means the written plan adopted by  
12 a political subdivision for the development of a STAR bond  
13 project in a STAR bond district; the plan may include, but is  
14 not limited to, (i) project costs incurred prior to the date of  
15 the STAR bond project plan and estimated future STAR bond  
16 project costs, (ii) proposed sources of funds to pay those  
17 costs, (iii) the nature and estimated term of any obligations  
18 to be issued by the political subdivision to pay those costs,  
19 (iv) the most recent equalized assessed valuation of the STAR  
20 bond project area, (v) an estimate of the equalized assessed  
21 valuation of the STAR bond district or applicable project area  
22 after completion of a STAR bond project, (vi) a general  
23 description of the types of any known or proposed developers,  
24 users, or tenants of the STAR bond project or projects included  
25 in the plan, (vii) a general description of the type,  
26 structure, and character of the property or facilities to be

1 developed or improved, (viii) a description of the general land  
2 uses to apply to the STAR bond project, and (ix) a general  
3 description or an estimate of the type, class, and number of  
4 employees to be employed in the operation of the STAR bond  
5 project.

6 "State sales tax" means all of the net revenue realized  
7 under the Retailers' Occupation Tax Act, the Use Tax Act, the  
8 Service Use Tax Act, and the Service Occupation Tax Act from  
9 transactions at places of business located within a STAR bond  
10 district, excluding that portion of the net revenue realized  
11 under the Retailers' Occupation Tax Act, the Use Tax Act, the  
12 Service Use Tax Act, and the Service Occupation Tax Act from  
13 transactions at places of business located within a STAR bond  
14 district that is deposited into the Local Government Tax Fund  
15 and the County and Mass Transit District Fund.

16 "State sales tax increment" means (i) 100% of that portion  
17 of the State sales tax that is in excess of the State sales tax  
18 for the same month in the base year, as determined by the  
19 Department of Revenue, from transactions at up to 2 destination  
20 users, one destination hotel, and one entertainment user  
21 located within a STAR bond district, which destination users,  
22 destination hotel, and entertainment user shall be designated  
23 by the master developer and approved by the political  
24 subdivision and the Director in conjunction with the applicable  
25 STAR bond project approval, and (ii) 25% of that portion of the  
26 State sales tax that is in excess of the State sales tax for

1 the same month in the base year, as determined by the  
2 Department of Revenue, from all other transactions within a  
3 STAR bond district. If any portion of State sales taxes are, at  
4 the time of formation of a STAR bond district, already subject  
5 to tax increment financing under the Tax Increment Allocation  
6 Redevelopment Act, then the State sales tax increment for such  
7 portion shall be frozen at the base year established in  
8 accordance with this Act, and all future incremental increases  
9 shall be included in the State sales tax increment under this  
10 Act. Any party otherwise entitled to receipt of incremental  
11 State sales tax revenues through an existing tax increment  
12 financing district shall be entitled to continue to receive  
13 such revenues up to the amount frozen in the base year. Nothing  
14 in this Act shall affect the prior qualification of existing  
15 redevelopment project costs incurred that are eligible for  
16 reimbursement under the Tax Increment Allocation Redevelopment  
17 Act. In such event, prior to approving a STAR bond district,  
18 the political subdivision forming the STAR bond district shall  
19 take such action as is necessary, including amending the  
20 existing tax increment financing district redevelopment plan,  
21 to carry out the provisions of this Act.

22 "Substantial change" means a change wherein the proposed  
23 STAR bond project plan differs substantially in size, scope, or  
24 use from the approved STAR bond district plan or STAR bond  
25 project plan.

26 "Taxpayer" means an individual, partnership, corporation,

1 limited liability company, trust, estate, or other entity that  
2 is subject to the Illinois Income Tax Act.

3 "Total development costs" means the aggregate public and  
4 private investment in a STAR bond district, including project  
5 costs and other direct and indirect costs related to the  
6 development of the STAR bond district.

7 "Traditional retail use" means the operation of a business  
8 that derives at least 90% of its annual gross revenue from  
9 sales at retail, as that phrase is defined by Section 1 of the  
10 Retailers' Occupation Tax Act, but does not include the  
11 operations of destination users, entertainment users,  
12 restaurants, hotels, retail uses within hotels, or any other  
13 non-retail uses.

14 "Vacant" means that portion of the land in a proposed STAR  
15 bond district that is not occupied by a building, facility, or  
16 other vertical improvement.

17 (Source: P.A. 101-10, eff. 6-5-19; 101-455, eff. 8-23-19;  
18 revised 9-25-19.)

19 (50 ILCS 470/31)

20 Sec. 31. STAR bond occupation taxes.

21 (a) If the corporate authorities of a political subdivision  
22 have established a STAR bond district and have elected to  
23 impose a tax by ordinance pursuant to subsection (b) or (c) of  
24 this Section, each year after the date of the adoption of the  
25 ordinance and until all STAR bond project costs and all

1 political subdivision obligations financing the STAR bond  
2 project costs, if any, have been paid in accordance with the  
3 STAR bond project plans, but in no event longer than the  
4 maximum maturity date of the last of the STAR bonds issued for  
5 projects in the STAR bond district, all amounts generated by  
6 the retailers' occupation tax and service occupation tax shall  
7 be collected and the tax shall be enforced by the Department of  
8 Revenue in the same manner as all retailers' occupation taxes  
9 and service occupation taxes imposed in the political  
10 subdivision imposing the tax. The corporate authorities of the  
11 political subdivision shall deposit the proceeds of the taxes  
12 imposed under subsections (b) and (c) into either (i) a special  
13 fund held by the corporate authorities of the political  
14 subdivision called the STAR Bonds Tax Allocation Fund for the  
15 purpose of paying STAR bond project costs and obligations  
16 incurred in the payment of those costs if such taxes are  
17 designated as pledged STAR revenues by resolution or ordinance  
18 of the political subdivision or (ii) the political  
19 subdivision's general corporate fund if such taxes are not  
20 designated as pledged STAR revenues by resolution or ordinance.

21 The tax imposed under this Section by a municipality may be  
22 imposed only on the portion of a STAR bond district that is  
23 within the boundaries of the municipality. For any part of a  
24 STAR bond district that lies outside of the boundaries of that  
25 municipality, the municipality in which the other part of the  
26 STAR bond district lies (or the county, in cases where a

1 portion of the STAR bond district lies in the unincorporated  
2 area of a county) is authorized to impose the tax under this  
3 Section on that part of the STAR bond district.

4 (b) The corporate authorities of a political subdivision  
5 that has established a STAR bond district under this Act may,  
6 by ordinance or resolution, impose a STAR Bond Retailers'  
7 Occupation Tax upon all persons engaged in the business of  
8 selling tangible personal property, other than an item of  
9 tangible personal property titled or registered with an agency  
10 of this State's government, at retail in the STAR bond district  
11 at a rate not to exceed 1% of the gross receipts from the sales  
12 made in the course of that business, to be imposed only in  
13 0.25% increments. The tax may not be imposed on tangible  
14 personal property taxed at the 1% rate under the Retailers'  
15 Occupation Tax Act. Beginning December 1, 2019 and through  
16 December 31, 2020, this tax is not imposed on sales of aviation  
17 fuel unless the tax revenue is expended for airport-related  
18 purposes. If the District does not have an airport-related  
19 purpose to which aviation fuel tax revenue is dedicated, then  
20 aviation fuel is excluded from the tax. The municipality must  
21 comply with the certification requirements for airport-related  
22 purposes under Section 2-22 of the Retailers' Occupation Tax  
23 Act ~~8-11-22 of the Illinois Municipal Code~~. For purposes of  
24 this Act, "airport-related purposes" has the meaning ascribed  
25 in Section 6z-20.2 of the State Finance Act. Beginning January  
26 1, 2021, this tax is not imposed on sales of aviation fuel ~~This~~



1 ~~exclusion for aviation fuel only applies~~ for so long as the  
2 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
3 47133 are binding on the District.

4 The tax imposed under this subsection and all civil  
5 penalties that may be assessed as an incident thereof shall be  
6 collected and enforced by the Department of Revenue. The  
7 certificate of registration that is issued by the Department to  
8 a retailer under the Retailers' Occupation Tax Act shall permit  
9 the retailer to engage in a business that is taxable under any  
10 ordinance or resolution enacted pursuant to this subsection  
11 without registering separately with the Department under such  
12 ordinance or resolution or under this subsection. The  
13 Department of Revenue shall have full power to administer and  
14 enforce this subsection, to collect all taxes and penalties due  
15 under this subsection in the manner hereinafter provided, and  
16 to determine all rights to credit memoranda arising on account  
17 of the erroneous payment of tax or penalty under this  
18 subsection. In the administration of, and compliance with, this  
19 subsection, the Department and persons who are subject to this  
20 subsection shall have the same rights, remedies, privileges,  
21 immunities, powers, and duties, and be subject to the same  
22 conditions, restrictions, limitations, penalties, exclusions,  
23 exemptions, and definitions of terms and employ the same modes  
24 of procedure, as are prescribed in Sections 1, 1a through 1o, 2  
25 through 2-65 (in respect to all provisions therein other than  
26 the State rate of tax), 2c through 2h, 3 (except as to the

1 disposition of taxes and penalties collected, and except that  
2 the retailer's discount is not allowed for taxes paid on  
3 aviation fuel that are subject to the revenue use requirements  
4 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~deposited into the~~  
5 ~~Local Government Aviation Trust Fund~~, 4, 5, 5a, 5b, 5c, 5d,  
6 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12,  
7 13, and 14 of the Retailers' Occupation Tax Act and all  
8 provisions of the Uniform Penalty and Interest Act, as fully as  
9 if those provisions were set forth herein.

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

12 (c) If a tax has been imposed under subsection (b), a STAR  
13 Bond Service Occupation Tax shall also be imposed upon all  
14 persons engaged, in the STAR bond district, in the business of  
15 making sales of service, who, as an incident to making those  
16 sales of service, transfer tangible personal property within  
17 the STAR bond district, either in the form of tangible personal  
18 property or in the form of real estate as an incident to a sale  
19 of service. The tax shall be imposed at the same rate as the  
20 tax imposed in subsection (b) and shall not exceed 1% of the  
21 selling price of tangible personal property so transferred  
22 within the STAR bond district, to be imposed only in 0.25%  
23 increments. The tax may not be imposed on tangible personal  
24 property taxed at the 1% rate under the Service Occupation Tax  
25 Act. Beginning December 1, 2019 and through December 31, 2020,  
26 this tax is not imposed on sales of aviation fuel unless the

1 tax revenue is expended for airport-related purposes. If the  
2 District does not have an airport-related purpose to which  
3 aviation fuel tax revenue is dedicated, then aviation fuel is  
4 excluded from the tax. The municipality must comply with the  
5 certification requirements for airport-related purposes under  
6 Section 2-22 of the Retailers' Occupation Tax Act ~~8-11-22 of~~  
7 ~~the Illinois Municipal Code~~. For purposes of this Act,  
8 "airport-related purposes" has the meaning ascribed in Section  
9 6z-20.2 of the State Finance Act. Beginning January 1, 2021,  
10 this tax is not imposed on sales of aviation fuel ~~This~~  
11 ~~exclusion for aviation fuel only applies~~ for so long as the  
12 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
13 47133 are binding on the District.

14 The tax imposed under this subsection and all civil  
15 penalties that may be assessed as an incident thereof shall be  
16 collected and enforced by the Department of Revenue. The  
17 certificate of registration that is issued by the Department to  
18 a retailer under the Retailers' Occupation Tax Act or under the  
19 Service Occupation Tax Act shall permit the registrant to  
20 engage in a business that is taxable under any ordinance or  
21 resolution enacted pursuant to this subsection without  
22 registering separately with the Department under that  
23 ordinance or resolution or under this subsection. The  
24 Department of Revenue shall have full power to administer and  
25 enforce this subsection, to collect all taxes and penalties due  
26 under this subsection, to dispose of taxes and penalties so

1 collected in the manner hereinafter provided, and to determine  
2 all rights to credit memoranda arising on account of the  
3 erroneous payment of tax or penalty under this subsection. In  
4 the administration of, and compliance with this subsection, the  
5 Department and persons who are subject to this subsection shall  
6 have the same rights, remedies, privileges, immunities,  
7 powers, and duties, and be subject to the same conditions,  
8 restrictions, limitations, penalties, exclusions, exemptions,  
9 and definitions of terms and employ the same modes of procedure  
10 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
11 (in respect to all provisions therein other than the State rate  
12 of tax), 4 (except that the reference to the State shall be to  
13 the STAR bond district), 5, 7, 8 (except that the jurisdiction  
14 to which the tax shall be a debt to the extent indicated in  
15 that Section 8 shall be the political subdivision), 9 (except  
16 as to the disposition of taxes and penalties collected, and  
17 except that the returned merchandise credit for this tax may  
18 not be taken against any State tax, and except that the  
19 retailer's discount is not allowed for taxes paid on aviation  
20 fuel that are subject to the revenue use requirements of 49  
21 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~deposited into the Local~~  
22 ~~Government Aviation Trust Fund~~), 10, 11, 12 (except the  
23 reference therein to Section 2b of the Retailers' Occupation  
24 Tax Act), 13 (except that any reference to the State shall mean  
25 the political subdivision), the first paragraph of Section 15,  
26 and Sections 16, 17, 18, 19 and 20 of the Service Occupation

1 Tax Act and all provisions of the Uniform Penalty and Interest  
2 Act, as fully as if those provisions were set forth herein.

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

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

12 Whenever the Department determines that a refund should be  
13 made under this Section to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the order to be drawn for the  
16 amount specified and to the person named in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the STAR Bond Retailers' Occupation Tax Fund  
19 or the Local Government Aviation Trust Fund, as appropriate.

20 Except as otherwise provided in this paragraph, the  
21 Department shall immediately pay over to the State Treasurer,  
22 ex officio, as trustee, all taxes, penalties, and interest  
23 collected under this Section for deposit into the STAR Bond  
24 Retailers' Occupation Tax Fund. Taxes and penalties collected  
25 on aviation fuel sold on or after December 1, 2019, shall be  
26 immediately paid over by the Department to the State Treasurer,

1 ex officio, as trustee, for deposit into the Local Government  
2 Aviation Trust Fund. The Department shall only pay moneys into  
3 the Local Government ~~State~~ Aviation Trust ~~Program~~ Fund under  
4 this Section ~~Act~~ for so long as the revenue use requirements of  
5 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
6 District. On or before the 25th day of each calendar month, the  
7 Department shall prepare and certify to the Comptroller the  
8 disbursement of stated sums of money to named political  
9 subdivisions from the STAR Bond Retailers' Occupation Tax Fund,  
10 the political subdivisions to be those from which retailers  
11 have paid taxes or penalties under this Section to the  
12 Department during the second preceding calendar month. The  
13 amount to be paid to each political subdivision shall be the  
14 amount (not including credit memoranda and not including taxes  
15 and penalties collected on aviation fuel sold on or after  
16 December 1, 2019) collected under this Section during the  
17 second preceding calendar month by the Department plus an  
18 amount the Department determines is necessary to offset any  
19 amounts that were erroneously paid to a different taxing body,  
20 and not including an amount equal to the amount of refunds made  
21 during the second preceding calendar month by the Department,  
22 less 3% of that amount, which shall be deposited into the Tax  
23 Compliance and Administration Fund and shall be used by the  
24 Department, subject to appropriation, to cover the costs of the  
25 Department in administering and enforcing the provisions of  
26 this Section, on behalf of such political subdivision, and not

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

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

1 are met, the Department shall proceed to administer and enforce  
2 this Section as of the first day of January next following the  
3 adoption and filing.

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



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

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

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

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

25 (e) When STAR bond project costs, including, without  
26 limitation, all political subdivision obligations financing

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

13 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19.)

14 Section 10-60. The Counties Code is amended by changing  
15 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, 5-1008.5, and  
16 5-1035.1 as follows:

17 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

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

1 this tax shall only be imposed in 1/4% increments. On and after  
2 September 1, 1991, this additional tax may not be imposed on  
3 tangible personal property taxed at the 1% rate under the  
4 Retailers' Occupation Tax Act. Beginning December 1, 2019, this  
5 tax is not imposed on sales of aviation fuel unless the tax  
6 revenue is expended for airport-related purposes. If the county  
7 does not have an airport-related purpose to which it dedicates  
8 aviation fuel tax revenue, then aviation fuel is excluded from  
9 the tax. The county must comply with the certification  
10 requirements for airport-related purposes under Section 2-22  
11 of the Retailers' Occupation Tax Act ~~5-1184~~. For purposes of  
12 this Section Act, "airport-related purposes" has the meaning  
13 ascribed in Section 6z-20.2 of the State Finance Act. This  
14 exclusion for aviation fuel only applies for so long as the  
15 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
16 47133 are binding on the county. The changes made to this  
17 Section by this amendatory Act of the 101st General Assembly  
18 are a denial and limitation of home rule powers and functions  
19 under subsection (g) of Section 6 of Article VII of the  
20 Illinois Constitution. The tax imposed by a home rule county  
21 pursuant to this Section and all civil penalties that may be  
22 assessed as an incident thereof shall be collected and enforced  
23 by the State Department of Revenue. The certificate of  
24 registration that is issued by the Department to a retailer  
25 under the Retailers' Occupation Tax Act shall permit the  
26 retailer to engage in a business that is taxable under any

1 ordinance or resolution enacted pursuant to this Section  
2 without registering separately with the Department under such  
3 ordinance or resolution or under this Section. The Department  
4 shall have full power to administer and enforce this Section;  
5 to collect all taxes and penalties due hereunder; to dispose of  
6 taxes and penalties so collected in the manner hereinafter  
7 provided; and to determine all rights to credit memoranda  
8 arising on account of the erroneous payment of tax or penalty  
9 hereunder. In the administration of, and compliance with, this  
10 Section, the Department and persons who are subject to this  
11 Section shall have the same rights, remedies, privileges,  
12 immunities, powers and duties, and be subject to the same  
13 conditions, restrictions, limitations, penalties and  
14 definitions of terms, and employ the same modes of procedure,  
15 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,  
16 1k, 1m, 1n, 2 through 2-65 (in respect to all provisions  
17 therein other than the State rate of tax), 3 (except as to the  
18 disposition of taxes and penalties collected, and except that  
19 the retailer's discount is not allowed for taxes paid on  
20 aviation fuel that are subject to the revenue use requirements  
21 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,  
22 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
23 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
24 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
25 as if those provisions were set forth herein.

26 No tax may be imposed by a home rule county pursuant to

1 this Section unless the county also imposes a tax at the same  
2 rate pursuant to Section 5-1007.

3 Persons subject to any tax imposed pursuant to the  
4 authority granted in this Section may reimburse themselves for  
5 their seller's tax liability hereunder by separately stating  
6 such tax as an additional charge, which charge may be stated in  
7 combination, in a single amount, with State tax which sellers  
8 are required to collect under the Use Tax Act, pursuant to such  
9 bracket schedules as the Department may prescribe.

10 Whenever the Department determines that a refund should be  
11 made under this Section to a claimant instead of issuing a  
12 credit memorandum, the Department shall notify the State  
13 Comptroller, who shall cause the order to be drawn for the  
14 amount specified and to the person named in the notification  
15 from the Department. The refund shall be paid by the State  
16 Treasurer out of the home rule county retailers' occupation tax  
17 fund or the Local Government Aviation Trust Fund, as  
18 appropriate.

19 Except as otherwise provided in this paragraph, the  
20 Department shall forthwith pay over to the State Treasurer, ex  
21 officio, as trustee, all taxes and penalties collected  
22 hereunder for deposit into the Home Rule County Retailers'  
23 Occupation Tax Fund. Taxes and penalties collected on aviation  
24 fuel sold on or after December 1, 2019, shall be immediately  
25 paid over by the Department to the State Treasurer, ex officio,  
26 as trustee, for deposit into the Local Government Aviation

1 Trust Fund. The Department shall only pay moneys into the Local  
2 Government Aviation Trust Fund under this Section ~~Act~~ for so  
3 long as the revenue use requirements of 49 U.S.C. 47107(b) and  
4 49 U.S.C. 47133 are binding on the county.

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

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on or before the 25th day of each calendar month, the  
15 Department shall prepare and certify to the Comptroller the  
16 disbursement of stated sums of money to named counties, the  
17 counties to be those from which retailers have paid taxes or  
18 penalties hereunder to the Department during the second  
19 preceding calendar month. The amount to be paid to each county  
20 shall be the amount (not including credit memoranda and not  
21 including taxes and penalties collected on aviation fuel sold  
22 on or after December 1, 2019) collected hereunder during the  
23 second preceding calendar month by the Department plus an  
24 amount the Department determines is necessary to offset any  
25 amounts that were erroneously paid to a different taxing body,  
26 and not including an amount equal to the amount of refunds made

1 during the second preceding calendar month by the Department on  
2 behalf of such county, and not including any amount which the  
3 Department determines is necessary to offset any amounts which  
4 were payable to a different taxing body but were erroneously  
5 paid to the county, and not including any amounts that are  
6 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
7 remainder, which the Department shall transfer into the Tax  
8 Compliance and Administration Fund. The Department, at the time  
9 of each monthly disbursement to the counties, shall prepare and  
10 certify to the State Comptroller the amount to be transferred  
11 into the Tax Compliance and Administration Fund under this  
12 Section. Within 10 days after receipt, by the Comptroller, of  
13 the disbursement certification to the counties and the Tax  
14 Compliance and Administration Fund provided for in this Section  
15 to be given to the Comptroller by the Department, the  
16 Comptroller shall cause the orders to be drawn for the  
17 respective amounts in accordance with the directions contained  
18 in the certification.

19 In addition to the disbursement required by the preceding  
20 paragraph, an allocation shall be made in March of each year to  
21 each county that received more than \$500,000 in disbursements  
22 under the preceding paragraph in the preceding calendar year.  
23 The allocation shall be in an amount equal to the average  
24 monthly distribution made to each such county under the  
25 preceding paragraph during the preceding calendar year  
26 (excluding the 2 months of highest receipts). The distribution

1 made in March of each year subsequent to the year in which an  
2 allocation was made pursuant to this paragraph and the  
3 preceding paragraph shall be reduced by the amount allocated  
4 and disbursed under this paragraph in the preceding calendar  
5 year. The Department shall prepare and certify to the  
6 Comptroller for disbursement the allocations made in  
7 accordance with this paragraph.

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

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

21 An ordinance or resolution imposing or discontinuing a tax  
22 hereunder or effecting a change in the rate thereof shall be  
23 adopted and a certified copy thereof filed with the Department  
24 on or before the first day of June, whereupon the Department  
25 shall proceed to administer and enforce this Section as of the  
26 first day of September next following such adoption and filing.



1 Beginning January 1, 1992, an ordinance or resolution imposing  
2 or discontinuing the tax hereunder or effecting a change in the  
3 rate thereof shall be adopted and a certified copy thereof  
4 filed with the Department on or before the first day of July,  
5 whereupon the Department shall proceed to administer and  
6 enforce this Section as of the first day of October next  
7 following such adoption and filing. Beginning January 1, 1993,  
8 an ordinance or resolution imposing or discontinuing the tax  
9 hereunder or effecting a change in the rate thereof shall be  
10 adopted and a certified copy thereof filed with the Department  
11 on or before the first day of October, whereupon the Department  
12 shall proceed to administer and enforce this Section as of the  
13 first day of January next following such adoption and filing.  
14 Beginning April 1, 1998, an ordinance or resolution imposing or  
15 discontinuing the tax hereunder or effecting a change in the  
16 rate thereof shall either (i) be adopted and a certified copy  
17 thereof filed with the Department on or before the first day of  
18 April, whereupon the Department shall proceed to administer and  
19 enforce this Section as of the first day of July next following  
20 the adoption and filing; or (ii) be adopted and a certified  
21 copy thereof filed with the Department on or before the first  
22 day of October, whereupon the Department shall proceed to  
23 administer and enforce this Section as of the first day of  
24 January next following the adoption and filing.

25 When certifying the amount of a monthly disbursement to a  
26 county under this Section, the Department shall increase or

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

5 This Section shall be known and may be cited as the Home  
6 Rule County Retailers' Occupation Tax Law.

7 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
8 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
9 7-12-19.)

10 (55 ILCS 5/5-1006.5)

11 Sec. 5-1006.5. Special County Retailers' Occupation Tax  
12 For Public Safety, Public Facilities, Mental Health, Substance  
13 Abuse, or Transportation.

14 (a) The county board of any county may impose a tax upon  
15 all persons engaged in the business of selling tangible  
16 personal property, other than personal property titled or  
17 registered with an agency of this State's government, at retail  
18 in the county on the gross receipts from the sales made in the  
19 course of business to provide revenue to be used exclusively  
20 for public safety, public facility, mental health, substance  
21 abuse, or transportation purposes in that county (except as  
22 otherwise provided in this Section), if a proposition for the  
23 tax has been submitted to the electors of that county and  
24 approved by a majority of those voting on the question. If  
25 imposed, this tax shall be imposed only in one-quarter percent

1 increments. By resolution, the county board may order the  
2 proposition to be submitted at any election. If the tax is  
3 imposed for transportation purposes for expenditures for  
4 public highways or as authorized under the Illinois Highway  
5 Code, the county board must publish notice of the existence of  
6 its long-range highway transportation plan as required or  
7 described in Section 5-301 of the Illinois Highway Code and  
8 must make the plan publicly available prior to approval of the  
9 ordinance or resolution imposing the tax. If the tax is imposed  
10 for transportation purposes for expenditures for passenger  
11 rail transportation, the county board must publish notice of  
12 the existence of its long-range passenger rail transportation  
13 plan and must make the plan publicly available prior to  
14 approval of the ordinance or resolution imposing the tax.

15 If a tax is imposed for public facilities purposes, then  
16 the name of the project may be included in the proposition at  
17 the discretion of the county board as determined in the  
18 enabling resolution. For example, the "XXX Nursing Home" or the  
19 "YYY Museum".

20 The county clerk shall certify the question to the proper  
21 election authority, who shall submit the proposition at an  
22 election in accordance with the general election law.

23 (1) The proposition for public safety purposes shall be  
24 in substantially the following form:

25 "To pay for public safety purposes, shall (name of  
26 county) be authorized to impose an increase on its share of

1 local sales taxes by (insert rate)?"

2 As additional information on the ballot below the  
3 question shall appear the following:

4 "This would mean that a consumer would pay an  
5 additional (insert amount) in sales tax for every \$100 of  
6 tangible personal property bought at retail."

7 The county board may also opt to establish a sunset  
8 provision at which time the additional sales tax would  
9 cease being collected, if not terminated earlier by a vote  
10 of the county board. If the county board votes to include a  
11 sunset provision, the proposition for public safety  
12 purposes shall be in substantially the following form:

13 "To pay for public safety purposes, shall (name of  
14 county) be authorized to impose an increase on its share of  
15 local sales taxes by (insert rate) for a period not to  
16 exceed (insert number of years)?"

17 As additional information on the ballot below the  
18 question shall appear the following:

19 "This would mean that a consumer would pay an  
20 additional (insert amount) in sales tax for every \$100 of  
21 tangible personal property bought at retail. If imposed,  
22 the additional tax would cease being collected at the end  
23 of (insert number of years), if not terminated earlier by a  
24 vote of the county board."

25 For the purposes of the paragraph, "public safety  
26 purposes" means crime prevention, detention, fire

1 fighting, police, medical, ambulance, or other emergency  
2 services.

3 Votes shall be recorded as "Yes" or "No".

4 Beginning on the January 1 or July 1, whichever is  
5 first, that occurs not less than 30 days after May 31, 2015  
6 (the effective date of Public Act 99-4), Adams County may  
7 impose a public safety retailers' occupation tax and  
8 service occupation tax at the rate of 0.25%, as provided in  
9 the referendum approved by the voters on April 7, 2015,  
10 notwithstanding the omission of the additional information  
11 that is otherwise required to be printed on the ballot  
12 below the question pursuant to this item (1).

13 (2) The proposition for transportation purposes shall  
14 be in substantially the following form:

15 "To pay for improvements to roads and other  
16 transportation purposes, shall (name of county) be  
17 authorized to impose an increase on its share of local  
18 sales taxes by (insert rate)?"

19 As additional information on the ballot below the  
20 question shall appear the following:

21 "This would mean that a consumer would pay an  
22 additional (insert amount) in sales tax for every \$100 of  
23 tangible personal property bought at retail."

24 The county board may also opt to establish a sunset  
25 provision at which time the additional sales tax would  
26 cease being collected, if not terminated earlier by a vote

1 of the county board. If the county board votes to include a  
2 sunset provision, the proposition for transportation  
3 purposes shall be in substantially the following form:

4 "To pay for road improvements and other transportation  
5 purposes, shall (name of county) be authorized to impose an  
6 increase on its share of local sales taxes by (insert rate)  
7 for a period not to exceed (insert number of years)?"

8 As additional information on the ballot below the  
9 question shall appear the following:

10 "This would mean that a consumer would pay an  
11 additional (insert amount) in sales tax for every \$100 of  
12 tangible personal property bought at retail. If imposed,  
13 the additional tax would cease being collected at the end  
14 of (insert number of years), if not terminated earlier by a  
15 vote of the county board."

16 For the purposes of this paragraph, transportation  
17 purposes means construction, maintenance, operation, and  
18 improvement of public highways, any other purpose for which  
19 a county may expend funds under the Illinois Highway Code,  
20 and passenger rail transportation.

21 The votes shall be recorded as "Yes" or "No".

22 (3) The proposition for public facilities purposes  
23 shall be in substantially the following form:

24 "To pay for public facilities purposes, shall (name of  
25 county) be authorized to impose an increase on its share of  
26 local sales taxes by (insert rate)?"

1           As additional information on the ballot below the  
2 question shall appear the following:

3           "This would mean that a consumer would pay an  
4 additional (insert amount) in sales tax for every \$100 of  
5 tangible personal property bought at retail."

6           The county board may also opt to establish a sunset  
7 provision at which time the additional sales tax would  
8 cease being collected, if not terminated earlier by a vote  
9 of the county board. If the county board votes to include a  
10 sunset provision, the proposition for public facilities  
11 purposes shall be in substantially the following form:

12           "To pay for public facilities purposes, shall (name of  
13 county) be authorized to impose an increase on its share of  
14 local sales taxes by (insert rate) for a period not to  
15 exceed (insert number of years)?"

16           As additional information on the ballot below the  
17 question shall appear the following:

18           "This would mean that a consumer would pay an  
19 additional (insert amount) in sales tax for every \$100 of  
20 tangible personal property bought at retail. If imposed,  
21 the additional tax would cease being collected at the end  
22 of (insert number of years), if not terminated earlier by a  
23 vote of the county board."

24           For purposes of this Section, "public facilities  
25 purposes" means the acquisition, development,  
26 construction, reconstruction, rehabilitation, improvement,

1 financing, architectural planning, and installation of  
2 capital facilities consisting of buildings, structures,  
3 and durable equipment and for the acquisition and  
4 improvement of real property and interest in real property  
5 required, or expected to be required, in connection with  
6 the public facilities, for use by the county for the  
7 furnishing of governmental services to its citizens,  
8 including, but not limited to, museums and nursing homes.

9 The votes shall be recorded as "Yes" or "No".

10 (4) The proposition for mental health purposes shall be  
11 in substantially the following form:

12 "To pay for mental health purposes, shall (name of  
13 county) be authorized to impose an increase on its share of  
14 local sales taxes by (insert rate)?"

15 As additional information on the ballot below the  
16 question shall appear the following:

17 "This would mean that a consumer would pay an  
18 additional (insert amount) in sales tax for every \$100 of  
19 tangible personal property bought at retail."

20 The county board may also opt to establish a sunset  
21 provision at which time the additional sales tax would  
22 cease being collected, if not terminated earlier by a vote  
23 of the county board. If the county board votes to include a  
24 sunset provision, the proposition for public facilities  
25 purposes shall be in substantially the following form:

26 "To pay for mental health purposes, shall (name of



1 county) be authorized to impose an increase on its share of  
2 local sales taxes by (insert rate) for a period not to  
3 exceed (insert number of years)?"

4 As additional information on the ballot below the  
5 question shall appear the following:

6 "This would mean that a consumer would pay an  
7 additional (insert amount) in sales tax for every \$100 of  
8 tangible personal property bought at retail. If imposed,  
9 the additional tax would cease being collected at the end  
10 of (insert number of years), if not terminated earlier by a  
11 vote of the county board."

12 The votes shall be recorded as "Yes" or "No".

13 (5) The proposition for substance abuse purposes shall  
14 be in substantially the following form:

15 "To pay for substance abuse purposes, shall (name of  
16 county) be authorized to impose an increase on its share of  
17 local sales taxes by (insert rate)?"

18 As additional information on the ballot below the  
19 question shall appear the following:

20 "This would mean that a consumer would pay an  
21 additional (insert amount) in sales tax for every \$100 of  
22 tangible personal property bought at retail."

23 The county board may also opt to establish a sunset  
24 provision at which time the additional sales tax would  
25 cease being collected, if not terminated earlier by a vote  
26 of the county board. If the county board votes to include a

1 sunset provision, the proposition for public facilities  
2 purposes shall be in substantially the following form:

3 "To pay for substance abuse purposes, shall (name of  
4 county) be authorized to impose an increase on its share of  
5 local sales taxes by (insert rate) for a period not to  
6 exceed (insert number of years)?"

7 As additional information on the ballot below the  
8 question shall appear the following:

9 "This would mean that a consumer would pay an  
10 additional (insert amount) in sales tax for every \$100 of  
11 tangible personal property bought at retail. If imposed,  
12 the additional tax would cease being collected at the end  
13 of (insert number of years), if not terminated earlier by a  
14 vote of the county board."

15 The votes shall be recorded as "Yes" or "No".

16 If a majority of the electors voting on the proposition  
17 vote in favor of it, the county may impose the tax. A county  
18 may not submit more than one proposition authorized by this  
19 Section to the electors at any one time.

20 This additional tax may not be imposed on tangible personal  
21 property taxed at the 1% rate under the Retailers' Occupation  
22 Tax Act. Beginning December 1, 2019 and through December 31,  
23 2020, this tax is not imposed on sales of aviation fuel unless  
24 the tax revenue is expended for airport-related purposes. If  
25 the county does not have an airport-related purpose to which it  
26 dedicates aviation fuel tax revenue, then aviation fuel is

1 excluded from the tax. The county must comply with the  
2 certification requirements for airport-related purposes under  
3 Section 2-22 of the Retailers' Occupation Tax Act 5-1184. For  
4 purposes of this Section Act, "airport-related purposes" has  
5 the meaning ascribed in Section 6z-20.2 of the State Finance  
6 Act. Beginning January 1, 2021, this tax is not imposed on  
7 sales of aviation fuel ~~This exclusion for aviation fuel only~~  
8 ~~applies~~ for so long as the revenue use requirements of 49  
9 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.  
10 The tax imposed by a county under this Section and all civil  
11 penalties that may be assessed as an incident of the tax shall  
12 be collected and enforced by the Illinois Department of Revenue  
13 and deposited into a special fund created for that purpose. The  
14 certificate of registration that is issued by the Department to  
15 a retailer under the Retailers' Occupation Tax Act shall permit  
16 the retailer to engage in a business that is taxable without  
17 registering separately with the Department under an ordinance  
18 or resolution under this Section. The Department has full power  
19 to administer and enforce this Section, to collect all taxes  
20 and penalties due under this Section, to dispose of taxes and  
21 penalties so collected in the manner provided in this Section,  
22 and to determine all rights to credit memoranda arising on  
23 account of the erroneous payment of a tax or penalty under this  
24 Section. In the administration of and compliance with this  
25 Section, the Department and persons who are subject to this  
26 Section shall (i) have the same rights, remedies, privileges,

1 immunities, powers, and duties, (ii) be subject to the same  
2 conditions, restrictions, limitations, penalties, and  
3 definitions of terms, and (iii) employ the same modes of  
4 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,  
5 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-70 (in respect to all  
6 provisions contained in those Sections other than the State  
7 rate of tax), 2a, 2b, 2c, 3 (except provisions relating to  
8 transaction returns and quarter monthly payments, and except  
9 that the retailer's discount is not allowed for taxes paid on  
10 aviation fuel that are deposited into the Local Government  
11 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
12 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13  
13 of the Retailers' Occupation Tax Act and Section 3-7 of the  
14 Uniform Penalty and Interest Act as if those provisions were  
15 set forth in this Section.

16 Persons subject to any tax imposed under the authority  
17 granted in this Section may reimburse themselves for their  
18 sellers' tax liability by separately stating the tax as an  
19 additional charge, which charge may be stated in combination,  
20 in a single amount, with State tax which sellers are required  
21 to collect under the Use Tax Act, pursuant to such bracketed  
22 schedules as the Department may prescribe.

23 Whenever the Department determines that a refund should be  
24 made under this Section to a claimant instead of issuing a  
25 credit memorandum, the Department shall notify the State  
26 Comptroller, who shall cause the order to be drawn for the

1 amount specified and to the person named in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the County Public Safety, Public Facilities,  
4 Mental Health, Substance Abuse, or Transportation Retailers'  
5 Occupation Tax Fund or the Local Government Aviation Trust  
6 Fund, as appropriate.

7 (b) If a tax has been imposed under subsection (a), a  
8 service occupation tax shall also be imposed at the same rate  
9 upon all persons engaged, in the county, in the business of  
10 making sales of service, who, as an incident to making those  
11 sales of service, transfer tangible personal property within  
12 the county as an incident to a sale of service. This tax may  
13 not be imposed on tangible personal property taxed at the 1%  
14 rate under the Service Occupation Tax Act. Beginning December  
15 1, 2019 and through December 31, 2020, this tax is not imposed  
16 on sales of aviation fuel unless the tax revenue is expended  
17 for airport-related purposes. If the county does not have an  
18 airport-related purpose to which it dedicates aviation fuel tax  
19 revenue, then aviation fuel is excluded from the tax. The  
20 county must comply with the certification requirements for  
21 airport-related purposes under Section 2-22 of the Retailers'  
22 Occupation Tax Act 5-1184. For purposes of this Section Act,  
23 "airport-related purposes" has the meaning ascribed in Section  
24 6z-20.2 of the State Finance Act. Beginning January 1, 2021,  
25 this tax is not imposed on sales of aviation fuel ~~This~~  
26 ~~exclusion for aviation fuel only applies~~ for so long as the

1 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
2 47133 are binding on the county. The tax imposed under this  
3 subsection and all civil penalties that may be assessed as an  
4 incident thereof shall be collected and enforced by the  
5 Department of Revenue. The Department has full power to  
6 administer and enforce this subsection; to collect all taxes  
7 and penalties due hereunder; to dispose of taxes and penalties  
8 so collected in the manner hereinafter provided; and to  
9 determine all rights to credit memoranda arising on account of  
10 the erroneous payment of tax or penalty hereunder. In the  
11 administration of, and compliance with this subsection, the  
12 Department and persons who are subject to this paragraph shall  
13 (i) have the same rights, remedies, privileges, immunities,  
14 powers, and duties, (ii) be subject to the same conditions,  
15 restrictions, limitations, penalties, exclusions, exemptions,  
16 and definitions of terms, and (iii) employ the same modes of  
17 procedure as are prescribed in Sections 2 (except that the  
18 reference to State in the definition of supplier maintaining a  
19 place of business in this State shall mean the county), 2a, 2b,  
20 2c, 3 through 3-50 (in respect to all provisions therein other  
21 than the State rate of tax), 4 (except that the reference to  
22 the State shall be to the county), 5, 7, 8 (except that the  
23 jurisdiction to which the tax shall be a debt to the extent  
24 indicated in that Section 8 shall be the county), 9 (except as  
25 to the disposition of taxes and penalties collected, and except  
26 that the retailer's discount is not allowed for taxes paid on

1 aviation fuel that are deposited into the Local Government  
2 Aviation Trust Fund), 10, 11, 12 (except the reference therein  
3 to Section 2b of the Retailers' Occupation Tax Act), 13 (except  
4 that any reference to the State shall mean the county), Section  
5 15, 16, 17, 18, 19, and 20 of the Service Occupation Tax Act,  
6 and Section 3-7 of the Uniform Penalty and Interest Act, as  
7 fully as if those provisions were set forth herein.

8 Persons subject to any tax imposed under the authority  
9 granted in this subsection may reimburse themselves for their  
10 serviceman's tax liability by separately stating the tax as an  
11 additional charge, which charge may be stated in combination,  
12 in a single amount, with State tax that servicemen are  
13 authorized to collect under the Service Use Tax Act, in  
14 accordance with such bracket schedules as the Department may  
15 prescribe.

16 Whenever the Department determines that a refund should be  
17 made under this subsection to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the warrant to be drawn for the  
20 amount specified, and to the person named, in the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of the County Public Safety, Public Facilities,  
23 Mental Health, Substance Abuse, or Transportation Retailers'  
24 Occupation Fund or the Local Government Aviation Trust Fund, as  
25 appropriate.

26 Nothing in this subsection shall be construed to authorize

1 the county to impose a tax upon the privilege of engaging in  
2 any business which under the Constitution of the United States  
3 may not be made the subject of taxation by the State.

4 (c) Except as otherwise provided in this paragraph, the  
5 Department shall immediately pay over to the State Treasurer,  
6 ex officio, as trustee, all taxes and penalties collected under  
7 this Section to be deposited into the County Public Safety,  
8 Public Facilities, Mental Health, Substance Abuse, or  
9 Transportation Retailers' Occupation Tax Fund, which shall be  
10 an unappropriated trust fund held outside of the State  
11 treasury. Taxes and penalties collected on aviation fuel sold  
12 on or after December 1, 2019 and through December 31, 2020,  
13 shall be immediately paid over by the Department to the State  
14 Treasurer, ex officio, as trustee, for deposit into the Local  
15 Government Aviation Trust Fund. The Department shall only pay  
16 moneys into the Local Government Aviation Trust Fund under this  
17 Act for so long as the revenue use requirements of 49 U.S.C.  
18 47107(b) and 49 U.S.C. 47133 are binding on the county.

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



1           After the monthly transfer to the STAR Bonds Revenue Fund,  
2 on or before the 25th day of each calendar month, the  
3 Department shall prepare and certify to the Comptroller the  
4 disbursement of stated sums of money to the counties from which  
5 retailers have paid taxes or penalties to the Department during  
6 the second preceding calendar month. The amount to be paid to  
7 each county, and deposited by the county into its special fund  
8 created for the purposes of this Section, shall be the amount  
9 (not including credit memoranda and not including taxes and  
10 penalties collected on aviation fuel sold on or after December  
11 1, 2019 and through December 31, 2020) collected under this  
12 Section during the second preceding calendar month by the  
13 Department plus an amount the Department determines is  
14 necessary to offset any amounts that were erroneously paid to a  
15 different taxing body, and not including (i) an amount equal to  
16 the amount of refunds made during the second preceding calendar  
17 month by the Department on behalf of the county, (ii) any  
18 amount that the Department determines is necessary to offset  
19 any amounts that were payable to a different taxing body but  
20 were erroneously paid to the county, (iii) any amounts that are  
21 transferred to the STAR Bonds Revenue Fund, and (iv) 1.5% of  
22 the remainder, which shall be transferred into the Tax  
23 Compliance and Administration Fund. The Department, at the time  
24 of each monthly disbursement to the counties, shall prepare and  
25 certify to the State Comptroller the amount to be transferred  
26 into the Tax Compliance and Administration Fund under this

1 subsection. Within 10 days after receipt by the Comptroller of  
2 the disbursement certification to the counties and the Tax  
3 Compliance and Administration Fund provided for in this Section  
4 to be given to the Comptroller by the Department, the  
5 Comptroller shall cause the orders to be drawn for the  
6 respective amounts in accordance with directions contained in  
7 the certification.

8 In addition to the disbursement required by the preceding  
9 paragraph, an allocation shall be made in March of each year to  
10 each county that received more than \$500,000 in disbursements  
11 under the preceding paragraph in the preceding calendar year.  
12 The allocation shall be in an amount equal to the average  
13 monthly distribution made to each such county under the  
14 preceding paragraph during the preceding calendar year  
15 (excluding the 2 months of highest receipts). The distribution  
16 made in March of each year subsequent to the year in which an  
17 allocation was made pursuant to this paragraph and the  
18 preceding paragraph shall be reduced by the amount allocated  
19 and disbursed under this paragraph in the preceding calendar  
20 year. The Department shall prepare and certify to the  
21 Comptroller for disbursement the allocations made in  
22 accordance with this paragraph.

23 (d) For the purpose of determining the local governmental  
24 unit whose tax is applicable, a retail sale by a producer of  
25 coal or another mineral mined in Illinois is a sale at retail  
26 at the place where the coal or other mineral mined in Illinois

1 is extracted from the earth. This paragraph does not apply to  
2 coal or another mineral when it is delivered or shipped by the  
3 seller to the purchaser at a point outside Illinois so that the  
4 sale is exempt under the United States Constitution as a sale  
5 in interstate or foreign commerce.

6 (e) Nothing in this Section shall be construed to authorize  
7 a county to impose a tax upon the privilege of engaging in any  
8 business that under the Constitution of the United States may  
9 not be made the subject of taxation by this State.

10 (e-5) If a county imposes a tax under this Section, the  
11 county board may, by ordinance, discontinue or lower the rate  
12 of the tax. If the county board lowers the tax rate or  
13 discontinues the tax, a referendum must be held in accordance  
14 with subsection (a) of this Section in order to increase the  
15 rate of the tax or to reimpose the discontinued tax.

16 (f) Beginning April 1, 1998 and through December 31, 2013,  
17 the results of any election authorizing a proposition to impose  
18 a tax under this Section or effecting a change in the rate of  
19 tax, or any ordinance lowering the rate or discontinuing the  
20 tax, shall be certified by the county clerk and filed with the  
21 Illinois Department of Revenue either (i) on or before the  
22 first day of April, whereupon the Department shall proceed to  
23 administer and enforce the tax as of the first day of July next  
24 following the filing; or (ii) on or before the first day of  
25 October, whereupon the Department shall proceed to administer  
26 and enforce the tax as of the first day of January next

1 following the filing.

2 Beginning January 1, 2014, the results of any election  
3 authorizing a proposition to impose a tax under this Section or  
4 effecting an increase in the rate of tax, along with the  
5 ordinance adopted to impose the tax or increase the rate of the  
6 tax, or any ordinance adopted to lower the rate or discontinue  
7 the tax, shall be certified by the county clerk and filed with  
8 the Illinois Department of Revenue either (i) on or before the  
9 first day of May, whereupon the Department shall proceed to  
10 administer and enforce the tax as of the first day of July next  
11 following the adoption and filing; or (ii) on or before the  
12 first day of October, whereupon the Department shall proceed to  
13 administer and enforce the tax as of the first day of January  
14 next following the adoption and filing.

15 (g) When certifying the amount of a monthly disbursement to  
16 a county under this Section, the Department shall increase or  
17 decrease the amounts by an amount necessary to offset any  
18 miscalculation of previous disbursements. The offset amount  
19 shall be the amount erroneously disbursed within the previous 6  
20 months from the time a miscalculation is discovered.

21 (h) This Section may be cited as the "Special County  
22 Occupation Tax For Public Safety, Public Facilities, Mental  
23 Health, Substance Abuse, or Transportation Law".

24 (i) For purposes of this Section, "public safety" includes,  
25 but is not limited to, crime prevention, detention, fire  
26 fighting, police, medical, ambulance, or other emergency

1 services. The county may share tax proceeds received under this  
2 Section for public safety purposes, including proceeds  
3 received before August 4, 2009 (the effective date of Public  
4 Act 96-124), with any fire protection district located in the  
5 county. For the purposes of this Section, "transportation"  
6 includes, but is not limited to, the construction, maintenance,  
7 operation, and improvement of public highways, any other  
8 purpose for which a county may expend funds under the Illinois  
9 Highway Code, and passenger rail transportation. For the  
10 purposes of this Section, "public facilities purposes"  
11 includes, but is not limited to, the acquisition, development,  
12 construction, reconstruction, rehabilitation, improvement,  
13 financing, architectural planning, and installation of capital  
14 facilities consisting of buildings, structures, and durable  
15 equipment and for the acquisition and improvement of real  
16 property and interest in real property required, or expected to  
17 be required, in connection with the public facilities, for use  
18 by the county for the furnishing of governmental services to  
19 its citizens, including, but not limited to, museums and  
20 nursing homes.

21 (j) The Department may promulgate rules to implement Public  
22 Act 95-1002 only to the extent necessary to apply the existing  
23 rules for the Special County Retailers' Occupation Tax for  
24 Public Safety to this new purpose for public facilities.

25 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
26 100-1167, eff. 1-4-19; 100-1171, eff. 1-4-19; 101-10, eff.

1 6-5-19; 101-81, eff. 7-12-19; 101-275, eff. 8-9-19; revised  
2 9-10-19.)

3 (55 ILCS 5/5-1006.7)

4 Sec. 5-1006.7. School facility and resources occupation  
5 taxes.

6 (a) In any county, a tax shall be imposed upon all persons  
7 engaged in the business of selling tangible personal property,  
8 other than personal property titled or registered with an  
9 agency of this State's government, at retail in the county on  
10 the gross receipts from the sales made in the course of  
11 business to provide revenue to be used exclusively ~~(i)~~ for (i)  
12 school facility purposes (except as otherwise provided in this  
13 Section), (ii) school resource officers and mental health  
14 professionals, or (iii) school facility purposes, school  
15 resource officers, and mental health professionals if a  
16 proposition for the tax has been submitted to the electors of  
17 that county and approved by a majority of those voting on the  
18 question as provided in subsection (c). The tax under this  
19 Section shall be imposed only in one-quarter percent increments  
20 and may not exceed 1%.

21 This additional tax may not be imposed on tangible personal  
22 property taxed at the 1% rate under the Retailers' Occupation  
23 Tax Act. Beginning December 1, 2019 and through December 31,  
24 2020, this tax is not imposed on sales of aviation fuel unless  
25 the tax revenue is expended for airport-related purposes. If

1 the county does not have an airport-related purpose to which it  
2 dedicates aviation fuel tax revenue, then aviation fuel is  
3 excluded from the tax. The county must comply with the  
4 certification requirements for airport-related purposes under  
5 Section 2-22 of the Retailers' Occupation Tax Act 5-1184. For  
6 purposes of this Section Act, "airport-related purposes" has  
7 the meaning ascribed in Section 6z-20.2 of the State Finance  
8 Act. Beginning January 1, 2021, this tax is not imposed on  
9 sales of aviation fuel ~~This exclusion for aviation fuel only~~  
10 ~~applies~~ for so long as the revenue use requirements of 49  
11 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.  
12 The Department of Revenue has full power to administer and  
13 enforce this subsection, to collect all taxes and penalties due  
14 under this subsection, to dispose of taxes and penalties so  
15 collected in the manner provided in this subsection, and to  
16 determine all rights to credit memoranda arising on account of  
17 the erroneous payment of a tax or penalty under this  
18 subsection. The Department shall deposit all taxes and  
19 penalties collected under this subsection into a special fund  
20 created for that purpose.

21 In the administration of and compliance with this  
22 subsection, the Department and persons who are subject to this  
23 subsection (i) have the same rights, remedies, privileges,  
24 immunities, powers, and duties, (ii) are subject to the same  
25 conditions, restrictions, limitations, penalties, and  
26 definitions of terms, and (iii) shall employ the same modes of

1 procedure as are set forth in Sections 1 through 1o, 2 through  
2 2-70 (in respect to all provisions contained in those Sections  
3 other than the State rate of tax), 2a through 2h, 3 (except as  
4 to the disposition of taxes and penalties collected, and except  
5 that the retailer's discount is not allowed for taxes paid on  
6 aviation fuel that are subject to the revenue use requirements  
7 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~that are deposited~~  
8 ~~into the Local Government Aviation Trust Fund~~), 4, 5, 5a, 5b,  
9 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,  
10 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
11 and all provisions of the Uniform Penalty and Interest Act as  
12 if those provisions were set forth in this subsection.

13 The certificate of registration that is issued by the  
14 Department to a retailer under the Retailers' Occupation Tax  
15 Act permits the retailer to engage in a business that is  
16 taxable without registering separately with the Department  
17 under an ordinance or resolution under this subsection.

18 Persons subject to any tax imposed under the authority  
19 granted in this subsection may reimburse themselves for their  
20 seller's tax liability by separately stating that tax as an  
21 additional charge, which may be stated in combination, in a  
22 single amount, with State tax that sellers are required to  
23 collect under the Use Tax Act, pursuant to any bracketed  
24 schedules set forth by the Department.

25 (b) If a tax has been imposed under subsection (a), then a  
26 service occupation tax must also be imposed at the same rate



1 upon all persons engaged, in the county, in the business of  
2 making sales of service, who, as an incident to making those  
3 sales of service, transfer tangible personal property within  
4 the county as an incident to a sale of service.

5 This tax may not be imposed on tangible personal property  
6 taxed at the 1% rate under the Service Occupation Tax Act.  
7 Beginning December 1, 2019 and through December 31, 2020, this  
8 tax is not imposed on sales of aviation fuel unless the tax  
9 revenue is expended for airport-related purposes. If the county  
10 does not have an airport-related purpose to which it dedicates  
11 aviation fuel tax revenue, then aviation fuel is excluded from  
12 the tax. The county must comply with the certification  
13 requirements for airport-related purposes under Section 2-22  
14 of the Retailers' Occupation Tax Act 5-1184. For purposes of  
15 this Section Act, "airport-related purposes" has the meaning  
16 ascribed in Section 6z-20.2 of the State Finance Act. Beginning  
17 January 1, 2021, this tax is not imposed on sales of aviation  
18 fuel ~~This exclusion for aviation fuel only applies~~ for so long  
19 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
20 U.S.C. 47133 are binding on the county.

21 The tax imposed under this subsection and all civil  
22 penalties that may be assessed as an incident thereof shall be  
23 collected and enforced by the Department and deposited into a  
24 special fund created for that purpose. The Department has full  
25 power to administer and enforce this subsection, to collect all  
26 taxes and penalties due under this subsection, to dispose of

1 taxes and penalties so collected in the manner provided in this  
2 subsection, and to determine all rights to credit memoranda  
3 arising on account of the erroneous payment of a tax or penalty  
4 under this subsection.

5 In the administration of and compliance with this  
6 subsection, the Department and persons who are subject to this  
7 subsection shall (i) have the same rights, remedies,  
8 privileges, immunities, powers and duties, (ii) be subject to  
9 the same conditions, restrictions, limitations, penalties and  
10 definition of terms, and (iii) employ the same modes of  
11 procedure as are set forth in Sections 2 (except that that  
12 reference to State in the definition of supplier maintaining a  
13 place of business in this State means the county), 2a through  
14 2d, 3 through 3-50 (in respect to all provisions contained in  
15 those Sections other than the State rate of tax), 4 (except  
16 that the reference to the State shall be to the county), 5, 7,  
17 8 (except that the jurisdiction to which the tax is a debt to  
18 the extent indicated in that Section 8 is the county), 9  
19 (except as to the disposition of taxes and penalties collected,  
20 and except that the retailer's discount is not allowed for  
21 taxes paid on aviation fuel that are subject to the revenue use  
22 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~that are~~  
23 ~~deposited into the Local Government Aviation Trust Fund~~), 10,  
24 11, 12 (except the reference therein to Section 2b of the  
25 Retailers' Occupation Tax Act), 13 (except that any reference  
26 to the State means the county), Section 15, 16, 17, 18, 19, and

1 20 of the Service Occupation Tax Act and all provisions of the  
2 Uniform Penalty and Interest Act, as fully as if those  
3 provisions were set forth herein.

4 Persons subject to any tax imposed under the authority  
5 granted in this subsection may reimburse themselves for their  
6 serviceman's tax liability by separately stating the tax as an  
7 additional charge, which may be stated in combination, in a  
8 single amount, with State tax that servicemen are authorized to  
9 collect under the Service Use Tax Act, pursuant to any  
10 bracketed schedules set forth by the Department.

11 (c) The tax under this Section may not be imposed until the  
12 question of imposing the tax has been submitted to the electors  
13 of the county at a regular election and approved by a majority  
14 of the electors voting on the question. For all regular  
15 elections held prior to August 23, 2011 (the effective date of  
16 Public Act 97-542), upon a resolution by the county board or a  
17 resolution by school district boards that represent at least  
18 51% of the student enrollment within the county, the county  
19 board must certify the question to the proper election  
20 authority in accordance with the Election Code.

21 For all regular elections held prior to August 23, 2011  
22 (the effective date of Public Act 97-542), the election  
23 authority must submit the question in substantially the  
24 following form:

25 Shall (name of county) be authorized to impose a  
26 retailers' occupation tax and a service occupation tax

1 (commonly referred to as a "sales tax") at a rate of  
2 (insert rate) to be used exclusively for school facility  
3 purposes?

4 The election authority must record the votes as "Yes" or  
5 "No".

6 If a majority of the electors voting on the question vote  
7 in the affirmative, then the county may, thereafter, impose the  
8 tax.

9 For all regular elections held on or after August 23, 2011  
10 (the effective date of Public Act 97-542), the regional  
11 superintendent of schools for the county must, upon receipt of  
12 a resolution or resolutions of school district boards that  
13 represent more than 50% of the student enrollment within the  
14 county, certify the question to the proper election authority  
15 for submission to the electors of the county at the next  
16 regular election at which the question lawfully may be  
17 submitted to the electors, all in accordance with the Election  
18 Code.

19 For all regular elections held on or after August 23, 2011  
20 (the effective date of Public Act 97-542) and before August 23,  
21 2019 (the effective date of Public Act 101-455) ~~this amendatory~~  
22 ~~Act of the 101st General Assembly~~, the election authority must  
23 submit the question in substantially the following form:

24 Shall a retailers' occupation tax and a service  
25 occupation tax (commonly referred to as a "sales tax") be  
26 imposed in (name of county) at a rate of (insert rate) to

1 be used exclusively for school facility purposes?

2 The election authority must record the votes as "Yes" or  
3 "No".

4 If a majority of the electors voting on the question vote  
5 in the affirmative, then the tax shall be imposed at the rate  
6 set forth in the question.

7 For all regular elections held on or after August 23, 2019  
8 (the effective date of Public Act 101-455) ~~this amendatory Act~~  
9 ~~of the 101st General Assembly~~, the election authority must  
10 submit the question as follows:

11 (1) If the referendum is to expand the use of revenues  
12 from a currently imposed tax exclusively for school  
13 facility purposes to include school resource officers and  
14 mental health professionals, the question shall be in  
15 substantially the following form:

16 In addition to school facility purposes, shall  
17 (name of county) school districts be authorized to use  
18 revenues from the tax commonly referred to as the  
19 school facility sales tax that is currently imposed in  
20 (name of county) at a rate of (insert rate) for school  
21 resource officers and mental health professionals?

22 (2) If the referendum is to increase the rate of a tax  
23 currently imposed exclusively for school facility purposes  
24 at less than 1% and dedicate the additional revenues for  
25 school resource officers and mental health professionals,  
26 the question shall be in substantially the following form:

1            Shall the tax commonly referred to as the school  
2            facility sales tax that is currently imposed in (name  
3            of county) at the rate of (insert rate) be increased to  
4            a rate of (insert rate) with the additional revenues  
5            used exclusively for school resource officers and  
6            mental health professionals?

7            (3) If the referendum is to impose a tax in a county  
8            that has not previously imposed a tax under this Section  
9            exclusively for school facility purposes, the question  
10           shall be in substantially the following form:

11                  Shall a retailers' occupation tax and a service  
12                  occupation tax (commonly referred to as a sales tax) be  
13                  imposed in (name of county) at a rate of (insert rate)  
14                  to be used exclusively for school facility purposes?

15            (4) If the referendum is to impose a tax in a county  
16            that has not previously imposed a tax under this Section  
17            exclusively for school resource officers and mental health  
18            professionals, the question shall be in substantially the  
19            following form:

20                  Shall a retailers' occupation tax and a service  
21                  occupation tax (commonly referred to as a sales tax) be  
22                  imposed in (name of county) at a rate of (insert rate)  
23                  to be used exclusively for school resource officers and  
24                  mental health professionals?

25            (5) If the referendum is to impose a tax in a county  
26            that has not previously imposed a tax under this Section

1 exclusively for school facility purposes, school resource  
2 officers, and mental health professionals, the question  
3 shall be in substantially the following form:

4 Shall a retailers' occupation tax and a service  
5 occupation tax (commonly referred to as a sales tax) be  
6 imposed in (name of county) at a rate of (insert rate)  
7 to be used exclusively for school facility purposes,  
8 school resource officers, and mental health  
9 professionals?

10 The election authority must record the votes as "Yes" or  
11 "No".

12 If a majority of the electors voting on the question vote  
13 in the affirmative, then the tax shall be imposed at the rate  
14 set forth in the question.

15 For the purposes of this subsection (c), "enrollment" means  
16 the head count of the students residing in the county on the  
17 last school day of September of each year, which must be  
18 reported on the Illinois State Board of Education Public School  
19 Fall Enrollment/Housing Report.

20 (d) Except as otherwise provided, the Department shall  
21 immediately pay over to the State Treasurer, ex officio, as  
22 trustee, all taxes and penalties collected under this Section  
23 to be deposited into the School Facility Occupation Tax Fund,  
24 which shall be an unappropriated trust fund held outside the  
25 State treasury. Taxes and penalties collected on aviation fuel  
26 sold on or after December 1, 2019 and through December 31,

1 2020, shall be immediately paid over by the Department to the  
2 State Treasurer, ex officio, as trustee, for deposit into the  
3 Local Government Aviation Trust Fund. The Department shall only  
4 pay moneys into the Local Government Aviation Trust Fund under  
5 this Section ~~Act~~ for so long as the revenue use requirements of  
6 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
7 county.

8 On or before the 25th day of each calendar month, the  
9 Department shall prepare and certify to the Comptroller the  
10 disbursement of stated sums of money to the regional  
11 superintendents of schools in counties from which retailers or  
12 servicemen have paid taxes or penalties to the Department  
13 during the second preceding calendar month. The amount to be  
14 paid to each regional superintendent of schools and disbursed  
15 to him or her in accordance with Section 3-14.31 of the School  
16 Code, is equal to the amount (not including credit memoranda  
17 and not including taxes and penalties collected on aviation  
18 fuel sold on or after December 1, 2019 and through December 31,  
19 2020) collected from the county under this Section during the  
20 second preceding calendar month by the Department, (i) less 2%  
21 of that amount (except the amount collected on aviation fuel  
22 sold on or after December 1, 2019 and through December 31,  
23 2020), which shall be deposited into the Tax Compliance and  
24 Administration Fund and shall be used by the Department,  
25 subject to appropriation, to cover the costs of the Department  
26 in administering and enforcing the provisions of this Section,



1 on behalf of the county, (ii) plus an amount that the  
2 Department determines is necessary to offset any amounts that  
3 were erroneously paid to a different taxing body; (iii) less an  
4 amount equal to the amount of refunds made during the second  
5 preceding calendar month by the Department on behalf of the  
6 county; and (iv) less any amount that the Department determines  
7 is necessary to offset any amounts that were payable to a  
8 different taxing body but were erroneously paid to the county.  
9 When certifying the amount of a monthly disbursement to a  
10 regional superintendent of schools under this Section, the  
11 Department shall increase or decrease the amounts by an amount  
12 necessary to offset any miscalculation of previous  
13 disbursements within the previous 6 months from the time a  
14 miscalculation is discovered.

15 Within 10 days after receipt by the Comptroller from the  
16 Department of the disbursement certification to the regional  
17 superintendents of the schools provided for in this Section,  
18 the Comptroller shall cause the orders to be drawn for the  
19 respective amounts in accordance with directions contained in  
20 the certification.

21 If the Department determines that a refund should be made  
22 under this Section to a claimant instead of issuing a credit  
23 memorandum, then the Department shall notify the Comptroller,  
24 who shall cause the order to be drawn for the amount specified  
25 and to the person named in the notification from the  
26 Department. The refund shall be paid by the Treasurer out of

1 the School Facility Occupation Tax Fund or the Local Government  
2 Aviation Trust Fund, as appropriate.

3 (e) For the purposes of determining the local governmental  
4 unit whose tax is applicable, a retail sale by a producer of  
5 coal or another mineral mined in Illinois is a sale at retail  
6 at the place where the coal or other mineral mined in Illinois  
7 is extracted from the earth. This subsection does not apply to  
8 coal or another mineral when it is delivered or shipped by the  
9 seller to the purchaser at a point outside Illinois so that the  
10 sale is exempt under the United States Constitution as a sale  
11 in interstate or foreign commerce.

12 (f) Nothing in this Section may be construed to authorize a  
13 tax to be imposed upon the privilege of engaging in any  
14 business that under the Constitution of the United States may  
15 not be made the subject of taxation by this State.

16 (g) If a county board imposes a tax under this Section  
17 pursuant to a referendum held before August 23, 2011 (the  
18 effective date of Public Act 97-542) at a rate below the rate  
19 set forth in the question approved by a majority of electors of  
20 that county voting on the question as provided in subsection  
21 (c), then the county board may, by ordinance, increase the rate  
22 of the tax up to the rate set forth in the question approved by  
23 a majority of electors of that county voting on the question as  
24 provided in subsection (c). If a county board imposes a tax  
25 under this Section pursuant to a referendum held before August  
26 23, 2011 (the effective date of Public Act 97-542), then the

1 board may, by ordinance, discontinue or reduce the rate of the  
2 tax. If a tax is imposed under this Section pursuant to a  
3 referendum held on or after August 23, 2011 (the effective date  
4 of Public Act 97-542) and before August 23, 2019 (the effective  
5 date of Public Act 101-455) ~~this amendatory Act of the 101st  
6 General Assembly~~, then the county board may reduce or  
7 discontinue the tax, but only in accordance with subsection  
8 (h-5) of this Section. If a tax is imposed under this Section  
9 pursuant to a referendum held on or after August 23, 2019 (the  
10 effective date of Public Act 101-455) ~~this amendatory Act of  
11 the 101st General Assembly~~, then the county board may reduce or  
12 discontinue the tax, but only in accordance with subsection  
13 (h-10). If, however, a school board issues bonds that are  
14 secured by the proceeds of the tax under this Section, then the  
15 county board may not reduce the tax rate or discontinue the tax  
16 if that rate reduction or discontinuance would adversely affect  
17 the school board's ability to pay the principal and interest on  
18 those bonds as they become due or necessitate the extension of  
19 additional property taxes to pay the principal and interest on  
20 those bonds. If the county board reduces the tax rate or  
21 discontinues the tax, then a referendum must be held in  
22 accordance with subsection (c) of this Section in order to  
23 increase the rate of the tax or to reimpose the discontinued  
24 tax.

25       Until January 1, 2014, the results of any election that  
26 imposes, reduces, or discontinues a tax under this Section must

1 be certified by the election authority, and any ordinance that  
2 increases or lowers the rate or discontinues the tax must be  
3 certified by the county clerk and, in each case, filed with the  
4 Illinois Department of Revenue either (i) on or before the  
5 first day of April, whereupon the Department shall proceed to  
6 administer and enforce the tax or change in the rate as of the  
7 first day of July next following the filing; or (ii) on or  
8 before the first day of October, whereupon the Department shall  
9 proceed to administer and enforce the tax or change in the rate  
10 as of the first day of January next following the filing.

11 Beginning January 1, 2014, the results of any election that  
12 imposes, reduces, or discontinues a tax under this Section must  
13 be certified by the election authority, and any ordinance that  
14 increases or lowers the rate or discontinues the tax must be  
15 certified by the county clerk and, in each case, filed with the  
16 Illinois Department of Revenue either (i) on or before the  
17 first day of May, whereupon the Department shall proceed to  
18 administer and enforce the tax or change in the rate as of the  
19 first day of July next following the filing; or (ii) on or  
20 before the first day of October, whereupon the Department shall  
21 proceed to administer and enforce the tax or change in the rate  
22 as of the first day of January next following the filing.

23 (h) For purposes of this Section, "school facility  
24 purposes" means (i) the acquisition, development,  
25 construction, reconstruction, rehabilitation, improvement,  
26 financing, architectural planning, and installation of capital

1 facilities consisting of buildings, structures, and durable  
2 equipment and for the acquisition and improvement of real  
3 property and interest in real property required, or expected to  
4 be required, in connection with the capital facilities and (ii)  
5 the payment of bonds or other obligations heretofore or  
6 hereafter issued, including bonds or other obligations  
7 heretofore or hereafter issued to refund or to continue to  
8 refund bonds or other obligations issued, for school facility  
9 purposes, provided that the taxes levied to pay those bonds are  
10 abated by the amount of the taxes imposed under this Section  
11 that are used to pay those bonds. "School facility  
12 ~~School-facility~~ purposes" also includes fire prevention,  
13 safety, energy conservation, accessibility, school security,  
14 and specified repair purposes set forth under Section 17-2.11  
15 of the School Code.

16 (h-5) A county board in a county where a tax has been  
17 imposed under this Section pursuant to a referendum held on or  
18 after August 23, 2011 (the effective date of Public Act 97-542)  
19 and before August 23, 2019 (the effective date of Public Act  
20 101-455) ~~this amendatory Act of the 101st General Assembly~~ may,  
21 by ordinance or resolution, submit to the voters of the county  
22 the question of reducing or discontinuing the tax. In the  
23 ordinance or resolution, the county board shall certify the  
24 question to the proper election authority in accordance with  
25 the Election Code. The election authority must submit the  
26 question in substantially the following form:

1            Shall the school facility retailers' occupation tax  
2            and service occupation tax (commonly referred to as the  
3            "school facility sales tax") currently imposed in (name of  
4            county) at a rate of (insert rate) be (reduced to (insert  
5            rate)) (discontinued)?

6            If a majority of the electors voting on the question vote in  
7            the affirmative, then, subject to the provisions of subsection  
8            (g) of this Section, the tax shall be reduced or discontinued  
9            as set forth in the question.

10           (h-10) A county board in a county where a tax has been  
11           imposed under this Section pursuant to a referendum held on or  
12           after August 23, 2019 (the effective date of Public Act  
13           101-455) ~~this amendatory Act of the 101st General Assembly~~ may,  
14           by ordinance or resolution, submit to the voters of the county  
15           the question of reducing or discontinuing the tax. In the  
16           ordinance or resolution, the county board shall certify the  
17           question to the proper election authority in accordance with  
18           the Election Code. The election authority must submit the  
19           question in substantially the following form:

20           Shall the school facility and resources retailers'  
21           occupation tax and service occupation tax (commonly  
22           referred to as the school facility and resources sales tax)  
23           currently imposed in (name of county) at a rate of (insert  
24           rate) be (reduced to (insert rate)) (discontinued)?

25           The election authority must record the votes as "Yes" or  
26           "No".

1           If a majority of the electors voting on the question vote  
2           in the affirmative, then, subject to the provisions of  
3           subsection (g) of this Section, the tax shall be reduced or  
4           discontinued as set forth in the question.

5           (i) This Section does not apply to Cook County.

6           (j) This Section may be cited as the County School Facility  
7           and Resources Occupation Tax Law.

8           (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19;  
9           101-455, eff. 8-23-19; revised 9-10-19.)

10           (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

11           Sec. 5-1007. Home Rule County Service Occupation Tax Law.  
12           The corporate authorities of a home rule county may impose a  
13           tax upon all persons engaged, in such county, in the business  
14           of making sales of service at the same rate of tax imposed  
15           pursuant to Section 5-1006 of the selling price of all tangible  
16           personal property transferred by such servicemen either in the  
17           form of tangible personal property or in the form of real  
18           estate as an incident to a sale of service. If imposed, such  
19           tax shall only be imposed in 1/4% increments. On and after  
20           September 1, 1991, this additional tax may not be imposed on  
21           tangible personal property taxed at the 1% rate under the  
22           Service Occupation Tax Act. Beginning December 1, 2019, this  
23           tax is not imposed on sales of aviation fuel unless the tax  
24           revenue is expended for airport-related purposes. If the county  
25           does not have an airport-related purpose to which it dedicates

1 aviation fuel tax revenue, then aviation fuel is excluded from  
2 the tax. The county must comply with the certification  
3 requirements for airport-related purposes under Section 2-22  
4 of the Retailers' Occupation Tax Act 5-1184. For purposes of  
5 this Section Act, "airport-related purposes" has the meaning  
6 ascribed in Section 6z-20.2 of the State Finance Act. This  
7 exclusion for aviation fuel only applies for so long as the  
8 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
9 47133 are binding on the county. The changes made to this  
10 Section by this amendatory Act of the 101st General Assembly  
11 are a denial and limitation of home rule powers and functions  
12 under subsection (g) of Section 6 of Article VII of the  
13 Illinois Constitution. The tax imposed by a home rule county  
14 pursuant to this Section and all civil penalties that may be  
15 assessed as an incident thereof shall be collected and enforced  
16 by the State Department of Revenue. The certificate of  
17 registration which is issued by the Department to a retailer  
18 under the Retailers' Occupation Tax Act or under the Service  
19 Occupation Tax Act shall permit such registrant to engage in a  
20 business which is taxable under any ordinance or resolution  
21 enacted pursuant to this Section without registering  
22 separately with the Department under such ordinance or  
23 resolution or under this Section. The Department shall have  
24 full power to administer and enforce this Section; to collect  
25 all taxes and penalties due hereunder; to dispose of taxes and  
26 penalties so collected in the manner hereinafter provided; and



1 to determine all rights to credit memoranda arising on account  
2 of the erroneous payment of tax or penalty hereunder. In the  
3 administration of, and compliance with, this Section the  
4 Department and persons who are subject to this Section shall  
5 have the same rights, remedies, privileges, immunities, powers  
6 and duties, and be subject to the same conditions,  
7 restrictions, limitations, penalties and definitions of terms,  
8 and employ the same modes of procedure, as are prescribed in  
9 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all  
10 provisions therein other than the State rate of tax), 4 (except  
11 that the reference to the State shall be to the taxing county),  
12 5, 7, 8 (except that the jurisdiction to which the tax shall be  
13 a debt to the extent indicated in that Section 8 shall be the  
14 taxing county), 9 (except as to the disposition of taxes and  
15 penalties collected, and except that the returned merchandise  
16 credit for this county tax may not be taken against any State  
17 tax, and except that the retailer's discount is not allowed for  
18 taxes paid on aviation fuel that are subject to the revenue use  
19 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133  
20 ~~deposited into the Local Government Aviation Trust Fund~~), 10,  
21 11, 12 (except the reference therein to Section 2b of the  
22 Retailers' Occupation Tax Act), 13 (except that any reference  
23 to the State shall mean the taxing county), the first paragraph  
24 of Section 15, 16, 17, 18, 19 and 20 of the Service Occupation  
25 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
26 Act, as fully as if those provisions were set forth herein.

1           No tax may be imposed by a home rule county pursuant to  
2 this Section unless such county also imposes a tax at the same  
3 rate pursuant to Section 5-1006.

4           Persons subject to any tax imposed pursuant to the  
5 authority granted in this Section may reimburse themselves for  
6 their serviceman's tax liability hereunder by separately  
7 stating such tax as an additional charge, which charge may be  
8 stated in combination, in a single amount, with State tax which  
9 servicemen are authorized to collect under the Service Use Tax  
10 Act, pursuant to such bracket schedules as the Department may  
11 prescribe.

12           Whenever the Department determines that a refund should be  
13 made under this Section to a claimant instead of issuing credit  
14 memorandum, the Department shall notify the State Comptroller,  
15 who shall cause the order to be drawn for the amount specified,  
16 and to the person named, in such notification from the  
17 Department. Such refund shall be paid by the State Treasurer  
18 out of the home rule county retailers' occupation tax fund or  
19 the Local Government Aviation Trust Fund, as appropriate.

20           Except as otherwise provided in this paragraph, the  
21 Department shall forthwith pay over to the State Treasurer, ex  
22 officio, as trustee, all taxes and penalties collected  
23 hereunder for deposit into the Home Rule County Retailers'  
24 Occupation Tax Fund. Taxes and penalties collected on aviation  
25 fuel sold on or after December 1, 2019, shall be immediately  
26 paid over by the Department to the State Treasurer, ex officio,

1 as trustee, for deposit into the Local Government Aviation  
2 Trust Fund. The Department shall only pay moneys into the Local  
3 Government Aviation Trust Fund under this Section ~~Act~~ for so  
4 long as the revenue use requirements of 49 U.S.C. 47107(b) and  
5 49 U.S.C. 47133 are binding on the county.

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

14 After the monthly transfer to the STAR Bonds Revenue Fund,  
15 on or before the 25th day of each calendar month, the  
16 Department shall prepare and certify to the Comptroller the  
17 disbursement of stated sums of money to named counties, the  
18 counties to be those from which suppliers and servicemen have  
19 paid taxes or penalties hereunder to the Department during the  
20 second preceding calendar month. The amount to be paid to each  
21 county shall be the amount (not including credit memoranda and  
22 not including taxes and penalties collected on aviation fuel  
23 sold on or after December 1, 2019) collected hereunder during  
24 the second preceding calendar month by the Department, and not  
25 including an amount equal to the amount of refunds made during  
26 the second preceding calendar month by the Department on behalf

1 of such county, and not including any amounts that are  
2 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
3 remainder, which the Department shall transfer into the Tax  
4 Compliance and Administration Fund. The Department, at the time  
5 of each monthly disbursement to the counties, shall prepare and  
6 certify to the State Comptroller the amount to be transferred  
7 into the Tax Compliance and Administration Fund under this  
8 Section. Within 10 days after receipt, by the Comptroller, of  
9 the disbursement certification to the counties and the Tax  
10 Compliance and Administration Fund provided for in this Section  
11 to be given to the Comptroller by the Department, the  
12 Comptroller shall cause the orders to be drawn for the  
13 respective amounts in accordance with the directions contained  
14 in such certification.

15 In addition to the disbursement required by the preceding  
16 paragraph, an allocation shall be made in each year to each  
17 county which received more than \$500,000 in disbursements under  
18 the preceding paragraph in the preceding calendar year. The  
19 allocation shall be in an amount equal to the average monthly  
20 distribution made to each such county under the preceding  
21 paragraph during the preceding calendar year (excluding the 2  
22 months of highest receipts). The distribution made in March of  
23 each year subsequent to the year in which an allocation was  
24 made pursuant to this paragraph and the preceding paragraph  
25 shall be reduced by the amount allocated and disbursed under  
26 this paragraph in the preceding calendar year. The Department

1 shall prepare and certify to the Comptroller for disbursement  
2 the allocations made in accordance with this paragraph.

3 Nothing in this Section shall be construed to authorize a  
4 county to impose a tax upon the privilege of engaging in any  
5 business which under the Constitution of the United States may  
6 not be made the subject of taxation by this State.

7 An ordinance or resolution imposing or discontinuing a tax  
8 hereunder or effecting a change in the rate thereof shall be  
9 adopted and a certified copy thereof filed with the Department  
10 on or before the first day of June, whereupon the Department  
11 shall proceed to administer and enforce this Section as of the  
12 first day of September next following such adoption and filing.  
13 Beginning January 1, 1992, an ordinance or resolution imposing  
14 or discontinuing the tax hereunder or effecting a change in the  
15 rate thereof shall be adopted and a certified copy thereof  
16 filed with the Department on or before the first day of July,  
17 whereupon the Department shall proceed to administer and  
18 enforce this Section as of the first day of October next  
19 following such adoption and filing. Beginning January 1, 1993,  
20 an ordinance or resolution imposing or discontinuing the tax  
21 hereunder or effecting a change in the rate thereof shall be  
22 adopted and a certified copy thereof filed with the Department  
23 on or before the first day of October, whereupon the Department  
24 shall proceed to administer and enforce this Section as of the  
25 first day of January next following such adoption and filing.  
26 Beginning April 1, 1998, an ordinance or resolution imposing or

1 discontinuing the tax hereunder or effecting a change in the  
2 rate thereof shall either (i) be adopted and a certified copy  
3 thereof filed with the Department on or before the first day of  
4 April, whereupon the Department shall proceed to administer and  
5 enforce this Section as of the first day of July next following  
6 the adoption and filing; or (ii) be adopted and a certified  
7 copy thereof filed with the Department on or before the first  
8 day of October, whereupon the Department shall proceed to  
9 administer and enforce this Section as of the first day of  
10 January next following the adoption and filing.

11 This Section shall be known and may be cited as the Home  
12 Rule County Service Occupation Tax Law.

13 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
14 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
15 7-12-19.)

16 (55 ILCS 5/5-1008.5)

17 Sec. 5-1008.5. Use and occupation taxes.

18 (a) The Rock Island County Board may adopt a resolution  
19 that authorizes a referendum on the question of whether the  
20 county shall be authorized to impose a retailers' occupation  
21 tax, a service occupation tax, and a use tax at a rate of 1/4 of  
22 1% on behalf of the economic development activities of Rock  
23 Island County and communities located within the county. The  
24 county board shall certify the question to the proper election  
25 authorities who shall submit the question to the voters of the

1 county at the next regularly scheduled election in accordance  
2 with the general election law. The question shall be in  
3 substantially the following form:

4 Shall Rock Island County be authorized to impose a  
5 retailers' occupation tax, a service occupation tax, and a  
6 use tax at the rate of 1/4 of 1% for the sole purpose of  
7 economic development activities, including creation and  
8 retention of job opportunities, support of affordable  
9 housing opportunities, and enhancement of quality of life  
10 improvements?

11 Votes shall be recorded as "yes" or "no". If a majority of  
12 all votes cast on the proposition are in favor of the  
13 proposition, the county is authorized to impose the tax.

14 (b) The county shall impose the retailers' occupation tax  
15 upon all persons engaged in the business of selling tangible  
16 personal property at retail in the county, at the rate approved  
17 by referendum, on the gross receipts from the sales made in the  
18 course of those businesses within the county. This additional  
19 tax may not be imposed on tangible personal property taxed at  
20 the 1% rate under the Retailers' Occupation Tax Act. Beginning  
21 December 1, 2019, this tax is not imposed on sales of aviation  
22 fuel unless the tax revenue is expended for airport-related  
23 purposes. If the county does not have an airport-related  
24 purpose to which it dedicates aviation fuel tax revenue, then  
25 aviation fuel is excluded from the tax. The county must comply  
26 with the certification requirements for airport-related

1 purposes under Section 2-22 of the Retailers' Occupation Tax  
2 Act 5-1184. For purposes of this Section Act, "airport-related  
3 purposes" has the meaning ascribed in Section 6z-20.2 of the  
4 State Finance Act. This exclusion for aviation fuel only  
5 applies for so long as the revenue use requirements of 49  
6 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.  
7 The tax imposed under this Section and all civil penalties that  
8 may be assessed as an incident of the tax shall be collected  
9 and enforced by the Department of Revenue. The Department has  
10 full power to administer and enforce this Section; to collect  
11 all taxes and penalties so collected in the manner provided in  
12 this Section; and to determine all rights to credit memoranda  
13 arising on account of the erroneous payment of tax or penalty  
14 under this Section. In the administration of, and compliance  
15 with, this Section, the Department and persons who are subject  
16 to this Section shall (i) have the same rights, remedies,  
17 privileges, immunities, powers and duties, (ii) be subject to  
18 the same conditions, restrictions, limitations, penalties,  
19 exclusions, exemptions, and definitions of terms, and (iii)  
20 employ the same modes of procedure as are prescribed in  
21 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,  
22 2-5, 2-5.5, 2-10 (in respect to all provisions other than the  
23 State rate of tax), 2-15 through 2-70, 2a, 2b, 2c, 3 (except as  
24 to the disposition of taxes and penalties collected and  
25 provisions related to quarter monthly payments, and except that  
26 the retailer's discount is not allowed for taxes paid on



1 aviation fuel that are subject to the revenue use requirements  
2 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~deposited into the~~  
3 ~~Local Government Aviation Trust Fund~~), 4, 5, 5a, 5b, 5c, 5d,  
4 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a,  
5 12, and 13 of the Retailers' Occupation Tax Act and Section 3-7  
6 of the Uniform Penalty and Interest Act, as fully as if those  
7 provisions were set forth in this subsection.

8 Persons subject to any tax imposed under this subsection  
9 may reimburse themselves for their seller's tax liability by  
10 separately stating the tax as an additional charge, which  
11 charge may be stated in combination, in a single amount, with  
12 State taxes that sellers are required to collect, in accordance  
13 with bracket schedules prescribed by the Department.

14 Whenever the Department determines that a refund should be  
15 made under this subsection to a claimant instead of issuing a  
16 credit memorandum, the Department shall notify the State  
17 Comptroller, who shall cause the warrant to be drawn for the  
18 amount specified, and to the person named, in the notification  
19 from the Department. The refund shall be paid by the State  
20 Treasurer out of the tax fund referenced under paragraph (g) of  
21 this Section or the Local Government Aviation Trust Fund, as  
22 appropriate.

23 If a tax is imposed under this subsection (b), a tax shall  
24 also be imposed at the same rate under subsections (c) and (d)  
25 of this Section.

26 For the purpose of determining whether a tax authorized

1 under this Section is applicable, a retail sale, by a producer  
2 of coal or another mineral mined in Illinois, is a sale at  
3 retail at the place where the coal or other mineral mined in  
4 Illinois is extracted from the earth. This paragraph does not  
5 apply to coal or another mineral when it is delivered or  
6 shipped by the seller to the purchaser at a point outside  
7 Illinois so that the sale is exempt under the federal  
8 Constitution as a sale in interstate or foreign commerce.

9 Nothing in this Section shall be construed to authorize the  
10 county to impose a tax upon the privilege of engaging in any  
11 business that under the Constitution of the United States may  
12 not be made the subject of taxation by this State.

13 (c) If a tax has been imposed under subsection (b), a  
14 service occupation tax shall also be imposed at the same rate  
15 upon all persons engaged, in the county, in the business of  
16 making sales of service, who, as an incident to making those  
17 sales of service, transfer tangible personal property within  
18 the county as an incident to a sale of service. This additional  
19 tax may not be imposed on tangible personal property taxed at  
20 the 1% rate under the Service Occupation Tax Act. Beginning  
21 December 1, 2019, this tax is not imposed on sales of aviation  
22 fuel unless the tax revenue is expended for airport-related  
23 purposes. If the county does not have an airport-related  
24 purpose to which it dedicates aviation fuel tax revenue, then  
25 aviation fuel is excluded from the tax. The county must comply  
26 with the certification requirements for airport-related

1 purposes under Section 2-22 of the Retailers' Occupation Tax  
2 Act 5-1184. For purposes of this Section Act, "airport-related  
3 purposes" has the meaning ascribed in Section 6z-20.2 of the  
4 State Finance Act. This exclusion for aviation fuel only  
5 applies for so long as the revenue use requirements of 49  
6 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.  
7 The tax imposed under this subsection and all civil penalties  
8 that may be assessed as an incident of the tax shall be  
9 collected and enforced by the Department of Revenue. The  
10 Department has full power to administer and enforce this  
11 paragraph; to collect all taxes and penalties due under this  
12 Section; to dispose of taxes and penalties so collected in the  
13 manner provided in this Section; and to determine all rights to  
14 credit memoranda arising on account of the erroneous payment of  
15 tax or penalty under this Section. In the administration of,  
16 and compliance with this paragraph, the Department and persons  
17 who are subject to this paragraph shall (i) have the same  
18 rights, remedies, privileges, immunities, powers, and duties,  
19 (ii) be subject to the same conditions, restrictions,  
20 limitations, penalties, exclusions, exemptions, and  
21 definitions of terms, and (iii) employ the same modes of  
22 procedure as are prescribed in Sections 2 (except that the  
23 reference to State in the definition of supplier maintaining a  
24 place of business in this State shall mean the county), 2a, 2b,  
25 3 through 3-55 (in respect to all provisions other than the  
26 State rate of tax), 4 (except that the reference to the State

1 shall be to the county), 5, 7, 8 (except that the jurisdiction  
2 to which the tax shall be a debt to the extent indicated in  
3 that Section 8 shall be the county), 9 (except as to the  
4 disposition of taxes and penalties collected, and except that  
5 the returned merchandise credit for this tax may not be taken  
6 against any State tax, and except that the retailer's discount  
7 is not allowed for taxes paid on aviation fuel that are subject  
8 to the revenue use requirements of 49 U.S.C. 47107(b) and 49  
9 U.S.C. 47133 ~~deposited into the Local Government Aviation Trust~~  
10 ~~Fund~~), 11, 12 (except the reference to Section 2b of the  
11 Retailers' Occupation Tax Act), 13 (except that any reference  
12 to the State shall mean the county), 15, 16, 17, 18, 19 and 20  
13 of the Service Occupation Tax Act and Section 3-7 of the  
14 Uniform Penalty and Interest Act, as fully as if those  
15 provisions were set forth in this subsection.

16 Persons subject to any tax imposed under the authority  
17 granted in this subsection may reimburse themselves for their  
18 serviceman's tax liability by separately stating the tax as an  
19 additional charge, which charge may be stated in combination,  
20 in a single amount, with State tax that servicemen are  
21 authorized to collect under the Service Use Tax Act, in  
22 accordance with bracket schedules prescribed by the  
23 Department.

24 Whenever the Department determines that a refund should be  
25 made under this subsection to a claimant instead of issuing a  
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the warrant to be drawn for the  
2 amount specified, and to the person named, in the notification  
3 from the Department. The refund shall be paid by the State  
4 Treasurer out of the tax fund referenced under paragraph (g) of  
5 this Section or the Local Government Aviation Trust Fund, as  
6 appropriate.

7 Nothing in this paragraph shall be construed to authorize  
8 the county to impose a tax upon the privilege of engaging in  
9 any business that under the Constitution of the United States  
10 may not be made the subject of taxation by the State.

11 (d) If a tax has been imposed under subsection (b), a use  
12 tax shall also be imposed at the same rate upon the privilege  
13 of using, in the county, any item of tangible personal property  
14 that is purchased outside the county at retail from a retailer,  
15 and that is titled or registered at a location within the  
16 county with an agency of this State's government. "Selling  
17 price" is defined as in the Use Tax Act. The tax shall be  
18 collected from persons whose Illinois address for titling or  
19 registration purposes is given as being in the county. The tax  
20 shall be collected by the Department of Revenue for the county.  
21 The tax must be paid to the State, or an exemption  
22 determination must be obtained from the Department of Revenue,  
23 before the title or certificate of registration for the  
24 property may be issued. The tax or proof of exemption may be  
25 transmitted to the Department by way of the State agency with  
26 which, or the State officer with whom, the tangible personal

1 property must be titled or registered if the Department and the  
2 State agency or State officer determine that this procedure  
3 will expedite the processing of applications for title or  
4 registration.

5 The Department has full power to administer and enforce  
6 this paragraph; to collect all taxes, penalties, and interest  
7 due under this Section; to dispose of taxes, penalties, and  
8 interest so collected in the manner provided in this Section;  
9 and to determine all rights to credit memoranda or refunds  
10 arising on account of the erroneous payment of tax, penalty, or  
11 interest under this Section. In the administration of, and  
12 compliance with, this subsection, the Department and persons  
13 who are subject to this paragraph shall (i) have the same  
14 rights, remedies, privileges, immunities, powers, and duties,  
15 (ii) be subject to the same conditions, restrictions,  
16 limitations, penalties, exclusions, exemptions, and  
17 definitions of terms, and (iii) employ the same modes of  
18 procedure as are prescribed in Sections 2 (except the  
19 definition of "retailer maintaining a place of business in this  
20 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,  
21 7, 8 (except that the jurisdiction to which the tax shall be a  
22 debt to the extent indicated in that Section 8 shall be the  
23 county), 9 (except provisions relating to quarter monthly  
24 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22  
25 of the Use Tax Act and Section 3-7 of the Uniform Penalty and  
26 Interest Act, that are not inconsistent with this paragraph, as

1 fully as if those provisions were set forth in this subsection.

2 Whenever the Department determines that a refund should be  
3 made under this subsection to a claimant instead of issuing a  
4 credit memorandum, the Department shall notify the State  
5 Comptroller, who shall cause the order to be drawn for the  
6 amount specified, and to the person named, in the notification  
7 from the Department. The refund shall be paid by the State  
8 Treasurer out of the tax fund referenced under paragraph (g) of  
9 this Section.

10 (e) A certificate of registration issued by the State  
11 Department of Revenue to a retailer under the Retailers'  
12 Occupation Tax Act or under the Service Occupation Tax Act  
13 shall permit the registrant to engage in a business that is  
14 taxed under the tax imposed under paragraphs (b), (c), or (d)  
15 of this Section and no additional registration shall be  
16 required. A certificate issued under the Use Tax Act or the  
17 Service Use Tax Act shall be applicable with regard to any tax  
18 imposed under paragraph (c) of this Section.

19 (f) The results of any election authorizing a proposition  
20 to impose a tax under this Section or effecting a change in the  
21 rate of tax shall be certified by the proper election  
22 authorities and filed with the Illinois Department on or before  
23 the first day of October. In addition, an ordinance imposing,  
24 discontinuing, or effecting a change in the rate of tax under  
25 this Section shall be adopted and a certified copy of the  
26 ordinance filed with the Department on or before the first day

1 of October. After proper receipt of the certifications, the  
2 Department shall proceed to administer and enforce this Section  
3 as of the first day of January next following the adoption and  
4 filing.

5 (g) Except as otherwise provided in paragraph (g-2), the  
6 Department of Revenue shall, upon collecting any taxes and  
7 penalties as provided in this Section, pay the taxes and  
8 penalties over to the State Treasurer as trustee for the  
9 county. The taxes and penalties shall be held in a trust fund  
10 outside the State Treasury. On or before the 25th day of each  
11 calendar month, the Department of Revenue shall prepare and  
12 certify to the Comptroller of the State of Illinois the amount  
13 to be paid to the county, which shall be the balance in the  
14 fund, less any amount determined by the Department to be  
15 necessary for the payment of refunds. Within 10 days after  
16 receipt by the Comptroller of the certification of the amount  
17 to be paid to the county, the Comptroller shall cause an order  
18 to be drawn for payment for the amount in accordance with the  
19 directions contained in the certification. Amounts received  
20 from the tax imposed under this Section shall be used only for  
21 the economic development activities of the county and  
22 communities located within the county.

23 (g-2) Taxes and penalties collected on aviation fuel sold  
24 on or after December 1, 2019, shall be immediately paid over by  
25 the Department to the State Treasurer, ex officio, as trustee,  
26 for deposit into the Local Government Aviation Trust Fund. The



1 Department shall only pay moneys into the Local Government  
2 Aviation Trust Fund under this Section ~~Act~~ for so long as the  
3 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
4 47133 are binding on the county.

5 (h) When certifying the amount of a monthly disbursement to  
6 the county under this Section, the Department shall increase or  
7 decrease the amounts by an amount necessary to offset any  
8 miscalculation of previous disbursements. The offset amount  
9 shall be the amount erroneously disbursed within the previous 6  
10 months from the time a miscalculation is discovered.

11 (i) This Section may be cited as the Rock Island County Use  
12 and Occupation Tax Law.

13 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19.)

14 (55 ILCS 5/5-1035.1) (from Ch. 34, par. 5-1035.1)

15 Sec. 5-1035.1. County Motor Fuel Tax Law.

16 (a) The county board of the counties of DuPage, Kane, Lake,  
17 Will, and McHenry may, by an ordinance or resolution adopted by  
18 an affirmative vote of a majority of the members elected or  
19 appointed to the county board, impose a tax upon all persons  
20 engaged in the county in the business of selling motor fuel, as  
21 now or hereafter defined in the Motor Fuel Tax Law, at retail  
22 for the operation of motor vehicles upon public highways or for  
23 the operation of recreational watercraft upon waterways. The  
24 collection of a tax under this Section based on gallonage of  
25 gasoline used for the propulsion of any aircraft is prohibited,

1 and the collection of a tax based on gallonage of special fuel  
2 used for the propulsion of any aircraft is prohibited on and  
3 after December 1, 2019. Kane County may exempt diesel fuel from  
4 the tax imposed pursuant to this Section. The initial tax rate  
5 may not be less than 4 cents per gallon of motor fuel sold at  
6 retail within the county for the purpose of use or consumption  
7 and not for the purpose of resale and may not exceed 8 cents  
8 per gallon of motor fuel sold at retail within the county for  
9 the purpose of use or consumption and not for the purpose of  
10 resale. The proceeds from the tax shall be used by the county  
11 solely for the purposes ~~purpose~~ of operating, constructing, and  
12 improving public highways and waterways, and acquiring real  
13 property and rights-of-way ~~right-of-ways~~ for public highways  
14 and waterways within the county imposing the tax.

15 (a-5) By June 1, 2020, and by June 1 of each year  
16 thereafter, the Department of Revenue shall determine an annual  
17 rate increase to take effect on July 1 of that calendar year  
18 and continue through June 30 of the next calendar year. Not  
19 later than June 1 of each year, the Department of Revenue shall  
20 publish on its website the rate that will take effect on July 1  
21 of that calendar year. The rate shall be equal to the ~~product~~  
22 ~~of the~~ rate in effect increased by an amount equal to the  
23 percentage increase, if any, in the Consumer Price Index for  
24 All Urban Consumers for all items, published by the United  
25 States Department of Labor for the 12 months ending in March of  
26 each year ~~multiplied by the transportation fee index factor~~

1 ~~determined under Section 2c of the Motor Fuel Tax Law.~~ The rate  
2 shall be rounded to the nearest one-tenth of a one cent. Each  
3 new rate may not exceed the rate in effect on June 30 of the  
4 previous year plus one cent.

5 (b) A tax imposed pursuant to this Section, and all civil  
6 penalties that may be assessed as an incident thereof, shall be  
7 administered, collected, and enforced by the Illinois  
8 Department of Revenue in the same manner as the tax imposed  
9 under the Retailers' Occupation Tax Act, as now or hereafter  
10 amended, insofar as may be practicable; except that in the  
11 event of a conflict with the provisions of this Section, this  
12 Section shall control. The Department of Revenue shall have  
13 full power: to administer and enforce this Section; to collect  
14 all taxes and penalties due hereunder; to dispose of taxes and  
15 penalties so collected in the manner hereinafter provided; and  
16 to determine all rights to credit memoranda arising on account  
17 of the erroneous payment of tax or penalty hereunder.

18 (b-5) Persons subject to any tax imposed under the  
19 authority granted in this Section may reimburse themselves for  
20 their seller's tax liability hereunder by separately stating  
21 that tax as an additional charge, which charge may be stated in  
22 combination, in a single amount, with State tax which sellers  
23 are required to collect under the Use Tax Act, pursuant to such  
24 bracket schedules as the Department may prescribe.

25 (c) Whenever the Department determines that a refund shall  
26 be made under this Section to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State  
2 Comptroller, who shall cause the order to be drawn for the  
3 amount specified, and to the person named, in the notification  
4 from the Department. The refund shall be paid by the State  
5 Treasurer out of the County Option Motor Fuel Tax Fund.

6 (d) The Department shall forthwith pay over to the State  
7 Treasurer, ex officio ~~ex officio~~, as trustee, all taxes and  
8 penalties collected hereunder, which shall be deposited into  
9 the County Option Motor Fuel Tax Fund, a special fund in the  
10 State Treasury which is hereby created. On or before the 25th  
11 day of each calendar month, the Department shall prepare and  
12 certify to the State Comptroller the disbursement of stated  
13 sums of money to named counties for which taxpayers have paid  
14 taxes or penalties hereunder to the Department during the  
15 second preceding calendar month. The amount to be paid to each  
16 county shall be the amount (not including credit memoranda)  
17 collected hereunder from retailers within the county during the  
18 second preceding calendar month by the Department, but not  
19 including an amount equal to the amount of refunds made during  
20 the second preceding calendar month by the Department on behalf  
21 of the county; less 2% of the balance, which sum shall be  
22 retained by the State Treasurer to cover the costs incurred by  
23 the Department in administering and enforcing the provisions of  
24 this Section. The Department, at the time of each monthly  
25 disbursement to the counties, shall prepare and certify to the  
26 Comptroller the amount so retained by the State Treasurer,

1 which shall be transferred into the Tax Compliance and  
2 Administration Fund.

3 (e) ~~(f)~~ Nothing in this Section shall be construed to  
4 authorize a county to impose a tax upon the privilege of  
5 engaging in any business which under the Constitution of the  
6 United States may not be made the subject of taxation by this  
7 State.

8 (f) Until January 1, 2020, an ~~(g)~~ An ordinance or  
9 resolution imposing a tax hereunder or effecting a change in  
10 the rate thereof shall be effective on the first day of the  
11 second calendar month next following the month in which the  
12 ordinance or resolution is adopted and a certified copy thereof  
13 is filed with the Department of Revenue, whereupon the  
14 Department of Revenue shall proceed to administer and enforce  
15 this Section on behalf of the county as of the effective date  
16 of the ordinance or resolution.

17 On and after January 1, 2020, an ordinance or resolution  
18 imposing or discontinuing the tax hereunder or effecting a  
19 change in the rate thereof shall either: (i) be adopted and a  
20 certified copy thereof filed with the Department on or before  
21 the first day of April, whereupon the Department shall proceed  
22 to administer and enforce this Section as of the first day of  
23 July next following the adoption and filing; or (ii) be adopted  
24 and a certified copy thereof filed with the Department on or  
25 before the first day of October, whereupon the Department shall  
26 proceed to administer and enforce this Section as of the first

1 day of January next following the adoption and filing.

2 ~~Upon a change in rate of a tax levied hereunder, or upon~~  
3 ~~the discontinuance of the tax, the county board of the county~~  
4 ~~shall, on or not later than 5 days after the effective date of~~  
5 ~~the ordinance or resolution discontinuing the tax or effecting~~  
6 ~~a change in rate, transmit to the Department of Revenue a~~  
7 ~~certified copy of the ordinance or resolution effecting the~~  
8 ~~change or discontinuance.~~

9 (g) ~~(h)~~ This Section shall be known and may be cited as the  
10 County Motor Fuel Tax Law.

11 (Source: P.A. 101-10, eff. 6-5-19; 101-32, eff. 6-28-19;  
12 101-275, eff. 8-9-19; revised 9-10-19.)

13 (55 ILCS 5/5-1184 rep.)

14 Section 10-65. The Counties Code is amended by repealing  
15 Section 5-1184.

16 Section 10-70. The Illinois Municipal Code is amended by  
17 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,  
18 8-11-1.7, 8-11-2.3, 8-11-5, 11-74.3-6, and 11-101-3 as  
19 follows:

20 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

21 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
22 Act. The corporate authorities of a home rule municipality may  
23 impose a tax upon all persons engaged in the business of

1 selling tangible personal property, other than an item of  
2 tangible personal property titled or registered with an agency  
3 of this State's government, at retail in the municipality on  
4 the gross receipts from these sales made in the course of such  
5 business. If imposed, the tax shall only be imposed in 1/4%  
6 increments. On and after September 1, 1991, this additional tax  
7 may not be imposed on tangible personal property taxed at the  
8 1% rate under the Retailers' Occupation Tax Act. Beginning  
9 December 1, 2019, this tax is not imposed on sales of aviation  
10 fuel unless the tax revenue is expended for airport-related  
11 purposes. If a municipality does not have an airport-related  
12 purpose to which it dedicates aviation fuel tax revenue, then  
13 aviation fuel is excluded from the tax. Each municipality must  
14 comply with the certification requirements for airport-related  
15 purposes under Section 2-22 of the Retailers' Occupation Tax  
16 Act ~~8-11-22~~. For purposes of this Section Act, "airport-related  
17 purposes" has the meaning ascribed in Section 6z-20.2 of the  
18 State Finance Act. This exclusion for aviation fuel only  
19 applies for so long as the revenue use requirements of 49  
20 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
21 municipality. The changes made to this Section by this  
22 amendatory Act of the 101st General Assembly are a denial and  
23 limitation of home rule powers and functions under subsection  
24 (g) of Section 6 of Article VII of the Illinois Constitution.  
25 The tax imposed by a home rule municipality under this Section  
26 and all civil penalties that may be assessed as an incident of

1 the tax shall be collected and enforced by the State Department  
2 of Revenue. The certificate of registration that is issued by  
3 the Department to a retailer under the Retailers' Occupation  
4 Tax Act shall permit the retailer to engage in a business that  
5 is taxable under any ordinance or resolution enacted pursuant  
6 to this Section without registering separately with the  
7 Department under such ordinance or resolution or under this  
8 Section. The Department shall have full power to administer and  
9 enforce this Section; to collect all taxes and penalties due  
10 hereunder; to dispose of taxes and penalties so collected in  
11 the manner hereinafter provided; and to determine all rights to  
12 credit memoranda arising on account of the erroneous payment of  
13 tax or penalty hereunder. In the administration of, and  
14 compliance with, this Section the Department and persons who  
15 are subject to this Section shall have the same rights,  
16 remedies, privileges, immunities, powers and duties, and be  
17 subject to the same conditions, restrictions, limitations,  
18 penalties and definitions of terms, and employ the same modes  
19 of procedure, as are prescribed in Sections 1, 1a, 1d, 1e, 1f,  
20 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all  
21 provisions therein other than the State rate of tax), 2c, 3  
22 (except as to the disposition of taxes and penalties collected,  
23 and except that the retailer's discount is not allowed for  
24 taxes paid on aviation fuel that are subject to the revenue use  
25 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133  
26 ~~deposited into the Local Government Aviation Trust Fund~~), 4, 5,



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

5 No tax may be imposed by a home rule municipality under  
6 this Section unless the municipality also imposes a tax at the  
7 same rate under Section 8-11-5 of this Act.

8 Persons subject to any tax imposed under the authority  
9 granted in this Section may reimburse themselves for their  
10 seller's tax liability hereunder by separately stating that tax  
11 as an additional charge, which charge may be stated in  
12 combination, in a single amount, with State tax which sellers  
13 are required to collect under the Use Tax Act, pursuant to such  
14 bracket schedules as the Department may prescribe.

15 Whenever the Department determines that a refund should be  
16 made under this Section to a claimant instead of issuing a  
17 credit memorandum, the Department shall notify the State  
18 Comptroller, who shall cause the order to be drawn for the  
19 amount specified and to the person named in the notification  
20 from the Department. The refund shall be paid by the State  
21 Treasurer out of the home rule municipal retailers' occupation  
22 tax fund or the Local Government Aviation Trust Fund, as  
23 appropriate.

24 Except as otherwise provided in this paragraph, the  
25 Department shall immediately pay over to the State Treasurer,  
26 ex officio, as trustee, all taxes and penalties collected

1 hereunder for deposit into the Home Rule Municipal Retailers'  
2 Occupation Tax Fund. Taxes and penalties collected on aviation  
3 fuel sold on or after December 1, 2019, shall be immediately  
4 paid over by the Department to the State Treasurer, ex officio,  
5 as trustee, for deposit into the Local Government Aviation  
6 Trust Fund. The Department shall only pay moneys into the Local  
7 Government Aviation Trust Fund under this Section ~~Act~~ for so  
8 long as the revenue use requirements of 49 U.S.C. 47107(b) and  
9 49 U.S.C. 47133 are binding on the State.

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

18 After the monthly transfer to the STAR Bonds Revenue Fund,  
19 on or before the 25th day of each calendar month, the  
20 Department shall prepare and certify to the Comptroller the  
21 disbursement of stated sums of money to named municipalities,  
22 the municipalities to be those from which retailers have paid  
23 taxes or penalties hereunder to the Department during the  
24 second preceding calendar month. The amount to be paid to each  
25 municipality shall be the amount (not including credit  
26 memoranda and not including taxes and penalties collected on

1 aviation fuel sold on or after December 1, 2019) collected  
2 hereunder during the second preceding calendar month by the  
3 Department plus an amount the Department determines is  
4 necessary to offset any amounts that were erroneously paid to a  
5 different taxing body, and not including an amount equal to the  
6 amount of refunds made during the second preceding calendar  
7 month by the Department on behalf of such municipality, and not  
8 including any amount that the Department determines is  
9 necessary to offset any amounts that were payable to a  
10 different taxing body but were erroneously paid to the  
11 municipality, and not including any amounts that are  
12 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
13 remainder, which the Department shall transfer into the Tax  
14 Compliance and Administration Fund. The Department, at the time  
15 of each monthly disbursement to the municipalities, shall  
16 prepare and certify to the State Comptroller the amount to be  
17 transferred into the Tax Compliance and Administration Fund  
18 under this Section. Within 10 days after receipt by the  
19 Comptroller of the disbursement certification to the  
20 municipalities and the Tax Compliance and Administration Fund  
21 provided for in this Section to be given to the Comptroller by  
22 the Department, the Comptroller shall cause the orders to be  
23 drawn for the respective amounts in accordance with the  
24 directions contained in the certification.

25 In addition to the disbursement required by the preceding  
26 paragraph and in order to mitigate delays caused by

1 distribution procedures, an allocation shall, if requested, be  
2 made within 10 days after January 14, 1991, and in November of  
3 1991 and each year thereafter, to each municipality that  
4 received more than \$500,000 during the preceding fiscal year,  
5 (July 1 through June 30) whether collected by the municipality  
6 or disbursed by the Department as required by this Section.  
7 Within 10 days after January 14, 1991, participating  
8 municipalities shall notify the Department in writing of their  
9 intent to participate. In addition, for the initial  
10 distribution, participating municipalities shall certify to  
11 the Department the amounts collected by the municipality for  
12 each month under its home rule occupation and service  
13 occupation tax during the period July 1, 1989 through June 30,  
14 1990. The allocation within 10 days after January 14, 1991,  
15 shall be in an amount equal to the monthly average of these  
16 amounts, excluding the 2 months of highest receipts. The  
17 monthly average for the period of July 1, 1990 through June 30,  
18 1991 will be determined as follows: the amounts collected by  
19 the municipality under its home rule occupation and service  
20 occupation tax during the period of July 1, 1990 through  
21 September 30, 1990, plus amounts collected by the Department  
22 and paid to such municipality through June 30, 1991, excluding  
23 the 2 months of highest receipts. The monthly average for each  
24 subsequent period of July 1 through June 30 shall be an amount  
25 equal to the monthly distribution made to each such  
26 municipality under the preceding paragraph during this period,

1 excluding the 2 months of highest receipts. The distribution  
2 made in November 1991 and each year thereafter under this  
3 paragraph and the preceding paragraph shall be reduced by the  
4 amount allocated and disbursed under this paragraph in the  
5 preceding period of July 1 through June 30. The Department  
6 shall prepare and certify to the Comptroller for disbursement  
7 the allocations made in accordance with this paragraph.

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

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

21 An ordinance or resolution imposing or discontinuing a tax  
22 hereunder or effecting a change in the rate thereof shall be  
23 adopted and a certified copy thereof filed with the Department  
24 on or before the first day of June, whereupon the Department  
25 shall proceed to administer and enforce this Section as of the  
26 first day of September next following the adoption and filing.

1 Beginning January 1, 1992, an ordinance or resolution imposing  
2 or discontinuing the tax hereunder or effecting a change in the  
3 rate thereof shall be adopted and a certified copy thereof  
4 filed with the Department on or before the first day of July,  
5 whereupon the Department shall proceed to administer and  
6 enforce this Section as of the first day of October next  
7 following such adoption and filing. Beginning January 1, 1993,  
8 an ordinance or resolution imposing or discontinuing the tax  
9 hereunder or effecting a change in the rate thereof shall be  
10 adopted and a certified copy thereof filed with the Department  
11 on or before the first day of October, whereupon the Department  
12 shall proceed to administer and enforce this Section as of the  
13 first day of January next following the adoption and filing.  
14 However, a municipality located in a county with a population  
15 in excess of 3,000,000 that elected to become a home rule unit  
16 at the general primary election in 1994 may adopt an ordinance  
17 or resolution imposing the tax under this Section and file a  
18 certified copy of the ordinance or resolution with the  
19 Department on or before July 1, 1994. The Department shall then  
20 proceed to administer and enforce this Section as of October 1,  
21 1994. Beginning April 1, 1998, an ordinance or resolution  
22 imposing or discontinuing the tax hereunder or effecting a  
23 change in the rate thereof shall either (i) be adopted and a  
24 certified copy thereof filed with the Department on or before  
25 the first day of April, whereupon the Department shall proceed  
26 to administer and enforce this Section as of the first day of

1 July next following the adoption and filing; or (ii) be adopted  
2 and a certified copy thereof filed with the Department on or  
3 before the first day of October, whereupon the Department shall  
4 proceed to administer and enforce this Section as of the first  
5 day of January next following the adoption and filing.

6 When certifying the amount of a monthly disbursement to a  
7 municipality under this Section, the Department shall increase  
8 or decrease the amount by an amount necessary to offset any  
9 misallocation of previous disbursements. The offset amount  
10 shall be the amount erroneously disbursed within the previous 6  
11 months from the time a misallocation is discovered.

12 Any unobligated balance remaining in the Municipal  
13 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
14 was abolished by Public Act 85-1135, and all receipts of  
15 municipal tax as a result of audits of liability periods prior  
16 to January 1, 1990, shall be paid into the Local Government Tax  
17 Fund for distribution as provided by this Section prior to the  
18 enactment of Public Act 85-1135. All receipts of municipal tax  
19 as a result of an assessment not arising from an audit, for  
20 liability periods prior to January 1, 1990, shall be paid into  
21 the Local Government Tax Fund for distribution before July 1,  
22 1990, as provided by this Section prior to the enactment of  
23 Public Act 85-1135; and on and after July 1, 1990, all such  
24 receipts shall be distributed as provided in Section 6z-18 of  
25 the State Finance Act.

26 As used in this Section, "municipal" and "municipality"

1 means a city, village or incorporated town, including an  
2 incorporated town that has superseded a civil township.

3 This Section shall be known and may be cited as the Home  
4 Rule Municipal Retailers' Occupation Tax Act.

5 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
6 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
7 7-12-19.)

8 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

9 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
10 Occupation Tax Act. The corporate authorities of a non-home  
11 rule municipality may impose a tax upon all persons engaged in  
12 the business of selling tangible personal property, other than  
13 on an item of tangible personal property which is titled and  
14 registered by an agency of this State's Government, at retail  
15 in the municipality for expenditure on public infrastructure or  
16 for property tax relief or both as defined in Section 8-11-1.2  
17 if approved by referendum as provided in Section 8-11-1.1, of  
18 the gross receipts from such sales made in the course of such  
19 business. If the tax is approved by referendum on or after July  
20 14, 2010 (the effective date of Public Act 96-1057), the  
21 corporate authorities of a non-home rule municipality may,  
22 until July 1, 2030, use the proceeds of the tax for expenditure  
23 on municipal operations, in addition to or in lieu of any  
24 expenditure on public infrastructure or for property tax  
25 relief. The tax imposed may not be more than 1% and may be



1 imposed only in 1/4% increments. The tax may not be imposed on  
2 tangible personal property taxed at the 1% rate under the  
3 Retailers' Occupation Tax Act. Beginning December 1, 2019, this  
4 tax is not imposed on sales of aviation fuel unless the tax  
5 revenue is expended for airport-related purposes. If a  
6 municipality does not have an airport-related purpose to which  
7 it dedicates aviation fuel tax revenue, then aviation fuel is  
8 excluded from the tax. Each municipality must comply with the  
9 certification requirements for airport-related purposes under  
10 Section 2-22 of the Retailers' Occupation Tax Act ~~8-11-22~~. For  
11 purposes of this Section Act, "airport-related purposes" has  
12 the meaning ascribed in Section 6z-20.2 of the State Finance  
13 Act. This exclusion for aviation fuel only applies for so long  
14 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
15 U.S.C. 47133 are binding on the municipality. The tax imposed  
16 by a municipality pursuant to this Section and all civil  
17 penalties that may be assessed as an incident thereof shall be  
18 collected and enforced by the State Department of Revenue. The  
19 certificate of registration which is issued by the Department  
20 to a retailer under the Retailers' Occupation Tax Act shall  
21 permit such retailer to engage in a business which is taxable  
22 under any ordinance or resolution enacted pursuant to this  
23 Section without registering separately with the Department  
24 under such ordinance or resolution or under this Section. The  
25 Department shall have full power to administer and enforce this  
26 Section; to collect all taxes and penalties due hereunder; to

1 dispose of taxes and penalties so collected in the manner  
2 hereinafter provided, and to determine all rights to credit  
3 memoranda, arising on account of the erroneous payment of tax  
4 or penalty hereunder. In the administration of, and compliance  
5 with, this Section, the Department and persons who are subject  
6 to this Section shall have the same rights, remedies,  
7 privileges, immunities, powers and duties, and be subject to  
8 the same conditions, restrictions, limitations, penalties and  
9 definitions of terms, and employ the same modes of procedure,  
10 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,  
11 2 through 2-65 (in respect to all provisions therein other than  
12 the State rate of tax), 2c, 3 (except as to the disposition of  
13 taxes and penalties collected, and except that the retailer's  
14 discount is not allowed for taxes paid on aviation fuel that  
15 are subject to the revenue use requirements of 49 U.S.C.  
16 47107(b) and 49 U.S.C. 47133 ~~deposited into the Local~~  
17 ~~Government Aviation Trust Fund~~), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
18 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12  
19 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of  
20 the Uniform Penalty and Interest Act as fully as if those  
21 provisions were set forth herein.

22 No municipality may impose a tax under this Section unless  
23 the municipality also imposes a tax at the same rate under  
24 Section 8-11-1.4 of this Code.

25 Persons subject to any tax imposed pursuant to the  
26 authority granted in this Section may reimburse themselves for

1 their seller's tax liability hereunder by separately stating  
2 such tax as an additional charge, which charge may be stated in  
3 combination, in a single amount, with State tax which sellers  
4 are required to collect under the Use Tax Act, pursuant to such  
5 bracket schedules as the Department may prescribe.

6 Whenever the Department determines that a refund should be  
7 made under this Section to a claimant instead of issuing a  
8 credit memorandum, the Department shall notify the State  
9 Comptroller, who shall cause the order to be drawn for the  
10 amount specified, and to the person named, in such notification  
11 from the Department. Such refund shall be paid by the State  
12 Treasurer out of the non-home rule municipal retailers'  
13 occupation tax fund or the Local Government Aviation Trust  
14 Fund, as appropriate.

15 Except as otherwise provided, the Department shall  
16 forthwith pay over to the State Treasurer, ex officio, as  
17 trustee, all taxes and penalties collected hereunder for  
18 deposit into the Non-Home Rule Municipal Retailers' Occupation  
19 Tax Fund. Taxes and penalties collected on aviation fuel sold  
20 on or after December 1, 2019, shall be immediately paid over by  
21 the Department to the State Treasurer, ex officio, as trustee,  
22 for deposit into the Local Government Aviation Trust Fund. The  
23 Department shall only pay moneys into the Local Government  
24 Aviation Trust Fund under this Section ~~Act~~ for so long as the  
25 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
26 47133 are binding on the municipality.

1           As soon as possible after the first day of each month,  
2 beginning January 1, 2011, upon certification of the Department  
3 of Revenue, the Comptroller shall order transferred, and the  
4 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
5 local sales tax increment, as defined in the Innovation  
6 Development and Economy Act, collected under this Section  
7 during the second preceding calendar month for sales within a  
8 STAR bond district.

9           After the monthly transfer to the STAR Bonds Revenue Fund,  
10 on or before the 25th day of each calendar month, the  
11 Department shall prepare and certify to the Comptroller the  
12 disbursement of stated sums of money to named municipalities,  
13 the municipalities to be those from which retailers have paid  
14 taxes or penalties hereunder to the Department during the  
15 second preceding calendar month. The amount to be paid to each  
16 municipality shall be the amount (not including credit  
17 memoranda and not including taxes and penalties collected on  
18 aviation fuel sold on or after December 1, 2019) collected  
19 hereunder during the second preceding calendar month by the  
20 Department plus an amount the Department determines is  
21 necessary to offset any amounts which were erroneously paid to  
22 a different taxing body, and not including an amount equal to  
23 the amount of refunds made during the second preceding calendar  
24 month by the Department on behalf of such municipality, and not  
25 including any amount which the Department determines is  
26 necessary to offset any amounts which were payable to a

1 different taxing body but were erroneously paid to the  
2 municipality, and not including any amounts that are  
3 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
4 remainder, which the Department shall transfer into the Tax  
5 Compliance and Administration Fund. The Department, at the time  
6 of each monthly disbursement to the municipalities, shall  
7 prepare and certify to the State Comptroller the amount to be  
8 transferred into the Tax Compliance and Administration Fund  
9 under this Section. Within 10 days after receipt, by the  
10 Comptroller, of the disbursement certification to the  
11 municipalities and the Tax Compliance and Administration Fund  
12 provided for in this Section to be given to the Comptroller by  
13 the Department, the Comptroller shall cause the orders to be  
14 drawn for the respective amounts in accordance with the  
15 directions contained in such certification.

16 For the purpose of determining the local governmental unit  
17 whose tax is applicable, a retail sale, by a producer of coal  
18 or other mineral mined in Illinois, is a sale at retail at the  
19 place where the coal or other mineral mined in Illinois is  
20 extracted from the earth. This paragraph does not apply to coal  
21 or other mineral when it is delivered or shipped by the seller  
22 to the purchaser at a point outside Illinois so that the sale  
23 is exempt under the Federal Constitution as a sale in  
24 interstate or foreign commerce.

25 Nothing in this Section shall be construed to authorize a  
26 municipality to impose a tax upon the privilege of engaging in

1 any business which under the constitution of the United States  
2 may not be made the subject of taxation by this State.

3 When certifying the amount of a monthly disbursement to a  
4 municipality under this Section, the Department shall increase  
5 or decrease such amount by an amount necessary to offset any  
6 misallocation of previous disbursements. The offset amount  
7 shall be the amount erroneously disbursed within the previous 6  
8 months from the time a misallocation is discovered.

9 The Department of Revenue shall implement Public Act 91-649  
10 so as to collect the tax on and after January 1, 2002.

11 As used in this Section, "municipal" and "municipality"  
12 mean ~~means~~ a city, village, or incorporated town, including an  
13 incorporated town which has superseded a civil township.

14 This Section shall be known and may be cited as the  
15 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

16 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
17 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-47, eff.  
18 1-1-20; 101-81, eff. 7-12-19; revised 8-19-19.)

19 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

20 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation  
21 Tax Act. The corporate authorities of a non-home rule  
22 municipality may impose a tax upon all persons engaged, in such  
23 municipality, in the business of making sales of service for  
24 expenditure on public infrastructure or for property tax relief  
25 or both as defined in Section 8-11-1.2 if approved by

1 referendum as provided in Section 8-11-1.1, of the selling  
2 price of all tangible personal property transferred by such  
3 servicemen either in the form of tangible personal property or  
4 in the form of real estate as an incident to a sale of service.  
5 If the tax is approved by referendum on or after July 14, 2010  
6 (the effective date of Public Act 96-1057), the corporate  
7 authorities of a non-home rule municipality may, until December  
8 31, 2020, use the proceeds of the tax for expenditure on  
9 municipal operations, in addition to or in lieu of any  
10 expenditure on public infrastructure or for property tax  
11 relief. The tax imposed may not be more than 1% and may be  
12 imposed only in 1/4% increments. The tax may not be imposed on  
13 tangible personal property taxed at the 1% rate under the  
14 Service Occupation Tax Act. Beginning December 1, 2019, this  
15 tax is not imposed on sales of aviation fuel unless the tax  
16 revenue is expended for airport-related purposes. If a  
17 municipality does not have an airport-related purpose to which  
18 it dedicates aviation fuel tax revenue, then aviation fuel is  
19 excluded from the tax. Each municipality must comply with the  
20 certification requirements for airport-related purposes under  
21 Section 2-22 of the Retailers' Occupation Tax Act ~~8-11-22~~. For  
22 purposes of this Section Act, "airport-related purposes" has  
23 the meaning ascribed in Section 6z-20.2 of the State Finance  
24 Act. This exclusion for aviation fuel only applies for so long  
25 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
26 U.S.C. 47133 are binding on the municipality. The tax imposed

1 by a municipality pursuant to this Section and all civil  
2 penalties that may be assessed as an incident thereof shall be  
3 collected and enforced by the State Department of Revenue. The  
4 certificate of registration which is issued by the Department  
5 to a retailer under the Retailers' Occupation Tax Act or under  
6 the Service Occupation Tax Act shall permit such registrant to  
7 engage in a business which is taxable under any ordinance or  
8 resolution enacted pursuant to this Section without  
9 registering separately with the Department under such  
10 ordinance or resolution or under this Section. The Department  
11 shall have full power to administer and enforce this Section;  
12 to collect all taxes and penalties due hereunder; to dispose of  
13 taxes and penalties so collected in the manner hereinafter  
14 provided, and to determine all rights to credit memoranda  
15 arising on account of the erroneous payment of tax or penalty  
16 hereunder. In the administration of, and compliance with, this  
17 Section the Department and persons who are subject to this  
18 Section shall have the same rights, remedies, privileges,  
19 immunities, powers and duties, and be subject to the same  
20 conditions, restrictions, limitations, penalties and  
21 definitions of terms, and employ the same modes of procedure,  
22 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
23 respect to all provisions therein other than the State rate of  
24 tax), 4 (except that the reference to the State shall be to the  
25 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
26 which the tax shall be a debt to the extent indicated in that



1 Section 8 shall be the taxing municipality), 9 (except as to  
2 the disposition of taxes and penalties collected, and except  
3 that the returned merchandise credit for this municipal tax may  
4 not be taken against any State tax, and except that the  
5 retailer's discount is not allowed for taxes paid on aviation  
6 fuel that are subject to the revenue use requirements of 49  
7 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~deposited into the Local~~  
8 ~~Government Aviation Trust Fund~~), 10, 11, 12 (except the  
9 reference therein to Section 2b of the Retailers' Occupation  
10 Tax Act), 13 (except that any reference to the State shall mean  
11 the taxing municipality), the first paragraph of Section 15,  
12 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and  
13 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
14 as if those provisions were set forth herein.

15 No municipality may impose a tax under this Section unless  
16 the municipality also imposes a tax at the same rate under  
17 Section 8-11-1.3 of this Code.

18 Persons subject to any tax imposed pursuant to the  
19 authority granted in this Section may reimburse themselves for  
20 their serviceman's tax liability hereunder by separately  
21 stating such tax as an additional charge, which charge may be  
22 stated in combination, in a single amount, with State tax which  
23 servicemen are authorized to collect under the Service Use Tax  
24 Act, pursuant to such bracket schedules as the Department may  
25 prescribe.

26 Whenever the Department determines that a refund should be

1 made under this Section to a claimant instead of issuing credit  
2 memorandum, the Department shall notify the State Comptroller,  
3 who shall cause the order to be drawn for the amount specified,  
4 and to the person named, in such notification from the  
5 Department. Such refund shall be paid by the State Treasurer  
6 out of the municipal retailers' occupation tax fund or the  
7 Local Government Aviation Trust Fund, as appropriate.

8 Except as otherwise provided in this paragraph, the  
9 Department shall forthwith pay over to the State Treasurer, ex  
10 officio, as trustee, all taxes and penalties collected  
11 hereunder for deposit into the municipal retailers' occupation  
12 tax fund. Taxes and penalties collected on aviation fuel sold  
13 on or after December 1, 2019, shall be immediately paid over by  
14 the Department to the State Treasurer, ex officio, as trustee,  
15 for deposit into the Local Government Aviation Trust Fund. The  
16 Department shall only pay moneys into the Local Government  
17 Aviation Trust Fund under this Section ~~Act~~ for so long as the  
18 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
19 47133 are binding on the municipality.

20 As soon as possible after the first day of each month,  
21 beginning January 1, 2011, upon certification of the Department  
22 of Revenue, the Comptroller shall order transferred, and the  
23 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
24 local sales tax increment, as defined in the Innovation  
25 Development and Economy Act, collected under this Section  
26 during the second preceding calendar month for sales within a

1 STAR bond district.

2 After the monthly transfer to the STAR Bonds Revenue Fund,  
3 on or before the 25th day of each calendar month, the  
4 Department shall prepare and certify to the Comptroller the  
5 disbursement of stated sums of money to named municipalities,  
6 the municipalities to be those from which suppliers and  
7 servicemen have paid taxes or penalties hereunder to the  
8 Department during the second preceding calendar month. The  
9 amount to be paid to each municipality shall be the amount (not  
10 including credit memoranda and not including taxes and  
11 penalties collected on aviation fuel sold on or after December  
12 1, 2019) collected hereunder during the second preceding  
13 calendar month by the Department, and not including an amount  
14 equal to the amount of refunds made during the second preceding  
15 calendar month by the Department on behalf of such  
16 municipality, and not including any amounts that are  
17 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
18 remainder, which the Department shall transfer into the Tax  
19 Compliance and Administration Fund. The Department, at the time  
20 of each monthly disbursement to the municipalities, shall  
21 prepare and certify to the State Comptroller the amount to be  
22 transferred into the Tax Compliance and Administration Fund  
23 under this Section. Within 10 days after receipt, by the  
24 Comptroller, of the disbursement certification to the  
25 municipalities, the General Revenue Fund, and the Tax  
26 Compliance and Administration Fund provided for in this Section

1 to be given to the Comptroller by the Department, the  
2 Comptroller shall cause the orders to be drawn for the  
3 respective amounts in accordance with the directions contained  
4 in such certification.

5 The Department of Revenue shall implement Public Act 91-649  
6 so as to collect the tax on and after January 1, 2002.

7 Nothing in this Section shall be construed to authorize a  
8 municipality to impose a tax upon the privilege of engaging in  
9 any business which under the constitution of the United States  
10 may not be made the subject of taxation by this State.

11 As used in this Section, "municipal" or "municipality"  
12 means or refers to a city, village or incorporated town,  
13 including an incorporated town which has superseded a civil  
14 township.

15 This Section shall be known and may be cited as the  
16 "Non-Home Rule Municipal Service Occupation Tax Act".

17 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
18 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
19 7-12-19.)

20 (65 ILCS 5/8-11-1.6)

21 Sec. 8-11-1.6. Non-home rule municipal retailers'  
22 occupation tax; municipalities between 20,000 and 25,000. The  
23 corporate authorities of a non-home rule municipality with a  
24 population of more than 20,000 but less than 25,000 that has,  
25 prior to January 1, 1987, established a Redevelopment Project

1 Area that has been certified as a State Sales Tax Boundary and  
2 has issued bonds or otherwise incurred indebtedness to pay for  
3 costs in excess of \$5,000,000, which is secured in part by a  
4 tax increment allocation fund, in accordance with the  
5 provisions of Division 11-74.4 of this Code may, by passage of  
6 an ordinance, impose a tax upon all persons engaged in the  
7 business of selling tangible personal property, other than on  
8 an item of tangible personal property that is titled and  
9 registered by an agency of this State's Government, at retail  
10 in the municipality. This tax may not be imposed on tangible  
11 personal property taxed at the 1% rate under the Retailers'  
12 Occupation Tax Act. Beginning December 1, 2019, this tax is not  
13 imposed on sales of aviation fuel unless the tax revenue is  
14 expended for airport-related purposes. If a municipality does  
15 not have an airport-related purpose to which it dedicates  
16 aviation fuel tax revenue, then aviation fuel is excluded from  
17 the tax. Each municipality must comply with the certification  
18 requirements for airport-related purposes under Section 2-22  
19 of the Retailers' Occupation Tax Act ~~8-11-22~~. For purposes of  
20 this Section Act, "airport-related purposes" has the meaning  
21 ascribed in Section 6z-20.2 of the State Finance Act. This  
22 exclusion for aviation fuel only applies for so long as the  
23 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
24 47133 are binding on the municipality. If imposed, the tax  
25 shall only be imposed in .25% increments of the gross receipts  
26 from such sales made in the course of business. Any tax imposed

1 by a municipality under this Section and all civil penalties  
2 that may be assessed as an incident thereof shall be collected  
3 and enforced by the State Department of Revenue. An ordinance  
4 imposing a tax hereunder or effecting a change in the rate  
5 thereof shall be adopted and a certified copy thereof filed  
6 with the Department on or before the first day of October,  
7 whereupon the Department shall proceed to administer and  
8 enforce this Section as of the first day of January next  
9 following such adoption and filing. The certificate of  
10 registration that is issued by the Department to a retailer  
11 under the Retailers' Occupation Tax Act shall permit the  
12 retailer to engage in a business that is taxable under any  
13 ordinance or resolution enacted under this Section without  
14 registering separately with the Department under the ordinance  
15 or resolution or under this Section. The Department shall have  
16 full power to administer and enforce this Section, to collect  
17 all taxes and penalties due hereunder, to dispose of taxes and  
18 penalties so collected in the manner hereinafter provided, and  
19 to determine all rights to credit memoranda, arising on account  
20 of the erroneous payment of tax or penalty hereunder. In the  
21 administration of, and compliance with this Section, the  
22 Department and persons who are subject to this Section shall  
23 have the same rights, remedies, privileges, immunities,  
24 powers, and duties, and be subject to the same conditions,  
25 restrictions, limitations, penalties, and definitions of  
26 terms, and employ the same modes of procedure, as are

1 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2  
2 through 2-65 (in respect to all provisions therein other than  
3 the State rate of tax), 2c, 3 (except as to the disposition of  
4 taxes and penalties collected, and except that the retailer's  
5 discount is not allowed for taxes paid on aviation fuel that  
6 are subject to the revenue use requirements of 49 U.S.C.  
7 47107(b) and 49 U.S.C. 47133 ~~deposited into the Local~~  
8 ~~Government Aviation Trust Fund~~), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
9 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12  
10 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of  
11 the Uniform Penalty and Interest Act as fully as if those  
12 provisions were set forth herein.

13 A tax may not be imposed by a municipality under this  
14 Section unless the municipality also imposes a tax at the same  
15 rate under Section 8-11-1.7 of this Act.

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

23 Whenever the Department determines that a refund should be  
24 made under this Section to a claimant, instead of issuing a  
25 credit memorandum, the Department shall notify the State  
26 Comptroller, who shall cause the order to be drawn for the

1 amount specified, and to the person named in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the Non-Home Rule Municipal Retailers'  
4 Occupation Tax Fund, which is hereby created or the Local  
5 Government Aviation Trust Fund, as appropriate.

6 Except as otherwise provided in this paragraph, the  
7 Department shall forthwith pay over to the State Treasurer, ex  
8 officio, as trustee, all taxes and penalties collected  
9 hereunder for deposit into the Non-Home Rule Municipal  
10 Retailers' Occupation Tax Fund. Taxes and penalties collected  
11 on aviation fuel sold on or after December 1, 2019, shall be  
12 immediately paid over by the Department to the State Treasurer,  
13 ex officio, as trustee, for deposit into the Local Government  
14 Aviation Trust Fund. The Department shall only pay moneys into  
15 the Local Government Aviation Trust Fund under this Section Act  
16 for so long as the revenue use requirements of 49 U.S.C.  
17 47107(b) and 49 U.S.C. 47133 are binding on the municipality.

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

26 After the monthly transfer to the STAR Bonds Revenue Fund,



1 on or before the 25th day of each calendar month, the  
2 Department shall prepare and certify to the Comptroller the  
3 disbursement of stated sums of money to named municipalities,  
4 the municipalities to be those from which retailers have paid  
5 taxes or penalties hereunder to the Department during the  
6 second preceding calendar month. The amount to be paid to each  
7 municipality shall be the amount (not including credit  
8 memoranda and not including taxes and penalties collected on  
9 aviation fuel sold on or after December 1, 2019) collected  
10 hereunder during the second preceding calendar month by the  
11 Department plus an amount the Department determines is  
12 necessary to offset any amounts that were erroneously paid to a  
13 different taxing body, and not including an amount equal to the  
14 amount of refunds made during the second preceding calendar  
15 month by the Department on behalf of the municipality, and not  
16 including any amount that the Department determines is  
17 necessary to offset any amounts that were payable to a  
18 different taxing body but were erroneously paid to the  
19 municipality, and not including any amounts that are  
20 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
21 remainder, which the Department shall transfer into the Tax  
22 Compliance and Administration Fund. The Department, at the time  
23 of each monthly disbursement to the municipalities, shall  
24 prepare and certify to the State Comptroller the amount to be  
25 transferred into the Tax Compliance and Administration Fund  
26 under this Section. Within 10 days after receipt by the

1 Comptroller of the disbursement certification to the  
2 municipalities and the Tax Compliance and Administration Fund  
3 provided for in this Section to be given to the Comptroller by  
4 the Department, the Comptroller shall cause the orders to be  
5 drawn for the respective amounts in accordance with the  
6 directions contained in the certification.

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

16 Nothing in this Section shall be construed to authorize a  
17 municipality to impose a tax upon the privilege of engaging in  
18 any business which under the constitution of the United States  
19 may not be made the subject of taxation by this State.

20 When certifying the amount of a monthly disbursement to a  
21 municipality under this Section, the Department shall increase  
22 or decrease the amount by an amount necessary to offset any  
23 misallocation of previous disbursements. The offset amount  
24 shall be the amount erroneously disbursed within the previous 6  
25 months from the time a misallocation is discovered.

26 As used in this Section, "municipal" and "municipality"

1 means a city, village, or incorporated town, including an  
2 incorporated town that has superseded a civil township.

3 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
4 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff.  
5 6-5-19; 101-81, eff. 7-12-19.)

6 (65 ILCS 5/8-11-1.7)

7 Sec. 8-11-1.7. Non-home rule municipal service occupation  
8 tax; municipalities between 20,000 and 25,000. The corporate  
9 authorities of a non-home rule municipality with a population  
10 of more than 20,000 but less than 25,000 as determined by the  
11 last preceding decennial census that has, prior to January 1,  
12 1987, established a Redevelopment Project Area that has been  
13 certified as a State Sales Tax Boundary and has issued bonds or  
14 otherwise incurred indebtedness to pay for costs in excess of  
15 \$5,000,000, which is secured in part by a tax increment  
16 allocation fund, in accordance with the provisions of Division  
17 11-74.4 of this Code may, by passage of an ordinance, impose a  
18 tax upon all persons engaged in the municipality in the  
19 business of making sales of service. If imposed, the tax shall  
20 only be imposed in .25% increments of the selling price of all  
21 tangible personal property transferred by such servicemen  
22 either in the form of tangible personal property or in the form  
23 of real estate as an incident to a sale of service. This tax  
24 may not be imposed on tangible personal property taxed at the  
25 1% rate under the Service Occupation Tax Act. Beginning

1 December 1, 2019, this tax is not imposed on sales of aviation  
2 fuel unless the tax revenue is expended for airport-related  
3 purposes. If a municipality does not have an airport-related  
4 purpose to which it dedicates aviation fuel tax revenue, then  
5 aviation fuel is excluded from the tax. Each municipality must  
6 comply with the certification requirements for airport-related  
7 purposes under Section 2-22 of the Retailers' Occupation Tax  
8 Act ~~8-11-22~~. For purposes of this Section Act, "airport-related  
9 purposes" has the meaning ascribed in Section 6z-20.2 of the  
10 State Finance Act. This exclusion for aviation fuel only  
11 applies for so long as the revenue use requirements of 49  
12 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
13 municipality. The tax imposed by a municipality under this  
14 Section and all civil penalties that may be assessed as an  
15 incident thereof shall be collected and enforced by the State  
16 Department of Revenue. An ordinance imposing a tax hereunder or  
17 effecting a change in the rate thereof shall be adopted and a  
18 certified copy thereof filed with the Department on or before  
19 the first day of October, whereupon the Department shall  
20 proceed to administer and enforce this Section as of the first  
21 day of January next following such adoption and filing. The  
22 certificate of registration that is issued by the Department to  
23 a retailer under the Retailers' Occupation Tax Act or under the  
24 Service Occupation Tax Act shall permit the registrant to  
25 engage in a business that is taxable under any ordinance or  
26 resolution enacted under this Section without registering

1 separately with the Department under the ordinance or  
2 resolution or under this Section. The Department shall have  
3 full power to administer and enforce this Section, to collect  
4 all taxes and penalties due hereunder, to dispose of taxes and  
5 penalties so collected in a manner hereinafter provided, and to  
6 determine all rights to credit memoranda arising on account of  
7 the erroneous payment of tax or penalty hereunder. In the  
8 administration of and compliance with this Section, the  
9 Department and persons who are subject to this Section shall  
10 have the same rights, remedies, privileges, immunities,  
11 powers, and duties, and be subject to the same conditions,  
12 restrictions, limitations, penalties and definitions of terms,  
13 and employ the same modes of procedure, as are prescribed in  
14 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all  
15 provisions therein other than the State rate of tax), 4 (except  
16 that the reference to the State shall be to the taxing  
17 municipality), 5, 7, 8 (except that the jurisdiction to which  
18 the tax shall be a debt to the extent indicated in that Section  
19 8 shall be the taxing municipality), 9 (except as to the  
20 disposition of taxes and penalties collected, and except that  
21 the returned merchandise credit for this municipal tax may not  
22 be taken against any State tax, and except that the retailer's  
23 discount is not allowed for taxes paid on aviation fuel that  
24 are subject to the revenue use requirements of 49 U.S.C.  
25 47107(b) and 49 U.S.C. 47133 ~~deposited into the Local~~  
26 ~~Government Aviation Trust Fund~~), 10, 11, 12, (except the

1 reference therein to Section 2b of the Retailers' Occupation  
2 Tax Act), 13 (except that any reference to the State shall mean  
3 the taxing municipality), the first paragraph of Sections 15,  
4 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and  
5 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
6 as if those provisions were set forth herein.

7 A tax may not be imposed by a municipality under this  
8 Section unless the municipality also imposes a tax at the same  
9 rate under Section 8-11-1.6 of this Act.

10 Person subject to any tax imposed under the authority  
11 granted in this Section may reimburse themselves for their  
12 servicemen's tax liability hereunder by separately stating the  
13 tax as an additional charge, which charge may be stated in  
14 combination, in a single amount, with State tax that servicemen  
15 are authorized to collect under the Service Use Tax Act, under  
16 such bracket schedules as the Department may prescribe.

17 Whenever the Department determines that a refund should be  
18 made under this Section to a claimant instead of issuing credit  
19 memorandum, the Department shall notify the State Comptroller,  
20 who shall cause the order to be drawn for the amount specified,  
21 and to the person named, in such notification from the  
22 Department. The refund shall be paid by the State Treasurer out  
23 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund  
24 or the Local Government Aviation Trust Fund, as appropriate.

25 Except as otherwise provided in this paragraph, the  
26 Department shall forthwith pay over to the State Treasurer, ex

1 officio, as trustee, all taxes and penalties collected  
2 hereunder for deposit into the Non-Home Rule Municipal  
3 Retailers' Occupation Tax Fund. Taxes and penalties collected  
4 on aviation fuel sold on or after December 1, 2019, shall be  
5 immediately paid over by the Department to the State Treasurer,  
6 ex officio, as trustee, for deposit into the Local Government  
7 Aviation Trust Fund. The Department shall only pay moneys into  
8 the Local Government Aviation Trust Fund under this Section Act  
9 for so long as the revenue use requirements of 49 U.S.C.  
10 47107(b) and 49 U.S.C. 47133 are binding on the Municipality.

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

19 After the monthly transfer to the STAR Bonds Revenue Fund,  
20 on or before the 25th day of each calendar month, the  
21 Department shall prepare and certify to the Comptroller the  
22 disbursement of stated sums of money to named municipalities,  
23 the municipalities to be those from which suppliers and  
24 servicemen have paid taxes or penalties hereunder to the  
25 Department during the second preceding calendar month. The  
26 amount to be paid to each municipality shall be the amount (not

1 including credit memoranda and not including taxes and  
2 penalties collected on aviation fuel sold on or after December  
3 1, 2019) collected hereunder during the second preceding  
4 calendar month by the Department, and not including an amount  
5 equal to the amount of refunds made during the second preceding  
6 calendar month by the Department on behalf of such  
7 municipality, and not including any amounts that are  
8 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
9 remainder, which the Department shall transfer into the Tax  
10 Compliance and Administration Fund. The Department, at the time  
11 of each monthly disbursement to the municipalities, shall  
12 prepare and certify to the State Comptroller the amount to be  
13 transferred into the Tax Compliance and Administration Fund  
14 under this Section. Within 10 days after receipt by the  
15 Comptroller of the disbursement certification to the  
16 municipalities, the Tax Compliance and Administration Fund,  
17 and the General Revenue Fund, provided for in this Section to  
18 be given to the Comptroller by the Department, the Comptroller  
19 shall cause the orders to be drawn for the respective amounts  
20 in accordance with the directions contained in the  
21 certification.

22 When certifying the amount of a monthly disbursement to a  
23 municipality under this Section, the Department shall increase  
24 or decrease the amount by an amount necessary to offset any  
25 misallocation of previous disbursements. The offset amount  
26 shall be the amount erroneously disbursed within the previous 6



1 months from the time a misallocation is discovered.

2 Nothing in this Section shall be construed to authorize a  
3 municipality to impose a tax upon the privilege of engaging in  
4 any business which under the constitution of the United States  
5 may not be made the subject of taxation by this State.

6 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
7 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff.  
8 6-5-19; 101-81, eff. 7-12-19.)

9 (65 ILCS 5/8-11-2.3)

10 Sec. 8-11-2.3. Municipal Motor Fuel Tax Law ~~Motor fuel tax~~.  
11 Notwithstanding any other provision of law, in addition to any  
12 other tax that may be imposed, a municipality in a county with  
13 a population of over 3,000,000 inhabitants may also impose, by  
14 ordinance, a tax upon all persons engaged in the municipality  
15 in the business of selling motor fuel, as defined in the Motor  
16 Fuel Tax Law, at retail for the operation of motor vehicles  
17 upon public highways or for the operation of recreational  
18 watercraft upon waterways. The tax may be imposed, in one cent  
19 increments, ~~on motor fuel~~ at a rate not to exceed \$0.03 per  
20 gallon of motor fuel sold at retail within the municipality for  
21 the purpose of use or consumption and not for the purpose of  
22 resale. The tax may not be imposed under this Section on  
23 aviation fuel, as defined in Section 3 of the Retailers'  
24 Occupation Tax Act.

25 Persons subject to any tax imposed under the authority

1 granted in this Section may reimburse themselves for their  
2 seller's tax liability hereunder by separately stating that tax  
3 as an additional charge, which charge may be stated in  
4 combination, in a single amount, with State tax which sellers  
5 are required to collect under the Use Tax Act, pursuant to such  
6 bracket schedules as the Department may prescribe.

7 A tax imposed pursuant to this Section, and all civil  
8 penalties that may be assessed as an incident thereof, shall be  
9 administered, collected, and enforced by the Department of  
10 Revenue in the same manner as the tax imposed under the  
11 Retailers' Occupation Tax Act, as now or hereafter amended,  
12 insofar as may be practicable; except that in the event of a  
13 conflict with the provisions of this Section, this Section  
14 shall control. The Department of Revenue shall have full power  
15 to: administer and enforce this Section; collect all taxes and  
16 penalties due hereunder; dispose of taxes and penalties so  
17 collected in the manner hereinafter provided; and determine all  
18 rights to credit memoranda arising on account of the erroneous  
19 payment of tax or penalty hereunder.

20 Whenever the Department determines that a refund shall be  
21 made under this Section to a claimant instead of issuing a  
22 credit memorandum, the Department shall notify the State  
23 Comptroller, who shall cause the order to be drawn for the  
24 amount specified, and to the person named, in the notification  
25 from the Department. The refund shall be paid by the State  
26 Treasurer out of the Municipal Motor Fuel Tax Fund.

1 ~~A license that is issued to a distributor or a receiver~~  
2 ~~under the Motor Fuel Tax Law shall permit that distributor or~~  
3 ~~receiver to act as a distributor or receiver, as applicable,~~  
4 ~~under this Section. The provisions of Sections 2b, 2d, 6, 6a,~~  
5 ~~12, 12a, 13, 13a.2, 13a.7, 13a.8, 15.1, and 21 of the Motor~~  
6 ~~Fuel Tax Law that are not inconsistent with this Section shall~~  
7 ~~apply as far as practicable to the subject matter of this~~  
8 ~~Section to the same extent as if those provisions were included~~  
9 ~~in this Section.~~

10 The Department shall immediately pay over to the State  
11 Treasurer, ex officio, as trustee, all taxes and penalties  
12 collected under this Section. Those taxes and penalties shall  
13 be deposited into the Municipal Motor Fuel Tax Fund, a trust  
14 fund created in the State treasury. Moneys in the Municipal  
15 Motor Fuel Tax Fund shall be used to make payments to  
16 municipalities and for the payment of refunds under this  
17 Section.

18 On or before the 25th day of each calendar month, the  
19 Department shall prepare and certify to the State Comptroller  
20 the disbursement of stated sums of money to named  
21 municipalities for which taxpayers have paid taxes or penalties  
22 hereunder to the Department during the second preceding  
23 calendar month. The amount to be paid to each municipality  
24 shall be the amount (not including credit memoranda) collected  
25 under this Section from retailers within the municipality  
26 during the second preceding calendar month by the Department

1 ~~from the tax imposed by that municipality under this Section~~  
2 ~~during the second preceding calendar month,~~ plus an amount the  
3 Department determines is necessary to offset amounts that were  
4 erroneously paid to a different municipality, and not including  
5 an amount equal to the amount of refunds made during the second  
6 preceding calendar month by the Department on behalf of the  
7 municipality, and not including any amount that the Department  
8 determines is necessary to offset any amounts that were payable  
9 to a different municipality but were erroneously paid to the  
10 municipality, less 1.5% of the remainder, which the Department  
11 shall transfer into the Tax Compliance and Administration Fund.  
12 The Department, at the time of each monthly disbursement, shall  
13 prepare and certify to the State Comptroller the amount to be  
14 transferred into the Tax Compliance and Administration Fund  
15 under this Section. Within 10 days after receipt by the  
16 Comptroller of the disbursement certification to the  
17 municipalities and the Tax Compliance and Administration Fund  
18 provided for in this Section to be given to the Comptroller by  
19 the Department, the Comptroller shall cause the orders to be  
20 drawn for the respective amounts in accordance with the  
21 directions contained in the certification.

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

26 An ordinance or resolution imposing or discontinuing the

1 tax under this Section or effecting a change in the rate  
2 thereof shall either: (i) be adopted and a certified copy  
3 thereof filed with the Department on or before the first day of  
4 April, whereupon the Department shall proceed to administer and  
5 enforce this Section as of the first day of July next following  
6 the adoption and filing; or (ii) be adopted and a certified  
7 copy thereof filed with the Department on or before the first  
8 day of October, whereupon the Department shall proceed to  
9 administer and enforce this Section as of the first day of  
10 January next following the adoption and filing.

11 An ordinance adopted in accordance with the provisions of  
12 this Section in effect before the effective date of this  
13 amendatory Act of the 101st General Assembly shall be deemed to  
14 impose the tax in accordance with the provisions of this  
15 Section as amended by this amendatory Act of the 101st General  
16 Assembly and shall be administered by the Department of Revenue  
17 in accordance with the provisions of this Section as amended by  
18 this amendatory Act of the 101st General Assembly; provided  
19 that, on or before October 1, 2020, the municipality adopts and  
20 files a certified copy of a superseding ordinance that imposes  
21 the tax in accordance with the provisions of this Section as  
22 amended by this amendatory Act of the 101st General Assembly.  
23 If a superseding ordinance is not so adopted and filed, then  
24 the tax imposed in accordance with the provisions of this  
25 Section in effect before the effective date of this amendatory  
26 Act of the 101st General Assembly shall be discontinued on

1 January 1, 2021.

2 This Section shall be known and may be cited as the  
3 Municipal Motor Fuel Tax Law.

4 (Source: P.A. 101-32, eff. 6-28-19.)

5 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

6 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax  
7 Act. The corporate authorities of a home rule municipality may  
8 impose a tax upon all persons engaged, in such municipality, in  
9 the business of making sales of service at the same rate of tax  
10 imposed pursuant to Section 8-11-1, of the selling price of all  
11 tangible personal property transferred by such servicemen  
12 either in the form of tangible personal property or in the form  
13 of real estate as an incident to a sale of service. If imposed,  
14 such tax shall only be imposed in 1/4% increments. On and after  
15 September 1, 1991, this additional tax may not be imposed on  
16 tangible personal property taxed at the 1% rate under the  
17 Retailers' Occupation Tax Act. Beginning December 1, 2019, this  
18 tax may not be imposed on sales of aviation fuel unless the tax  
19 revenue is expended for airport-related purposes. If a  
20 municipality does not have an airport-related purpose to which  
21 it dedicates aviation fuel tax revenue, then aviation fuel  
22 shall be excluded from tax. Each municipality must comply with  
23 the certification requirements for airport-related purposes  
24 under Section 2-22 of the Retailers' Occupation Tax Act  
25 ~~8-11-22~~. For purposes of this Section Act, "airport-related

1 purposes" has the meaning ascribed in Section 6z-20.2 of the  
2 State Finance Act. This exception for aviation fuel only  
3 applies for so long as the revenue use requirements of 49  
4 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.  
5 The changes made to this Section by this amendatory Act of the  
6 101st General Assembly are a denial and limitation of home rule  
7 powers and functions under subsection (g) of Section 6 of  
8 Article VII of the Illinois Constitution. The tax imposed by a  
9 home rule municipality pursuant to this Section and all civil  
10 penalties that may be assessed as an incident thereof shall be  
11 collected and enforced by the State Department of Revenue. The  
12 certificate of registration which is issued by the Department  
13 to a retailer under the Retailers' Occupation Tax Act or under  
14 the Service Occupation Tax Act shall permit such registrant to  
15 engage in a business which is taxable under any ordinance or  
16 resolution enacted pursuant to this Section without  
17 registering separately with the Department under such  
18 ordinance or resolution or under this Section. The Department  
19 shall have full power to administer and enforce this Section;  
20 to collect all taxes and penalties due hereunder; to dispose of  
21 taxes and penalties so collected in the manner hereinafter  
22 provided, and to determine all rights to credit memoranda  
23 arising on account of the erroneous payment of tax or penalty  
24 hereunder. In the administration of, and compliance with, this  
25 Section the Department and persons who are subject to this  
26 Section shall have the same rights, remedies, privileges,

1 immunities, powers and duties, and be subject to the same  
2 conditions, restrictions, limitations, penalties and  
3 definitions of terms, and employ the same modes of procedure,  
4 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
5 respect to all provisions therein other than the State rate of  
6 tax), 4 (except that the reference to the State shall be to the  
7 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
8 which the tax shall be a debt to the extent indicated in that  
9 Section 8 shall be the taxing municipality), 9 (except as to  
10 the disposition of taxes and penalties collected, and except  
11 that the returned merchandise credit for this municipal tax may  
12 not be taken against any State tax, and except that the  
13 retailer's discount is not allowed for taxes paid on aviation  
14 fuel that are subject to the revenue use requirements of 49  
15 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except the  
16 reference therein to Section 2b of the Retailers' Occupation  
17 Tax Act), 13 (except that any reference to the State shall mean  
18 the taxing municipality), the first paragraph of Section 15,  
19 16, 17 (except that credit memoranda issued hereunder may not  
20 be used to discharge any State tax liability), 18, 19 and 20 of  
21 the Service Occupation Tax Act and Section 3-7 of the Uniform  
22 Penalty and Interest Act, as fully as if those provisions were  
23 set forth herein.

24 No tax may be imposed by a home rule municipality pursuant  
25 to this Section unless such municipality also imposes a tax at  
26 the same rate pursuant to Section 8-11-1 of this Act.



1           Persons subject to any tax imposed pursuant to the  
2 authority granted in this Section may reimburse themselves for  
3 their serviceman's tax liability hereunder by separately  
4 stating such tax as an additional charge, which charge may be  
5 stated in combination, in a single amount, with State tax which  
6 servicemen are authorized to collect under the Service Use Tax  
7 Act, pursuant to such bracket schedules as the Department may  
8 prescribe.

9           Whenever the Department determines that a refund should be  
10 made under this Section to a claimant instead of issuing credit  
11 memorandum, the Department shall notify the State Comptroller,  
12 who shall cause the order to be drawn for the amount specified,  
13 and to the person named, in such notification from the  
14 Department. Such refund shall be paid by the State Treasurer  
15 out of the home rule municipal retailers' occupation tax fund  
16 or the Local Government Aviation Trust Fund, as appropriate.

17           Except as otherwise provided in this paragraph, the  
18 Department shall forthwith pay over to the State Treasurer, ex  
19 officio, as trustee, all taxes and penalties collected  
20 hereunder for deposit into the Home Rule Municipal Retailers'  
21 Occupation Tax Fund. Taxes and penalties collected on aviation  
22 fuel sold on or after December 1, 2019, shall be immediately  
23 paid over by the Department to the State Treasurer, ex officio,  
24 as trustee, for deposit into the Local Government Aviation  
25 Trust Fund. The Department shall only pay moneys into the Local  
26 Government State Aviation Trust Program Fund under this Section

1 ~~Act~~ for so long as the revenue use requirements of 49 U.S.C.  
2 47107(b) and 49 U.S.C. 47133 are binding on the municipality.

3 As soon as possible after the first day of each month,  
4 beginning January 1, 2011, upon certification of the Department  
5 of Revenue, the Comptroller shall order transferred, and the  
6 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
7 local sales tax increment, as defined in the Innovation  
8 Development and Economy Act, collected under this Section  
9 during the second preceding calendar month for sales within a  
10 STAR bond district.

11 After the monthly transfer to the STAR Bonds Revenue Fund,  
12 on or before the 25th day of each calendar month, the  
13 Department shall prepare and certify to the Comptroller the  
14 disbursement of stated sums of money to named municipalities,  
15 the municipalities to be those from which suppliers and  
16 servicemen have paid taxes or penalties hereunder to the  
17 Department during the second preceding calendar month. The  
18 amount to be paid to each municipality shall be the amount (not  
19 including credit memoranda and not including taxes and  
20 penalties collected on aviation fuel sold on or after December  
21 1, 2019) collected hereunder during the second preceding  
22 calendar month by the Department, and not including an amount  
23 equal to the amount of refunds made during the second preceding  
24 calendar month by the Department on behalf of such  
25 municipality, and not including any amounts that are  
26 transferred to the STAR Bonds Revenue Fund, less 1.5% of the

1 remainder, which the Department shall transfer into the Tax  
2 Compliance and Administration Fund. The Department, at the time  
3 of each monthly disbursement to the municipalities, shall  
4 prepare and certify to the State Comptroller the amount to be  
5 transferred into the Tax Compliance and Administration Fund  
6 under this Section. Within 10 days after receipt, by the  
7 Comptroller, of the disbursement certification to the  
8 municipalities and the Tax Compliance and Administration Fund  
9 provided for in this Section to be given to the Comptroller by  
10 the Department, the Comptroller shall cause the orders to be  
11 drawn for the respective amounts in accordance with the  
12 directions contained in such certification.

13 In addition to the disbursement required by the preceding  
14 paragraph and in order to mitigate delays caused by  
15 distribution procedures, an allocation shall, if requested, be  
16 made within 10 days after January 14, 1991, and in November of  
17 1991 and each year thereafter, to each municipality that  
18 received more than \$500,000 during the preceding fiscal year,  
19 (July 1 through June 30) whether collected by the municipality  
20 or disbursed by the Department as required by this Section.  
21 Within 10 days after January 14, 1991, participating  
22 municipalities shall notify the Department in writing of their  
23 intent to participate. In addition, for the initial  
24 distribution, participating municipalities shall certify to  
25 the Department the amounts collected by the municipality for  
26 each month under its home rule occupation and service

1 occupation tax during the period July 1, 1989 through June 30,  
2 1990. The allocation within 10 days after January 14, 1991,  
3 shall be in an amount equal to the monthly average of these  
4 amounts, excluding the 2 months of highest receipts. Monthly  
5 average for the period of July 1, 1990 through June 30, 1991  
6 will be determined as follows: the amounts collected by the  
7 municipality under its home rule occupation and service  
8 occupation tax during the period of July 1, 1990 through  
9 September 30, 1990, plus amounts collected by the Department  
10 and paid to such municipality through June 30, 1991, excluding  
11 the 2 months of highest receipts. The monthly average for each  
12 subsequent period of July 1 through June 30 shall be an amount  
13 equal to the monthly distribution made to each such  
14 municipality under the preceding paragraph during this period,  
15 excluding the 2 months of highest receipts. The distribution  
16 made in November 1991 and each year thereafter under this  
17 paragraph and the preceding paragraph shall be reduced by the  
18 amount allocated and disbursed under this paragraph in the  
19 preceding period of July 1 through June 30. The Department  
20 shall prepare and certify to the Comptroller for disbursement  
21 the allocations made in accordance with this paragraph.

22 Nothing in this Section shall be construed to authorize a  
23 municipality to impose a tax upon the privilege of engaging in  
24 any business which under the constitution of the United States  
25 may not be made the subject of taxation by this State.

26 An ordinance or resolution imposing or discontinuing a tax

1 hereunder or effecting a change in the rate thereof shall be  
2 adopted and a certified copy thereof filed with the Department  
3 on or before the first day of June, whereupon the Department  
4 shall proceed to administer and enforce this Section as of the  
5 first day of September next following such adoption and filing.  
6 Beginning January 1, 1992, an ordinance or resolution imposing  
7 or discontinuing the tax hereunder or effecting a change in the  
8 rate thereof shall be adopted and a certified copy thereof  
9 filed with the Department on or before the first day of July,  
10 whereupon the Department shall proceed to administer and  
11 enforce this Section as of the first day of October next  
12 following such adoption and filing. Beginning January 1, 1993,  
13 an ordinance or resolution imposing or discontinuing the tax  
14 hereunder or effecting a change in the rate thereof shall be  
15 adopted and a certified copy thereof filed with the Department  
16 on or before the first day of October, whereupon the Department  
17 shall proceed to administer and enforce this Section as of the  
18 first day of January next following such adoption and filing.  
19 However, a municipality located in a county with a population  
20 in excess of 3,000,000 that elected to become a home rule unit  
21 at the general primary election in 1994 may adopt an ordinance  
22 or resolution imposing the tax under this Section and file a  
23 certified copy of the ordinance or resolution with the  
24 Department on or before July 1, 1994. The Department shall then  
25 proceed to administer and enforce this Section as of October 1,  
26 1994. Beginning April 1, 1998, an ordinance or resolution

1 imposing or discontinuing the tax hereunder or effecting a  
2 change in the rate thereof shall either (i) be adopted and a  
3 certified copy thereof filed with the Department on or before  
4 the first day of April, whereupon the Department shall proceed  
5 to administer and enforce this Section as of the first day of  
6 July next following the adoption and filing; or (ii) be adopted  
7 and a certified copy thereof filed with the Department on or  
8 before the first day of October, whereupon the Department shall  
9 proceed to administer and enforce this Section as of the first  
10 day of January next following the adoption and filing.

11 Any unobligated balance remaining in the Municipal  
12 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
13 was abolished by Public Act 85-1135, and all receipts of  
14 municipal tax as a result of audits of liability periods prior  
15 to January 1, 1990, shall be paid into the Local Government Tax  
16 Fund, for distribution as provided by this Section prior to the  
17 enactment of Public Act 85-1135. All receipts of municipal tax  
18 as a result of an assessment not arising from an audit, for  
19 liability periods prior to January 1, 1990, shall be paid into  
20 the Local Government Tax Fund for distribution before July 1,  
21 1990, as provided by this Section prior to the enactment of  
22 Public Act 85-1135, and on and after July 1, 1990, all such  
23 receipts shall be distributed as provided in Section 6z-18 of  
24 the State Finance Act.

25 As used in this Section, "municipal" and "municipality"  
26 means a city, village or incorporated town, including an

1 incorporated town which has superseded a civil township.

2 This Section shall be known and may be cited as the Home  
3 Rule Municipal Service Occupation Tax Act.

4 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
5 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
6 7-12-19.)

7 (65 ILCS 5/11-74.3-6)

8 Sec. 11-74.3-6. Business district revenue and obligations;  
9 business district tax allocation fund.

10 (a) If the corporate authorities of a municipality have  
11 approved a business district plan, have designated a business  
12 district, and have elected to impose a tax by ordinance  
13 pursuant to subsection (10) or (11) of Section 11-74.3-3, then  
14 each year after the date of the approval of the ordinance but  
15 terminating upon the date all business district project costs  
16 and all obligations paying or reimbursing business district  
17 project costs, if any, have been paid, but in no event later  
18 than the dissolution date, all amounts generated by the  
19 retailers' occupation tax and service occupation tax shall be  
20 collected and the tax shall be enforced by the Department of  
21 Revenue in the same manner as all retailers' occupation taxes  
22 and service occupation taxes imposed in the municipality  
23 imposing the tax and all amounts generated by the hotel  
24 operators' occupation tax shall be collected and the tax shall  
25 be enforced by the municipality in the same manner as all hotel

1 operators' occupation taxes imposed in the municipality  
2 imposing the tax. The corporate authorities of the municipality  
3 shall deposit the proceeds of the taxes imposed under  
4 subsections (10) and (11) of Section 11-74.3-3 into a special  
5 fund of the municipality called the "[Name of] Business  
6 District Tax Allocation Fund" for the purpose of paying or  
7 reimbursing business district project costs and obligations  
8 incurred in the payment of those costs.

9 (b) The corporate authorities of a municipality that has  
10 designated a business district under this Law may, by  
11 ordinance, impose a Business District Retailers' Occupation  
12 Tax upon all persons engaged in the business of selling  
13 tangible personal property, other than an item of tangible  
14 personal property titled or registered with an agency of this  
15 State's government, at retail in the business district at a  
16 rate not to exceed 1% of the gross receipts from the sales made  
17 in the course of such business, to be imposed only in 0.25%  
18 increments. The tax may not be imposed on tangible personal  
19 property taxed at the rate of 1% under the Retailers'  
20 Occupation Tax Act. Beginning December 1, 2019 and through  
21 December 31, 2020, this tax is not imposed on sales of aviation  
22 fuel unless the tax revenue is expended for airport-related  
23 purposes. If the District does not have an airport-related  
24 purpose to which it dedicates aviation fuel tax revenue, then  
25 aviation fuel is excluded from the tax. Each municipality must  
26 comply with the certification requirements for airport-related



1 purposes under Section 2-22 of the Retailers' Occupation Tax  
2 Act ~~8-11-22~~. For purposes of this Section Act, "airport-related  
3 purposes" has the meaning ascribed in Section 6z-20.2 of the  
4 State Finance Act. Beginning January 1, 2021, this tax is not  
5 imposed on sales of aviation fuel ~~This exclusion for aviation~~  
6 ~~fuel only applies~~ for so long as the revenue use requirements  
7 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
8 District.

9 The tax imposed under this subsection and all civil  
10 penalties that may be assessed as an incident thereof shall be  
11 collected and enforced by the Department of Revenue. The  
12 certificate of registration that is issued by the Department to  
13 a retailer under the Retailers' Occupation Tax Act shall permit  
14 the retailer to engage in a business that is taxable under any  
15 ordinance or resolution enacted pursuant to this subsection  
16 without registering separately with the Department under such  
17 ordinance or resolution or under this subsection. The  
18 Department of Revenue shall have full power to administer and  
19 enforce this subsection; to collect all taxes and penalties due  
20 under this subsection in the manner hereinafter provided; and  
21 to determine all rights to credit memoranda arising on account  
22 of the erroneous payment of tax or penalty under this  
23 subsection. In the administration of, and compliance with, this  
24 subsection, the Department and persons who are subject to this  
25 subsection shall have the same rights, remedies, privileges,  
26 immunities, powers and duties, and be subject to the same

1 conditions, restrictions, limitations, penalties, exclusions,  
2 exemptions, and definitions of terms and employ the same modes  
3 of procedure, as are prescribed in Sections 1, 1a through 1o, 2  
4 through 2-65 (in respect to all provisions therein other than  
5 the State rate of tax), 2c through 2h, 3 (except as to the  
6 disposition of taxes and penalties collected, and except that  
7 the retailer's discount is not allowed for taxes paid on  
8 aviation fuel that are subject to the revenue use requirements  
9 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~deposited into the~~  
10 ~~Local Government Aviation Trust Fund~~), 4, 5, 5a, 5c, 5d, 5e,  
11 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13,  
12 and 14 of the Retailers' Occupation Tax Act and all provisions  
13 of the Uniform Penalty and Interest Act, as fully as if those  
14 provisions were set forth herein.

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

22 Whenever the Department determines that a refund should be  
23 made under this subsection to a claimant instead of issuing a  
24 credit memorandum, the Department shall notify the State  
25 Comptroller, who shall cause the order to be drawn for the  
26 amount specified and to the person named in the notification

1 from the Department. The refund shall be paid by the State  
2 Treasurer out of the business district retailers' occupation  
3 tax fund or the Local Government Aviation Trust Fund, as  
4 appropriate.

5 Except as otherwise provided in this paragraph, the  
6 Department shall immediately pay over to the State Treasurer,  
7 ex officio, as trustee, all taxes, penalties, and interest  
8 collected under this subsection for deposit into the business  
9 district retailers' occupation tax fund. Taxes and penalties  
10 collected on aviation fuel sold on or after December 1, 2019,  
11 shall be immediately paid over by the Department to the State  
12 Treasurer, ex officio, as trustee, for deposit into the Local  
13 Government Aviation Trust Fund. The Department shall only pay  
14 moneys into the Local Government Aviation Trust Fund under this  
15 Section Act for so long as the revenue use requirements of 49  
16 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
17 District.

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

26 After the monthly transfer to the STAR Bonds Revenue Fund,

1 on or before the 25th day of each calendar month, the  
2 Department shall prepare and certify to the Comptroller the  
3 disbursement of stated sums of money to named municipalities  
4 from the business district retailers' occupation tax fund, the  
5 municipalities to be those from which retailers have paid taxes  
6 or penalties under this subsection to the Department during the  
7 second preceding calendar month. The amount to be paid to each  
8 municipality shall be the amount (not including credit  
9 memoranda and not including taxes and penalties collected on  
10 aviation fuel sold on or after December 1, 2019) collected  
11 under this subsection during the second preceding calendar  
12 month by the Department plus an amount the Department  
13 determines is necessary to offset any amounts that were  
14 erroneously paid to a different taxing body, and not including  
15 an amount equal to the amount of refunds made during the second  
16 preceding calendar month by the Department, less 2% of that  
17 amount (except the amount collected on aviation fuel sold on or  
18 after December 1, 2019), which shall be deposited into the Tax  
19 Compliance and Administration Fund and shall be used by the  
20 Department, subject to appropriation, to cover the costs of the  
21 Department in administering and enforcing the provisions of  
22 this subsection, on behalf of such municipality, and not  
23 including any amount that the Department determines is  
24 necessary to offset any amounts that were payable to a  
25 different taxing body but were erroneously paid to the  
26 municipality, and not including any amounts that are

1 transferred to the STAR Bonds Revenue Fund. Within 10 days  
2 after receipt by the Comptroller of the disbursement  
3 certification to the municipalities provided for in this  
4 subsection to be given to the Comptroller by the Department,  
5 the Comptroller shall cause the orders to be drawn for the  
6 respective amounts in accordance with the directions contained  
7 in the certification. The proceeds of the tax paid to  
8 municipalities under this subsection shall be deposited into  
9 the Business District Tax Allocation Fund by the municipality.

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

23 The Department of Revenue shall not administer or enforce  
24 an ordinance imposing, discontinuing, or changing the rate of  
25 the tax under this subsection, until the municipality also  
26 provides, in the manner prescribed by the Department, the

1 boundaries of the business district and each address in the  
2 business district in such a way that the Department can  
3 determine by its address whether a business is located in the  
4 business district. The municipality must provide this boundary  
5 and address information to the Department on or before April 1  
6 for administration and enforcement of the tax under this  
7 subsection by the Department beginning on the following July 1  
8 and on or before October 1 for administration and enforcement  
9 of the tax under this subsection by the Department beginning on  
10 the following January 1. The Department of Revenue shall not  
11 administer or enforce any change made to the boundaries of a  
12 business district or address change, addition, or deletion  
13 until the municipality reports the boundary change or address  
14 change, addition, or deletion to the Department in the manner  
15 prescribed by the Department. The municipality must provide  
16 this boundary change information or address change, addition,  
17 or deletion to the Department on or before April 1 for  
18 administration and enforcement by the Department of the change  
19 beginning on the following July 1 and on or before October 1  
20 for administration and enforcement by the Department of the  
21 change beginning on the following January 1. The retailers in  
22 the business district shall be responsible for charging the tax  
23 imposed under this subsection. If a retailer is incorrectly  
24 included or excluded from the list of those required to collect  
25 the tax under this subsection, both the Department of Revenue  
26 and the retailer shall be held harmless if they reasonably

1 relied on information provided by the municipality.

2 A municipality that imposes the tax under this subsection  
3 must submit to the Department of Revenue any other information  
4 as the Department may require for the administration and  
5 enforcement of the tax.

6 When certifying the amount of a monthly disbursement to a  
7 municipality under this subsection, the Department shall  
8 increase or decrease the amount by an amount necessary to  
9 offset any misallocation of previous disbursements. The offset  
10 amount shall be the amount erroneously disbursed within the  
11 previous 6 months from the time a misallocation is discovered.

12 Nothing in this subsection shall be construed to authorize  
13 the municipality to impose a tax upon the privilege of engaging  
14 in any business which under the Constitution of the United  
15 States may not be made the subject of taxation by this State.

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

18 (c) If a tax has been imposed under subsection (b), a  
19 Business District Service Occupation Tax shall also be imposed  
20 upon all persons engaged, in the business district, in the  
21 business of making sales of service, who, as an incident to  
22 making those sales of service, transfer tangible personal  
23 property within the business district, either in the form of  
24 tangible personal property or in the form of real estate as an  
25 incident to a sale of service. The tax shall be imposed at the  
26 same rate as the tax imposed in subsection (b) and shall not

1 exceed 1% of the selling price of tangible personal property so  
2 transferred within the business district, to be imposed only in  
3 0.25% increments. The tax may not be imposed on tangible  
4 personal property taxed at the 1% rate under the Service  
5 Occupation Tax Act. Beginning December 1, 2019, this tax is not  
6 imposed on sales of aviation fuel unless the tax revenue is  
7 expended for airport-related purposes. If the District does not  
8 have an airport-related purpose to which it dedicates aviation  
9 fuel tax revenue, then aviation fuel is excluded from the tax.  
10 Each municipality must comply with the certification  
11 requirements for airport-related purposes under Section 2-22  
12 of the Retailers' Occupation Tax Act ~~8-11-22~~. For purposes of  
13 this Act, "airport-related purposes" has the meaning ascribed  
14 in Section 6z-20.2 of the State Finance Act. Beginning January  
15 1, 2021, this tax is not imposed on sales of aviation fuel ~~This~~  
16 ~~exclusion for aviation fuel only applies~~ for so long as the  
17 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
18 47133 are binding on the District.

19 The tax imposed under this subsection and all civil  
20 penalties that may be assessed as an incident thereof shall be  
21 collected and enforced by the Department of Revenue. The  
22 certificate of registration which is issued by the Department  
23 to a retailer under the Retailers' Occupation Tax Act or under  
24 the Service Occupation Tax Act shall permit such registrant to  
25 engage in a business which is taxable under any ordinance or  
26 resolution enacted pursuant to this subsection without



1 registering separately with the Department under such  
2 ordinance or resolution or under this subsection. The  
3 Department of Revenue shall have full power to administer and  
4 enforce this subsection; to collect all taxes and penalties due  
5 under this subsection; to dispose of taxes and penalties so  
6 collected in the manner hereinafter provided; and to determine  
7 all rights to credit memoranda arising on account of the  
8 erroneous payment of tax or penalty under this subsection. In  
9 the administration of, and compliance with this subsection, the  
10 Department and persons who are subject to this subsection shall  
11 have the same rights, remedies, privileges, immunities, powers  
12 and duties, and be subject to the same conditions,  
13 restrictions, limitations, penalties, exclusions, exemptions,  
14 and definitions of terms and employ the same modes of procedure  
15 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
16 (in respect to all provisions therein other than the State rate  
17 of tax), 4 (except that the reference to the State shall be to  
18 the business district), 5, 7, 8 (except that the jurisdiction  
19 to which the tax shall be a debt to the extent indicated in  
20 that Section 8 shall be the municipality), 9 (except as to the  
21 disposition of taxes and penalties collected, and except that  
22 the returned merchandise credit for this tax may not be taken  
23 against any State tax, and except that the retailer's discount  
24 is not allowed for taxes paid on aviation fuel that are subject  
25 to the revenue use requirements of 49 U.S.C. 47107(b) and 49  
26 U.S.C. 47133 ~~deposited into the Local Government Aviation Trust~~

1 ~~Fund~~), 10, 11, 12 (except the reference therein to Section 2b  
2 of the Retailers' Occupation Tax Act), 13 (except that any  
3 reference to the State shall mean the municipality), the first  
4 paragraph of Section 15, and Sections 16, 17, 18, 19 and 20 of  
5 the Service Occupation Tax Act and all provisions of the  
6 Uniform Penalty and Interest Act, as fully as if those  
7 provisions were set forth herein.

8 Persons subject to any tax imposed under the authority  
9 granted in this subsection may reimburse themselves for their  
10 serviceman's tax liability hereunder by separately stating the  
11 tax as an additional charge, which charge may be stated in  
12 combination, in a single amount, with State tax that servicemen  
13 are authorized to collect under the Service Use Tax Act, in  
14 accordance with such bracket schedules as the Department may  
15 prescribe.

16 Whenever the Department determines that a refund should be  
17 made under this subsection to a claimant instead of issuing  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the order to be drawn for the  
20 amount specified, and to the person named, in such notification  
21 from the Department. Such refund shall be paid by the State  
22 Treasurer out of the business district retailers' occupation  
23 tax fund or the Local Government Aviation Trust Fund, as  
24 appropriate.

25 Except as otherwise provided in this paragraph, the  
26 Department shall forthwith pay over to the State Treasurer,

1 ex-officio, as trustee, all taxes, penalties, and interest  
2 collected under this subsection for deposit into the business  
3 district retailers' occupation tax fund. Taxes and penalties  
4 collected on aviation fuel sold on or after December 1, 2019,  
5 shall be immediately paid over by the Department to the State  
6 Treasurer, ex officio, as trustee, for deposit into the Local  
7 Government Aviation Trust Fund. The Department shall only pay  
8 moneys into the Local Government Aviation Trust Fund under this  
9 Section ~~Act~~ for so long as the revenue use requirements of 49  
10 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
11 District.

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

20 After the monthly transfer to the STAR Bonds Revenue Fund,  
21 on or before the 25th day of each calendar month, the  
22 Department shall prepare and certify to the Comptroller the  
23 disbursement of stated sums of money to named municipalities  
24 from the business district retailers' occupation tax fund, the  
25 municipalities to be those from which suppliers and servicemen  
26 have paid taxes or penalties under this subsection to the

1 Department during the second preceding calendar month. The  
2 amount to be paid to each municipality shall be the amount (not  
3 including credit memoranda and not including taxes and  
4 penalties collected on aviation fuel sold on or after December  
5 1, 2019) collected under this subsection during the second  
6 preceding calendar month by the Department, less 2% of that  
7 amount (except the amount collected on aviation fuel sold on or  
8 after December 1, 2019), which shall be deposited into the Tax  
9 Compliance and Administration Fund and shall be used by the  
10 Department, subject to appropriation, to cover the costs of the  
11 Department in administering and enforcing the provisions of  
12 this subsection, and not including an amount equal to the  
13 amount of refunds made during the second preceding calendar  
14 month by the Department on behalf of such municipality, and not  
15 including any amounts that are transferred to the STAR Bonds  
16 Revenue Fund. Within 10 days after receipt, by the Comptroller,  
17 of the disbursement certification to the municipalities,  
18 provided for in this subsection to be given to the Comptroller  
19 by the Department, the Comptroller shall cause the orders to be  
20 drawn for the respective amounts in accordance with the  
21 directions contained in such certification. The proceeds of the  
22 tax paid to municipalities under this subsection shall be  
23 deposited into the Business District Tax Allocation Fund by the  
24 municipality.

25 An ordinance imposing or discontinuing the tax under this  
26 subsection or effecting a change in the rate thereof shall

1 either (i) be adopted and a certified copy thereof filed with  
2 the Department on or before the first day of April, whereupon  
3 the Department, if all other requirements of this subsection  
4 are met, shall proceed to administer and enforce this  
5 subsection as of the first day of July next following the  
6 adoption and filing; or (ii) be adopted and a certified copy  
7 thereof filed with the Department on or before the first day of  
8 October, whereupon, if all other conditions of this subsection  
9 are met, the Department shall proceed to administer and enforce  
10 this subsection as of the first day of January next following  
11 the adoption and filing.

12 The Department of Revenue shall not administer or enforce  
13 an ordinance imposing, discontinuing, or changing the rate of  
14 the tax under this subsection, until the municipality also  
15 provides, in the manner prescribed by the Department, the  
16 boundaries of the business district in such a way that the  
17 Department can determine by its address whether a business is  
18 located in the business district. The municipality must provide  
19 this boundary and address information to the Department on or  
20 before April 1 for administration and enforcement of the tax  
21 under this subsection by the Department beginning on the  
22 following July 1 and on or before October 1 for administration  
23 and enforcement of the tax under this subsection by the  
24 Department beginning on the following January 1. The Department  
25 of Revenue shall not administer or enforce any change made to  
26 the boundaries of a business district or address change,

1 addition, or deletion until the municipality reports the  
2 boundary change or address change, addition, or deletion to the  
3 Department in the manner prescribed by the Department. The  
4 municipality must provide this boundary change information or  
5 address change, addition, or deletion to the Department on or  
6 before April 1 for administration and enforcement by the  
7 Department of the change beginning on the following July 1 and  
8 on or before October 1 for administration and enforcement by  
9 the Department of the change beginning on the following January  
10 1. The retailers in the business district shall be responsible  
11 for charging the tax imposed under this subsection. If a  
12 retailer is incorrectly included or excluded from the list of  
13 those required to collect the tax under this subsection, both  
14 the Department of Revenue and the retailer shall be held  
15 harmless if they reasonably relied on information provided by  
16 the municipality.

17 A municipality that imposes the tax under this subsection  
18 must submit to the Department of Revenue any other information  
19 as the Department may require for the administration and  
20 enforcement of the tax.

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

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

1           (d) By ordinance, a municipality that has designated a  
2 business district under this Law may impose an occupation tax  
3 upon all persons engaged in the business district in the  
4 business of renting, leasing, or letting rooms in a hotel, as  
5 defined in the Hotel Operators' Occupation Tax Act, at a rate  
6 not to exceed 1% of the gross rental receipts from the renting,  
7 leasing, or letting of hotel rooms within the business  
8 district, to be imposed only in 0.25% increments, excluding,  
9 however, from gross rental receipts the proceeds of renting,  
10 leasing, or letting to permanent residents of a hotel, as  
11 defined in the Hotel Operators' Occupation Tax Act, and  
12 proceeds from the tax imposed under subsection (c) of Section  
13 13 of the Metropolitan Pier and Exposition Authority Act.

14           The tax imposed by the municipality under this subsection  
15 and all civil penalties that may be assessed as an incident to  
16 that tax shall be collected and enforced by the municipality  
17 imposing the tax. The municipality shall have full power to  
18 administer and enforce this subsection, to collect all taxes  
19 and penalties due under this subsection, to dispose of taxes  
20 and penalties so collected in the manner provided in this  
21 subsection, and to determine all rights to credit memoranda  
22 arising on account of the erroneous payment of tax or penalty  
23 under this subsection. In the administration of and compliance  
24 with this subsection, the municipality and persons who are  
25 subject to this subsection shall have the same rights,  
26 remedies, privileges, immunities, powers, and duties, shall be

1 subject to the same conditions, restrictions, limitations,  
2 penalties, and definitions of terms, and shall employ the same  
3 modes of procedure as are employed with respect to a tax  
4 adopted by the municipality under Section 8-3-14 of this Code.

5 Persons subject to any tax imposed under the authority  
6 granted in this subsection may reimburse themselves for their  
7 tax liability for that tax by separately stating that tax as an  
8 additional charge, which charge may be stated in combination,  
9 in a single amount, with State taxes imposed under the Hotel  
10 Operators' Occupation Tax Act, and with any other tax.

11 Nothing in this subsection shall be construed to authorize  
12 a municipality to impose a tax upon the privilege of engaging  
13 in any business which under the Constitution of the United  
14 States may not be made the subject of taxation by this State.

15 The proceeds of the tax imposed under this subsection shall  
16 be deposited into the Business District Tax Allocation Fund.

17 (e) Obligations secured by the Business District Tax  
18 Allocation Fund may be issued to provide for the payment or  
19 reimbursement of business district project costs. Those  
20 obligations, when so issued, shall be retired in the manner  
21 provided in the ordinance authorizing the issuance of those  
22 obligations by the receipts of taxes imposed pursuant to  
23 subsections (10) and (11) of Section 11-74.3-3 and by other  
24 revenue designated or pledged by the municipality. A  
25 municipality may in the ordinance pledge, for any period of  
26 time up to and including the dissolution date, all or any part



1 of the funds in and to be deposited in the Business District  
2 Tax Allocation Fund to the payment of business district project  
3 costs and obligations. Whenever a municipality pledges all of  
4 the funds to the credit of a business district tax allocation  
5 fund to secure obligations issued or to be issued to pay or  
6 reimburse business district project costs, the municipality  
7 may specifically provide that funds remaining to the credit of  
8 such business district tax allocation fund after the payment of  
9 such obligations shall be accounted for annually and shall be  
10 deemed to be "surplus" funds, and such "surplus" funds shall be  
11 expended by the municipality for any business district project  
12 cost as approved in the business district plan. Whenever a  
13 municipality pledges less than all of the monies to the credit  
14 of a business district tax allocation fund to secure  
15 obligations issued or to be issued to pay or reimburse business  
16 district project costs, the municipality shall provide that  
17 monies to the credit of the business district tax allocation  
18 fund and not subject to such pledge or otherwise encumbered or  
19 required for payment of contractual obligations for specific  
20 business district project costs shall be calculated annually  
21 and shall be deemed to be "surplus" funds, and such "surplus"  
22 funds shall be expended by the municipality for any business  
23 district project cost as approved in the business district  
24 plan.

25 No obligation issued pursuant to this Law and secured by a  
26 pledge of all or any portion of any revenues received or to be

1 received by the municipality from the imposition of taxes  
2 pursuant to subsection (10) of Section 11-74.3-3, shall be  
3 deemed to constitute an economic incentive agreement under  
4 Section 8-11-20, notwithstanding the fact that such pledge  
5 provides for the sharing, rebate, or payment of retailers'  
6 occupation taxes or service occupation taxes imposed pursuant  
7 to subsection (10) of Section 11-74.3-3 and received or to be  
8 received by the municipality from the development or  
9 redevelopment of properties in the business district.

10 Without limiting the foregoing in this Section, the  
11 municipality may further secure obligations secured by the  
12 business district tax allocation fund with a pledge, for a  
13 period not greater than the term of the obligations and in any  
14 case not longer than the dissolution date, of any part or any  
15 combination of the following: (i) net revenues of all or part  
16 of any business district project; (ii) taxes levied or imposed  
17 by the municipality on any or all property in the municipality,  
18 including, specifically, taxes levied or imposed by the  
19 municipality in a special service area pursuant to the Special  
20 Service Area Tax Law; (iii) the full faith and credit of the  
21 municipality; (iv) a mortgage on part or all of the business  
22 district project; or (v) any other taxes or anticipated  
23 receipts that the municipality may lawfully pledge.

24 Such obligations may be issued in one or more series, bear  
25 such date or dates, become due at such time or times as therein  
26 provided, but in any case not later than (i) 20 years after the

1 date of issue or (ii) the dissolution date, whichever is  
2 earlier, bear interest payable at such intervals and at such  
3 rate or rates as set forth therein, except as may be limited by  
4 applicable law, which rate or rates may be fixed or variable,  
5 be in such denominations, be in such form, either coupon,  
6 registered, or book-entry, carry such conversion, registration  
7 and exchange privileges, be subject to defeasance upon such  
8 terms, have such rank or priority, be executed in such manner,  
9 be payable in such medium or payment at such place or places  
10 within or without the State, make provision for a corporate  
11 trustee within or without the State with respect to such  
12 obligations, prescribe the rights, powers, and duties thereof  
13 to be exercised for the benefit of the municipality and the  
14 benefit of the owners of such obligations, provide for the  
15 holding in trust, investment, and use of moneys, funds, and  
16 accounts held under an ordinance, provide for assignment of and  
17 direct payment of the moneys to pay such obligations or to be  
18 deposited into such funds or accounts directly to such trustee,  
19 be subject to such terms of redemption with or without premium,  
20 and be sold at such price, all as the corporate authorities  
21 shall determine. No referendum approval of the electors shall  
22 be required as a condition to the issuance of obligations  
23 pursuant to this Law except as provided in this Section.

24 In the event the municipality authorizes the issuance of  
25 obligations pursuant to the authority of this Law secured by  
26 the full faith and credit of the municipality, or pledges ad

1 valorem taxes pursuant to this subsection, which obligations  
2 are other than obligations which may be issued under home rule  
3 powers provided by Section 6 of Article VII of the Illinois  
4 Constitution or which ad valorem taxes are other than ad  
5 valorem taxes which may be pledged under home rule powers  
6 provided by Section 6 of Article VII of the Illinois  
7 Constitution or which are levied in a special service area  
8 pursuant to the Special Service Area Tax Law, the ordinance  
9 authorizing the issuance of those obligations or pledging those  
10 taxes shall be published within 10 days after the ordinance has  
11 been adopted, in a newspaper having a general circulation  
12 within the municipality. The publication of the ordinance shall  
13 be accompanied by a notice of (i) the specific number of voters  
14 required to sign a petition requesting the question of the  
15 issuance of the obligations or pledging such ad valorem taxes  
16 to be submitted to the electors; (ii) the time within which the  
17 petition must be filed; and (iii) the date of the prospective  
18 referendum. The municipal clerk shall provide a petition form  
19 to any individual requesting one.

20 If no petition is filed with the municipal clerk, as  
21 hereinafter provided in this Section, within 21 days after the  
22 publication of the ordinance, the ordinance shall be in effect.  
23 However, if within that 21-day period a petition is filed with  
24 the municipal clerk, signed by electors numbering not less than  
25 15% of the number of electors voting for the mayor or president  
26 at the last general municipal election, asking that the

1 question of issuing obligations using full faith and credit of  
2 the municipality as security for the cost of paying or  
3 reimbursing business district project costs, or of pledging  
4 such ad valorem taxes for the payment of those obligations, or  
5 both, be submitted to the electors of the municipality, the  
6 municipality shall not be authorized to issue obligations of  
7 the municipality using the full faith and credit of the  
8 municipality as security or pledging such ad valorem taxes for  
9 the payment of those obligations, or both, until the  
10 proposition has been submitted to and approved by a majority of  
11 the voters voting on the proposition at a regularly scheduled  
12 election. The municipality shall certify the proposition to the  
13 proper election authorities for submission in accordance with  
14 the general election law.

15 The ordinance authorizing the obligations may provide that  
16 the obligations shall contain a recital that they are issued  
17 pursuant to this Law, which recital shall be conclusive  
18 evidence of their validity and of the regularity of their  
19 issuance.

20 In the event the municipality authorizes issuance of  
21 obligations pursuant to this Law secured by the full faith and  
22 credit of the municipality, the ordinance authorizing the  
23 obligations may provide for the levy and collection of a direct  
24 annual tax upon all taxable property within the municipality  
25 sufficient to pay the principal thereof and interest thereon as  
26 it matures, which levy may be in addition to and exclusive of

1 the maximum of all other taxes authorized to be levied by the  
2 municipality, which levy, however, shall be abated to the  
3 extent that monies from other sources are available for payment  
4 of the obligations and the municipality certifies the amount of  
5 those monies available to the county clerk.

6 A certified copy of the ordinance shall be filed with the  
7 county clerk of each county in which any portion of the  
8 municipality is situated, and shall constitute the authority  
9 for the extension and collection of the taxes to be deposited  
10 in the business district tax allocation fund.

11 A municipality may also issue its obligations to refund, in  
12 whole or in part, obligations theretofore issued by the  
13 municipality under the authority of this Law, whether at or  
14 prior to maturity. However, the last maturity of the refunding  
15 obligations shall not be expressed to mature later than the  
16 dissolution date.

17 In the event a municipality issues obligations under home  
18 rule powers or other legislative authority, the proceeds of  
19 which are pledged to pay or reimburse business district project  
20 costs, the municipality may, if it has followed the procedures  
21 in conformance with this Law, retire those obligations from  
22 funds in the business district tax allocation fund in amounts  
23 and in such manner as if those obligations had been issued  
24 pursuant to the provisions of this Law.

25 No obligations issued pursuant to this Law shall be  
26 regarded as indebtedness of the municipality issuing those

1 obligations or any other taxing district for the purpose of any  
2 limitation imposed by law.

3 Obligations issued pursuant to this Law shall not be  
4 subject to the provisions of the Bond Authorization Act.

5 (f) When business district project costs, including,  
6 without limitation, all obligations paying or reimbursing  
7 business district project costs have been paid, any surplus  
8 funds then remaining in the Business District Tax Allocation  
9 Fund shall be distributed to the municipal treasurer for  
10 deposit into the general corporate fund of the municipality.  
11 Upon payment of all business district project costs and  
12 retirement of all obligations paying or reimbursing business  
13 district project costs, but in no event more than 23 years  
14 after the date of adoption of the ordinance imposing taxes  
15 pursuant to subsection (10) or (11) of Section 11-74.3-3, the  
16 municipality shall adopt an ordinance immediately rescinding  
17 the taxes imposed pursuant to subsection (10) or (11) of  
18 Section 11-74.3-3.

19 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19.)

20 (65 ILCS 5/11-101-3)

21 Sec. 11-101-3. Noise mitigation; air quality.

22 (a) A municipality that has implemented a Residential Sound  
23 Insulation Program to mitigate aircraft noise shall perform  
24 indoor air quality monitoring and laboratory analysis of  
25 windows and doors installed pursuant to the Residential Sound

1 Insulation Program to determine whether there are any adverse  
2 health impacts associated with off-gassing from such windows  
3 and doors. Such monitoring and analysis shall be consistent  
4 with applicable professional and industry standards. The  
5 municipality shall make any final reports resulting from such  
6 monitoring and analysis available to the public on the  
7 municipality's website. The municipality shall develop a  
8 science-based mitigation plan to address significant  
9 health-related impacts, if any, associated with such windows  
10 and doors as determined by the results of the monitoring and  
11 analysis. In a municipality that has implemented a Residential  
12 Sound Insulation Program to mitigate aircraft noise, if  
13 requested by the homeowner pursuant to a process established by  
14 the municipality, which process shall include, at a minimum,  
15 notification in a newspaper of general circulation and a mailer  
16 sent to every address identified as a recipient of windows and  
17 doors installed under the Residential Sound Insulation  
18 Program, the municipality shall replace all windows and doors  
19 installed under the Residential Sound Insulation Program in  
20 such homes where one or more windows or doors have been found  
21 to have caused offensive odors. Only those homeowners who  
22 request that the municipality perform an odor inspection as  
23 prescribed by the process established by the municipality  
24 within 6 months of notification being published and mailers  
25 being sent ~~prior to March 31, 2020~~ shall be eligible for  
26 odorous window and odorous door replacement. Homes that have



1 been identified by the municipality as having odorous windows  
2 or doors are not required to make said request to the  
3 municipality. The right to make a claim for replacement and  
4 have it considered pursuant to this Section shall not be  
5 affected by the fact of odor-related claims made or  
6 odor-related products received pursuant to the Residential  
7 Sound Insulation Program prior to June 5, 2019 (the effective  
8 date of this Section).

9 (b) An advisory committee shall be formed, composed of the  
10 following: (i) 2 members of the municipality who reside in  
11 homes that have received windows or doors pursuant to the  
12 Residential Sound Insulation Program and have been identified  
13 by the municipality as having odorous windows or doors,  
14 appointed by the Secretary of Transportation; (ii) one employee  
15 of the Aeronautics Division of the Department of  
16 Transportation; and (iii) 2 employees of the municipality that  
17 implemented the Residential Sound Insulation Program in  
18 question. The advisory committee shall determine by majority  
19 vote which homes contain windows or doors that cause offensive  
20 odors and thus are eligible for replacement, shall promulgate a  
21 list of such homes, and shall develop recommendations as to the  
22 order in which homes are to receive window replacement. The  
23 recommendations shall include reasonable and objective  
24 criteria for determining which windows or doors are odorous,  
25 consideration of the date of odor confirmation for  
26 prioritization, severity of odor, geography and individual

1 hardship, and shall provide such recommendations to the  
2 municipality. The advisory committee shall comply with the  
3 requirements of the ~~Illinois~~ Open Meetings Act. The  
4 municipality shall consider the recommendations of the  
5 committee but shall retain final decision-making authority  
6 over replacement of windows and doors installed under the  
7 Residential Sound Insulation Program, and shall comply with all  
8 federal, State, and local laws involving procurement. A  
9 municipality administering claims pursuant to this Section  
10 shall provide to every address identified as having submitted a  
11 valid claim under this Section a quarterly report setting forth  
12 the municipality's activities undertaken pursuant to this  
13 Section for that quarter. However, the municipality shall  
14 replace windows and doors pursuant to this Section only if, and  
15 to the extent, grants are distributed to, and received by, the  
16 municipality from the Sound-Reducing Windows and Doors  
17 Replacement Fund for the costs associated with the replacement  
18 of sound-reducing windows and doors installed under the  
19 Residential Sound Insulation Program pursuant to Section  
20 6z-20.1 of the State Finance Act. In addition, the municipality  
21 shall revise its specifications for procurement of windows for  
22 the Residential Sound Insulation Program to address potential  
23 off-gassing from such windows in future phases of the program.  
24 A municipality subject to the Section shall not legislate or  
25 otherwise regulate with regard to indoor air quality  
26 monitoring, laboratory analysis or replacement requirements,

1     except as provided in this Section, but the foregoing  
2     restriction shall not limit said municipality's taxing power.

3           (c) A home rule unit may not regulate indoor air quality  
4     monitoring and laboratory analysis, and related mitigation and  
5     mitigation plans, in a manner inconsistent with this Section.  
6     This Section is a limitation of home rule powers and functions  
7     under subsection (i) of Section 6 of Article VII of the  
8     Illinois Constitution on the concurrent exercise by home rule  
9     units of powers and functions exercised by the State.

10           (d) This Section shall not be construed to create a private  
11     right of action.

12     (Source: P.A. 101-10, eff. 6-5-19; revised 8-8-19.)

13           (65 ILCS 5/8-11-22 rep.)

14           Section 10-80. The Illinois Municipal Code is amended by  
15     repealing Section 8-11-22.

16           Section 10-85. The Civic Center Code is amended by changing  
17     Section 245-12 as follows:

18           (70 ILCS 200/245-12)

19           Sec. 245-12. Use and occupation taxes.

20           (a) The Authority may adopt a resolution that authorizes a  
21     referendum on the question of whether the Authority shall be  
22     authorized to impose a retailers' occupation tax, a service  
23     occupation tax, and a use tax in one-quarter percent increments

1 at a rate not to exceed 1%. The Authority shall certify the  
2 question to the proper election authorities who shall submit  
3 the question to the voters of the metropolitan area at the next  
4 regularly scheduled election in accordance with the general  
5 election law. The question shall be in substantially the  
6 following form:

7 "Shall the Salem Civic Center Authority be authorized to  
8 impose a retailers' occupation tax, a service occupation  
9 tax, and a use tax at the rate of (rate) for the sole  
10 purpose of obtaining funds for the support, construction,  
11 maintenance, or financing of a facility of the Authority?"

12 Votes shall be recorded as "yes" or "no".

13 If a majority of all votes cast on the proposition are in  
14 favor of the proposition, the Authority is authorized to impose  
15 the tax.

16 (b) The Authority shall impose the retailers' occupation  
17 tax upon all persons engaged in the business of selling  
18 tangible personal property at retail in the metropolitan area,  
19 at the rate approved by referendum, on the gross receipts from  
20 the sales made in the course of such business within the  
21 metropolitan area. Beginning December 1, 2019 and through  
22 December 31, 2020, this tax is not imposed on sales of aviation  
23 fuel unless the tax revenue is expended for airport-related  
24 purposes. If the Authority does not have an airport-related  
25 purpose to which it dedicates aviation fuel tax revenue, then  
26 aviation fuel is excluded from the tax. The Authority must

1 comply with the certification requirements for airport-related  
2 purposes under Section 2-22 of the Retailers' Occupation Tax  
3 Act. For purposes of this Section Act, "airport-related  
4 purposes" has the meaning ascribed in Section 6z-20.2 of the  
5 State Finance Act. Beginning January 1, 2021, this tax is not  
6 imposed on sales of aviation fuel ~~This exclusion for aviation~~  
7 ~~fuel only applies~~ for so long as the revenue use requirements  
8 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
9 Authority.

10 ~~On or before September 1, 2019, and on or before each April~~  
11 ~~1 and October 1 thereafter, the Authority must certify to the~~  
12 ~~Department of Transportation, in the form and manner required~~  
13 ~~by the Department, whether the Authority has an airport-related~~  
14 ~~purpose, which would allow any Retailers' Occupation Tax and~~  
15 ~~Service Occupation Tax imposed by the Authority to include tax~~  
16 ~~on aviation fuel. On or before October 1, 2019, and on or~~  
17 ~~before each May 1 and November 1 thereafter, the Department of~~  
18 ~~Transportation shall provide to the Department of Revenue, a~~  
19 ~~list of units of local government which have certified to the~~  
20 ~~Department of Transportation that they have airport-related~~  
21 ~~purposes, which would allow any Retailers' Occupation Tax and~~  
22 ~~Service Occupation Tax imposed by the unit of local government~~  
23 ~~to include tax on aviation fuel. All disputes regarding whether~~  
24 ~~or not a unit of local government has an airport-related~~  
25 ~~purpose shall be resolved by the Department of Transportation.~~

26 The tax imposed under this Section and all civil penalties

1 that may be assessed as an incident thereof shall be collected  
2 and enforced by the Department of Revenue. The Department has  
3 full power to administer and enforce this Section; to collect  
4 all taxes and penalties so collected in the manner provided in  
5 this Section; and to determine all rights to credit memoranda  
6 arising on account of the erroneous payment of tax or penalty  
7 hereunder. In the administration of, and compliance with, this  
8 Section, the Department and persons who are subject to this  
9 Section shall (i) have the same rights, remedies, privileges,  
10 immunities, powers and duties, (ii) be subject to the same  
11 conditions, restrictions, limitations, penalties, exclusions,  
12 exemptions, and definitions of terms, and (iii) employ the same  
13 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,  
14 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in  
15 respect to all provisions therein other than the State rate of  
16 tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except as to the  
17 disposition of taxes and penalties collected and provisions  
18 related to quarter monthly payments, and except that the  
19 retailer's discount is not allowed for taxes paid on aviation  
20 fuel that are subject to the revenue use requirements of 49  
21 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~deposited into the Local~~  
22 ~~Government Aviation Trust Fund~~), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
23 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and  
24 13 of the Retailers' Occupation Tax Act and Section 3-7 of the  
25 Uniform Penalty and Interest Act, as fully as if those  
26 provisions were set forth in this subsection.

1           Persons subject to any tax imposed under this subsection  
2 may reimburse themselves for their seller's tax liability by  
3 separately stating the tax as an additional charge, which  
4 charge may be stated in combination, in a single amount, with  
5 State taxes that sellers are required to collect, in accordance  
6 with such bracket schedules as the Department may prescribe.

7           Whenever the Department determines that a refund should be  
8 made under this subsection to a claimant instead of issuing a  
9 credit memorandum, the Department shall notify the State  
10 Comptroller, who shall cause the warrant to be drawn for the  
11 amount specified, and to the person named, in the notification  
12 from the Department. The refund shall be paid by the State  
13 Treasurer out of the tax fund referenced under paragraph (g) of  
14 this Section or the Local Government Aviation Trust Fund, as  
15 appropriate.

16           If a tax is imposed under this subsection (b), a tax shall  
17 also be imposed at the same rate under subsections (c) and (d)  
18 of this Section.

19           For the purpose of determining whether a tax authorized  
20 under this Section is applicable, a retail sale, by a producer  
21 of coal or other mineral mined in Illinois, is a sale at retail  
22 at the place where the coal or other mineral mined in Illinois  
23 is extracted from the earth. This paragraph does not apply to  
24 coal or other mineral when it is delivered or shipped by the  
25 seller to the purchaser at a point outside Illinois so that the  
26 sale is exempt under the Federal Constitution as a sale in

1 interstate or foreign commerce.

2 Nothing in this Section shall be construed to authorize the  
3 Authority to impose a tax upon the privilege of engaging in any  
4 business which under the Constitution of the United States may  
5 not be made the subject of taxation by this State.

6 (c) If a tax has been imposed under subsection (b), a  
7 service occupation tax shall also be imposed at the same rate  
8 upon all persons engaged, in the metropolitan area, in the  
9 business of making sales of service, who, as an incident to  
10 making those sales of service, transfer tangible personal  
11 property within the metropolitan area as an incident to a sale  
12 of service. The tax imposed under this subsection and all civil  
13 penalties that may be assessed as an incident thereof shall be  
14 collected and enforced by the Department of Revenue.

15 Beginning December 1, 2019 and through December 31, 2020,  
16 this tax is not imposed on sales of aviation fuel unless the  
17 tax revenue is expended for airport-related purposes. If the  
18 Authority does not have an airport-related purpose to which it  
19 dedicates aviation fuel tax revenue, then aviation fuel is  
20 excluded from the tax. The Authority must comply with the  
21 certification requirements for airport-related purposes under  
22 Section 2-22 of the Retailers' Occupation Tax Act. Beginning  
23 January 1, 2021, this tax is not imposed on sales of aviation  
24 fuel for so long as the revenue use requirements of 49 U.S.C.  
25 47107(b) and 49 U.S.C. 47133 are binding on the Authority. ~~On~~  
26 or before September 1, 2019, and on or before each April 1 and



1 ~~October 1 thereafter, the Authority must certify to the~~  
2 ~~Department of Transportation, in the form and manner required~~  
3 ~~by the Department, whether the Authority has an airport related~~  
4 ~~purpose, which would allow any Retailers' Occupation Tax and~~  
5 ~~Service Occupation Tax imposed by the Authority to include tax~~  
6 ~~on aviation fuel. On or before October, 2019, and on or before~~  
7 ~~each May 1 and November 1 thereafter, the Department of~~  
8 ~~Transportation shall provide to the Department of Revenue, a~~  
9 ~~list of units of local government which have certified to the~~  
10 ~~Department of Transportation that they have airport related~~  
11 ~~purposes, which would allow any Retailers' Occupation Tax and~~  
12 ~~Service Occupation Tax imposed by the unit of local government~~  
13 ~~to include tax on aviation fuel. All disputes regarding whether~~  
14 ~~or not a unit of local government has an airport related~~  
15 ~~purpose shall be resolved by the Department of Transportation.~~

16 The Department has full power to administer and enforce  
17 this paragraph; to collect all taxes and penalties due  
18 hereunder; to dispose of taxes and penalties so collected in  
19 the manner hereinafter provided; and to determine all rights to  
20 credit memoranda arising on account of the erroneous payment of  
21 tax or penalty hereunder. In the administration of, and  
22 compliance with this paragraph, the Department and persons who  
23 are subject to this paragraph shall (i) have the same rights,  
24 remedies, privileges, immunities, powers, and duties, (ii) be  
25 subject to the same conditions, restrictions, limitations,  
26 penalties, exclusions, exemptions, and definitions of terms,

1 and (iii) employ the same modes of procedure as are prescribed  
2 in Sections 2 (except that the reference to State in the  
3 definition of supplier maintaining a place of business in this  
4 State shall mean the metropolitan area), 2a, 2b, 3 through 3-55  
5 (in respect to all provisions therein other than the State rate  
6 of tax), 4 (except that the reference to the State shall be to  
7 the Authority), 5, 7, 8 (except that the jurisdiction to which  
8 the tax shall be a debt to the extent indicated in that Section  
9 8 shall be the Authority), 9 (except as to the disposition of  
10 taxes and penalties collected, and except that the returned  
11 merchandise credit for this tax may not be taken against any  
12 State tax, and except that the retailer's discount is not  
13 allowed for taxes paid on aviation fuel that are subject to the  
14 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
15 47133 ~~deposited into the Local Government Aviation Trust Fund~~),  
16 11, 12 (except the reference therein to Section 2b of the  
17 Retailers' Occupation Tax Act), 13 (except that any reference  
18 to the State shall mean the Authority), 15, 16, 17, 18, 19 and  
19 20 of the Service Occupation Tax Act and Section 3-7 of the  
20 Uniform Penalty and Interest Act, as fully as if those  
21 provisions were set forth herein.

22 Persons subject to any tax imposed under the authority  
23 granted in this subsection may reimburse themselves for their  
24 serviceman's tax liability by separately stating the tax as an  
25 additional charge, which charge may be stated in combination,  
26 in a single amount, with State tax that servicemen are

1 authorized to collect under the Service Use Tax Act, in  
2 accordance with such bracket schedules as the Department may  
3 prescribe.

4 Whenever the Department determines that a refund should be  
5 made under this subsection to a claimant instead of issuing a  
6 credit memorandum, the Department shall notify the State  
7 Comptroller, who shall cause the warrant to be drawn for the  
8 amount specified, and to the person named, in the notification  
9 from the Department. The refund shall be paid by the State  
10 Treasurer out of the tax fund referenced under paragraph (g) of  
11 this Section or the Local Government Aviation Trust Fund, as  
12 appropriate.

13 Nothing in this paragraph shall be construed to authorize  
14 the Authority to impose a tax upon the privilege of engaging in  
15 any business which under the Constitution of the United States  
16 may not be made the subject of taxation by the State.

17 (d) If a tax has been imposed under subsection (b), a use  
18 tax shall also be imposed at the same rate upon the privilege  
19 of using, in the metropolitan area, any item of tangible  
20 personal property that is purchased outside the metropolitan  
21 area at retail from a retailer, and that is titled or  
22 registered at a location within the metropolitan area with an  
23 agency of this State's government. "Selling price" is defined  
24 as in the Use Tax Act. The tax shall be collected from persons  
25 whose Illinois address for titling or registration purposes is  
26 given as being in the metropolitan area. The tax shall be

1 collected by the Department of Revenue for the Authority. The  
2 tax must be paid to the State, or an exemption determination  
3 must be obtained from the Department of Revenue, before the  
4 title or certificate of registration for the property may be  
5 issued. The tax or proof of exemption may be transmitted to the  
6 Department by way of the State agency with which, or the State  
7 officer with whom, the tangible personal property must be  
8 titled or registered if the Department and the State agency or  
9 State officer determine that this procedure will expedite the  
10 processing of applications for title or registration.

11 The Department has full power to administer and enforce  
12 this paragraph; to collect all taxes, penalties and interest  
13 due hereunder; to dispose of taxes, penalties and interest so  
14 collected in the manner hereinafter provided; and to determine  
15 all rights to credit memoranda or refunds arising on account of  
16 the erroneous payment of tax, penalty or interest hereunder. In  
17 the administration of, and compliance with, this subsection,  
18 the Department and persons who are subject to this paragraph  
19 shall (i) have the same rights, remedies, privileges,  
20 immunities, powers, and duties, (ii) be subject to the same  
21 conditions, restrictions, limitations, penalties, exclusions,  
22 exemptions, and definitions of terms, and (iii) employ the same  
23 modes of procedure as are prescribed in Sections 2 (except the  
24 definition of "retailer maintaining a place of business in this  
25 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,  
26 7, 8 (except that the jurisdiction to which the tax shall be a

1 debt to the extent indicated in that Section 8 shall be the  
2 Authority), 9 (except provisions relating to quarter monthly  
3 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22  
4 of the Use Tax Act and Section 3-7 of the Uniform Penalty and  
5 Interest Act, that are not inconsistent with this paragraph, as  
6 fully as if those provisions were set forth herein.

7 Whenever the Department determines that a refund should be  
8 made under this subsection to a claimant instead of issuing a  
9 credit memorandum, the Department shall notify the State  
10 Comptroller, who shall cause the order to be drawn for the  
11 amount specified, and to the person named, in the notification  
12 from the Department. The refund shall be paid by the State  
13 Treasurer out of the tax fund referenced under paragraph (g) of  
14 this Section.

15 (e) A certificate of registration issued by the State  
16 Department of Revenue to a retailer under the Retailers'  
17 Occupation Tax Act or under the Service Occupation Tax Act  
18 shall permit the registrant to engage in a business that is  
19 taxed under the tax imposed under paragraphs (b), (c), or (d)  
20 of this Section and no additional registration shall be  
21 required. A certificate issued under the Use Tax Act or the  
22 Service Use Tax Act shall be applicable with regard to any tax  
23 imposed under paragraph (c) of this Section.

24 (f) The results of any election authorizing a proposition  
25 to impose a tax under this Section or effecting a change in the  
26 rate of tax shall be certified by the proper election

1 authorities and filed with the Illinois Department on or before  
2 the first day of April. In addition, an ordinance imposing,  
3 discontinuing, or effecting a change in the rate of tax under  
4 this Section shall be adopted and a certified copy thereof  
5 filed with the Department on or before the first day of April.  
6 After proper receipt of such certifications, the Department  
7 shall proceed to administer and enforce this Section as of the  
8 first day of July next following such adoption and filing.

9 (g) Except as otherwise provided, the Department of Revenue  
10 shall, upon collecting any taxes and penalties as provided in  
11 this Section, pay the taxes and penalties over to the State  
12 Treasurer as trustee for the Authority. The taxes and penalties  
13 shall be held in a trust fund outside the State Treasury. Taxes  
14 and penalties collected on aviation fuel sold on or after  
15 December 1, 2019 and through December 31, 2020, shall be  
16 immediately paid over by the Department to the State Treasurer,  
17 ex officio, as trustee, for deposit into the Local Government  
18 Aviation Trust Fund. The Department shall only pay moneys into  
19 the Local Government State Aviation Trust Program Fund under  
20 this Section Act for so long as the revenue use requirements of  
21 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
22 District. On or before the 25th day of each calendar month, the  
23 Department of Revenue shall prepare and certify to the  
24 Comptroller of the State of Illinois the amount to be paid to  
25 the Authority, which shall be the balance in the fund, less any  
26 amount determined by the Department to be necessary for the

1 payment of refunds and not including taxes and penalties  
2 collected on aviation fuel sold on or after December 1, 2019.  
3 Within 10 days after receipt by the Comptroller of the  
4 certification of the amount to be paid to the Authority, the  
5 Comptroller shall cause an order to be drawn for payment for  
6 the amount in accordance with the directions contained in the  
7 certification. Amounts received from the tax imposed under this  
8 Section shall be used only for the support, construction,  
9 maintenance, or financing of a facility of the Authority.

10 (h) When certifying the amount of a monthly disbursement to  
11 the Authority under this Section, the Department shall increase  
12 or decrease the amounts by an amount necessary to offset any  
13 miscalculation of previous disbursements. The offset amount  
14 shall be the amount erroneously disbursed within the previous 6  
15 months from the time a miscalculation is discovered.

16 (i) This Section may be cited as the Salem Civic Center Use  
17 and Occupation Tax Law.

18 (Source: P.A. 101-10, eff. 6-5-19; revised 8-9-19.)

19 Section 10-90. The Flood Prevention District Act is amended  
20 by changing Section 25 as follows:

21 (70 ILCS 750/25)

22 Sec. 25. Flood prevention retailers' and service  
23 occupation taxes.

24 (a) If the Board of Commissioners of a flood prevention

1 district determines that an emergency situation exists  
2 regarding levee repair or flood prevention, and upon an  
3 ordinance confirming the determination adopted by the  
4 affirmative vote of a majority of the members of the county  
5 board of the county in which the district is situated, the  
6 county may impose a flood prevention retailers' occupation tax  
7 upon all persons engaged in the business of selling tangible  
8 personal property at retail within the territory of the  
9 district to provide revenue to pay the costs of providing  
10 emergency levee repair and flood prevention and to secure the  
11 payment of bonds, notes, and other evidences of indebtedness  
12 issued under this Act for a period not to exceed 25 years or as  
13 required to repay the bonds, notes, and other evidences of  
14 indebtedness issued under this Act. The tax rate shall be 0.25%  
15 of the gross receipts from all taxable sales made in the course  
16 of that business. Beginning December 1, 2019 and through  
17 December 31, 2020, this tax is not imposed on sales of aviation  
18 fuel unless the tax revenue is expended for airport-related  
19 purposes. If the District does not have an airport-related  
20 purpose to which it dedicates aviation fuel tax revenue, then  
21 aviation fuel is excluded from the tax. The County must comply  
22 with the certification requirements for airport-related  
23 purposes under Section 2-22 of the Retailers' Occupation Tax  
24 Act 5-1184 of the Counties Code. The tax imposed under this  
25 Section and all civil penalties that may be assessed as an  
26 incident thereof shall be collected and enforced by the State



1 Department of Revenue. The Department shall have full power to  
2 administer and enforce this Section; to collect all taxes and  
3 penalties so collected in the manner hereinafter provided; and  
4 to determine all rights to credit memoranda arising on account  
5 of the erroneous payment of tax or penalty hereunder.

6 For purposes of this Act, "airport-related purposes" has  
7 the meaning ascribed in Section 6z-20.2 of the State Finance  
8 Act. Beginning January 1, 2021, this tax is not imposed on  
9 sales of aviation fuel ~~This exclusion for aviation fuel only~~  
10 ~~applies~~ for so long as the revenue use requirements of 49  
11 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
12 District.

13 In the administration of and compliance with this  
14 subsection, the Department and persons who are subject to this  
15 subsection (i) have the same rights, remedies, privileges,  
16 immunities, powers, and duties, (ii) are subject to the same  
17 conditions, restrictions, limitations, penalties, and  
18 definitions of terms, and (iii) shall employ the same modes of  
19 procedure as are set forth in Sections 1 through 1o, 2 through  
20 2-70 (in respect to all provisions contained in those Sections  
21 other than the State rate of tax), 2a through 2h, 3 (except as  
22 to the disposition of taxes and penalties collected, and except  
23 that the retailer's discount is not allowed for taxes paid on  
24 aviation fuel that are subject to the revenue use requirements  
25 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 ~~deposited into the~~  
26 ~~Local Government Aviation Trust Fund~~), 4, 5, 5a, 5b, 5c, 5d,

1 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a,  
2 12, and 13 of the Retailers' Occupation Tax Act and all  
3 provisions of the Uniform Penalty and Interest Act as if those  
4 provisions were set forth in this subsection.

5 Persons subject to any tax imposed under this Section may  
6 reimburse themselves for their seller's tax liability  
7 hereunder by separately stating the tax as an additional  
8 charge, which charge may be stated in combination in a single  
9 amount with State taxes that sellers are required to collect  
10 under the Use Tax Act, under any bracket schedules the  
11 Department may prescribe.

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

14 (b) If a tax has been imposed under subsection (a), a flood  
15 prevention service occupation tax shall also be imposed upon  
16 all persons engaged within the territory of the district in the  
17 business of making sales of service, who, as an incident to  
18 making the sales of service, transfer tangible personal  
19 property, either in the form of tangible personal property or  
20 in the form of real estate as an incident to a sale of service  
21 to provide revenue to pay the costs of providing emergency  
22 levee repair and flood prevention and to secure the payment of  
23 bonds, notes, and other evidences of indebtedness issued under  
24 this Act for a period not to exceed 25 years or as required to  
25 repay the bonds, notes, and other evidences of indebtedness.  
26 The tax rate shall be 0.25% of the selling price of all

1 tangible personal property transferred. Beginning December 1,  
2 2019 and through December 31, 2020, this tax is not imposed on  
3 sales of aviation fuel unless the tax revenue is expended for  
4 airport-related purposes. If the District does not have an  
5 airport-related purpose to which it dedicates aviation fuel tax  
6 revenue, then aviation fuel is excluded from the tax. The  
7 County must comply with the certification requirements for  
8 airport-related purposes under Section 2-22 of the Retailers'  
9 Occupation Tax Act 5-1184 of the Counties Code. For purposes of  
10 this Act, "airport-related purposes" has the meaning ascribed  
11 in Section 6z-20.2 of the State Finance Act. Beginning January  
12 1, 2021, this tax is not imposed on sales of aviation fuel ~~This~~  
13 ~~exclusion for aviation fuel only applies~~ for so long as the  
14 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
15 47133 are binding on the District.

16 The tax imposed under this subsection and all civil  
17 penalties that may be assessed as an incident thereof shall be  
18 collected and enforced by the State Department of Revenue. The  
19 Department shall have full power to administer and enforce this  
20 subsection; to collect all taxes and penalties due hereunder;  
21 to dispose of taxes and penalties collected in the manner  
22 hereinafter provided; and to determine all rights to credit  
23 memoranda arising on account of the erroneous payment of tax or  
24 penalty hereunder.

25 In the administration of and compliance with this  
26 subsection, the Department and persons who are subject to this

1 subsection shall (i) have the same rights, remedies,  
2 privileges, immunities, powers, and duties, (ii) be subject to  
3 the same conditions, restrictions, limitations, penalties, and  
4 definitions of terms, and (iii) employ the same modes of  
5 procedure as are set forth in Sections 2 (except that the  
6 reference to State in the definition of supplier maintaining a  
7 place of business in this State means the district), 2a through  
8 2d, 3 through 3-50 (in respect to all provisions contained in  
9 those Sections other than the State rate of tax), 4 (except  
10 that the reference to the State shall be to the district), 5,  
11 7, 8 (except that the jurisdiction to which the tax is a debt  
12 to the extent indicated in that Section 8 is the district), 9  
13 (except as to the disposition of taxes and penalties collected,  
14 and except that the retailer's discount is not allowed for  
15 taxes paid on aviation fuel that are subject to the revenue use  
16 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133  
17 ~~deposited into the Local Government Aviation Trust Fund~~), 10,  
18 11, 12 (except the reference therein to Section 2b of the  
19 Retailers' Occupation Tax Act), 13 (except that any reference  
20 to the State means the district), Section 15, 16, 17, 18, 19,  
21 and 20 of the Service Occupation Tax Act and all provisions of  
22 the Uniform Penalty and Interest Act, as fully as if those  
23 provisions were set forth herein.

24 Persons subject to any tax imposed under the authority  
25 granted in this subsection may reimburse themselves for their  
26 serviceman's tax liability hereunder by separately stating the

1 tax as an additional charge, that charge may be stated in  
2 combination in a single amount with State tax that servicemen  
3 are authorized to collect under the Service Use Tax Act, under  
4 any bracket schedules the Department may prescribe.

5 (c) The taxes imposed in subsections (a) and (b) may not be  
6 imposed on personal property titled or registered with an  
7 agency of the State or on personal property taxed at the 1%  
8 rate under the Retailers' Occupation Tax Act and the Service  
9 Occupation Tax Act.

10 (d) Nothing in this Section shall be construed to authorize  
11 the district to impose a tax upon the privilege of engaging in  
12 any business that under the Constitution of the United States  
13 may not be made the subject of taxation by the State.

14 (e) The certificate of registration that is issued by the  
15 Department to a retailer under the Retailers' Occupation Tax  
16 Act or a serviceman under the Service Occupation Tax Act  
17 permits the retailer or serviceman to engage in a business that  
18 is taxable without registering separately with the Department  
19 under an ordinance or resolution under this Section.

20 (f) Except as otherwise provided, the Department shall  
21 immediately pay over to the State Treasurer, ex officio, as  
22 trustee, all taxes and penalties collected under this Section  
23 to be deposited into the Flood Prevention Occupation Tax Fund,  
24 which shall be an unappropriated trust fund held outside the  
25 State treasury. Taxes and penalties collected on aviation fuel  
26 sold on or after December 1, 2019 and through December 31,

1 2020, shall be immediately paid over by the Department to the  
2 State Treasurer, ex officio, as trustee, for deposit into the  
3 Local Government Aviation Trust Fund. The Department shall only  
4 pay moneys into the Local Government State Aviation Trust  
5 ~~Program~~ Fund under this Act for so long as the revenue use  
6 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
7 binding on the District.

8 On or before the 25th day of each calendar month, the  
9 Department shall prepare and certify to the Comptroller the  
10 disbursement of stated sums of money to the counties from which  
11 retailers or servicemen have paid taxes or penalties to the  
12 Department during the second preceding calendar month. The  
13 amount to be paid to each county is equal to the amount (not  
14 including credit memoranda and not including taxes and  
15 penalties collected on aviation fuel sold on or after December  
16 1, 2019 and through December 31, 2020) collected from the  
17 county under this Section during the second preceding calendar  
18 month by the Department, (i) less 2% of that amount (except the  
19 amount collected on aviation fuel sold on or after December 1,  
20 2019 and through December 31, 2020), which shall be deposited  
21 into the Tax Compliance and Administration Fund and shall be  
22 used by the Department in administering and enforcing the  
23 provisions of this Section on behalf of the county, (ii) plus  
24 an amount that the Department determines is necessary to offset  
25 any amounts that were erroneously paid to a different taxing  
26 body; (iii) less an amount equal to the amount of refunds made

1 during the second preceding calendar month by the Department on  
2 behalf of the county; and (iv) less any amount that the  
3 Department determines is necessary to offset any amounts that  
4 were payable to a different taxing body but were erroneously  
5 paid to the county. When certifying the amount of a monthly  
6 disbursement to a county under this Section, the Department  
7 shall increase or decrease the amounts by an amount necessary  
8 to offset any miscalculation of previous disbursements within  
9 the previous 6 months from the time a miscalculation is  
10 discovered.

11 Within 10 days after receipt by the Comptroller from the  
12 Department of the disbursement certification to the counties  
13 provided for in this Section, the Comptroller shall cause the  
14 orders to be drawn for the respective amounts in accordance  
15 with directions contained in the certification.

16 If the Department determines that a refund should be made  
17 under this Section to a claimant instead of issuing a credit  
18 memorandum, then the Department shall notify the Comptroller,  
19 who shall cause the order to be drawn for the amount specified  
20 and to the person named in the notification from the  
21 Department. The refund shall be paid by the Treasurer out of  
22 the Flood Prevention Occupation Tax Fund or the Local  
23 Government Aviation Trust Fund, as appropriate.

24 (g) If a county imposes a tax under this Section, then the  
25 county board shall, by ordinance, discontinue the tax upon the  
26 payment of all indebtedness of the flood prevention district.

1 The tax shall not be discontinued until all indebtedness of the  
2 District has been paid.

3 (h) Any ordinance imposing the tax under this Section, or  
4 any ordinance that discontinues the tax, must be certified by  
5 the county clerk and filed with the Illinois Department of  
6 Revenue either (i) on or before the first day of April,  
7 whereupon the Department shall proceed to administer and  
8 enforce the tax or change in the rate as of the first day of  
9 July next following the filing; or (ii) on or before the first  
10 day of October, whereupon the Department shall proceed to  
11 administer and enforce the tax or change in the rate as of the  
12 first day of January next following the filing.

13 (j) County Flood Prevention Occupation Tax Fund. All  
14 proceeds received by a county from a tax distribution under  
15 this Section must be maintained in a special fund known as the  
16 [name of county] flood prevention occupation tax fund. The  
17 county shall, at the direction of the flood prevention  
18 district, use moneys in the fund to pay the costs of providing  
19 emergency levee repair and flood prevention and to pay bonds,  
20 notes, and other evidences of indebtedness issued under this  
21 Act.

22 (k) This Section may be cited as the Flood Prevention  
23 Occupation Tax Law.

24 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19.)

25 Section 10-95. The Metro-East Park and Recreation District



1 Act is amended by changing Section 30 as follows:

2 (70 ILCS 1605/30)

3 Sec. 30. Taxes.

4 (a) The board shall impose a tax upon all persons engaged  
5 in the business of selling tangible personal property, other  
6 than personal property titled or registered with an agency of  
7 this State's government, at retail in the District on the gross  
8 receipts from the sales made in the course of business. This  
9 tax shall be imposed only at the rate of one-tenth of one per  
10 cent.

11 This additional tax may not be imposed on tangible personal  
12 property taxed at the 1% rate under the Retailers' Occupation  
13 Tax Act. Beginning December 1, 2019 and through December 31,  
14 2020, this tax is not imposed on sales of aviation fuel unless  
15 the tax revenue is expended for airport-related purposes. If  
16 the District does not have an airport-related purpose to which  
17 it dedicates aviation fuel tax revenue, then aviation fuel  
18 shall be excluded from tax. The board must comply with the  
19 certification requirements for airport-related purposes under  
20 Section 2-22 of the Retailers' Occupation Tax Act. For purposes  
21 of this Act, "airport-related purposes" has the meaning  
22 ascribed in Section 6z-20.2 of the State Finance Act. Beginning  
23 January 1, 2021, this tax is not imposed on sales of aviation  
24 fuel ~~This exception for aviation fuel only applies~~ for so long  
25 as the revenue use requirements of 49 U.S.C. 47107(b) and 49

1 U.S.C. 47133 are binding on the District. The tax imposed by  
2 the Board under this Section and all civil penalties that may  
3 be assessed as an incident of the tax shall be collected and  
4 enforced by the Department of Revenue. The certificate of  
5 registration that is issued by the Department to a retailer  
6 under the Retailers' Occupation Tax Act shall permit the  
7 retailer to engage in a business that is taxable without  
8 registering separately with the Department under an ordinance  
9 or resolution under this Section. The Department has full power  
10 to administer and enforce this Section, to collect all taxes  
11 and penalties due under this Section, to dispose of taxes and  
12 penalties so collected in the manner provided in this Section,  
13 and to determine all rights to credit memoranda arising on  
14 account of the erroneous payment of a tax or penalty under this  
15 Section. In the administration of and compliance with this  
16 Section, the Department and persons who are subject to this  
17 Section shall (i) have the same rights, remedies, privileges,  
18 immunities, powers, and duties, (ii) be subject to the same  
19 conditions, restrictions, limitations, penalties, and  
20 definitions of terms, and (iii) employ the same modes of  
21 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,  
22 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all  
23 provisions contained in those Sections other than the State  
24 rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except  
25 provisions relating to transaction returns and quarter monthly  
26 payments, and except that the retailer's discount is not

1 allowed for taxes paid on aviation fuel that are subject to the  
2 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
3 47133 ~~deposited into the Local Government Aviation Trust Fund),~~  
4 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b,  
5 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'  
6 Occupation Tax Act and the Uniform Penalty and Interest Act as  
7 if those provisions were set forth in this Section.

8 ~~On or before September 1, 2019, and on or before each April~~  
9 ~~1 and October 1 thereafter, the Board must certify to the~~  
10 ~~Department of Transportation, in the form and manner required~~  
11 ~~by the Department, whether the District has an airport related~~  
12 ~~purpose, which would allow any Retailers' Occupation Tax and~~  
13 ~~Service Occupation Tax imposed by the District to include tax~~  
14 ~~on aviation fuel. On or before October 1, 2019, and on or~~  
15 ~~before each May 1 and November 1 thereafter, the Department of~~  
16 ~~Transportation shall provide to the Department of Revenue, a~~  
17 ~~list of units of local government which have certified to the~~  
18 ~~Department of Transportation that they have airport related~~  
19 ~~purposes, which would allow any Retailers' Occupation Tax and~~  
20 ~~Service Occupation Tax imposed by the unit of local government~~  
21 ~~to include tax on aviation fuel. All disputes regarding whether~~  
22 ~~or not a unit of local government has an airport related~~  
23 ~~purpose shall be resolved by the Department of Transportation.~~

24 Persons subject to any tax imposed under the authority  
25 granted in this Section may reimburse themselves for their  
26 sellers' tax liability by separately stating the tax as an

1 additional charge, which charge may be stated in combination,  
2 in a single amount, with State tax which sellers are required  
3 to collect under the Use Tax Act, pursuant to such bracketed  
4 schedules as the Department may prescribe.

5 Whenever the Department determines that a refund should be  
6 made under this Section to a claimant instead of issuing a  
7 credit memorandum, the Department shall notify the State  
8 Comptroller, who shall cause the order to be drawn for the  
9 amount specified and to the person named in the notification  
10 from the Department. The refund shall be paid by the State  
11 Treasurer out of the State Metro-East Park and Recreation  
12 District Fund or the Local Government Aviation Trust Fund, as  
13 appropriate.

14 (b) If a tax has been imposed under subsection (a), a  
15 service occupation tax shall also be imposed at the same rate  
16 upon all persons engaged, in the District, in the business of  
17 making sales of service, who, as an incident to making those  
18 sales of service, transfer tangible personal property within  
19 the District as an incident to a sale of service. This tax may  
20 not be imposed on tangible personal property taxed at the 1%  
21 rate under the Service Occupation Tax Act. Beginning December  
22 1, 2019 and through December 31, 2020, this tax may not be  
23 imposed on sales of aviation fuel unless the tax revenue is  
24 expended for airport-related purposes. If the District does not  
25 have an airport-related purpose to which it dedicates aviation  
26 fuel tax revenue, then aviation fuel shall be excluded from

1 tax. The board must comply with the certification requirements  
2 for airport-related purposes under Section 2-22 of the  
3 Retailers' Occupation Tax Act. For purposes of this Act,  
4 "airport-related purposes" has the meaning ascribed in Section  
5 6z-20.2 of the State Finance Act. Beginning January 1, 2021,  
6 this tax is not imposed on sales of aviation fuel ~~This~~  
7 ~~exception for aviation fuel only applies~~ for so long as the  
8 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
9 47133 are binding on the District. The tax imposed under this  
10 subsection and all civil penalties that may be assessed as an  
11 incident thereof shall be collected and enforced by the  
12 Department of Revenue. The Department has full power to  
13 administer and enforce this subsection; to collect all taxes  
14 and penalties due hereunder; to dispose of taxes and penalties  
15 so collected in the manner hereinafter provided; and to  
16 determine all rights to credit memoranda arising on account of  
17 the erroneous payment of tax or penalty hereunder. In the  
18 administration of, and compliance with this subsection, the  
19 Department and persons who are subject to this paragraph shall  
20 (i) have the same rights, remedies, privileges, immunities,  
21 powers, and duties, (ii) be subject to the same conditions,  
22 restrictions, limitations, penalties, exclusions, exemptions,  
23 and definitions of terms, and (iii) employ the same modes of  
24 procedure as are prescribed in Sections 2 (except that the  
25 reference to State in the definition of supplier maintaining a  
26 place of business in this State shall mean the District), 2a,

1 2b, 2c, 3 through 3-50 (in respect to all provisions therein  
2 other than the State rate of tax), 4 (except that the reference  
3 to the State shall be to the District), 5, 7, 8 (except that  
4 the jurisdiction to which the tax shall be a debt to the extent  
5 indicated in that Section 8 shall be the District), 9 (except  
6 as to the disposition of taxes and penalties collected, and  
7 except that the retailer's discount is not allowed for taxes  
8 paid on aviation fuel that are subject to the revenue use  
9 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133  
10 ~~deposited into the Local Government Aviation Trust Fund~~), 10,  
11 11, 12 (except the reference therein to Section 2b of the  
12 Retailers' Occupation Tax Act), 13 (except that any reference  
13 to the State shall mean the District), Sections 15, 16, 17, 18,  
14 19 and 20 of the Service Occupation Tax Act and the Uniform  
15 Penalty and Interest Act, as fully as if those provisions were  
16 set forth herein.

17 ~~On or before September 1, 2019, and on or before each April~~  
18 ~~1 and October 1 thereafter, the Board must certify to the~~  
19 ~~Department of Transportation, in the form and manner required~~  
20 ~~by the Department, whether the District has an airport related~~  
21 ~~purpose, which would allow any Retailers' Occupation Tax and~~  
22 ~~Service Occupation Tax imposed by the District to include tax~~  
23 ~~on aviation fuel. On or before October 1, 2019, and on or~~  
24 ~~before each May 1 and November 1 thereafter, the Department of~~  
25 ~~Transportation shall provide to the Department of Revenue, a~~  
26 ~~list of units of local government which have certified to the~~

~~Department of Transportation that they have airport related purposes, which would allow any Retailers' Occupation Tax and Service Occupation Tax imposed by the unit of local government to include tax on aviation fuel. All disputes regarding whether or not a unit of local government has an airport related purpose shall be resolved by the Department of Transportation.~~

Persons subject to any tax imposed under the authority granted in this subsection may reimburse themselves for their serviceman's tax liability by separately stating the tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax that servicemen are authorized to collect under the Service Use Tax Act, in accordance with such bracket schedules as the Department may prescribe.

Whenever the Department determines that a refund should be made under this subsection to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause the warrant to be drawn for the amount specified, and to the person named, in the notification from the Department. The refund shall be paid by the State Treasurer out of the State Metro-East Park and Recreation District Fund or the Local Government Aviation Trust Fund, as appropriate.

Nothing in this subsection shall be construed to authorize the board to impose a tax upon the privilege of engaging in any business which under the Constitution of the United States may

1 not be made the subject of taxation by the State.

2 (c) Except as otherwise provided in this paragraph, the  
3 Department shall immediately pay over to the State Treasurer,  
4 ex officio, as trustee, all taxes and penalties collected under  
5 this Section to be deposited into the State Metro-East Park and  
6 Recreation District Fund, which shall be an unappropriated  
7 trust fund held outside of the State treasury. Taxes and  
8 penalties collected on aviation fuel sold on or after December  
9 1, 2019 and through December 31, 2020, shall be immediately  
10 paid over by the Department to the State Treasurer, ex officio,  
11 as trustee, for deposit into the Local Government Aviation  
12 Trust Fund. The Department shall only pay moneys into the Local  
13 Government State Aviation Trust Program Fund under this Act for  
14 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
15 and 49 U.S.C. 47133 are binding on the District.

16 As soon as possible after the first day of each month,  
17 beginning January 1, 2011, upon certification of the Department  
18 of Revenue, the Comptroller shall order transferred, and the  
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
20 local sales tax increment, as defined in the Innovation  
21 Development and Economy Act, collected under this Section  
22 during the second preceding calendar month for sales within a  
23 STAR bond district. The Department shall make this  
24 certification only if the Metro East Park and Recreation  
25 District imposes a tax on real property as provided in the  
26 definition of "local sales taxes" under the Innovation



1 Development and Economy Act.

2 After the monthly transfer to the STAR Bonds Revenue Fund,  
3 on or before the 25th day of each calendar month, the  
4 Department shall prepare and certify to the Comptroller the  
5 disbursement of stated sums of money pursuant to Section 35 of  
6 this Act to the District from which retailers have paid taxes  
7 or penalties to the Department during the second preceding  
8 calendar month. The amount to be paid to the District shall be  
9 the amount (not including credit memoranda and not including  
10 taxes and penalties collected on aviation fuel sold on or after  
11 December 1, 2019 and through December 31, 2020) collected under  
12 this Section during the second preceding calendar month by the  
13 Department plus an amount the Department determines is  
14 necessary to offset any amounts that were erroneously paid to a  
15 different taxing body, and not including (i) an amount equal to  
16 the amount of refunds made during the second preceding calendar  
17 month by the Department on behalf of the District, (ii) any  
18 amount that the Department determines is necessary to offset  
19 any amounts that were payable to a different taxing body but  
20 were erroneously paid to the District, (iii) any amounts that  
21 are transferred to the STAR Bonds Revenue Fund, and (iv) 1.5%  
22 of the remainder, which the Department shall transfer into the  
23 Tax Compliance and Administration Fund. The Department, at the  
24 time of each monthly disbursement to the District, shall  
25 prepare and certify to the State Comptroller the amount to be  
26 transferred into the Tax Compliance and Administration Fund

1 under this subsection. Within 10 days after receipt by the  
2 Comptroller of the disbursement certification to the District  
3 and the Tax Compliance and Administration Fund provided for in  
4 this Section to be given to the Comptroller by the Department,  
5 the Comptroller shall cause the orders to be drawn for the  
6 respective amounts in accordance with directions contained in  
7 the certification.

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

17 (e) Nothing in this Section shall be construed to authorize  
18 the board to impose a tax upon the privilege of engaging in any  
19 business that under the Constitution of the United States may  
20 not be made the subject of taxation by this State.

21 (f) An ordinance imposing a tax under this Section or an  
22 ordinance extending the imposition of a tax to an additional  
23 county or counties shall be certified by the board and filed  
24 with the Department of Revenue either (i) on or before the  
25 first day of April, whereupon the Department shall proceed to  
26 administer and enforce the tax as of the first day of July next

1 following the filing; or (ii) on or before the first day of  
2 October, whereupon the Department shall proceed to administer  
3 and enforce the tax as of the first day of January next  
4 following the filing.

5 (g) When certifying the amount of a monthly disbursement to  
6 the District under this Section, the Department shall increase  
7 or decrease the amounts by an amount necessary to offset any  
8 misallocation of previous disbursements. The offset amount  
9 shall be the amount erroneously disbursed within the previous 6  
10 months from the time a misallocation is discovered.

11 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
12 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
13 7-12-19; revised 9-12-19.)

14 Section 10-100. The Local Mass Transit District Act is  
15 amended by changing Section 5.01 as follows:

16 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

17 Sec. 5.01. Metro East Mass Transit District; use and  
18 occupation taxes.

19 (a) The Board of Trustees of any Metro East Mass Transit  
20 District may, by ordinance adopted with the concurrence of  
21 two-thirds of the then trustees, impose throughout the District  
22 any or all of the taxes and fees provided in this Section.  
23 Except as otherwise provided, all taxes and fees imposed under  
24 this Section shall be used only for public mass transportation

1 systems, and the amount used to provide mass transit service to  
2 unserved areas of the District shall be in the same proportion  
3 to the total proceeds as the number of persons residing in the  
4 unserved areas is to the total population of the District.  
5 Except as otherwise provided in this Act, taxes imposed under  
6 this Section and civil penalties imposed incident thereto shall  
7 be collected and enforced by the State Department of Revenue.  
8 The Department shall have the power to administer and enforce  
9 the taxes and to determine all rights for refunds for erroneous  
10 payments of the taxes.

11 (b) The Board may impose a Metro East Mass Transit District  
12 Retailers' Occupation Tax upon all persons engaged in the  
13 business of selling tangible personal property at retail in the  
14 district at a rate of 1/4 of 1%, or as authorized under  
15 subsection (d-5) of this Section, of the gross receipts from  
16 the sales made in the course of such business within the  
17 district, except that the rate of tax imposed under this  
18 Section on sales of aviation fuel on or after December 1, 2019  
19 shall be 0.25% in Madison County unless the Metro-East Mass  
20 Transit District in Madison County has an "airport-related  
21 purpose" and any additional amount authorized under subsection  
22 (d-5) is expended for airport-related purposes. If there is no  
23 airport-related purpose to which aviation fuel tax revenue is  
24 dedicated, then aviation fuel is excluded from any additional  
25 amount authorized under subsection (d-5) ~~future increase in the~~  
26 ~~tax~~. The rate in St. Clair County shall be 0.25% unless the

1 Metro-East Mass Transit District in St. Clair County has an  
2 "airport-related purpose" and the additional 0.50% of the 0.75%  
3 tax on aviation fuel imposed in that County is expended for  
4 airport-related purposes. If there is no airport-related  
5 purpose to which aviation fuel tax revenue is dedicated, then  
6 aviation fuel is excluded from the additional 0.50% of the  
7 0.75% tax.

8 ~~On or before September 1, 2019, and on or before each April~~  
9 ~~1 and October 1 thereafter, each Metro East Mass Transit~~  
10 ~~District and Madison and St. Clair Counties must certify to the~~  
11 ~~Department of Transportation, in the form and manner required~~  
12 ~~by the Department, whether they have an airport related~~  
13 ~~purpose, which would allow any Retailers' Occupation Tax and~~  
14 ~~Service Occupation Tax imposed under this Act to include tax on~~  
15 ~~aviation fuel. On or before October 1, 2019, and on or before~~  
16 ~~each May 1 and November 1 thereafter, the Department of~~  
17 ~~Transportation shall provide to the Department of Revenue, a~~  
18 ~~list of units of local government which have certified to the~~  
19 ~~Department of Transportation that they have airport related~~  
20 ~~purposes, which would allow any Retailers' Occupation Tax and~~  
21 ~~Service Occupation Tax imposed by the unit of local government~~  
22 ~~to include tax on aviation fuel. All disputes regarding whether~~  
23 ~~or not a unit of local government has an airport related~~  
24 ~~purpose shall be resolved by the Department of Transportation.~~

25 The Board must comply with the certification requirements  
26 for airport-related purposes under Section 2-22 of the

1 Retailers' Occupation Tax Act. For purposes of this Section  
2 ~~Act~~, "airport-related purposes" has the meaning ascribed in  
3 Section 6z-20.2 of the State Finance Act. This exclusion for  
4 aviation fuel only applies for so long as the revenue use  
5 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
6 binding on the District.

7 The tax imposed under this Section and all civil penalties  
8 that may be assessed as an incident thereof shall be collected  
9 and enforced by the State Department of Revenue. The Department  
10 shall have full power to administer and enforce this Section;  
11 to collect all taxes and penalties so collected in the manner  
12 hereinafter provided; and to determine all rights to credit  
13 memoranda arising on account of the erroneous payment of tax or  
14 penalty hereunder. In the administration of, and compliance  
15 with, this Section, the Department and persons who are subject  
16 to this Section shall have the same rights, remedies,  
17 privileges, immunities, powers and duties, and be subject to  
18 the same conditions, restrictions, limitations, penalties,  
19 exclusions, exemptions and definitions of terms and employ the  
20 same modes of procedure, as are prescribed in Sections 1, 1a,  
21 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all  
22 provisions therein other than the State rate of tax), 2c, 3  
23 (except as to the disposition of taxes and penalties collected,  
24 and except that the retailer's discount is not allowed for  
25 taxes paid on aviation fuel that are subject to the revenue use  
26 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133

1 ~~deposited into the Local Government Aviation Trust Fund~~, 4, 5,  
2 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
3 7, 8, 9, 10, 11, 12, 13, and 14 of the Retailers' Occupation  
4 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
5 Act, as fully as if those provisions were set forth herein.

6 Persons subject to any tax imposed under the Section may  
7 reimburse themselves for their seller's tax liability  
8 hereunder by separately stating the tax as an additional  
9 charge, which charge may be stated in combination, in a single  
10 amount, with State taxes that sellers are required to collect  
11 under the Use Tax Act, in accordance with such bracket  
12 schedules as the Department may prescribe.

13 Whenever the Department determines that a refund should be  
14 made under this Section to a claimant instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the warrant to be drawn for the  
17 amount specified, and to the person named, in the notification  
18 from the Department. The refund shall be paid by the State  
19 Treasurer out of the Metro East Mass Transit District tax fund  
20 established under paragraph (h) of this Section or the Local  
21 Government Aviation Trust Fund, as appropriate.

22 If a tax is imposed under this subsection (b), a tax shall  
23 also be imposed under subsections (c) and (d) of this Section.

24 For the purpose of determining whether a tax authorized  
25 under this Section is applicable, a retail sale, by a producer  
26 of coal or other mineral mined in Illinois, is a sale at retail

1 at the place where the coal or other mineral mined in Illinois  
2 is extracted from the earth. This paragraph does not apply to  
3 coal or other mineral when it is delivered or shipped by the  
4 seller to the purchaser at a point outside Illinois so that the  
5 sale is exempt under the Federal Constitution as a sale in  
6 interstate or foreign commerce.

7 No tax shall be imposed or collected under this subsection  
8 on the sale of a motor vehicle in this State to a resident of  
9 another state if that motor vehicle will not be titled in this  
10 State.

11 Nothing in this Section shall be construed to authorize the  
12 Metro East Mass Transit District to impose a tax upon the  
13 privilege of engaging in any business which under the  
14 Constitution of the United States may not be made the subject  
15 of taxation by this State.

16 (c) If a tax has been imposed under subsection (b), a Metro  
17 East Mass Transit District Service Occupation Tax shall also be  
18 imposed upon all persons engaged, in the district, in the  
19 business of making sales of service, who, as an incident to  
20 making those sales of service, transfer tangible personal  
21 property within the District, either in the form of tangible  
22 personal property or in the form of real estate as an incident  
23 to a sale of service. The tax rate shall be 1/4%, or as  
24 authorized under subsection (d-5) of this Section, of the  
25 selling price of tangible personal property so transferred  
26 within the district, except that the rate of tax imposed in



1 these Counties under this Section on sales of aviation fuel on  
2 or after December 1, 2019 shall be 0.25% in Madison County  
3 unless the Metro-East Mass Transit District in Madison County  
4 has an "airport-related purpose" and any additional amount  
5 authorized under subsection (d-5) is expended for  
6 airport-related purposes. If there is no airport-related  
7 purpose to which aviation fuel tax revenue is dedicated, then  
8 aviation fuel is excluded from any additional amount authorized  
9 under subsection (d-5) future increase in the tax. The rate in  
10 St. Clair County shall be 0.25% unless the Metro-East Mass  
11 Transit District in St. Clair County has an "airport-related  
12 purpose" and the additional 0.50% of the 0.75% tax on aviation  
13 fuel is expended for airport-related purposes. If there is no  
14 airport-related purpose to which aviation fuel tax revenue is  
15 dedicated, then aviation fuel is excluded from the additional  
16 0.50% of the 0.75% tax.

17 ~~On or before December 1, 2019, and on or before each May 1~~  
18 ~~and November 1 thereafter, each Metro East Mass Transit~~  
19 ~~District and Madison and St. Clair Counties must certify to the~~  
20 ~~Department of Transportation, in the form and manner required~~  
21 ~~by the Department, whether they have an airport related~~  
22 ~~purpose, which would allow any Retailers' Occupation Tax and~~  
23 ~~Service Occupation Tax imposed under this Act to include tax on~~  
24 ~~aviation fuel. On or before October 1, 2019, and on or before~~  
25 ~~each May 1 and November 1 thereafter, the Department of~~  
26 ~~Transportation shall provide to the Department of Revenue, a~~

1 ~~list of units of local government which have certified to the~~  
2 ~~Department of Transportation that they have airport related~~  
3 ~~purposes, which would allow any Retailers' Occupation Tax and~~  
4 ~~Service Occupation Tax imposed by the unit of local government~~  
5 ~~to include tax on aviation fuel. All disputes regarding whether~~  
6 ~~or not a unit of local government has an airport related~~  
7 ~~purpose shall be resolved by the Department of Transportation.~~

8 The Board must comply with the certification requirements  
9 for airport-related purposes under Section 2-22 of the  
10 Retailers' Occupation Tax Act. For purposes of this Section  
11 Act, "airport-related purposes" has the meaning ascribed in  
12 Section 6z-20.2 of the State Finance Act. This exclusion for  
13 aviation fuel only applies for so long as the revenue use  
14 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
15 binding on the District.

16 The tax imposed under this paragraph and all civil  
17 penalties that may be assessed as an incident thereof shall be  
18 collected and enforced by the State Department of Revenue. The  
19 Department shall have full power to administer and enforce this  
20 paragraph; to collect all taxes and penalties due hereunder; to  
21 dispose of taxes and penalties so collected in the manner  
22 hereinafter provided; and to determine all rights to credit  
23 memoranda arising on account of the erroneous payment of tax or  
24 penalty hereunder. In the administration of, and compliance  
25 with this paragraph, the Department and persons who are subject  
26 to this paragraph shall have the same rights, remedies,

1 privileges, immunities, powers and duties, and be subject to  
2 the same conditions, restrictions, limitations, penalties,  
3 exclusions, exemptions and definitions of terms and employ the  
4 same modes of procedure as are prescribed in Sections 1a-1, 2  
5 (except that the reference to State in the definition of  
6 supplier maintaining a place of business in this State shall  
7 mean the Authority), 2a, 3 through 3-50 (in respect to all  
8 provisions therein other than the State rate of tax), 4 (except  
9 that the reference to the State shall be to the Authority), 5,  
10 7, 8 (except that the jurisdiction to which the tax shall be a  
11 debt to the extent indicated in that Section 8 shall be the  
12 District), 9 (except as to the disposition of taxes and  
13 penalties collected, and except that the returned merchandise  
14 credit for this tax may not be taken against any State tax, and  
15 except that the retailer's discount is not allowed for taxes  
16 paid on aviation fuel that are subject to the revenue use  
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133  
18 ~~deposited into the Local Government Aviation Trust Fund~~), 10,  
19 11, 12 (except the reference therein to Section 2b of the  
20 Retailers' Occupation Tax Act), 13 (except that any reference  
21 to the State shall mean the District), the first paragraph of  
22 Section 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax  
23 Act and Section 3-7 of the Uniform Penalty and Interest Act, as  
24 fully as if those provisions were set forth herein.

25 Persons subject to any tax imposed under the authority  
26 granted in this paragraph may reimburse themselves for their

1 serviceman's tax liability hereunder by separately stating the  
2 tax as an additional charge, which charge may be stated in  
3 combination, in a single amount, with State tax that servicemen  
4 are authorized to collect under the Service Use Tax Act, in  
5 accordance with such bracket schedules as the Department may  
6 prescribe.

7 Whenever the Department determines that a refund should be  
8 made under this paragraph to a claimant instead of issuing a  
9 credit memorandum, the Department shall notify the State  
10 Comptroller, who shall cause the warrant to be drawn for the  
11 amount specified, and to the person named, in the notification  
12 from the Department. The refund shall be paid by the State  
13 Treasurer out of the Metro East Mass Transit District tax fund  
14 established under paragraph (h) of this Section or the Local  
15 Government Aviation Trust Fund, as appropriate.

16 Nothing in this paragraph shall be construed to authorize  
17 the District to impose a tax upon the privilege of engaging in  
18 any business which under the Constitution of the United States  
19 may not be made the subject of taxation by the State.

20 (d) If a tax has been imposed under subsection (b), a Metro  
21 East Mass Transit District Use Tax shall also be imposed upon  
22 the privilege of using, in the district, any item of tangible  
23 personal property that is purchased outside the district at  
24 retail from a retailer, and that is titled or registered with  
25 an agency of this State's government, at a rate of 1/4%, or as  
26 authorized under subsection (d-5) of this Section, of the

1 selling price of the tangible personal property within the  
2 District, as "selling price" is defined in the Use Tax Act. The  
3 tax shall be collected from persons whose Illinois address for  
4 titling or registration purposes is given as being in the  
5 District. The tax shall be collected by the Department of  
6 Revenue for the Metro East Mass Transit District. The tax must  
7 be paid to the State, or an exemption determination must be  
8 obtained from the Department of Revenue, before the title or  
9 certificate of registration for the property may be issued. The  
10 tax or proof of exemption may be transmitted to the Department  
11 by way of the State agency with which, or the State officer  
12 with whom, the tangible personal property must be titled or  
13 registered if the Department and the State agency or State  
14 officer determine that this procedure will expedite the  
15 processing of applications for title or registration.

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

1 exemptions and definitions of terms and employ the same modes  
2 of procedure, as are prescribed in Sections 2 (except the  
3 definition of "retailer maintaining a place of business in this  
4 State"), 3 through 3-80 (except provisions pertaining to the  
5 State rate of tax, and except provisions concerning collection  
6 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
7 19 (except the portions pertaining to claims by retailers and  
8 except the last paragraph concerning refunds), 20, 21 and 22 of  
9 the Use Tax Act and Section 3-7 of the Uniform Penalty and  
10 Interest Act, that are not inconsistent with this paragraph, as  
11 fully as if those provisions were set forth herein.

12 Whenever the Department determines that a refund should be  
13 made under this paragraph to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the order to be drawn for the  
16 amount specified, and to the person named, in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the Metro East Mass Transit District tax fund  
19 established under paragraph (h) of this Section.

20 (d-5) (A) The county board of any county participating in  
21 the Metro East Mass Transit District may authorize, by  
22 ordinance, a referendum on the question of whether the tax  
23 rates for the Metro East Mass Transit District Retailers'  
24 Occupation Tax, the Metro East Mass Transit District Service  
25 Occupation Tax, and the Metro East Mass Transit District Use  
26 Tax for the District should be increased from 0.25% to 0.75%.

1 Upon adopting the ordinance, the county board shall certify the  
2 proposition to the proper election officials who shall submit  
3 the proposition to the voters of the District at the next  
4 election, in accordance with the general election law.

5 The proposition shall be in substantially the following  
6 form:

7 Shall the tax rates for the Metro East Mass Transit  
8 District Retailers' Occupation Tax, the Metro East Mass  
9 Transit District Service Occupation Tax, and the Metro East  
10 Mass Transit District Use Tax be increased from 0.25% to  
11 0.75%?

12 (B) Two thousand five hundred electors of any Metro East  
13 Mass Transit District may petition the Chief Judge of the  
14 Circuit Court, or any judge of that Circuit designated by the  
15 Chief Judge, in which that District is located to cause to be  
16 submitted to a vote of the electors the question whether the  
17 tax rates for the Metro East Mass Transit District Retailers'  
18 Occupation Tax, the Metro East Mass Transit District Service  
19 Occupation Tax, and the Metro East Mass Transit District Use  
20 Tax for the District should be increased from 0.25% to 0.75%.

21 Upon submission of such petition the court shall set a date  
22 not less than 10 nor more than 30 days thereafter for a hearing  
23 on the sufficiency thereof. Notice of the filing of such  
24 petition and of such date shall be given in writing to the  
25 District and the County Clerk at least 7 days before the date  
26 of such hearing.

1 If such petition is found sufficient, the court shall enter  
2 an order to submit that proposition at the next election, in  
3 accordance with general election law.

4 The form of the petition shall be in substantially the  
5 following form: To the Circuit Court of the County of (name of  
6 county):

7 We, the undersigned electors of the (name of transit  
8 district), respectfully petition your honor to submit to a  
9 vote of the electors of (name of transit district) the  
10 following proposition:

11 Shall the tax rates for the Metro East Mass Transit  
12 District Retailers' Occupation Tax, the Metro East Mass  
13 Transit District Service Occupation Tax, and the Metro East  
14 Mass Transit District Use Tax be increased from 0.25% to  
15 0.75%?

16 Name Address, with Street and Number.  
17 .....  
18 .....

19 (C) The votes shall be recorded as "YES" or "NO". If a  
20 majority of all votes cast on the proposition are for the  
21 increase in the tax rates, the Metro East Mass Transit District  
22 shall begin imposing the increased rates in the District, and  
23 the Department of Revenue shall begin collecting the increased  
24 amounts, as provided under this Section. An ordinance imposing  
25 or discontinuing a tax hereunder or effecting a change in the  
26 rate thereof shall be adopted and a certified copy thereof



1 filed with the Department on or before the first day of  
2 October, whereupon the Department shall proceed to administer  
3 and enforce this Section as of the first day of January next  
4 following the adoption and filing, or on or before the first  
5 day of April, whereupon the Department shall proceed to  
6 administer and enforce this Section as of the first day of July  
7 next following the adoption and filing.

8 (D) If the voters have approved a referendum under this  
9 subsection, before November 1, 1994, to increase the tax rate  
10 under this subsection, the Metro East Mass Transit District  
11 Board of Trustees may adopt by a majority vote an ordinance at  
12 any time before January 1, 1995 that excludes from the rate  
13 increase tangible personal property that is titled or  
14 registered with an agency of this State's government. The  
15 ordinance excluding titled or registered tangible personal  
16 property from the rate increase must be filed with the  
17 Department at least 15 days before its effective date. At any  
18 time after adopting an ordinance excluding from the rate  
19 increase tangible personal property that is titled or  
20 registered with an agency of this State's government, the Metro  
21 East Mass Transit District Board of Trustees may adopt an  
22 ordinance applying the rate increase to that tangible personal  
23 property. The ordinance shall be adopted, and a certified copy  
24 of that ordinance shall be filed with the Department, on or  
25 before October 1, whereupon the Department shall proceed to  
26 administer and enforce the rate increase against tangible

1 personal property titled or registered with an agency of this  
2 State's government as of the following January 1. After  
3 December 31, 1995, any reimposed rate increase in effect under  
4 this subsection shall no longer apply to tangible personal  
5 property titled or registered with an agency of this State's  
6 government. Beginning January 1, 1996, the Board of Trustees of  
7 any Metro East Mass Transit District may never reimpose a  
8 previously excluded tax rate increase on tangible personal  
9 property titled or registered with an agency of this State's  
10 government. After July 1, 2004, if the voters have approved a  
11 referendum under this subsection to increase the tax rate under  
12 this subsection, the Metro East Mass Transit District Board of  
13 Trustees may adopt by a majority vote an ordinance that  
14 excludes from the rate increase tangible personal property that  
15 is titled or registered with an agency of this State's  
16 government. The ordinance excluding titled or registered  
17 tangible personal property from the rate increase shall be  
18 adopted, and a certified copy of that ordinance shall be filed  
19 with the Department on or before October 1, whereupon the  
20 Department shall administer and enforce this exclusion from the  
21 rate increase as of the following January 1, or on or before  
22 April 1, whereupon the Department shall administer and enforce  
23 this exclusion from the rate increase as of the following July  
24 1. The Board of Trustees of any Metro East Mass Transit  
25 District may never reimpose a previously excluded tax rate  
26 increase on tangible personal property titled or registered

1 with an agency of this State's government.

2 (d-6) If the Board of Trustees of any Metro East Mass  
3 Transit District has imposed a rate increase under subsection  
4 (d-5) and filed an ordinance with the Department of Revenue  
5 excluding titled property from the higher rate, then that Board  
6 may, by ordinance adopted with the concurrence of two-thirds of  
7 the then trustees, impose throughout the District a fee. The  
8 fee on the excluded property shall not exceed \$20 per retail  
9 transaction or an amount equal to the amount of tax excluded,  
10 whichever is less, on tangible personal property that is titled  
11 or registered with an agency of this State's government.  
12 Beginning July 1, 2004, the fee shall apply only to titled  
13 property that is subject to either the Metro East Mass Transit  
14 District Retailers' Occupation Tax or the Metro East Mass  
15 Transit District Service Occupation Tax. No fee shall be  
16 imposed or collected under this subsection on the sale of a  
17 motor vehicle in this State to a resident of another state if  
18 that motor vehicle will not be titled in this State.

19 (d-7) Until June 30, 2004, if a fee has been imposed under  
20 subsection (d-6), a fee shall also be imposed upon the  
21 privilege of using, in the district, any item of tangible  
22 personal property that is titled or registered with any agency  
23 of this State's government, in an amount equal to the amount of  
24 the fee imposed under subsection (d-6).

25 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
26 Board of Trustees of any Metro East Mass Transit District under

1 subsection (d-6) and all civil penalties that may be assessed  
2 as an incident of the fees shall be collected and enforced by  
3 the State Department of Revenue. Reference to "taxes" in this  
4 Section shall be construed to apply to the administration,  
5 payment, and remittance of all fees under this Section. For  
6 purposes of any fee imposed under subsection (d-6), 4% of the  
7 fee, penalty, and interest received by the Department in the  
8 first 12 months that the fee is collected and enforced by the  
9 Department and 2% of the fee, penalty, and interest following  
10 the first 12 months (except the amount collected on aviation  
11 fuel sold on or after December 1, 2019) shall be deposited into  
12 the Tax Compliance and Administration Fund and shall be used by  
13 the Department, subject to appropriation, to cover the costs of  
14 the Department. No retailers' discount shall apply to any fee  
15 imposed under subsection (d-6).

16 (d-8) No item of titled property shall be subject to both  
17 the higher rate approved by referendum, as authorized under  
18 subsection (d-5), and any fee imposed under subsection (d-6) or  
19 (d-7).

20 (d-9) (Blank).

21 (d-10) (Blank).

22 (e) A certificate of registration issued by the State  
23 Department of Revenue to a retailer under the Retailers'  
24 Occupation Tax Act or under the Service Occupation Tax Act  
25 shall permit the registrant to engage in a business that is  
26 taxed under the tax imposed under paragraphs (b), (c) or (d) of

1 this Section and no additional registration shall be required  
2 under the tax. A certificate issued under the Use Tax Act or  
3 the Service Use Tax Act shall be applicable with regard to any  
4 tax imposed under paragraph (c) of this Section.

5 (f) (Blank).

6 (g) Any ordinance imposing or discontinuing any tax under  
7 this Section shall be adopted and a certified copy thereof  
8 filed with the Department on or before June 1, whereupon the  
9 Department of Revenue shall proceed to administer and enforce  
10 this Section on behalf of the Metro East Mass Transit District  
11 as of September 1 next following such adoption and filing.  
12 Beginning January 1, 1992, an ordinance or resolution imposing  
13 or discontinuing the tax hereunder shall be adopted and a  
14 certified copy thereof filed with the Department on or before  
15 the first day of July, whereupon the Department shall proceed  
16 to administer and enforce this Section as of the first day of  
17 October next following such adoption and filing. Beginning  
18 January 1, 1993, except as provided in subsection (d-5) of this  
19 Section, an ordinance or resolution imposing or discontinuing  
20 the tax hereunder shall be adopted and a certified copy thereof  
21 filed with the Department on or before the first day of  
22 October, whereupon the Department shall proceed to administer  
23 and enforce this Section as of the first day of January next  
24 following such adoption and filing, or, beginning January 1,  
25 2004, on or before the first day of April, whereupon the  
26 Department shall proceed to administer and enforce this Section

1 as of the first day of July next following the adoption and  
2 filing.

3 (h) Except as provided in subsection (d-7.1), the State  
4 Department of Revenue shall, upon collecting any taxes as  
5 provided in this Section, pay the taxes over to the State  
6 Treasurer as trustee for the District. The taxes shall be held  
7 in a trust fund outside the State Treasury. If an  
8 airport-related purpose has been certified, taxes ~~Taxes~~ and  
9 penalties collected in St. Clair County ~~Counties~~ on aviation  
10 fuel sold on or after December 1, 2019 from the 0.50% of the  
11 0.75% rate shall be immediately paid over by the Department to  
12 the State Treasurer, ex officio, as trustee, for deposit into  
13 the Local Government Aviation Trust Fund. The Department shall  
14 only pay moneys into the Local Government Aviation Trust Fund  
15 under this Act for so long as the revenue use requirements of  
16 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
17 District.

18 As soon as possible after the first day of each month,  
19 beginning January 1, 2011, upon certification of the Department  
20 of Revenue, the Comptroller shall order transferred, and the  
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
22 local sales tax increment, as defined in the Innovation  
23 Development and Economy Act, collected under this Section  
24 during the second preceding calendar month for sales within a  
25 STAR bond district. The Department shall make this  
26 certification only if the local mass transit district imposes a

1 tax on real property as provided in the definition of "local  
2 sales taxes" under the Innovation Development and Economy Act.

3 After the monthly transfer to the STAR Bonds Revenue Fund,  
4 on or before the 25th day of each calendar month, the State  
5 Department of Revenue shall prepare and certify to the  
6 Comptroller of the State of Illinois the amount to be paid to  
7 the District, which shall be the amount (not including credit  
8 memoranda and not including taxes and penalties collected on  
9 aviation fuel sold on or after December 1, 2019 that are  
10 deposited into the Local Government Aviation Trust Fund)  
11 collected under this Section during the second preceding  
12 calendar month by the Department plus an amount the Department  
13 determines is necessary to offset any amounts that were  
14 erroneously paid to a different taxing body, and not including  
15 any amount equal to the amount of refunds made during the  
16 second preceding calendar month by the Department on behalf of  
17 the District, and not including any amount that the Department  
18 determines is necessary to offset any amounts that were payable  
19 to a different taxing body but were erroneously paid to the  
20 District, and less any amounts that are transferred to the STAR  
21 Bonds Revenue Fund, less 1.5% of the remainder, which the  
22 Department shall transfer into the Tax Compliance and  
23 Administration Fund. The Department, at the time of each  
24 monthly disbursement to the District, shall prepare and certify  
25 to the State Comptroller the amount to be transferred into the  
26 Tax Compliance and Administration Fund under this subsection.

1 Within 10 days after receipt by the Comptroller of the  
2 certification of the amount to be paid to the District and the  
3 Tax Compliance and Administration Fund, the Comptroller shall  
4 cause an order to be drawn for payment for the amount in  
5 accordance with the direction in the certification.

6 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
7 101-10, eff. 6-5-19.)

8 Section 10-105. The Regional Transportation Authority Act  
9 is amended by changing Sections 4.03 and 4.03.3 as follows:

10 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

11 Sec. 4.03. Taxes.

12 (a) In order to carry out any of the powers or purposes of  
13 the Authority, the Board may by ordinance adopted with the  
14 concurrence of 12 of the then Directors, impose throughout the  
15 metropolitan region any or all of the taxes provided in this  
16 Section. Except as otherwise provided in this Act, taxes  
17 imposed under this Section and civil penalties imposed incident  
18 thereto shall be collected and enforced by the State Department  
19 of Revenue. The Department shall have the power to administer  
20 and enforce the taxes and to determine all rights for refunds  
21 for erroneous payments of the taxes. Nothing in Public Act  
22 95-708 is intended to invalidate any taxes currently imposed by  
23 the Authority. The increased vote requirements to impose a tax  
24 shall only apply to actions taken after January 1, 2008 (the



1 effective date of Public Act 95-708).

2 (b) The Board may impose a public transportation tax upon  
3 all persons engaged in the metropolitan region in the business  
4 of selling at retail motor fuel for operation of motor vehicles  
5 upon public highways. The tax shall be at a rate not to exceed  
6 5% of the gross receipts from the sales of motor fuel in the  
7 course of the business. As used in this Act, the term "motor  
8 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
9 The Board may provide for details of the tax. The provisions of  
10 any tax shall conform, as closely as may be practicable, to the  
11 provisions of the Municipal Retailers Occupation Tax Act,  
12 including without limitation, conformity to penalties with  
13 respect to the tax imposed and as to the powers of the State  
14 Department of Revenue to promulgate and enforce rules and  
15 regulations relating to the administration and enforcement of  
16 the provisions of the tax imposed, except that reference in the  
17 Act to any municipality shall refer to the Authority and the  
18 tax shall be imposed only with regard to receipts from sales of  
19 motor fuel in the metropolitan region, at rates as limited by  
20 this Section.

21 (c) In connection with the tax imposed under paragraph (b)  
22 of this Section, the Board may impose a tax upon the privilege  
23 of using in the metropolitan region motor fuel for the  
24 operation of a motor vehicle upon public highways, the tax to  
25 be at a rate not in excess of the rate of tax imposed under  
26 paragraph (b) of this Section. The Board may provide for

1 details of the tax.

2 (d) The Board may impose a motor vehicle parking tax upon  
3 the privilege of parking motor vehicles at off-street parking  
4 facilities in the metropolitan region at which a fee is  
5 charged, and may provide for reasonable classifications in and  
6 exemptions to the tax, for administration and enforcement  
7 thereof and for civil penalties and refunds thereunder and may  
8 provide criminal penalties thereunder, the maximum penalties  
9 not to exceed the maximum criminal penalties provided in the  
10 Retailers' Occupation Tax Act. The Authority may collect and  
11 enforce the tax itself or by contract with any unit of local  
12 government. The State Department of Revenue shall have no  
13 responsibility for the collection and enforcement unless the  
14 Department agrees with the Authority to undertake the  
15 collection and enforcement. As used in this paragraph, the term  
16 "parking facility" means a parking area or structure having  
17 parking spaces for more than 2 vehicles at which motor vehicles  
18 are permitted to park in return for an hourly, daily, or other  
19 periodic fee, whether publicly or privately owned, but does not  
20 include parking spaces on a public street, the use of which is  
21 regulated by parking meters.

22 (e) The Board may impose a Regional Transportation  
23 Authority Retailers' Occupation Tax upon all persons engaged in  
24 the business of selling tangible personal property at retail in  
25 the metropolitan region. In Cook County, the tax rate shall be  
26 1.25% of the gross receipts from sales of tangible personal

1 property taxed at the 1% rate under the Retailers' Occupation  
2 Tax Act, and 1% of the gross receipts from other taxable sales  
3 made in the course of that business. In DuPage, Kane, Lake,  
4 McHenry, and Will counties, the tax rate shall be 0.75% of the  
5 gross receipts from all taxable sales made in the course of  
6 that business. The ~~Except that the~~ rate of tax imposed in  
7 DuPage, Kane, Lake, McHenry, and Will ~~these~~ counties under this  
8 Section on sales of aviation fuel on or after December 1, 2019  
9 shall, however, be 0.25% unless the Regional Transportation  
10 Authority in DuPage, Kane, Lake, McHenry, and Will counties has  
11 an "airport-related purpose" and the additional 0.50% of the  
12 0.75% tax on aviation fuel is expended for airport-related  
13 purposes. If there is no airport-related purpose to which  
14 aviation fuel tax revenue is dedicated, then aviation fuel is  
15 excluded from the additional 0.50% of the 0.75% tax. The tax  
16 imposed under this Section and all civil penalties that may be  
17 assessed as an incident thereof shall be collected and enforced  
18 by the State Department of Revenue. The Department shall have  
19 full power to administer and enforce this Section; to collect  
20 all taxes and penalties so collected in the manner hereinafter  
21 provided; and to determine all rights to credit memoranda  
22 arising on account of the erroneous payment of tax or penalty  
23 hereunder. In the administration of, and compliance with this  
24 Section, the Department and persons who are subject to this  
25 Section shall have the same rights, remedies, privileges,  
26 immunities, powers, and duties, and be subject to the same

1 conditions, restrictions, limitations, penalties, exclusions,  
2 exemptions, and definitions of terms, and employ the same modes  
3 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c,  
4 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all  
5 provisions therein other than the State rate of tax), 2c, 3  
6 (except as to the disposition of taxes and penalties collected,  
7 and except that the retailer's discount is not allowed for  
8 taxes paid on aviation fuel that are subject to the revenue use  
9 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133  
10 ~~deposited into the Local Government Aviation Trust Fund~~), 4, 5,  
11 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,  
12 6d, 7, 8, 9, 10, 11, 12, and 13 of the Retailers' Occupation  
13 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
14 Act, as fully as if those provisions were set forth herein.

15 ~~On or before September 1, 2019, and on or before each April~~  
16 ~~1 and October 1 thereafter, the Authority and Cook, DuPage,~~  
17 ~~Kane, Lake, McHenry, and Will counties must certify to the~~  
18 ~~Department of Transportation, in the form and manner required~~  
19 ~~by the Department, whether they have an airport related~~  
20 ~~purpose, which would allow any Retailers' Occupation Tax and~~  
21 ~~Service Occupation Tax imposed under this Act to include tax on~~  
22 ~~aviation fuel. On or before October 1, 2019, and on or before~~  
23 ~~each May 1 and November 1 thereafter, the Department of~~  
24 ~~Transportation shall provide to the Department of Revenue, a~~  
25 ~~list of units of local government which have certified to the~~  
26 ~~Department of Transportation that they have airport related~~

1 ~~purposes, which would allow any Retailers' Occupation Tax and~~  
2 ~~Service Occupation Tax imposed by the unit of local government~~  
3 ~~to include tax on aviation fuel. All disputes regarding whether~~  
4 ~~or not a unit of local government has an airport-related~~  
5 ~~purpose shall be resolved by the Department of Transportation.~~

6 The Board and DuPage, Kane, Lake, McHenry, and Will  
7 counties must comply with the certification requirements for  
8 airport-related purposes under Section 2-22 of the Retailers'  
9 Occupation Tax Act. For purposes of this Section Act,  
10 "airport-related purposes" has the meaning ascribed in Section  
11 6z-20.2 of the State Finance Act. This exclusion for aviation  
12 fuel only applies for so long as the revenue use requirements  
13 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
14 Authority.

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

22 Whenever the Department determines that a refund should be  
23 made under this Section to a claimant instead of issuing a  
24 credit memorandum, the Department shall notify the State  
25 Comptroller, who shall cause the warrant to be drawn for the  
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State  
2 Treasurer out of the Regional Transportation Authority tax fund  
3 established under paragraph (n) of this Section or the Local  
4 Government Aviation Trust Fund, as appropriate.

5 If a tax is imposed under this subsection (e), a tax shall  
6 also be imposed under subsections (f) and (g) of this Section.

7 For the purpose of determining whether a tax authorized  
8 under this Section is applicable, a retail sale by a producer  
9 of coal or other mineral mined in Illinois, is a sale at retail  
10 at the place where the coal or other mineral mined in Illinois  
11 is extracted from the earth. This paragraph does not apply to  
12 coal or other mineral when it is delivered or shipped by the  
13 seller to the purchaser at a point outside Illinois so that the  
14 sale is exempt under the Federal Constitution as a sale in  
15 interstate or foreign commerce.

16 No tax shall be imposed or collected under this subsection  
17 on the sale of a motor vehicle in this State to a resident of  
18 another state if that motor vehicle will not be titled in this  
19 State.

20 Nothing in this Section shall be construed to authorize the  
21 Regional Transportation Authority to impose a tax upon the  
22 privilege of engaging in any business that under the  
23 Constitution of the United States may not be made the subject  
24 of taxation by this State.

25 (f) If a tax has been imposed under paragraph (e), a  
26 Regional Transportation Authority Service Occupation Tax shall

1 also be imposed upon all persons engaged, in the metropolitan  
2 region in the business of making sales of service, who as an  
3 incident to making the sales of service, transfer tangible  
4 personal property within the metropolitan region, either in the  
5 form of tangible personal property or in the form of real  
6 estate as an incident to a sale of service. In Cook County, the  
7 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
8 food prepared for immediate consumption and transferred  
9 incident to a sale of service subject to the service occupation  
10 tax by an entity licensed under the Hospital Licensing Act, the  
11 Nursing Home Care Act, the Specialized Mental Health  
12 Rehabilitation Act of 2013, the ID/DD Community Care Act, or  
13 the MC/DD Act that is located in the metropolitan region; (2)  
14 1.25% of the selling price of tangible personal property taxed  
15 at the 1% rate under the Service Occupation Tax Act; and (3) 1%  
16 of the selling price from other taxable sales of tangible  
17 personal property transferred. In DuPage, Kane, Lake, McHenry,  
18 and Will counties, the rate shall be 0.75% of the selling price  
19 of all tangible personal property transferred. ~~The except that~~  
20 ~~the~~ rate of tax imposed in DuPage, Kane, Lake, McHenry, and  
21 Will ~~these~~ counties under this Section on sales of aviation  
22 fuel on or after December 1, 2019 shall, however, be 0.25%  
23 unless the Regional Transportation Authority in DuPage, Kane,  
24 Lake, McHenry, and Will counties has an "airport-related  
25 purpose" and the additional 0.50% of the 0.75% tax on aviation  
26 fuel is expended for airport-related purposes. If there is no

1 airport-related purpose to which aviation fuel tax revenue is  
2 dedicated, then aviation fuel is excluded from the additional  
3 0.5% of the 0.75% tax.

4 ~~On or before September 1, 2019, and on or before each April~~  
5 ~~1 and October 1 thereafter, the Authority and Cook, DuPage,~~  
6 ~~Kane, Lake, McHenry, and Will counties must certify to the~~  
7 ~~Department of Transportation, in the form and manner required~~  
8 ~~by the Department, whether they have an airport related~~  
9 ~~purpose, which would allow any Retailers' Occupation Tax and~~  
10 ~~Service Occupation Tax imposed under this Act to include tax on~~  
11 ~~aviation fuel. On or before October 1, 2019, and on or before~~  
12 ~~each May 1 and November 1 thereafter, the Department of~~  
13 ~~Transportation shall provide to the Department of Revenue, a~~  
14 ~~list of units of local government which have certified to the~~  
15 ~~Department of Transportation that they have airport related~~  
16 ~~purposes, which would allow any Retailers' Occupation Tax and~~  
17 ~~Service Occupation Tax imposed by the unit of local government~~  
18 ~~to include tax on aviation fuel. All disputes regarding whether~~  
19 ~~or not a unit of local government has an airport related~~  
20 ~~purpose shall be resolved by the Department of Transportation.~~

21 The Board and DuPage, Kane, Lake, McHenry, and Will  
22 counties must comply with the certification requirements for  
23 airport-related purposes under Section 2-22 of the Retailers'  
24 Occupation Tax Act. For purposes of this Section Act,  
25 "airport-related purposes" has the meaning ascribed in Section  
26 6z-20.2 of the State Finance Act. This exclusion for aviation



1 fuel only applies for so long as the revenue use requirements  
2 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
3 Authority.

4 The tax imposed under this paragraph and all civil  
5 penalties that may be assessed as an incident thereof shall be  
6 collected and enforced by the State Department of Revenue. The  
7 Department shall have full power to administer and enforce this  
8 paragraph; to collect all taxes and penalties due hereunder; to  
9 dispose of taxes and penalties collected in the manner  
10 hereinafter provided; and to determine all rights to credit  
11 memoranda arising on account of the erroneous payment of tax or  
12 penalty hereunder. In the administration of and compliance with  
13 this paragraph, the Department and persons who are subject to  
14 this paragraph shall have the same rights, remedies,  
15 privileges, immunities, powers, and duties, and be subject to  
16 the same conditions, restrictions, limitations, penalties,  
17 exclusions, exemptions, and definitions of terms, and employ  
18 the same modes of procedure, as are prescribed in Sections  
19 1a-1, 2, 2a, 3 through 3-50 (in respect to all provisions  
20 therein other than the State rate of tax), 4 (except that the  
21 reference to the State shall be to the Authority), 5, 7, 8  
22 (except that the jurisdiction to which the tax shall be a debt  
23 to the extent indicated in that Section 8 shall be the  
24 Authority), 9 (except as to the disposition of taxes and  
25 penalties collected, and except that the returned merchandise  
26 credit for this tax may not be taken against any State tax, and

1 except that the retailer's discount is not allowed for taxes  
2 paid on aviation fuel that are subject to the revenue use  
3 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133  
4 ~~deposited into the Local Government Aviation Trust Fund~~, 10,  
5 11, 12 (except the reference therein to Section 2b of the  
6 Retailers' Occupation Tax Act), 13 (except that any reference  
7 to the State shall mean the Authority), the first paragraph of  
8 Section 15, 16, 17, 18, 19, and 20 of the Service Occupation  
9 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
10 Act, as fully as if those provisions were set forth herein.

11 Persons subject to any tax imposed under the authority  
12 granted in this paragraph may reimburse themselves for their  
13 serviceman's tax liability hereunder by separately stating the  
14 tax as an additional charge, that charge may be stated in  
15 combination in a single amount with State tax that servicemen  
16 are authorized to collect under the Service Use Tax Act, under  
17 any bracket schedules the Department may prescribe.

18 Whenever the Department determines that a refund should be  
19 made under this paragraph to a claimant instead of issuing a  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the warrant to be drawn for the  
22 amount specified, and to the person named in the notification  
23 from the Department. The refund shall be paid by the State  
24 Treasurer out of the Regional Transportation Authority tax fund  
25 established under paragraph (n) of this Section or the Local  
26 Government Aviation Trust Fund, as appropriate.

1           Nothing in this paragraph shall be construed to authorize  
2 the Authority to impose a tax upon the privilege of engaging in  
3 any business that under the Constitution of the United States  
4 may not be made the subject of taxation by the State.

5           (g) If a tax has been imposed under paragraph (e), a tax  
6 shall also be imposed upon the privilege of using in the  
7 metropolitan region, any item of tangible personal property  
8 that is purchased outside the metropolitan region at retail  
9 from a retailer, and that is titled or registered with an  
10 agency of this State's government. In Cook County, the tax rate  
11 shall be 1% of the selling price of the tangible personal  
12 property, as "selling price" is defined in the Use Tax Act. In  
13 DuPage, Kane, Lake, McHenry, and Will counties, the tax rate  
14 shall be 0.75% of the selling price of the tangible personal  
15 property, as "selling price" is defined in the Use Tax Act. The  
16 tax shall be collected from persons whose Illinois address for  
17 titling or registration purposes is given as being in the  
18 metropolitan region. The tax shall be collected by the  
19 Department of Revenue for the Regional Transportation  
20 Authority. The tax must be paid to the State, or an exemption  
21 determination must be obtained from the Department of Revenue,  
22 before the title or certificate of registration for the  
23 property may be issued. The tax or proof of exemption may be  
24 transmitted to the Department by way of the State agency with  
25 which, or the State officer with whom, the tangible personal  
26 property must be titled or registered if the Department and the

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

4 The Department shall have full power to administer and  
5 enforce this paragraph; to collect all taxes, penalties, and  
6 interest due hereunder; to dispose of taxes, penalties, and  
7 interest collected in the manner hereinafter provided; and to  
8 determine all rights to credit memoranda or refunds arising on  
9 account of the erroneous payment of tax, penalty, or interest  
10 hereunder. In the administration of and compliance with this  
11 paragraph, the Department and persons who are subject to this  
12 paragraph shall have the same rights, remedies, privileges,  
13 immunities, powers, and duties, and be subject to the same  
14 conditions, restrictions, limitations, penalties, exclusions,  
15 exemptions, and definitions of terms and employ the same modes  
16 of procedure, as are prescribed in Sections 2 (except the  
17 definition of "retailer maintaining a place of business in this  
18 State"), 3 through 3-80 (except provisions pertaining to the  
19 State rate of tax, and except provisions concerning collection  
20 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
21 19 (except the portions pertaining to claims by retailers and  
22 except the last paragraph concerning refunds), 20, 21, and 22  
23 of the Use Tax Act, and are not inconsistent with this  
24 paragraph, as fully as if those provisions were set forth  
25 herein.

26 Whenever the Department determines that a refund should be

1 made under this paragraph to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the order to be drawn for the  
4 amount specified, and to the person named in the notification  
5 from the Department. The refund shall be paid by the State  
6 Treasurer out of the Regional Transportation Authority tax fund  
7 established under paragraph (n) of this Section.

8 (h) The Authority may impose a replacement vehicle tax of  
9 \$50 on any passenger car as defined in Section 1-157 of the  
10 Illinois Vehicle Code purchased within the metropolitan region  
11 by or on behalf of an insurance company to replace a passenger  
12 car of an insured person in settlement of a total loss claim.  
13 The tax imposed may not become effective before the first day  
14 of the month following the passage of the ordinance imposing  
15 the tax and receipt of a certified copy of the ordinance by the  
16 Department of Revenue. The Department of Revenue shall collect  
17 the tax for the Authority in accordance with Sections 3-2002  
18 and 3-2003 of the Illinois Vehicle Code.

19 ~~The Except as otherwise provided in this paragraph, the~~  
20 ~~Department shall immediately pay over to the State Treasurer,~~  
21 ~~ex officio, as trustee, all taxes collected hereunder. Taxes~~  
22 ~~and penalties collected in DuPage, Kane, Lake, McHenry and Will~~  
23 ~~counties on aviation fuel sold on or after December 1, 2019~~  
24 ~~from the 0.50% of the 0.75% rate shall be immediately paid over~~  
25 ~~by the Department to the State Treasurer, ex officio, as~~  
26 ~~trustee, for deposit into the Local Government Aviation Trust~~

1 ~~Fund. The Department shall only pay moneys into the Local~~  
2 ~~Government Aviation Trust Fund under this Act for so long as~~  
3 ~~the revenue use requirements of 49 U.S.C. 47107(b) and 49~~  
4 ~~U.S.C. 47133 are binding on the Authority.~~

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

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on or before the 25th day of each calendar month, the  
15 Department shall prepare and certify to the Comptroller the  
16 disbursement of stated sums of money to the Authority. The  
17 amount to be paid to the Authority shall be the amount  
18 collected hereunder during the second preceding calendar month  
19 by the Department, less any amount determined by the Department  
20 to be necessary for the payment of refunds, and less any  
21 amounts that are transferred to the STAR Bonds Revenue Fund.  
22 Within 10 days after receipt by the Comptroller of the  
23 disbursement certification to the Authority provided for in  
24 this Section to be given to the Comptroller by the Department,  
25 the Comptroller shall cause the orders to be drawn for that  
26 amount in accordance with the directions contained in the

1 certification.

2 (i) The Board may not impose any other taxes except as it  
3 may from time to time be authorized by law to impose.

4 (j) A certificate of registration issued by the State  
5 Department of Revenue to a retailer under the Retailers'  
6 Occupation Tax Act or under the Service Occupation Tax Act  
7 shall permit the registrant to engage in a business that is  
8 taxed under the tax imposed under paragraphs (b), (e), (f) or  
9 (g) of this Section and no additional registration shall be  
10 required under the tax. A certificate issued under the Use Tax  
11 Act or the Service Use Tax Act shall be applicable with regard  
12 to any tax imposed under paragraph (c) of this Section.

13 (k) The provisions of any tax imposed under paragraph (c)  
14 of this Section shall conform as closely as may be practicable  
15 to the provisions of the Use Tax Act, including without  
16 limitation conformity as to penalties with respect to the tax  
17 imposed and as to the powers of the State Department of Revenue  
18 to promulgate and enforce rules and regulations relating to the  
19 administration and enforcement of the provisions of the tax  
20 imposed. The taxes shall be imposed only on use within the  
21 metropolitan region and at rates as provided in the paragraph.

22 (l) The Board in imposing any tax as provided in paragraphs  
23 (b) and (c) of this Section, shall, after seeking the advice of  
24 the State Department of Revenue, provide means for retailers,  
25 users or purchasers of motor fuel for purposes other than those  
26 with regard to which the taxes may be imposed as provided in

1 those paragraphs to receive refunds of taxes improperly paid,  
2 which provisions may be at variance with the refund provisions  
3 as applicable under the Municipal Retailers Occupation Tax Act.  
4 The State Department of Revenue may provide for certificates of  
5 registration for users or purchasers of motor fuel for purposes  
6 other than those with regard to which taxes may be imposed as  
7 provided in paragraphs (b) and (c) of this Section to  
8 facilitate the reporting and nontaxability of the exempt sales  
9 or uses.

10 (m) Any ordinance imposing or discontinuing any tax under  
11 this Section shall be adopted and a certified copy thereof  
12 filed with the Department on or before June 1, whereupon the  
13 Department of Revenue shall proceed to administer and enforce  
14 this Section on behalf of the Regional Transportation Authority  
15 as of September 1 next following such adoption and filing.  
16 Beginning January 1, 1992, an ordinance or resolution imposing  
17 or discontinuing the tax hereunder shall be adopted and a  
18 certified copy thereof filed with the Department on or before  
19 the first day of July, whereupon the Department shall proceed  
20 to administer and enforce this Section as of the first day of  
21 October next following such adoption and filing. Beginning  
22 January 1, 1993, an ordinance or resolution imposing,  
23 increasing, decreasing, or discontinuing the tax hereunder  
24 shall be adopted and a certified copy thereof filed with the  
25 Department, whereupon the Department shall proceed to  
26 administer and enforce this Section as of the first day of the



1 first month to occur not less than 60 days following such  
2 adoption and filing. Any ordinance or resolution of the  
3 Authority imposing a tax under this Section and in effect on  
4 August 1, 2007 shall remain in full force and effect and shall  
5 be administered by the Department of Revenue under the terms  
6 and conditions and rates of tax established by such ordinance  
7 or resolution until the Department begins administering and  
8 enforcing an increased tax under this Section as authorized by  
9 Public Act 95-708. The tax rates authorized by Public Act  
10 95-708 are effective only if imposed by ordinance of the  
11 Authority.

12 (n) Except as otherwise provided in this subsection (n),  
13 the State Department of Revenue shall, upon collecting any  
14 taxes as provided in this Section, pay the taxes over to the  
15 State Treasurer as trustee for the Authority. The taxes shall  
16 be held in a trust fund outside the State Treasury. If an  
17 airport-related purpose has been certified, taxes and  
18 penalties collected in DuPage, Kane, Lake, McHenry and Will  
19 counties on aviation fuel sold on or after December 1, 2019  
20 from the 0.50% of the 0.75% rate shall be immediately paid over  
21 by the Department to the State Treasurer, ex officio, as  
22 trustee, for deposit into the Local Government Aviation Trust  
23 Fund. The Department shall only pay moneys into the Local  
24 Government Aviation Trust Fund under this Act for so long as  
25 the revenue use requirements of 49 U.S.C. 47107(b) and 49  
26 U.S.C. 47133 are binding on the Authority. On or before the

1 25th day of each calendar month, the State Department of  
2 Revenue shall prepare and certify to the Comptroller of the  
3 State of Illinois and to the Authority (i) the amount of taxes  
4 collected in each county other than Cook County in the  
5 metropolitan region, (not including, if an airport-related  
6 purpose has been certified, the taxes and penalties collected  
7 from the 0.50% of the 0.75% rate on aviation fuel sold on or  
8 after December 1, 2019 that are deposited into the Local  
9 Government Aviation Trust Fund) (ii) the amount of taxes  
10 collected within the City of Chicago, and (iii) the amount  
11 collected in that portion of Cook County outside of Chicago,  
12 each amount less the amount necessary for the payment of  
13 refunds to taxpayers located in those areas described in items  
14 (i), (ii), and (iii), and less 1.5% of the remainder, which  
15 shall be transferred from the trust fund into the Tax  
16 Compliance and Administration Fund. The Department, at the time  
17 of each monthly disbursement to the Authority, shall prepare  
18 and certify to the State Comptroller the amount to be  
19 transferred into the Tax Compliance and Administration Fund  
20 under this subsection. Within 10 days after receipt by the  
21 Comptroller of the certification of the amounts, the  
22 Comptroller shall cause an order to be drawn for the transfer  
23 of the amount certified into the Tax Compliance and  
24 Administration Fund and the payment of two-thirds of the  
25 amounts certified in item (i) of this subsection to the  
26 Authority and one-third of the amounts certified in item (i) of

1 this subsection to the respective counties other than Cook  
2 County and the amount certified in items (ii) and (iii) of this  
3 subsection to the Authority.

4 In addition to the disbursement required by the preceding  
5 paragraph, an allocation shall be made in July 1991 and each  
6 year thereafter to the Regional Transportation Authority. The  
7 allocation shall be made in an amount equal to the average  
8 monthly distribution during the preceding calendar year  
9 (excluding the 2 months of lowest receipts) and the allocation  
10 shall include the amount of average monthly distribution from  
11 the Regional Transportation Authority Occupation and Use Tax  
12 Replacement Fund. The distribution made in July 1992 and each  
13 year thereafter under this paragraph and the preceding  
14 paragraph shall be reduced by the amount allocated and  
15 disbursed under this paragraph in the preceding calendar year.  
16 The Department of Revenue shall prepare and certify to the  
17 Comptroller for disbursement the allocations made in  
18 accordance with this paragraph.

19 (o) Failure to adopt a budget ordinance or otherwise to  
20 comply with Section 4.01 of this Act or to adopt a Five-year  
21 Capital Program or otherwise to comply with paragraph (b) of  
22 Section 2.01 of this Act shall not affect the validity of any  
23 tax imposed by the Authority otherwise in conformity with law.

24 (p) At no time shall a public transportation tax or motor  
25 vehicle parking tax authorized under paragraphs (b), (c), and  
26 (d) of this Section be in effect at the same time as any

1 retailers' occupation, use or service occupation tax  
2 authorized under paragraphs (e), (f), and (g) of this Section  
3 is in effect.

4 Any taxes imposed under the authority provided in  
5 paragraphs (b), (c), and (d) shall remain in effect only until  
6 the time as any tax authorized by paragraph (e), (f), or (g) of  
7 this Section are imposed and becomes effective. Once any tax  
8 authorized by paragraph (e), (f), or (g) is imposed the Board  
9 may not reimpose taxes as authorized in paragraphs (b), (c),  
10 and (d) of the Section unless any tax authorized by paragraph  
11 (e), (f), or (g) of this Section becomes ineffective by means  
12 other than an ordinance of the Board.

13 (q) Any existing rights, remedies and obligations  
14 (including enforcement by the Regional Transportation  
15 Authority) arising under any tax imposed under paragraph (b),  
16 (c), or (d) of this Section shall not be affected by the  
17 imposition of a tax under paragraph (e), (f), or (g) of this  
18 Section.

19 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
20 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.  
21 7-12-19; revised 9-19-19.)

22 (70 ILCS 3615/4.03.3)

23 Sec. 4.03.3. Distribution of Revenues. This Section  
24 applies only after the Department begins administering and  
25 enforcing an increased tax under Section 4.03(m) as authorized

1 by this amendatory Act of the 95th General Assembly. After  
2 providing for payment of its obligations with respect to bonds  
3 and notes issued under the provisions of Section 4.04 and  
4 obligations related to those bonds and notes and separately  
5 accounting for the tax on aviation fuel deposited into the  
6 Local Government Aviation Trust Fund, the Authority shall  
7 disburse the remaining proceeds from taxes it has received from  
8 the Department of Revenue under this Article IV and the  
9 remaining proceeds it has received from the State under Section  
10 4.09(a) as follows:

11 (a) With respect to taxes imposed by the Authority under  
12 Section 4.03, after withholding 15% of 80% of the receipts from  
13 those taxes collected in Cook County at a rate of 1.25%, 15% of  
14 75% of the receipts from those taxes collected in Cook County  
15 at the rate of 1%, 15% of one-half of the receipts from those  
16 taxes collected in DuPage, Kane, Lake, McHenry, and Will  
17 Counties, and 15% of money received by the Authority from the  
18 Regional Transportation Authority Occupation and Use Tax  
19 Replacement Fund or from the Regional Transportation Authority  
20 tax fund created in Section 4.03(n), the Board shall allocate  
21 the proceeds and money remaining to the Service Boards as  
22 follows:

23 (1) an amount equal to (i) 85% of 80% of the receipts  
24 from those taxes collected within the City of Chicago at a  
25 rate of 1.25%, (ii) 85% of 75% of the receipts from those  
26 taxes collected in the City of Chicago at the rate of 1%,

1 and (iii) 85% of the money received by the Authority on  
2 account of transfers to the Regional Transportation  
3 Authority Occupation and Use Tax Replacement Fund or to the  
4 Regional Transportation Authority tax fund created in  
5 Section 4.03(n) from the County and Mass Transit District  
6 Fund attributable to retail sales within the City of  
7 Chicago shall be allocated to the Chicago Transit  
8 Authority;

9 (2) an amount equal to (i) 85% of 80% of the receipts  
10 from those taxes collected within Cook County outside of  
11 the City of Chicago at a rate of 1.25%, (ii) 85% of 75% of  
12 the receipts from those taxes collected within Cook County  
13 outside the City of Chicago at a rate of 1%, and (iii) 85%  
14 of the money received by the Authority on account of  
15 transfers to the Regional Transportation Authority  
16 Occupation and Use Tax Replacement Fund or to the Regional  
17 Transportation Authority tax fund created in Section  
18 4.03(n) from the County and Mass Transit District Fund  
19 attributable to retail sales within Cook County outside of  
20 the City of Chicago shall be allocated 30% to the Chicago  
21 Transit Authority, 55% to the Commuter Rail Board, and 15%  
22 to the Suburban Bus Board; and

23 (3) an amount equal to 85% of one-half of the receipts  
24 from the taxes collected within the Counties of DuPage,  
25 Kane, Lake, McHenry, and Will shall be allocated 70% to the  
26 Commuter Rail Board and 30% to the Suburban Bus Board.

1 (b) Moneys received by the Authority on account of  
2 transfers to the Regional Transportation Authority Occupation  
3 and Use Tax Replacement Fund from the State and Local Sales Tax  
4 Reform Fund shall be allocated among the Authority and the  
5 Service Boards as follows: 15% of such moneys shall be retained  
6 by the Authority and the remaining 85% shall be transferred to  
7 the Service Boards as soon as may be practicable after the  
8 Authority receives payment. Moneys which are distributable to  
9 the Service Boards pursuant to the preceding sentence shall be  
10 allocated among the Service Boards on the basis of each Service  
11 Board's distribution ratio. The term "distribution ratio"  
12 means, for purposes of this subsection (b), the ratio of the  
13 total amount distributed to a Service Board pursuant to  
14 subsection (a) of Section 4.03.3 for the immediately preceding  
15 calendar year to the total amount distributed to all of the  
16 Service Boards pursuant to subsection (a) of Section 4.03.3 for  
17 the immediately preceding calendar year.

18 (c) (i) 20% of the receipts from those taxes collected in  
19 Cook County under Section 4.03 at the rate of 1.25%, (ii) 25%  
20 of the receipts from those taxes collected in Cook County under  
21 Section 4.03 at the rate of 1%, (iii) 50% of the receipts from  
22 those taxes collected in DuPage, Kane, Lake, McHenry, and Will  
23 Counties under Section 4.03, and (iv) amounts received from the  
24 State under Section 4.09 (a) (2) and items (i), (ii), and (iii)  
25 of Section 4.09 (a) (3) shall be allocated as follows: the  
26 amount required to be deposited into the ADA Paratransit Fund

1 described in Section 2.01d, the amount required to be deposited  
2 into the Suburban Community Mobility Fund described in Section  
3 2.01e, and the amount required to be deposited into the  
4 Innovation, Coordination and Enhancement Fund described in  
5 Section 2.01c, and the balance shall be allocated 48% to the  
6 Chicago Transit Authority, 39% to the Commuter Rail Board, and  
7 13% to the Suburban Bus Board.

8 (d) Amounts received from the State under Section 4.09  
9 (a) (3) (iv) shall be distributed 100% to the Chicago Transit  
10 Authority.

11 (e) With respect to those taxes collected in DuPage, Kane,  
12 Lake, McHenry, and Will Counties and paid directly to the  
13 counties under Section 4.03, the County Board of each county  
14 shall use those amounts to fund operating and capital costs of  
15 public safety and public transportation services or facilities  
16 or to fund operating, capital, right-of-way, construction, and  
17 maintenance costs of other transportation purposes, including  
18 road, bridge, public safety, and transit purposes intended to  
19 improve mobility or reduce congestion in the county. The  
20 receipt of funding by such counties pursuant to this paragraph  
21 shall not be used as the basis for reducing any funds that such  
22 counties would otherwise have received from the State of  
23 Illinois, any agency or instrumentality thereof, the  
24 Authority, or the Service Boards.

25 (f) The Authority by ordinance adopted by 12 of its then  
26 Directors shall apportion to the Service Boards funds provided



1 by the State of Illinois under Section 4.09(a)(1) as it shall  
2 determine and shall make payment of the amounts to each Service  
3 Board as soon as may be practicable upon their receipt provided  
4 the Authority has adopted a balanced budget as required by  
5 Section 4.01 and further provided the Service Board is in  
6 compliance with the requirements in Section 4.11.

7 (g) Beginning January 1, 2009, before making any payments,  
8 transfers, or expenditures under this Section to a Service  
9 Board, the Authority must first comply with Section 4.02a or  
10 4.02b of this Act, whichever may be applicable.

11 (h) Moneys may be appropriated from the Public  
12 Transportation Fund to the Office of the Executive Inspector  
13 General for the costs incurred by the Executive Inspector  
14 General while serving as the inspector general for the  
15 Authority and each of the Service Boards. Beginning December  
16 31, 2012, and each year thereafter, the Office of the Executive  
17 Inspector General shall annually report to the General Assembly  
18 the expenses incurred while serving as the inspector general  
19 for the Authority and each of the Service Boards.

20 (Source: P.A. 97-399, eff. 8-16-11; 97-641, eff. 12-19-11.)

21 Section 10-110. The Water Commission Act of 1985 is amended  
22 by changing Section 4 as follows:

23 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

24 Sec. 4. Taxes.

1 (a) The board of commissioners of any county water  
 2 commission may, by ordinance, impose throughout the territory  
 3 of the commission any or all of the taxes provided in this  
 4 Section for its corporate purposes. However, no county water  
 5 commission may impose any such tax unless the commission  
 6 certifies the proposition of imposing the tax to the proper  
 7 election officials, who shall submit the proposition to the  
 8 voters residing in the territory at an election in accordance  
 9 with the general election law, and the proposition has been  
 10 approved by a majority of those voting on the proposition.

11 The proposition shall be in the form provided in Section 5  
 12 or shall be substantially in the following form:

13 -----

14	Shall the (insert corporate	
15	name of county water commission)	YES
16	impose (state type of tax or	-----
17	taxes to be imposed) at the	NO
18	rate of 1/4%?	

19 -----

20 Taxes imposed under this Section and civil penalties  
 21 imposed incident thereto shall be collected and enforced by the  
 22 State Department of Revenue. The Department shall have the  
 23 power to administer and enforce the taxes and to determine all  
 24 rights for refunds for erroneous payments of the taxes.

25 (b) The board of commissioners may impose a County Water  
 26 Commission Retailers' Occupation Tax upon all persons engaged

1 in the business of selling tangible personal property at retail  
2 in the territory of the commission at a rate of 1/4% of the  
3 gross receipts from the sales made in the course of such  
4 business within the territory. Beginning January 1, 2021, this  
5 tax is not imposed on sales of aviation fuel for so long as the  
6 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
7 47133 are binding on the District.

8 The tax imposed under this paragraph and all civil  
9 penalties that may be assessed as an incident thereof shall be  
10 collected and enforced by the State Department of Revenue. The  
11 Department shall have full power to administer and enforce this  
12 paragraph; to collect all taxes and penalties due hereunder; to  
13 dispose of taxes and penalties so collected in the manner  
14 hereinafter provided; and to determine all rights to credit  
15 memoranda arising on account of the erroneous payment of tax or  
16 penalty hereunder. In the administration of, and compliance  
17 with, this paragraph, the Department and persons who are  
18 subject to this paragraph shall have the same rights, remedies,  
19 privileges, immunities, powers and duties, and be subject to  
20 the same conditions, restrictions, limitations, penalties,  
21 exclusions, exemptions and definitions of terms, and employ the  
22 same modes of procedure, as are prescribed in Sections 1, 1a,  
23 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all  
24 provisions therein other than the State rate of tax except that  
25 tangible personal property taxed at the 1% rate under the  
26 Retailers' Occupation Tax Act shall not be subject to tax

1 hereunder), 2c, 3 (except as to the disposition of taxes and  
2 penalties collected, and except that the retailer's discount is  
3 not allowed for taxes paid on aviation fuel sold on or after  
4 December 1, 2019 and through December 31, 2020), 4, 5, 5a, 5b,  
5 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,  
6 9, 10, 11, 12, and 13 of the Retailers' Occupation Tax Act and  
7 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
8 as if those provisions were set forth herein.

9 Persons subject to any tax imposed under the authority  
10 granted in this paragraph may reimburse themselves for their  
11 seller's tax liability hereunder by separately stating the tax  
12 as an additional charge, which charge may be stated in  
13 combination, in a single amount, with State taxes that sellers  
14 are required to collect under the Use Tax Act and under  
15 subsection (e) of Section 4.03 of the Regional Transportation  
16 Authority Act, in accordance with such bracket schedules as the  
17 Department may prescribe.

18 Whenever the Department determines that a refund should be  
19 made under this paragraph to a claimant instead of issuing a  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the warrant to be drawn for the  
22 amount specified, and to the person named, in the notification  
23 from the Department. The refund shall be paid by the State  
24 Treasurer out of a county water commission tax fund established  
25 under subsection (g) of this Section.

26 For the purpose of determining whether a tax authorized

1 under this paragraph is applicable, a retail sale by a producer  
2 of coal or other mineral mined in Illinois is a sale at retail  
3 at the place where the coal or other mineral mined in Illinois  
4 is extracted from the earth. This paragraph does not apply to  
5 coal or other mineral when it is delivered or shipped by the  
6 seller to the purchaser at a point outside Illinois so that the  
7 sale is exempt under the Federal Constitution as a sale in  
8 interstate or foreign commerce.

9 If a tax is imposed under this subsection (b), a tax shall  
10 also be imposed under subsections (c) and (d) of this Section.

11 No tax shall be imposed or collected under this subsection  
12 on the sale of a motor vehicle in this State to a resident of  
13 another state if that motor vehicle will not be titled in this  
14 State.

15 Nothing in this paragraph shall be construed to authorize a  
16 county water commission to impose a tax upon the privilege of  
17 engaging in any business which under the Constitution of the  
18 United States may not be made the subject of taxation by this  
19 State.

20 (c) If a tax has been imposed under subsection (b), a  
21 County Water Commission Service Occupation Tax shall also be  
22 imposed upon all persons engaged, in the territory of the  
23 commission, in the business of making sales of service, who, as  
24 an incident to making the sales of service, transfer tangible  
25 personal property within the territory. The tax rate shall be  
26 1/4% of the selling price of tangible personal property so

1 transferred within the territory. Beginning January 1, 2021,  
2 this tax is not imposed on sales of aviation fuel for so long  
3 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
4 U.S.C. 47133 are binding on the District.

5 The tax imposed under this paragraph and all civil  
6 penalties that may be assessed as an incident thereof shall be  
7 collected and enforced by the State Department of Revenue. The  
8 Department shall have full power to administer and enforce this  
9 paragraph; to collect all taxes and penalties due hereunder; to  
10 dispose of taxes and penalties so collected in the manner  
11 hereinafter provided; and to determine all rights to credit  
12 memoranda arising on account of the erroneous payment of tax or  
13 penalty hereunder. In the administration of, and compliance  
14 with, this paragraph, the Department and persons who are  
15 subject to this paragraph shall have the same rights, remedies,  
16 privileges, immunities, powers and duties, and be subject to  
17 the same conditions, restrictions, limitations, penalties,  
18 exclusions, exemptions and definitions of terms, and employ the  
19 same modes of procedure, as are prescribed in Sections 1a-1, 2  
20 (except that the reference to State in the definition of  
21 supplier maintaining a place of business in this State shall  
22 mean the territory of the commission), 2a, 3 through 3-50 (in  
23 respect to all provisions therein other than the State rate of  
24 tax except that tangible personal property taxed at the 1% rate  
25 under the Service Occupation Tax Act shall not be subject to  
26 tax hereunder), 4 (except that the reference to the State shall

1 be to the territory of the commission), 5, 7, 8 (except that  
2 the jurisdiction to which the tax shall be a debt to the extent  
3 indicated in that Section 8 shall be the commission), 9 (except  
4 as to the disposition of taxes and penalties collected and  
5 except that the returned merchandise credit for this tax may  
6 not be taken against any State tax, and except that the  
7 retailer's discount is not allowed for taxes paid on aviation  
8 fuel sold on or after December 1, 2019 and through December 31,  
9 2020), 10, 11, 12 (except the reference therein to Section 2b  
10 of the Retailers' Occupation Tax Act), 13 (except that any  
11 reference to the State shall mean the territory of the  
12 commission), the first paragraph of Section 15, 15.5, 16, 17,  
13 18, 19, and 20 of the Service Occupation Tax Act as fully as if  
14 those provisions were set forth herein.

15 Persons subject to any tax imposed under the authority  
16 granted in this paragraph may reimburse themselves for their  
17 serviceman's tax liability hereunder by separately stating the  
18 tax as an additional charge, which charge may be stated in  
19 combination, in a single amount, with State tax that servicemen  
20 are authorized to collect under the Service Use Tax Act, and  
21 any tax for which servicemen may be liable under subsection (f)  
22 of Section 4.03 of the Regional Transportation Authority Act,  
23 in accordance with such bracket schedules as the Department may  
24 prescribe.

25 Whenever the Department determines that a refund should be  
26 made under this paragraph to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State  
2 Comptroller, who shall cause the warrant to be drawn for the  
3 amount specified, and to the person named, in the notification  
4 from the Department. The refund shall be paid by the State  
5 Treasurer out of a county water commission tax fund established  
6 under subsection (g) of this Section.

7 Nothing in this paragraph shall be construed to authorize a  
8 county water commission to impose a tax upon the privilege of  
9 engaging in any business which under the Constitution of the  
10 United States may not be made the subject of taxation by the  
11 State.

12 (d) If a tax has been imposed under subsection (b), a tax  
13 shall also be imposed upon the privilege of using, in the  
14 territory of the commission, any item of tangible personal  
15 property that is purchased outside the territory at retail from  
16 a retailer, and that is titled or registered with an agency of  
17 this State's government, at a rate of 1/4% of the selling price  
18 of the tangible personal property within the territory, as  
19 "selling price" is defined in the Use Tax Act. The tax shall be  
20 collected from persons whose Illinois address for titling or  
21 registration purposes is given as being in the territory. The  
22 tax shall be collected by the Department of Revenue for a  
23 county water commission. The tax must be paid to the State, or  
24 an exemption determination must be obtained from the Department  
25 of Revenue, before the title or certificate of registration for  
26 the property may be issued. The tax or proof of exemption may



1 be transmitted to the Department by way of the State agency  
2 with which, or the State officer with whom, the tangible  
3 personal property must be titled or registered if the  
4 Department and the State agency or State officer determine that  
5 this procedure will expedite the processing of applications for  
6 title or registration.

7 The Department shall have full power to administer and  
8 enforce this paragraph; to collect all taxes, penalties, and  
9 interest due hereunder; to dispose of taxes, penalties, and  
10 interest so collected in the manner hereinafter provided; and  
11 to determine all rights to credit memoranda or refunds arising  
12 on account of the erroneous payment of tax, penalty, or  
13 interest hereunder. In the administration of and compliance  
14 with this paragraph, the Department and persons who are subject  
15 to this paragraph shall have the same rights, remedies,  
16 privileges, immunities, powers, and duties, and be subject to  
17 the same conditions, restrictions, limitations, penalties,  
18 exclusions, exemptions, and definitions of terms and employ the  
19 same modes of procedure, as are prescribed in Sections 2  
20 (except the definition of "retailer maintaining a place of  
21 business in this State"), 3 through 3-80 (except provisions  
22 pertaining to the State rate of tax, and except provisions  
23 concerning collection or refunding of the tax by retailers), 4,  
24 11, 12, 12a, 14, 15, 19 (except the portions pertaining to  
25 claims by retailers and except the last paragraph concerning  
26 refunds), 20, 21, and 22 of the Use Tax Act and Section 3-7 of

1 the Uniform Penalty and Interest Act that are not inconsistent  
2 with this paragraph, as fully as if those provisions were set  
3 forth herein.

4 Whenever the Department determines that a refund should be  
5 made under this paragraph to a claimant instead of issuing a  
6 credit memorandum, the Department shall notify the State  
7 Comptroller, who shall cause the order to be drawn for the  
8 amount specified, and to the person named, in the notification  
9 from the Department. The refund shall be paid by the State  
10 Treasurer out of a county water commission tax fund established  
11 under subsection (g) of this Section.

12 (e) A certificate of registration issued by the State  
13 Department of Revenue to a retailer under the Retailers'  
14 Occupation Tax Act or under the Service Occupation Tax Act  
15 shall permit the registrant to engage in a business that is  
16 taxed under the tax imposed under subsection (b), (c), or (d)  
17 of this Section and no additional registration shall be  
18 required under the tax. A certificate issued under the Use Tax  
19 Act or the Service Use Tax Act shall be applicable with regard  
20 to any tax imposed under subsection (c) of this Section.

21 (f) Any ordinance imposing or discontinuing any tax under  
22 this Section shall be adopted and a certified copy thereof  
23 filed with the Department on or before June 1, whereupon the  
24 Department of Revenue shall proceed to administer and enforce  
25 this Section on behalf of the county water commission as of  
26 September 1 next following the adoption and filing. Beginning

1 January 1, 1992, an ordinance or resolution imposing or  
2 discontinuing the tax hereunder shall be adopted and a  
3 certified copy thereof filed with the Department on or before  
4 the first day of July, whereupon the Department shall proceed  
5 to administer and enforce this Section as of the first day of  
6 October next following such adoption and filing. Beginning  
7 January 1, 1993, an ordinance or resolution imposing or  
8 discontinuing the tax hereunder shall be adopted and a  
9 certified copy thereof filed with the Department on or before  
10 the first day of October, whereupon the Department shall  
11 proceed to administer and enforce this Section as of the first  
12 day of January next following such adoption and filing.

13 (g) The State Department of Revenue shall, upon collecting  
14 any taxes as provided in this Section, pay the taxes over to  
15 the State Treasurer as trustee for the commission. The taxes  
16 shall be held in a trust fund outside the State Treasury.

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

25 After the monthly transfer to the STAR Bonds Revenue Fund,  
26 on or before the 25th day of each calendar month, the State

1 Department of Revenue shall prepare and certify to the  
2 Comptroller of the State of Illinois the amount to be paid to  
3 the commission, which shall be the amount (not including credit  
4 memoranda) collected under this Section during the second  
5 preceding calendar month by the Department plus an amount the  
6 Department determines is necessary to offset any amounts that  
7 were erroneously paid to a different taxing body, and not  
8 including any amount equal to the amount of refunds made during  
9 the second preceding calendar month by the Department on behalf  
10 of the commission, and not including any amount that the  
11 Department determines is necessary to offset any amounts that  
12 were payable to a different taxing body but were erroneously  
13 paid to the commission, and less any amounts that are  
14 transferred to the STAR Bonds Revenue Fund, less 1.5% of the  
15 remainder, which shall be transferred into the Tax Compliance  
16 and Administration Fund. The Department, at the time of each  
17 monthly disbursement to the commission, shall prepare and  
18 certify to the State Comptroller the amount to be transferred  
19 into the Tax Compliance and Administration Fund under this  
20 subsection. Within 10 days after receipt by the Comptroller of  
21 the certification of the amount to be paid to the commission  
22 and the Tax Compliance and Administration Fund, the Comptroller  
23 shall cause an order to be drawn for the payment for the amount  
24 in accordance with the direction in the certification.

25 (h) Beginning June 1, 2016, any tax imposed pursuant to  
26 this Section may no longer be imposed or collected, unless a

1 continuation of the tax is approved by the voters at a  
2 referendum as set forth in this Section.

3 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
4 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff.  
5 6-5-19; 101-81, eff. 7-12-19.)

6 Section 10-130. The Environmental Impact Fee Law is amended  
7 by changing Sections 310, 315, and 320 as follows:

8 (415 ILCS 125/310)

9 (Section scheduled to be repealed on January 1, 2025)

10 Sec. 310. Environmental impact fee; imposition. Beginning  
11 January 1, 1996, all receivers of fuel are subject to an  
12 environmental impact fee of \$60 per 7,500 gallons of fuel, or  
13 an equivalent amount per fraction thereof, that is sold or used  
14 in Illinois. The fee shall be paid by the receiver in this  
15 State who first sells or uses the fuel. The environmental  
16 impact fee imposed by this Law replaces the fee imposed under  
17 the corresponding provisions of Article 3 of Public Act 89-428.  
18 Environmental impact fees paid under that Article 3 shall  
19 satisfy the receiver's corresponding liability under this Law.

20 A receiver of fuels is subject to the fee without regard to  
21 whether the fuel is intended to be used for operation of motor  
22 vehicles on the public highways and waters. However, no fee  
23 shall be imposed upon the importation or receipt of aviation  
24 fuels and kerosene at airports with over 170,000 operations per

1 year, located in a city of more than 1,000,000 inhabitants, for  
2 sale to or use by holders of certificates of public convenience  
3 and necessity or foreign air carrier permits, issued by the  
4 United States Department of Transportation, and their air  
5 carrier affiliates, or upon the importation or receipt of  
6 aviation fuels and kerosene at facilities owned or leased by  
7 those certificate or permit holders and used in their  
8 activities at an airport described above. In addition, no fee  
9 may be imposed upon the importation or receipt of diesel fuel  
10 or liquefied natural gas sold to or used by a rail carrier  
11 registered under Section 18c-7201 of the Illinois Vehicle Code  
12 or otherwise recognized by the Illinois Commerce Commission as  
13 a rail carrier, to the extent used directly in railroad  
14 operations. In addition, no fee may be imposed when the sale is  
15 made with delivery to a purchaser outside this State or when  
16 the sale is made to a person holding a valid license as a  
17 receiver. In addition, no fee shall be imposed upon diesel fuel  
18 or liquefied natural gas consumed or used in the operation of  
19 ships, barges, or vessels, that are used primarily in or for  
20 the transportation of property in interstate commerce for hire  
21 on rivers bordering on this State, if the diesel fuel or  
22 liquefied natural gas is delivered by a licensed receiver to  
23 the purchaser's barge, ship, or vessel while it is afloat upon  
24 that bordering river. A specific notation thereof shall be made  
25 on the invoices or sales slips covering each sale. Beginning  
26 January 1, 2021 no fee shall be imposed under this Section on

1 receivers of aviation fuel for sale or use for so long as the  
2 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
3 47133 are binding on the State.

4 (Source: P.A. 100-9, eff. 7-1-17.)

5 (415 ILCS 125/315)

6 (Section scheduled to be repealed on January 1, 2025)

7 Sec. 315. Fee on receivers of fuel for sale or use;  
8 collection and reporting. A person that is required to pay the  
9 fee imposed by this Law shall pay the fee to the Department by  
10 return showing all fuel purchased, acquired, or received and  
11 sold, distributed or used during the preceding calendar month,  
12 including losses of fuel as the result of evaporation or  
13 shrinkage due to temperature variations, and such other  
14 reasonable information as the Department may require. Losses of  
15 fuel as the result of evaporation or shrinkage due to  
16 temperature variations may not exceed 1% of the total gallons  
17 in storage at the beginning of the month, plus the receipts of  
18 gallonage during the month, minus the gallonage remaining in  
19 storage at the end of the month. Any loss reported that is in  
20 excess of this amount shall be subject to the fee imposed by  
21 Section 310 of this Law. On and after July 1, 2001, for each  
22 6-month period January through June, net losses of fuel (for  
23 each category of fuel that is required to be reported on a  
24 return) as the result of evaporation or shrinkage due to  
25 temperature variations may not exceed 1% of the total gallons

1 in storage at the beginning of each January, plus the receipts  
2 of gallonage each January through June, minus the gallonage  
3 remaining in storage at the end of each June. On and after July  
4 1, 2001, for each 6-month period July through December, net  
5 losses of fuel (for each category of fuel that is required to  
6 be reported on a return) as the result of evaporation or  
7 shrinkage due to temperature variations may not exceed 1% of  
8 the total gallons in storage at the beginning of each July,  
9 plus the receipts of gallonage each July through December,  
10 minus the gallonage remaining in storage at the end of each  
11 December. Any net loss reported that is in excess of this  
12 amount shall be subject to the fee imposed by Section 310 of  
13 this Law. For purposes of this Section, "net loss" means the  
14 number of gallons gained through temperature variations minus  
15 the number of gallons lost through temperature variations or  
16 evaporation for each of the respective 6-month periods.

17 The return shall be prescribed by the Department and shall  
18 be filed between the 1st and 20th days of each calendar month.  
19 The Department may, in its discretion, combine the return filed  
20 under this Law with the return filed under Section 2b of the  
21 Motor Fuel Tax Law. If the return is timely filed, the receiver  
22 may take a discount of 2% through June 30, 2003 and 1.75%  
23 thereafter to reimburse himself for the expenses incurred in  
24 keeping records, preparing and filing returns, collecting and  
25 remitting the fee, and supplying data to the Department on  
26 request. However, the discount applies only to the amount of



1 the fee payment that accompanies a return that is timely filed  
2 in accordance with this Section. The discount is not permitted  
3 on fees paid on aviation fuel sold or used on and after  
4 December 1, 2019 and through December 31, 2020. ~~This exception~~  
5 ~~for aviation fuel only applies for so long as the revenue use~~  
6 ~~requirements of 49 U.S.C. 47017(b) and 49 U.S.C. 47133 are~~  
7 ~~binding on the State.~~

8 Beginning with returns due on January 20, 2019 and ending  
9 with returns due on January 20, 2021 ~~January 1, 2018~~, each  
10 retailer required or authorized to collect the fee imposed by  
11 this Act on aviation fuel at retail in this State during the  
12 preceding calendar month shall, instead of reporting and paying  
13 tax on aviation fuel as otherwise required by this Section,  
14 report and pay such tax on a separate file ~~an~~ aviation fuel tax  
15 return, or on a separate line on the return ~~with the~~  
16 ~~Department, on or before the twentieth day of each calendar~~  
17 ~~month~~. The requirements related to the return shall be as  
18 otherwise provided in this Section. Notwithstanding any other  
19 provisions of this Act to the contrary, retailers collecting  
20 fees on aviation fuel shall file all aviation fuel tax returns  
21 and shall make all aviation fuel fee payments by electronic  
22 means in the manner and form required by the Department. For  
23 purposes of this paragraph, "aviation fuel" means jet fuel and  
24 aviation gasoline ~~a product that is intended for use or offered~~  
25 ~~for sale as fuel for an aircraft.~~

26 If any payment provided for in this Section exceeds the

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

12 (Source: P.A. 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19;  
13 revised 7-16-19.)

14 (415 ILCS 125/320)

15 (Section scheduled to be repealed on January 1, 2025)

16 Sec. 320. Deposit of fee receipts. Except as otherwise  
17 provided in this paragraph, all money received by the  
18 Department under this Law shall be deposited in the Underground  
19 Storage Tank Fund created by Section 57.11 of the Environmental  
20 Protection Act. All money received for aviation fuel by the  
21 Department under this Law on or after December 1, 2019 and  
22 ending with returns due on January 20, 2021, shall be  
23 immediately paid over by the Department to the State Aviation  
24 Program Fund. The Department shall only pay such moneys into  
25 the State Aviation Program Fund under this Act for so long as

1 the revenue use requirements of 49 U.S.C. 47107(b) and 49  
2 U.S.C. 47133 are binding on the State. For purposes of this  
3 Section, "aviation fuel" means jet fuel and aviation gasoline ~~a~~  
4 ~~product that is intended for use or offered for sale as fuel~~  
5 ~~for an aircraft.~~

6 (Source: P.A. 101-10, eff. 6-5-19.)

7 Section 10-135. The Franchise Tax and License Fee Amnesty  
8 Act of 2007 is amended by changing Section 5-10 as follows:

9 (805 ILCS 8/5-10)

10 Sec. 5-10. Amnesty program. The Secretary shall establish  
11 an amnesty program for all taxpayers owing any franchise tax or  
12 license fee imposed by Article XV of the Business Corporation  
13 Act of 1983. The amnesty program shall be for a period from  
14 February 1, 2008 through March 15, 2008. The amnesty program  
15 shall also be for a period between October 1, 2019 and November  
16 15, 2019, and shall apply to franchise tax or license fee  
17 liabilities for any tax period ending after March 15, 2008 and  
18 on or before June 30, 2019. The amnesty program shall provide  
19 that, upon payment by a taxpayer of all franchise taxes and  
20 license fees due from that taxpayer to the State of Illinois  
21 for any taxable period, the Secretary shall abate and not seek  
22 to collect any interest or penalties that may be applicable,  
23 and the Secretary shall not seek civil or criminal prosecution  
24 for any taxpayer for the period of time for which amnesty has

1 been granted to the taxpayer. Failure to pay all taxes due to  
2 the State for a taxable period shall not invalidate any amnesty  
3 granted under this Act with respect to the taxes paid pursuant  
4 to the amnesty program. Amnesty shall be granted only if all  
5 amnesty conditions are satisfied by the taxpayer. Amnesty shall  
6 not be granted to taxpayers who are a party to any criminal  
7 investigation or to any civil or criminal litigation that is  
8 pending in any circuit court or appellate court or the Supreme  
9 Court of this State for nonpayment, delinquency, or fraud in  
10 relation to any franchise tax or license fee imposed by Article  
11 XV of the Business Corporation Act of 1983. Voluntary payments  
12 made under this Act shall be made by check, guaranteed  
13 remittance, or ACH debit. The Secretary shall adopt rules as  
14 necessary to implement the provisions of this Act. Except as  
15 otherwise provided in this Section, all money collected under  
16 this Act that would otherwise be deposited into the General  
17 Revenue Fund shall be deposited into the General Revenue Fund.  
18 Two percent of all money collected under this Act shall be  
19 deposited by the State Treasurer into the Business Services  
20 Special Operations Fund ~~Franchise Tax and License Fee Amnesty~~  
21 ~~Administration Fund~~ and, subject to appropriation, shall be  
22 used by the Secretary to cover costs associated with the  
23 administration of this Act.

24 (Source: P.A. 101-9, eff. 6-5-19.)

25 ARTICLE 15. USE AND OCCUPATION TAXES; MARKETPLACE FACILITATORS

1           Section 15-5. The State Comptroller Act is amended by  
2 changing Section 16 as follows:

3           (15 ILCS 405/16) (from Ch. 15, par. 216)

4           Sec. 16. Reports from State agencies. The comptroller shall  
5 prescribe the form and require the filing of quarterly fiscal  
6 reports by each State agency. Within 30 days after the end of  
7 each quarter, or at such earlier time as the comptroller by  
8 rule requires, each State agency shall file with the  
9 comptroller the report of activity for funds held outside of  
10 the State Treasury. The report shall include receipts and  
11 collections during the preceding quarter, including receipts  
12 and collections of taxes and fees, bond proceeds, gifts, grants  
13 and donations, and income from revenue producing activities.  
14 The report shall specify the nature, source and fair market  
15 value of any assets received, any increase or decrease in its  
16 security holdings, and such other related information as the  
17 comptroller, by rule, requires. The report shall, consistent  
18 with the uniform State accounting system, account for all  
19 disbursements and transfers by the State agency. This Section  
20 does not require the duplication of reports concerning security  
21 holdings and investment income of the State Treasurer which are  
22 issued by the Treasurer pursuant to law.

23           In addition to the quarterly reports required by this  
24 Section, each agency shall on an annual basis file a report

1 giving that agency's best estimate of the cost of each tax  
2 expenditure related to each of the revenue sources administered  
3 by the agency. This annual report shall include the agency's  
4 best estimate of the cost of each tax expenditure including:  
5 (a) a citation of the legal authority for the tax expenditure,  
6 the year it was enacted, the fiscal year in which it first took  
7 effect, and any subsequent amendments; (b) to the extent that  
8 it can be determined, the total cost of the tax expenditure for  
9 the preceding fiscal year together with an estimate of the  
10 projected cost for the next succeeding fiscal year along with a  
11 description of the methodology used to determine or estimate  
12 the cost of the tax expenditure; and (c) an assessment of the  
13 impact of the tax expenditure on the incidence of the tax in  
14 terms of the relative shares of revenue received under the  
15 provisions of the tax expenditure and the revenue that would  
16 have been received had the tax expenditure not been in effect.  
17 For purposes of this Act, the term "tax expenditure" means any  
18 tax incentive authorized by law that by exemption, exclusion,  
19 deduction, allowance, credit, preferential tax rate,  
20 abatement, or other device reduces the amount of tax revenues  
21 that would otherwise accrue to the State, but shall not include  
22 reimbursements for services provided to the State by any person  
23 collecting and remitting tax under the Retailers' Occupation  
24 Tax Act, the Use Tax Act, the Service Occupation Tax Act, or  
25 the Service Use Tax Act.

26 (Source: P.A. 101-34, eff. 6-28-19.)

1           Section 15-10. The Use Tax Act is amended by changing  
2 Sections 2 and 2d as follows:

3           (35 ILCS 105/2) (from Ch. 120, par. 439.2)

4           Sec. 2. Definitions.

5           "Use" means the exercise by any person of any right or  
6 power over tangible personal property incident to the ownership  
7 of that property, except that it does not include the sale of  
8 such property in any form as tangible personal property in the  
9 regular course of business to the extent that such property is  
10 not first subjected to a use for which it was purchased, and  
11 does not include the use of such property by its owner for  
12 demonstration purposes: Provided that the property purchased  
13 is deemed to be purchased for the purpose of resale, despite  
14 first being used, to the extent to which it is resold as an  
15 ingredient of an intentionally produced product or by-product  
16 of manufacturing. "Use" does not mean the demonstration use or  
17 interim use of tangible personal property by a retailer before  
18 he sells that tangible personal property. For watercraft or  
19 aircraft, if the period of demonstration use or interim use by  
20 the retailer exceeds 18 months, the retailer shall pay on the  
21 retailers' original cost price the tax imposed by this Act, and  
22 no credit for that tax is permitted if the watercraft or  
23 aircraft is subsequently sold by the retailer. "Use" does not  
24 mean the physical incorporation of tangible personal property,

1 to the extent not first subjected to a use for which it was  
2 purchased, as an ingredient or constituent, into other tangible  
3 personal property (a) which is sold in the regular course of  
4 business or (b) which the person incorporating such ingredient  
5 or constituent therein has undertaken at the time of such  
6 purchase to cause to be transported in interstate commerce to  
7 destinations outside the State of Illinois: Provided that the  
8 property purchased is deemed to be purchased for the purpose of  
9 resale, despite first being used, to the extent to which it is  
10 resold as an ingredient of an intentionally produced product or  
11 by-product of manufacturing.

12 "Watercraft" means a Class 2, Class 3, or Class 4  
13 watercraft as defined in Section 3-2 of the Boat Registration  
14 and Safety Act, a personal watercraft, or any boat equipped  
15 with an inboard motor.

16 "Purchase at retail" means the acquisition of the ownership  
17 of or title to tangible personal property through a sale at  
18 retail.

19 "Purchaser" means anyone who, through a sale at retail,  
20 acquires the ownership of tangible personal property for a  
21 valuable consideration.

22 "Sale at retail" means any transfer of the ownership of or  
23 title to tangible personal property to a purchaser, for the  
24 purpose of use, and not for the purpose of resale in any form  
25 as tangible personal property to the extent not first subjected  
26 to a use for which it was purchased, for a valuable



1 consideration: Provided that the property purchased is deemed  
2 to be purchased for the purpose of resale, despite first being  
3 used, to the extent to which it is resold as an ingredient of  
4 an intentionally produced product or by-product of  
5 manufacturing. For this purpose, slag produced as an incident  
6 to manufacturing pig iron or steel and sold is considered to be  
7 an intentionally produced by-product of manufacturing. "Sale  
8 at retail" includes any such transfer made for resale unless  
9 made in compliance with Section 2c of the Retailers' Occupation  
10 Tax Act, as incorporated by reference into Section 12 of this  
11 Act. Transactions whereby the possession of the property is  
12 transferred but the seller retains the title as security for  
13 payment of the selling price are sales.

14 "Sale at retail" shall also be construed to include any  
15 Illinois florist's sales transaction in which the purchase  
16 order is received in Illinois by a florist and the sale is for  
17 use or consumption, but the Illinois florist has a florist in  
18 another state deliver the property to the purchaser or the  
19 purchaser's donee in such other state.

20 Nonreusable tangible personal property that is used by  
21 persons engaged in the business of operating a restaurant,  
22 cafeteria, or drive-in is a sale for resale when it is  
23 transferred to customers in the ordinary course of business as  
24 part of the sale of food or beverages and is used to deliver,  
25 package, or consume food or beverages, regardless of where  
26 consumption of the food or beverages occurs. Examples of those

1 items include, but are not limited to nonreusable, paper and  
2 plastic cups, plates, baskets, boxes, sleeves, buckets or other  
3 containers, utensils, straws, placemats, napkins, doggie bags,  
4 and wrapping or packaging materials that are transferred to  
5 customers as part of the sale of food or beverages in the  
6 ordinary course of business.

7 The purchase, employment and transfer of such tangible  
8 personal property as newsprint and ink for the primary purpose  
9 of conveying news (with or without other information) is not a  
10 purchase, use or sale of tangible personal property.

11 "Selling price" means the consideration for a sale valued  
12 in money whether received in money or otherwise, including  
13 cash, credits, property other than as hereinafter provided, and  
14 services, but, prior to January 1, 2020, not including the  
15 value of or credit given for traded-in tangible personal  
16 property where the item that is traded-in is of like kind and  
17 character as that which is being sold; beginning January 1,  
18 2020, "selling price" includes the portion of the value of or  
19 credit given for traded-in motor vehicles of the First Division  
20 as defined in Section 1-146 of the Illinois Vehicle Code of  
21 like kind and character as that which is being sold that  
22 exceeds \$10,000. "Selling price" shall be determined without  
23 any deduction on account of the cost of the property sold, the  
24 cost of materials used, labor or service cost or any other  
25 expense whatsoever, but does not include interest or finance  
26 charges which appear as separate items on the bill of sale or

1 sales contract nor charges that are added to prices by sellers  
2 on account of the seller's tax liability under the "Retailers'  
3 Occupation Tax Act", or on account of the seller's duty to  
4 collect, from the purchaser, the tax that is imposed by this  
5 Act, or, except as otherwise provided with respect to any  
6 cigarette tax imposed by a home rule unit, on account of the  
7 seller's tax liability under any local occupation tax  
8 administered by the Department, or, except as otherwise  
9 provided with respect to any cigarette tax imposed by a home  
10 rule unit on account of the seller's duty to collect, from the  
11 purchasers, the tax that is imposed under any local use tax  
12 administered by the Department. Effective December 1, 1985,  
13 "selling price" shall include charges that are added to prices  
14 by sellers on account of the seller's tax liability under the  
15 Cigarette Tax Act, on account of the seller's duty to collect,  
16 from the purchaser, the tax imposed under the Cigarette Use Tax  
17 Act, and on account of the seller's duty to collect, from the  
18 purchaser, any cigarette tax imposed by a home rule unit.

19 Notwithstanding any law to the contrary, for any motor  
20 vehicle, as defined in Section 1-146 of the Vehicle Code, that  
21 is sold on or after January 1, 2015 for the purpose of leasing  
22 the vehicle for a defined period that is longer than one year  
23 and (1) is a motor vehicle of the second division that: (A) is  
24 a self-contained motor vehicle designed or permanently  
25 converted to provide living quarters for recreational,  
26 camping, or travel use, with direct walk through access to the

1 living quarters from the driver's seat; (B) is of the van  
2 configuration designed for the transportation of not less than  
3 7 nor more than 16 passengers; or (C) has a gross vehicle  
4 weight rating of 8,000 pounds or less or (2) is a motor vehicle  
5 of the first division, "selling price" or "amount of sale"  
6 means the consideration received by the lessor pursuant to the  
7 lease contract, including amounts due at lease signing and all  
8 monthly or other regular payments charged over the term of the  
9 lease. Also included in the selling price is any amount  
10 received by the lessor from the lessee for the leased vehicle  
11 that is not calculated at the time the lease is executed,  
12 including, but not limited to, excess mileage charges and  
13 charges for excess wear and tear. For sales that occur in  
14 Illinois, with respect to any amount received by the lessor  
15 from the lessee for the leased vehicle that is not calculated  
16 at the time the lease is executed, the lessor who purchased the  
17 motor vehicle does not incur the tax imposed by the Use Tax Act  
18 on those amounts, and the retailer who makes the retail sale of  
19 the motor vehicle to the lessor is not required to collect the  
20 tax imposed by this Act or to pay the tax imposed by the  
21 Retailers' Occupation Tax Act on those amounts. However, the  
22 lessor who purchased the motor vehicle assumes the liability  
23 for reporting and paying the tax on those amounts directly to  
24 the Department in the same form (Illinois Retailers' Occupation  
25 Tax, and local retailers' occupation taxes, if applicable) in  
26 which the retailer would have reported and paid such tax if the

1 retailer had accounted for the tax to the Department. For  
2 amounts received by the lessor from the lessee that are not  
3 calculated at the time the lease is executed, the lessor must  
4 file the return and pay the tax to the Department by the due  
5 date otherwise required by this Act for returns other than  
6 transaction returns. If the retailer is entitled under this Act  
7 to a discount for collecting and remitting the tax imposed  
8 under this Act to the Department with respect to the sale of  
9 the motor vehicle to the lessor, then the right to the discount  
10 provided in this Act shall be transferred to the lessor with  
11 respect to the tax paid by the lessor for any amount received  
12 by the lessor from the lessee for the leased vehicle that is  
13 not calculated at the time the lease is executed; provided that  
14 the discount is only allowed if the return is timely filed and  
15 for amounts timely paid. The "selling price" of a motor vehicle  
16 that is sold on or after January 1, 2015 for the purpose of  
17 leasing for a defined period of longer than one year shall not  
18 be reduced by the value of or credit given for traded-in  
19 tangible personal property owned by the lessor, nor shall it be  
20 reduced by the value of or credit given for traded-in tangible  
21 personal property owned by the lessee, regardless of whether  
22 the trade-in value thereof is assigned by the lessee to the  
23 lessor. In the case of a motor vehicle that is sold for the  
24 purpose of leasing for a defined period of longer than one  
25 year, the sale occurs at the time of the delivery of the  
26 vehicle, regardless of the due date of any lease payments. A

1 lessor who incurs a Retailers' Occupation Tax liability on the  
2 sale of a motor vehicle coming off lease may not take a credit  
3 against that liability for the Use Tax the lessor paid upon the  
4 purchase of the motor vehicle (or for any tax the lessor paid  
5 with respect to any amount received by the lessor from the  
6 lessee for the leased vehicle that was not calculated at the  
7 time the lease was executed) if the selling price of the motor  
8 vehicle at the time of purchase was calculated using the  
9 definition of "selling price" as defined in this paragraph.  
10 Notwithstanding any other provision of this Act to the  
11 contrary, lessors shall file all returns and make all payments  
12 required under this paragraph to the Department by electronic  
13 means in the manner and form as required by the Department.  
14 This paragraph does not apply to leases of motor vehicles for  
15 which, at the time the lease is entered into, the term of the  
16 lease is not a defined period, including leases with a defined  
17 initial period with the option to continue the lease on a  
18 month-to-month or other basis beyond the initial defined  
19 period.

20 The phrase "like kind and character" shall be liberally  
21 construed (including but not limited to any form of motor  
22 vehicle for any form of motor vehicle, or any kind of farm or  
23 agricultural implement for any other kind of farm or  
24 agricultural implement), while not including a kind of item  
25 which, if sold at retail by that retailer, would be exempt from  
26 retailers' occupation tax and use tax as an isolated or

1 occasional sale.

2 "Department" means the Department of Revenue.

3 "Person" means any natural individual, firm, partnership,  
4 association, joint stock company, joint adventure, public or  
5 private corporation, limited liability company, or a receiver,  
6 executor, trustee, guardian or other representative appointed  
7 by order of any court.

8 "Retailer" means and includes every person engaged in the  
9 business of making sales at retail as defined in this Section.

10 A person who holds himself or herself out as being engaged  
11 (or who habitually engages) in selling tangible personal  
12 property at retail is a retailer hereunder with respect to such  
13 sales (and not primarily in a service occupation)  
14 notwithstanding the fact that such person designs and produces  
15 such tangible personal property on special order for the  
16 purchaser and in such a way as to render the property of value  
17 only to such purchaser, if such tangible personal property so  
18 produced on special order serves substantially the same  
19 function as stock or standard items of tangible personal  
20 property that are sold at retail.

21 A person whose activities are organized and conducted  
22 primarily as a not-for-profit service enterprise, and who  
23 engages in selling tangible personal property at retail  
24 (whether to the public or merely to members and their guests)  
25 is a retailer with respect to such transactions, excepting only  
26 a person organized and operated exclusively for charitable,

1 religious or educational purposes either (1), to the extent of  
2 sales by such person to its members, students, patients or  
3 inmates of tangible personal property to be used primarily for  
4 the purposes of such person, or (2), to the extent of sales by  
5 such person of tangible personal property which is not sold or  
6 offered for sale by persons organized for profit. The selling  
7 of school books and school supplies by schools at retail to  
8 students is not "primarily for the purposes of" the school  
9 which does such selling. This paragraph does not apply to nor  
10 subject to taxation occasional dinners, social or similar  
11 activities of a person organized and operated exclusively for  
12 charitable, religious or educational purposes, whether or not  
13 such activities are open to the public.

14 A person who is the recipient of a grant or contract under  
15 Title VII of the Older Americans Act of 1965 (P.L. 92-258) and  
16 serves meals to participants in the federal Nutrition Program  
17 for the Elderly in return for contributions established in  
18 amount by the individual participant pursuant to a schedule of  
19 suggested fees as provided for in the federal Act is not a  
20 retailer under this Act with respect to such transactions.

21 Persons who engage in the business of transferring tangible  
22 personal property upon the redemption of trading stamps are  
23 retailers hereunder when engaged in such business.

24 The isolated or occasional sale of tangible personal  
25 property at retail by a person who does not hold himself out as  
26 being engaged (or who does not habitually engage) in selling



1 such tangible personal property at retail or a sale through a  
2 bulk vending machine does not make such person a retailer  
3 hereunder. However, any person who is engaged in a business  
4 which is not subject to the tax imposed by the "Retailers'  
5 Occupation Tax Act" because of involving the sale of or a  
6 contract to sell real estate or a construction contract to  
7 improve real estate, but who, in the course of conducting such  
8 business, transfers tangible personal property to users or  
9 consumers in the finished form in which it was purchased, and  
10 which does not become real estate, under any provision of a  
11 construction contract or real estate sale or real estate sales  
12 agreement entered into with some other person arising out of or  
13 because of such nontaxable business, is a retailer to the  
14 extent of the value of the tangible personal property so  
15 transferred. If, in such transaction, a separate charge is made  
16 for the tangible personal property so transferred, the value of  
17 such property, for the purposes of this Act, is the amount so  
18 separately charged, but not less than the cost of such property  
19 to the transferor; if no separate charge is made, the value of  
20 such property, for the purposes of this Act, is the cost to the  
21 transferor of such tangible personal property.

22 "Retailer maintaining a place of business in this State",  
23 or any like term, means and includes any of the following  
24 retailers:

- 25 (1) A retailer having or maintaining within this State,  
26 directly or by a subsidiary, an office, distribution house,

1 sales house, warehouse or other place of business, or any  
2 agent or other representative operating within this State  
3 under the authority of the retailer or its subsidiary,  
4 irrespective of whether such place of business or agent or  
5 other representative is located here permanently or  
6 temporarily, or whether such retailer or subsidiary is  
7 licensed to do business in this State. However, the  
8 ownership of property that is located at the premises of a  
9 printer with which the retailer has contracted for printing  
10 and that consists of the final printed product, property  
11 that becomes a part of the final printed product, or copy  
12 from which the printed product is produced shall not result  
13 in the retailer being deemed to have or maintain an office,  
14 distribution house, sales house, warehouse, or other place  
15 of business within this State.

16 (1.1) A retailer having a contract with a person  
17 located in this State under which the person, for a  
18 commission or other consideration based upon the sale of  
19 tangible personal property by the retailer, directly or  
20 indirectly refers potential customers to the retailer by  
21 providing to the potential customers a promotional code or  
22 other mechanism that allows the retailer to track purchases  
23 referred by such persons. Examples of mechanisms that allow  
24 the retailer to track purchases referred by such persons  
25 include but are not limited to the use of a link on the  
26 person's Internet website, promotional codes distributed

1 through the person's hand-delivered or mailed material,  
2 and promotional codes distributed by the person through  
3 radio or other broadcast media. The provisions of this  
4 paragraph (1.1) shall apply only if the cumulative gross  
5 receipts from sales of tangible personal property by the  
6 retailer to customers who are referred to the retailer by  
7 all persons in this State under such contracts exceed  
8 \$10,000 during the preceding 4 quarterly periods ending on  
9 the last day of March, June, September, and December. A  
10 retailer meeting the requirements of this paragraph (1.1)  
11 shall be presumed to be maintaining a place of business in  
12 this State but may rebut this presumption by submitting  
13 proof that the referrals or other activities pursued within  
14 this State by such persons were not sufficient to meet the  
15 nexus standards of the United States Constitution during  
16 the preceding 4 quarterly periods. ~~(Blank)~~.

17 (1.2) Beginning July 1, 2011, a retailer having a  
18 contract with a person located in this State under which:

19 (A) the retailer sells the same or substantially  
20 similar line of products as the person located in this  
21 State and does so using an identical or substantially  
22 similar name, trade name, or trademark as the person  
23 located in this State; and

24 (B) the retailer provides a commission or other  
25 consideration to the person located in this State based  
26 upon the sale of tangible personal property by the

1           retailer.

2           The provisions of this paragraph (1.2) shall apply only  
3           if the cumulative gross receipts from sales of tangible  
4           personal property by the retailer to customers in this  
5           State under all such contracts exceed \$10,000 during the  
6           preceding 4 quarterly periods ending on the last day of  
7           March, June, September, and December. (Blank).

8           (2) (Blank).

9           (3) (Blank).

10          (4) (Blank).

11          (5) (Blank).

12          (6) (Blank).

13          (7) (Blank).

14          (8) (Blank).

15          (9) Beginning October 1, 2018 ~~through June 30, 2020~~, a  
16          retailer making sales of tangible personal property to  
17          purchasers in Illinois from outside of Illinois if:

18                 (A) the cumulative gross receipts from sales of  
19                 tangible personal property to purchasers in Illinois  
20                 are \$100,000 or more; or

21                 (B) the retailer enters into 200 or more separate  
22                 transactions for the sale of tangible personal  
23                 property to purchasers in Illinois.

24          The retailer shall determine on a quarterly basis,  
25          ending on the last day of March, June, September, and  
26          December, whether he or she meets the criteria of either

1           subparagraph (A) or (B) of this paragraph (9) for the  
2           preceding 12-month period. If the retailer meets the  
3           threshold ~~criteria~~ of either subparagraph (A) or (B) for a  
4           12-month period, he or she is considered a retailer  
5           maintaining a place of business in this State and is  
6           required to collect and remit the tax imposed under this  
7           Act and file returns for one year. At the end of that  
8           one-year period, the retailer shall determine whether he or  
9           she ~~the retailer~~ met the threshold ~~criteria~~ of either  
10          subparagraph (A) or (B) during the preceding 12-month  
11          period. If the retailer met the criteria in either  
12          subparagraph (A) or (B) for the preceding 12-month period,  
13          he or she is considered a retailer maintaining a place of  
14          business in this State and is required to collect and remit  
15          the tax imposed under this Act and file returns for the  
16          subsequent year. If at the end of a one-year period a  
17          retailer that was required to collect and remit the tax  
18          imposed under this Act determines that he or she did not  
19          meet the threshold ~~criteria~~ in either subparagraph (A) or  
20          (B) during the preceding 12-month period, the retailer  
21          shall subsequently determine on a quarterly basis, ending  
22          on the last day of March, June, September, and December,  
23          whether he or she meets the threshold ~~criteria~~ of either  
24          subparagraph (A) or (B) for the preceding 12-month period.

25                 Beginning January 1, 2020, neither the gross receipts  
26                 from nor the number of separate transactions for sales of

1 tangible personal property to purchasers in Illinois that a  
2 retailer makes through a marketplace facilitator and for  
3 which the retailer has received a certification from the  
4 marketplace facilitator pursuant to Section 2d of this Act  
5 shall be included for purposes of determining whether he or  
6 she has met the thresholds of this paragraph (9).

7 (10) Beginning January 1, 2020, a marketplace  
8 facilitator that meets a threshold set forth in subsection  
9 (b) of ~~, as defined in~~ Section 2d of this Act.

10 "Bulk vending machine" means a vending machine, containing  
11 unsorted confections, nuts, toys, or other items designed  
12 primarily to be used or played with by children which, when a  
13 coin or coins of a denomination not larger than \$0.50 are  
14 inserted, are dispensed in equal portions, at random and  
15 without selection by the customer.

16 (Source: P.A. 100-587, eff. 6-4-18; 101-9, eff. 6-5-19; 101-31,  
17 eff. 1-1-20; revised 7-11-19.)

18 (35 ILCS 105/2d)

19 Sec. 2d. Marketplace facilitators and marketplace sellers.

20 (a) As used in this Section:

21 "Affiliate" means a person that, with respect to another  
22 person: (i) has a direct or indirect ownership interest of more  
23 than 5 percent in the other person; or (ii) is related to the  
24 other person because a third person, or a group of third  
25 persons who are affiliated with each other as defined in this

1 subsection, holds a direct or indirect ownership interest of  
2 more than 5% in the related person.

3 "Marketplace" means a physical or electronic place, forum,  
4 platform, application, or other method by which a marketplace  
5 seller sells or offers to sell items.

6 "Marketplace facilitator" means a person who, pursuant to  
7 an agreement with an unrelated third-party marketplace seller,  
8 directly or indirectly through one or more affiliates  
9 facilitates a retail sale by an unrelated third party  
10 marketplace seller by:

11 (1) listing or advertising for sale by the marketplace  
12 seller in a marketplace, tangible personal property that is  
13 subject to tax under this Act; and

14 (2) either directly or indirectly, through agreements  
15 or arrangements with third parties, collecting payment  
16 from the customer and transmitting that payment to the  
17 marketplace seller regardless of whether the marketplace  
18 facilitator receives compensation or other consideration  
19 in exchange for its services.

20 ~~"Marketplace facilitator" means a person who, pursuant to~~  
21 ~~an agreement with a marketplace seller, facilitates sales of~~  
22 ~~tangible personal property by that marketplace seller. A person~~  
23 ~~facilitates a sale of tangible personal property by, directly~~  
24 ~~or indirectly through one or more affiliates, doing both of the~~  
25 ~~following: (i) listing or otherwise making available for sale~~  
26 ~~the tangible personal property of the marketplace seller~~

1 ~~through a marketplace owned or operated by the marketplace~~  
2 ~~facilitator; and (ii) processing sales or payments for~~  
3 ~~marketplace sellers.~~

4 "Marketplace seller" means a person that sells or offers to  
5 sell tangible personal property through a marketplace operated  
6 by an unrelated third-party marketplace facilitator.

7 (b) Beginning on January 1, 2020, a marketplace facilitator  
8 who meets either of the following thresholds ~~criteria~~ is  
9 considered the retailer for ~~of~~ each sale of tangible personal  
10 property made through its ~~on the~~ marketplace:

11 (1) the cumulative gross receipts from sales of  
12 tangible personal property to purchasers in Illinois by the  
13 marketplace facilitator and by marketplace sellers selling  
14 through the marketplace are \$100,000 or more; or

15 (2) the marketplace facilitator and marketplace  
16 sellers selling through the marketplace cumulatively enter  
17 into 200 or more separate transactions for the sale of  
18 tangible personal property to purchasers in Illinois.

19 A marketplace facilitator shall determine on a quarterly  
20 basis, ending on the last day of March, June, September, and  
21 December, whether he or she meets the threshold ~~criteria~~ of  
22 either paragraph (1) or (2) of this subsection (b) for the  
23 preceding 12-month period. If the marketplace facilitator  
24 meets the threshold ~~criteria~~ of either paragraph (1) or (2) for  
25 a 12-month period, he or she is considered a retailer  
26 maintaining a place of business in this State and is required



1 to collect and remit the tax imposed under this Act and file  
2 returns for one year. At the end of that one-year period, the  
3 marketplace facilitator shall determine whether the  
4 marketplace facilitator met the threshold ~~criteria~~ of either  
5 paragraph (1) or (2) during the preceding 12-month period. If  
6 the marketplace facilitator met the threshold ~~criteria~~ in  
7 either paragraph (1) or (2) for the preceding 12-month period,  
8 he or she is considered a retailer maintaining a place of  
9 business in this State and is required to collect and remit the  
10 tax imposed under this Act and file returns for the subsequent  
11 year. If at the end of a one-year period a marketplace  
12 facilitator that was required to collect and remit the tax  
13 imposed under this Act determines that he or she did not meet  
14 the threshold ~~criteria~~ in either paragraph (1) or (2) during  
15 the preceding 12-month period, the marketplace facilitator  
16 shall subsequently determine on a quarterly basis, ending on  
17 the last day of March, June, September, and December, whether  
18 he or she meets the threshold ~~criteria~~ of either paragraph (1)  
19 or (2) for the preceding 12-month period.

20 (c) Beginning on January 1, 2020 a ~~A~~ marketplace  
21 facilitator considered to be the retailer pursuant to that  
22 ~~meets either of the thresholds in~~ subsection (b) of this  
23 Section is considered the retailer with respect to ~~of~~ each sale  
24 made through its marketplace and is liable for collecting and  
25 remitting the tax under this Act on all such sales. The  
26 marketplace facilitator who is considered to be the retailer

1 under subsection (b) for sales made through its marketplace has  
2 all the rights and duties, and is required to comply with the  
3 same requirements and procedures, as all other retailers  
4 maintaining a place of business in this State who are  
5 registered or who are required to be registered to collect and  
6 remit the tax imposed by this Act with respect to such sales.

7 (d) A marketplace facilitator shall:

8 (1) certify to each marketplace seller that the  
9 marketplace facilitator assumes the rights and duties of a  
10 retailer under this Act with respect to sales made by the  
11 marketplace seller through the marketplace; and

12 (2) collect taxes imposed by this Act as required by  
13 Section 3-45 of this Act for sales made through the  
14 marketplace.

15 (e) A marketplace seller shall retain books and records for  
16 all sales made through a marketplace in accordance with the  
17 requirements of Section 11.

18 (f) A marketplace seller shall furnish to the marketplace  
19 facilitator information that is necessary for the marketplace  
20 facilitator to correctly collect and remit taxes for a retail  
21 sale. The information may include a certification that an item  
22 being sold is taxable, not taxable, exempt from taxation, or  
23 taxable at a specified rate. A marketplace seller shall be held  
24 harmless for liability for the tax imposed under this Act when  
25 a marketplace facilitator fails to correctly collect and remit  
26 tax after having been provided with information by a

1 marketplace seller to correctly collect and remit taxes imposed  
2 under this Act.

3 (g) If ~~Except as provided in subsection (h),~~ if the  
4 marketplace facilitator demonstrates to the satisfaction of  
5 the Department that its failure to correctly collect and remit  
6 tax on a retail sale resulted from the marketplace  
7 facilitator's good faith reliance on incorrect or insufficient  
8 information provided by a marketplace seller, it shall be  
9 relieved of liability for the tax on that retail sale. In this  
10 case, a marketplace seller is liable for any resulting tax due.

11 (h) (Blank). ~~A marketplace facilitator and marketplace  
12 seller that are affiliates, as defined by subsection (a), are  
13 jointly and severally liable for tax liability resulting from a  
14 sale made by the affiliated marketplace seller through the  
15 marketplace.~~

16 (i) This Section does not affect the tax liability of a  
17 purchaser under this Act.

18 (j) (Blank). ~~The Department may adopt rules for the  
19 administration and enforcement of the provisions of this  
20 Section.~~

21 (k) A marketplace facilitator required to collect taxes  
22 imposed under this Section and this Act on retail sales made  
23 through its marketplace shall be liable to the Department for  
24 such taxes, except when the marketplace facilitator is relieved  
25 of the duty to remit such taxes by virtue of having paid to the  
26 Department taxes imposed by the Retailers' Occupation Tax Act

1 upon his or her gross receipts from the same transactions.

2 (1) If, for any reason, the Department is prohibited from  
3 enforcing the marketplace facilitator's duty under this Act to  
4 collect and remit taxes pursuant to this Section, the duty to  
5 collect and remit such taxes reverts to the marketplace seller  
6 that is a retailer maintaining a place of business in this  
7 State pursuant to Section 2.

8 (Source: P.A. 101-9, eff. 6-5-19.)

9 Section 15-15. The Retailers' Occupation Tax Act is amended  
10 by changing Sections 1, 2, and 2-12 as follows:

11 (35 ILCS 120/1) (from Ch. 120, par. 440)

12 Sec. 1. Definitions. "Sale at retail" means any transfer of  
13 the ownership of or title to tangible personal property to a  
14 purchaser, for the purpose of use or consumption, and not for  
15 the purpose of resale in any form as tangible personal property  
16 to the extent not first subjected to a use for which it was  
17 purchased, for a valuable consideration: Provided that the  
18 property purchased is deemed to be purchased for the purpose of  
19 resale, despite first being used, to the extent to which it is  
20 resold as an ingredient of an intentionally produced product or  
21 byproduct of manufacturing. For this purpose, slag produced as  
22 an incident to manufacturing pig iron or steel and sold is  
23 considered to be an intentionally produced byproduct of  
24 manufacturing. Transactions whereby the possession of the

1 property is transferred but the seller retains the title as  
2 security for payment of the selling price shall be deemed to be  
3 sales.

4 "Sale at retail" shall be construed to include any transfer  
5 of the ownership of or title to tangible personal property to a  
6 purchaser, for use or consumption by any other person to whom  
7 such purchaser may transfer the tangible personal property  
8 without a valuable consideration, and to include any transfer,  
9 whether made for or without a valuable consideration, for  
10 resale in any form as tangible personal property unless made in  
11 compliance with Section 2c of this Act.

12 Sales of tangible personal property, which property, to the  
13 extent not first subjected to a use for which it was purchased,  
14 as an ingredient or constituent, goes into and forms a part of  
15 tangible personal property subsequently the subject of a "Sale  
16 at retail", are not sales at retail as defined in this Act:  
17 Provided that the property purchased is deemed to be purchased  
18 for the purpose of resale, despite first being used, to the  
19 extent to which it is resold as an ingredient of an  
20 intentionally produced product or byproduct of manufacturing.

21 "Sale at retail" shall be construed to include any Illinois  
22 florist's sales transaction in which the purchase order is  
23 received in Illinois by a florist and the sale is for use or  
24 consumption, but the Illinois florist has a florist in another  
25 state deliver the property to the purchaser or the purchaser's  
26 donee in such other state.

1           Nonreusable tangible personal property that is used by  
2 persons engaged in the business of operating a restaurant,  
3 cafeteria, or drive-in is a sale for resale when it is  
4 transferred to customers in the ordinary course of business as  
5 part of the sale of food or beverages and is used to deliver,  
6 package, or consume food or beverages, regardless of where  
7 consumption of the food or beverages occurs. Examples of those  
8 items include, but are not limited to nonreusable, paper and  
9 plastic cups, plates, baskets, boxes, sleeves, buckets or other  
10 containers, utensils, straws, placemats, napkins, doggie bags,  
11 and wrapping or packaging materials that are transferred to  
12 customers as part of the sale of food or beverages in the  
13 ordinary course of business.

14           The purchase, employment and transfer of such tangible  
15 personal property as newsprint and ink for the primary purpose  
16 of conveying news (with or without other information) is not a  
17 purchase, use or sale of tangible personal property.

18           A person whose activities are organized and conducted  
19 primarily as a not-for-profit service enterprise, and who  
20 engages in selling tangible personal property at retail  
21 (whether to the public or merely to members and their guests)  
22 is engaged in the business of selling tangible personal  
23 property at retail with respect to such transactions, excepting  
24 only a person organized and operated exclusively for  
25 charitable, religious or educational purposes either (1), to  
26 the extent of sales by such person to its members, students,

1 patients or inmates of tangible personal property to be used  
2 primarily for the purposes of such person, or (2), to the  
3 extent of sales by such person of tangible personal property  
4 which is not sold or offered for sale by persons organized for  
5 profit. The selling of school books and school supplies by  
6 schools at retail to students is not "primarily for the  
7 purposes of" the school which does such selling. The provisions  
8 of this paragraph shall not apply to nor subject to taxation  
9 occasional dinners, socials or similar activities of a person  
10 organized and operated exclusively for charitable, religious  
11 or educational purposes, whether or not such activities are  
12 open to the public.

13 A person who is the recipient of a grant or contract under  
14 Title VII of the Older Americans Act of 1965 (P.L. 92-258) and  
15 serves meals to participants in the federal Nutrition Program  
16 for the Elderly in return for contributions established in  
17 amount by the individual participant pursuant to a schedule of  
18 suggested fees as provided for in the federal Act is not  
19 engaged in the business of selling tangible personal property  
20 at retail with respect to such transactions.

21 "Purchaser" means anyone who, through a sale at retail,  
22 acquires the ownership of or title to tangible personal  
23 property for a valuable consideration.

24 "Reseller of motor fuel" means any person engaged in the  
25 business of selling or delivering or transferring title of  
26 motor fuel to another person other than for use or consumption.

1 No person shall act as a reseller of motor fuel within this  
2 State without first being registered as a reseller pursuant to  
3 Section 2c or a retailer pursuant to Section 2a.

4 "Selling price" or the "amount of sale" means the  
5 consideration for a sale valued in money whether received in  
6 money or otherwise, including cash, credits, property, other  
7 than as hereinafter provided, and services, but, prior to  
8 January 1, 2020, not including the value of or credit given for  
9 traded-in tangible personal property where the item that is  
10 traded-in is of like kind and character as that which is being  
11 sold; beginning January 1, 2020, "selling price" includes the  
12 portion of the value of or credit given for traded-in motor  
13 vehicles of the First Division as defined in Section 1-146 of  
14 the Illinois Vehicle Code of like kind and character as that  
15 which is being sold that exceeds \$10,000. "Selling price" shall  
16 be determined without any deduction on account of the cost of  
17 the property sold, the cost of materials used, labor or service  
18 cost or any other expense whatsoever, but does not include  
19 charges that are added to prices by sellers on account of the  
20 seller's tax liability under this Act, or on account of the  
21 seller's duty to collect, from the purchaser, the tax that is  
22 imposed by the Use Tax Act, or, except as otherwise provided  
23 with respect to any cigarette tax imposed by a home rule unit,  
24 on account of the seller's tax liability under any local  
25 occupation tax administered by the Department, or, except as  
26 otherwise provided with respect to any cigarette tax imposed by



1 a home rule unit on account of the seller's duty to collect,  
2 from the purchasers, the tax that is imposed under any local  
3 use tax administered by the Department. Effective December 1,  
4 1985, "selling price" shall include charges that are added to  
5 prices by sellers on account of the seller's tax liability  
6 under the Cigarette Tax Act, on account of the sellers' duty to  
7 collect, from the purchaser, the tax imposed under the  
8 Cigarette Use Tax Act, and on account of the seller's duty to  
9 collect, from the purchaser, any cigarette tax imposed by a  
10 home rule unit.

11 Notwithstanding any law to the contrary, for any motor  
12 vehicle, as defined in Section 1-146 of the Vehicle Code, that  
13 is sold on or after January 1, 2015 for the purpose of leasing  
14 the vehicle for a defined period that is longer than one year  
15 and (1) is a motor vehicle of the second division that: (A) is  
16 a self-contained motor vehicle designed or permanently  
17 converted to provide living quarters for recreational,  
18 camping, or travel use, with direct walk through access to the  
19 living quarters from the driver's seat; (B) is of the van  
20 configuration designed for the transportation of not less than  
21 7 nor more than 16 passengers; or (C) has a gross vehicle  
22 weight rating of 8,000 pounds or less or (2) is a motor vehicle  
23 of the first division, "selling price" or "amount of sale"  
24 means the consideration received by the lessor pursuant to the  
25 lease contract, including amounts due at lease signing and all  
26 monthly or other regular payments charged over the term of the

1 lease. Also included in the selling price is any amount  
2 received by the lessor from the lessee for the leased vehicle  
3 that is not calculated at the time the lease is executed,  
4 including, but not limited to, excess mileage charges and  
5 charges for excess wear and tear. For sales that occur in  
6 Illinois, with respect to any amount received by the lessor  
7 from the lessee for the leased vehicle that is not calculated  
8 at the time the lease is executed, the lessor who purchased the  
9 motor vehicle does not incur the tax imposed by the Use Tax Act  
10 on those amounts, and the retailer who makes the retail sale of  
11 the motor vehicle to the lessor is not required to collect the  
12 tax imposed by the Use Tax Act or to pay the tax imposed by this  
13 Act on those amounts. However, the lessor who purchased the  
14 motor vehicle assumes the liability for reporting and paying  
15 the tax on those amounts directly to the Department in the same  
16 form (Illinois Retailers' Occupation Tax, and local retailers'  
17 occupation taxes, if applicable) in which the retailer would  
18 have reported and paid such tax if the retailer had accounted  
19 for the tax to the Department. For amounts received by the  
20 lessor from the lessee that are not calculated at the time the  
21 lease is executed, the lessor must file the return and pay the  
22 tax to the Department by the due date otherwise required by  
23 this Act for returns other than transaction returns. If the  
24 retailer is entitled under this Act to a discount for  
25 collecting and remitting the tax imposed under this Act to the  
26 Department with respect to the sale of the motor vehicle to the

1 lessor, then the right to the discount provided in this Act  
2 shall be transferred to the lessor with respect to the tax paid  
3 by the lessor for any amount received by the lessor from the  
4 lessee for the leased vehicle that is not calculated at the  
5 time the lease is executed; provided that the discount is only  
6 allowed if the return is timely filed and for amounts timely  
7 paid. The "selling price" of a motor vehicle that is sold on or  
8 after January 1, 2015 for the purpose of leasing for a defined  
9 period of longer than one year shall not be reduced by the  
10 value of or credit given for traded-in tangible personal  
11 property owned by the lessor, nor shall it be reduced by the  
12 value of or credit given for traded-in tangible personal  
13 property owned by the lessee, regardless of whether the  
14 trade-in value thereof is assigned by the lessee to the lessor.  
15 In the case of a motor vehicle that is sold for the purpose of  
16 leasing for a defined period of longer than one year, the sale  
17 occurs at the time of the delivery of the vehicle, regardless  
18 of the due date of any lease payments. A lessor who incurs a  
19 Retailers' Occupation Tax liability on the sale of a motor  
20 vehicle coming off lease may not take a credit against that  
21 liability for the Use Tax the lessor paid upon the purchase of  
22 the motor vehicle (or for any tax the lessor paid with respect  
23 to any amount received by the lessor from the lessee for the  
24 leased vehicle that was not calculated at the time the lease  
25 was executed) if the selling price of the motor vehicle at the  
26 time of purchase was calculated using the definition of

1 "selling price" as defined in this paragraph. Notwithstanding  
2 any other provision of this Act to the contrary, lessors shall  
3 file all returns and make all payments required under this  
4 paragraph to the Department by electronic means in the manner  
5 and form as required by the Department. This paragraph does not  
6 apply to leases of motor vehicles for which, at the time the  
7 lease is entered into, the term of the lease is not a defined  
8 period, including leases with a defined initial period with the  
9 option to continue the lease on a month-to-month or other basis  
10 beyond the initial defined period.

11 The phrase "like kind and character" shall be liberally  
12 construed (including but not limited to any form of motor  
13 vehicle for any form of motor vehicle, or any kind of farm or  
14 agricultural implement for any other kind of farm or  
15 agricultural implement), while not including a kind of item  
16 which, if sold at retail by that retailer, would be exempt from  
17 retailers' occupation tax and use tax as an isolated or  
18 occasional sale.

19 "Gross receipts" from the sales of tangible personal  
20 property at retail means the total selling price or the amount  
21 of such sales, as hereinbefore defined. In the case of charge  
22 and time sales, the amount thereof shall be included only as  
23 and when payments are received by the seller. Receipts or other  
24 consideration derived by a seller from the sale, transfer or  
25 assignment of accounts receivable to a wholly owned subsidiary  
26 will not be deemed payments prior to the time the purchaser

1 makes payment on such accounts.

2 "Department" means the Department of Revenue.

3 "Person" means any natural individual, firm, partnership,  
4 association, joint stock company, joint adventure, public or  
5 private corporation, limited liability company, or a receiver,  
6 executor, trustee, guardian or other representative appointed  
7 by order of any court.

8 The isolated or occasional sale of tangible personal  
9 property at retail by a person who does not hold himself out as  
10 being engaged (or who does not habitually engage) in selling  
11 such tangible personal property at retail, or a sale through a  
12 bulk vending machine, does not constitute engaging in a  
13 business of selling such tangible personal property at retail  
14 within the meaning of this Act; provided that any person who is  
15 engaged in a business which is not subject to the tax imposed  
16 by this Act because of involving the sale of or a contract to  
17 sell real estate or a construction contract to improve real  
18 estate or a construction contract to engineer, install, and  
19 maintain an integrated system of products, but who, in the  
20 course of conducting such business, transfers tangible  
21 personal property to users or consumers in the finished form in  
22 which it was purchased, and which does not become real estate  
23 or was not engineered and installed, under any provision of a  
24 construction contract or real estate sale or real estate sales  
25 agreement entered into with some other person arising out of or  
26 because of such nontaxable business, is engaged in the business

1 of selling tangible personal property at retail to the extent  
2 of the value of the tangible personal property so transferred.  
3 If, in such a transaction, a separate charge is made for the  
4 tangible personal property so transferred, the value of such  
5 property, for the purpose of this Act, shall be the amount so  
6 separately charged, but not less than the cost of such property  
7 to the transferor; if no separate charge is made, the value of  
8 such property, for the purposes of this Act, is the cost to the  
9 transferor of such tangible personal property. Construction  
10 contracts for the improvement of real estate consisting of  
11 engineering, installation, and maintenance of voice, data,  
12 video, security, and all telecommunication systems do not  
13 constitute engaging in a business of selling tangible personal  
14 property at retail within the meaning of this Act if they are  
15 sold at one specified contract price.

16 A person who holds himself or herself out as being engaged  
17 (or who habitually engages) in selling tangible personal  
18 property at retail is a person engaged in the business of  
19 selling tangible personal property at retail hereunder with  
20 respect to such sales (and not primarily in a service  
21 occupation) notwithstanding the fact that such person designs  
22 and produces such tangible personal property on special order  
23 for the purchaser and in such a way as to render the property  
24 of value only to such purchaser, if such tangible personal  
25 property so produced on special order serves substantially the  
26 same function as stock or standard items of tangible personal

1 property that are sold at retail.

2 Persons who engage in the business of transferring tangible  
3 personal property upon the redemption of trading stamps are  
4 engaged in the business of selling such property at retail and  
5 shall be liable for and shall pay the tax imposed by this Act  
6 on the basis of the retail value of the property transferred  
7 upon redemption of such stamps.

8 "Bulk vending machine" means a vending machine, containing  
9 unsorted confections, nuts, toys, or other items designed  
10 primarily to be used or played with by children which, when a  
11 coin or coins of a denomination not larger than \$0.50 are  
12 inserted, are dispensed in equal portions, at random and  
13 without selection by the customer.

14 "Remote retailer" means a retailer ~~located outside of this~~  
15 ~~State~~ that does not maintain within this State, directly or by  
16 a subsidiary, an office, distribution house, sales house,  
17 warehouse or other place of business, or any agent or other  
18 representative operating within this State under the authority  
19 of the retailer or its subsidiary, irrespective of whether such  
20 place of business or agent is located here permanently or  
21 temporarily or whether such retailer or subsidiary is licensed  
22 to do business in this State.

23 "Marketplace" means a physical or electronic place, forum,  
24 platform, application, or other method by which a marketplace  
25 seller sells or offers to sell items.

26 "Marketplace facilitator" means a person who, pursuant to

1 an agreement with an unrelated third-party marketplace seller,  
2 directly or indirectly through one or more affiliates  
3 facilitates a retail sale by an unrelated third party  
4 marketplace seller by:

5 (1) listing or advertising for sale by the marketplace  
6 seller in a marketplace, tangible personal property that is  
7 subject to tax under this Act; and

8 (2) either directly or indirectly, through agreements  
9 or arrangements with third parties, collecting payment  
10 from the customer and transmitting that payment to the  
11 marketplace seller regardless of whether the marketplace  
12 facilitator receives compensation or other consideration  
13 in exchange for its services.

14 A person who provides advertising services, including  
15 listing products for sale, is not considered a marketplace  
16 facilitator, so long as the advertising service platform or  
17 forum does not engage, directly or indirectly through one or  
18 more affiliated persons, in the activities described in  
19 paragraph (2) of this definition of "marketplace facilitator".

20 "Marketplace seller" means a person that makes sales  
21 through a marketplace operated by an unrelated third party  
22 marketplace facilitator.

23 (Source: P.A. 101-31, eff. 6-28-19.)

24 (35 ILCS 120/2) (from Ch. 120, par. 441)

25 Sec. 2. Tax imposed.



1 (a) A tax is imposed upon persons engaged in the business  
2 of selling at retail tangible personal property, including  
3 computer software, and including photographs, negatives, and  
4 positives that are the product of photoprocessing, but not  
5 including products of photoprocessing produced for use in  
6 motion pictures for public commercial exhibition. Beginning  
7 January 1, 2001, prepaid telephone calling arrangements shall  
8 be considered tangible personal property subject to the tax  
9 imposed under this Act regardless of the form in which those  
10 arrangements may be embodied, transmitted, or fixed by any  
11 method now known or hereafter developed. Sales of (1)  
12 electricity delivered to customers by wire; (2) natural or  
13 artificial gas that is delivered to customers through pipes,  
14 pipelines, or mains; and (3) water that is delivered to  
15 customers through pipes, pipelines, or mains are not subject to  
16 tax under this Act. The provisions of this amendatory Act of  
17 the 98th General Assembly are declaratory of existing law as to  
18 the meaning and scope of this Act.

19 (b) Beginning on January 1, 2021 ~~July 1, 2020~~, a remote  
20 retailer is engaged in the occupation of selling at retail in  
21 Illinois for purposes of this Act, if:

22 (1) the cumulative gross receipts from sales of  
23 tangible personal property to purchasers in Illinois are  
24 \$100,000 or more; or

25 (2) the retailer enters into 200 or more separate  
26 transactions for the sale of tangible personal property to

1 purchasers in Illinois.

2 Remote retailers that meet or exceed the threshold in  
3 either paragraph (1) or (2) above shall be liable for all  
4 applicable State retailers' and locally imposed retailers'  
5 occupation taxes administered by the Department on all retail  
6 sales to Illinois purchasers.

7 The remote retailer shall determine on a quarterly basis,  
8 ending on the last day of March, June, September, and December,  
9 whether he or she meets the criteria of either paragraph (1) or  
10 (2) of this subsection for the preceding 12-month period. If  
11 the retailer meets the criteria of either paragraph (1) or (2)  
12 for a 12-month period, he or she is considered a retailer  
13 maintaining a place of business in this State and is required  
14 to collect and remit the tax imposed under this Act and all  
15 retailers' occupation tax imposed by local taxing  
16 jurisdictions in Illinois, provided such local taxes are  
17 administered by the Department, and to file all applicable  
18 returns for one year. At the end of that one-year period, the  
19 retailer shall determine whether the retailer met the criteria  
20 of either paragraph (1) or (2) for the preceding 12-month  
21 period. If the retailer met the criteria in either paragraph  
22 (1) or (2) for the preceding 12-month period, he or she is  
23 considered a retailer maintaining a place of business in this  
24 State and is required to collect and remit all applicable State  
25 and local retailers' occupation taxes and file returns for the  
26 subsequent year. If, at the end of a one-year period, a

1 retailer that was required to collect and remit the tax imposed  
2 under this Act determines that he or she did not meet the  
3 criteria in either paragraph (1) or (2) during the preceding  
4 12-month period, then the retailer shall subsequently  
5 determine on a quarterly basis, ending on the last day of  
6 March, June, September, and December, whether he or she meets  
7 the criteria of either paragraph (1) or (2) for the preceding  
8 12-month period.

9 (b-5) For the purposes of this Section, neither the gross  
10 receipts from nor the number of separate transactions for sales  
11 of tangible personal property to purchasers in Illinois that a  
12 remote retailer makes through a marketplace facilitator shall  
13 be included for the purposes of determining whether he or she  
14 has met the thresholds of subsection (b) of this Section so  
15 long as the remote retailer has received certification from the  
16 marketplace facilitator that the marketplace facilitator is  
17 legally responsible for payment of tax on such sales.

18 (b-10) A remote retailer required to collect taxes imposed  
19 under the Use Tax Act on retail sales made to Illinois  
20 purchasers shall be liable to the Department for such taxes,  
21 except when the remote retailer is relieved of the duty to  
22 remit such taxes by virtue of having paid to the Department  
23 taxes imposed by this Act in accordance with this Section upon  
24 his or her gross receipts from such sales.

25 (c) Marketplace facilitators engaged in the business of  
26 selling at retail tangible personal property in Illinois.

1 Beginning January 1, 2021, a marketplace facilitator is engaged  
2 in the occupation of selling at retail tangible personal  
3 property in Illinois for purposes of this Act if, during the  
4 previous 12-month period:

5 (1) the cumulative gross receipts from sales of  
6 tangible personal property on its own behalf or on behalf  
7 of marketplace sellers to purchasers in Illinois equals  
8 \$100,000 or more; or

9 (2) the marketplace facilitator enters into 200 or more  
10 separate transactions on its own behalf or on behalf of  
11 marketplace sellers for the sale of tangible personal  
12 property to purchasers in Illinois, regardless of whether  
13 the marketplace facilitator or marketplace sellers for  
14 whom such sales are facilitated are registered as retailers  
15 in this State.

16 A marketplace facilitator who meets either paragraph (1) or  
17 (2) of this subsection is required to remit the applicable  
18 State retailers' occupation taxes under this Act and local  
19 retailers' occupation taxes administered by the Department on  
20 all taxable sales of tangible personal property made by the  
21 marketplace facilitator or facilitated for marketplace sellers  
22 to customers in this State. A marketplace facilitator selling  
23 or facilitating the sale of tangible personal property to  
24 customers in this State is subject to all applicable procedures  
25 and requirements of this Act.

26 The marketplace facilitator shall determine on a quarterly

1 basis, ending on the last day of March, June, September, and  
2 December, whether he or she meets the criteria of either  
3 paragraph (1) or (2) of this subsection for the preceding  
4 12-month period. If the marketplace facilitator meets the  
5 criteria of either paragraph (1) or (2) for a 12-month period,  
6 he or she is considered a retailer maintaining a place of  
7 business in this State and is required to remit the tax imposed  
8 under this Act and all retailers' occupation tax imposed by  
9 local taxing jurisdictions in Illinois, provided such local  
10 taxes are administered by the Department, and to file all  
11 applicable returns for one year. At the end of that one-year  
12 period, the marketplace facilitator shall determine whether it  
13 met the criteria of either paragraph (1) or (2) for the  
14 preceding 12-month period. If the marketplace facilitator met  
15 the criteria in either paragraph (1) or (2) for the preceding  
16 12-month period, it is considered a retailer maintaining a  
17 place of business in this State and is required to collect and  
18 remit all applicable State and local retailers' occupation  
19 taxes and file returns for the subsequent year. If at the end  
20 of a one-year period a marketplace facilitator that was  
21 required to collect and remit the tax imposed under this Act  
22 determines that he or she did not meet the criteria in either  
23 paragraph (1) or (2) during the preceding 12-month period, the  
24 marketplace facilitator shall subsequently determine on a  
25 quarterly basis, ending on the last day of March, June,  
26 September, and December, whether he or she meets the criteria

1 of either paragraph (1) or (2) for the preceding 12-month  
2 period.

3 A marketplace facilitator shall be entitled to any credits,  
4 deductions, or adjustments to the sales price otherwise  
5 provided to the marketplace seller, in addition to any such  
6 adjustments provided directly to the marketplace facilitator.  
7 This Section pertains to, but is not limited to, adjustments  
8 such as discounts, coupons, and rebates. In addition, a  
9 marketplace facilitator shall be entitled to the retailers'  
10 discount provided in Section 3 of the Retailers' Occupation Tax  
11 Act on all marketplace sales, and the marketplace seller shall  
12 not include sales made through a marketplace facilitator when  
13 computing any retailers' discount on remaining sales.  
14 Marketplace facilitators shall report and remit the applicable  
15 State and local retailers' occupation taxes on sales  
16 facilitated for marketplace sellers separately from any sales  
17 or use tax collected on taxable retail sales made directly by  
18 the marketplace facilitator or its affiliates.

19 The marketplace facilitator is liable for the remittance of  
20 all applicable State retailers' occupation taxes under this Act  
21 and local retailers' occupation taxes administered by the  
22 Department on sales through the marketplace and is subject to  
23 audit on all such sales. The Department shall not audit  
24 marketplace sellers for their marketplace sales where a  
25 marketplace facilitator remitted the applicable State and  
26 local retailers' occupation taxes unless the marketplace

1 facilitator seeks relief as a result of incorrect information  
2 provided to the marketplace facilitator by a marketplace seller  
3 as set forth in this Section. The marketplace facilitator shall  
4 not be held liable for tax on any sales made by a marketplace  
5 seller that take place outside of the marketplace and which are  
6 not a part of any agreement between a marketplace facilitator  
7 and a marketplace seller. In addition, marketplace  
8 facilitators shall not be held liable to State and local  
9 governments of Illinois for having charged and remitted an  
10 incorrect amount of State and local retailers' occupation tax  
11 if, at the time of the sale, the tax is computed based on  
12 erroneous data provided by the State in database files on tax  
13 rates, boundaries, or taxing jurisdictions or incorrect  
14 information provided to the marketplace facilitator by the  
15 marketplace seller.

16 (d) A marketplace facilitator shall:

17 (1) certify to each marketplace seller that the  
18 marketplace facilitator assumes the rights and duties of a  
19 retailer under this Act with respect to sales made by the  
20 marketplace seller through the marketplace; and

21 (2) remit taxes imposed by this Act as required by this  
22 Act for sales made through the marketplace.

23 (e) A marketplace seller shall retain books and records for  
24 all sales made through a marketplace in accordance with the  
25 requirements of this Act.

26 (f) A marketplace facilitator is subject to audit on all

1 marketplace sales for which it is considered to be the  
2 retailer, but shall not be liable for tax or subject to audit  
3 on sales made by marketplace sellers outside of the  
4 marketplace.

5 (g) A marketplace facilitator required to collect taxes  
6 imposed under the Use Tax Act on marketplace sales made to  
7 Illinois purchasers shall be liable to the Department for such  
8 taxes, except when the marketplace facilitator is relieved of  
9 the duty to remit such taxes by virtue of having paid to the  
10 Department taxes imposed by this Act in accordance with this  
11 Section upon his or her gross receipts from such sales.

12 (h) Nothing in this Section shall allow the Department to  
13 collect retailers' occupation taxes from both the marketplace  
14 facilitator and marketplace seller on the same transaction.

15 (i) If, for any reason, the Department is prohibited from  
16 enforcing the marketplace facilitator's duty under this Act to  
17 remit taxes pursuant to this Section, the duty to remit such  
18 taxes remains with the marketplace seller.

19 (j) Nothing in this Section affects the obligation of any  
20 consumer to remit use tax for any taxable transaction for which  
21 a certified service provider acting on behalf of a remote  
22 retailer or a marketplace facilitator does not collect and  
23 remit the appropriate tax.

24 (k) Nothing in this Section shall allow the Department to  
25 collect the retailers' occupation tax from both the marketplace  
26 facilitator and the marketplace seller.



1 (Source: P.A. 101-31, eff. 6-28-19.)

2 (35 ILCS 120/2-12)

3 Sec. 2-12. Location where retailer is deemed to be engaged  
4 in the business of selling. The purpose of this Section is to  
5 specify where a retailer is deemed to be engaged in the  
6 business of selling tangible personal property for the purposes  
7 of this Act, the Use Tax Act, the Service Use Tax Act, and the  
8 Service Occupation Tax Act, and for the purpose of collecting  
9 any other local retailers' occupation tax administered by the  
10 Department. This Section applies only with respect to the  
11 particular selling activities described in the following  
12 paragraphs. The provisions of this Section are not intended to,  
13 and shall not be interpreted to, affect where a retailer is  
14 deemed to be engaged in the business of selling with respect to  
15 any activity that is not specifically described in the  
16 following paragraphs.

17 (1) If a purchaser who is present at the retailer's  
18 place of business, having no prior commitment to the  
19 retailer, agrees to purchase and makes payment for tangible  
20 personal property at the retailer's place of business, then  
21 the transaction shall be deemed an over-the-counter sale  
22 occurring at the retailer's same place of business where  
23 the purchaser was present and made payment for that  
24 tangible personal property if the retailer regularly  
25 stocks the purchased tangible personal property or similar

1       tangible personal property in the quantity, or similar  
2       quantity, for sale at the retailer's same place of business  
3       and then either (i) the purchaser takes possession of the  
4       tangible personal property at the same place of business or  
5       (ii) the retailer delivers or arranges for the tangible  
6       personal property to be delivered to the purchaser.

7               (2) If a purchaser, having no prior commitment to the  
8       retailer, agrees to purchase tangible personal property  
9       and makes payment over the phone, in writing, or via the  
10       Internet and takes possession of the tangible personal  
11       property at the retailer's place of business, then the sale  
12       shall be deemed to have occurred at the retailer's place of  
13       business where the purchaser takes possession of the  
14       property if the retailer regularly stocks the item or  
15       similar items in the quantity, or similar quantities,  
16       purchased by the purchaser.

17               (3) A retailer is deemed to be engaged in the business  
18       of selling food, beverages, or other tangible personal  
19       property through a vending machine at the location where  
20       the vending machine is located at the time the sale is made  
21       if (i) the vending machine is a device operated by coin,  
22       currency, credit card, token, coupon or similar device; (2)  
23       the food, beverage or other tangible personal property is  
24       contained within the vending machine and dispensed from the  
25       vending machine; and (3) the purchaser takes possession of  
26       the purchased food, beverage or other tangible personal

1 property immediately.

2 (4) Minerals. A producer of coal or other mineral mined  
3 in Illinois is deemed to be engaged in the business of  
4 selling at the place where the coal or other mineral mined  
5 in Illinois is extracted from the earth. With respect to  
6 minerals (i) the term "extracted from the earth" means the  
7 location at which the coal or other mineral is extracted  
8 from the mouth of the mine, and (ii) a "mineral" includes  
9 not only coal, but also oil, sand, stone taken from a  
10 quarry, gravel and any other thing commonly regarded as a  
11 mineral and extracted from the earth. This paragraph does  
12 not apply to coal or another mineral when it is delivered  
13 or shipped by the seller to the purchaser at a point  
14 outside Illinois so that the sale is exempt under the  
15 United States Constitution as a sale in interstate or  
16 foreign commerce.

17 (5) A retailer selling tangible personal property to a  
18 nominal lessee or bailee pursuant to a lease with a dollar  
19 or other nominal option to purchase is engaged in the  
20 business of selling at the location where the property is  
21 first delivered to the lessee or bailee for its intended  
22 use.

23 (6) Beginning on January 1, 2021, a remote retailer  
24 making retail sales of tangible personal property that meet  
25 or exceed the thresholds established in paragraph (1) or  
26 (2) of subsection (b) of Section 2 of this Act is engaged

1 in the business of selling at the Illinois location to  
2 which the tangible personal property is shipped or  
3 delivered or at which possession is taken by the purchaser.  
4 ~~July 1, 2020, for the purposes of determining the correct~~  
5 ~~local retailers' occupation tax rate, retail sales made by~~  
6 ~~a remote retailer that meet or exceed the thresholds~~  
7 ~~established in paragraph (1) or (2) of subsection (b) of~~  
8 ~~Section 2 of this Act shall be deemed to be made at the~~  
9 ~~Illinois location to which the tangible personal property~~  
10 ~~is shipped or delivered or at which possession is taken by~~  
11 ~~the purchaser.~~

12 (7) Beginning January 1, 2021, a marketplace  
13 facilitator facilitating sales of tangible personal  
14 property that meet or exceed one of the thresholds  
15 established in paragraph (1) or (2) of subsection (c) of  
16 Section 2 of this Act is deemed to be engaged in the  
17 business of selling at the Illinois location to which the  
18 tangible personal property is shipped or delivered or at  
19 which possession is taken by the purchaser when the sale is  
20 made by a marketplace seller on the marketplace  
21 facilitator's marketplace.

22 (Source: P.A. 101-31, eff. 6-28-19.)

23 Section 15-20. The Leveling the Playing Field for Illinois  
24 Retail Act is amended by changing Sections 5-5, 5-15, 5-20,  
25 5-25, and 5-30 and by adding Section 5-27 as follows:

1 (35 ILCS 185/5-5)

2 Sec. 5-5. Findings. The General Assembly finds that  
3 certified service providers and certified automated systems  
4 simplify use and occupation tax compliance for remote retailers  
5 ~~out of state sellers~~, which fosters higher levels of accurate  
6 tax collection and remittance and generates administrative  
7 savings and new marginal tax revenue for both State and local  
8 taxing jurisdictions. By making the services of certified  
9 service providers and certified automated systems available to  
10 remote retailers without charge, other than their retailer  
11 customer's retail discount, as provided in this Act, the State  
12 will substantially eliminate the burden on those remote  
13 retailers to collect and remit both State and local taxing  
14 jurisdiction use and occupation taxes. While providing a means  
15 for remote retailers to collect and remit tax on an even basis  
16 with Illinois retailers, this Act also protects existing local  
17 tax revenue streams by retaining origin sourcing for all  
18 transactions by retailers maintaining a physical presence in  
19 Illinois.

20 (Source: P.A. 101-31, eff. 6-28-19.)

21 (35 ILCS 185/5-15)

22 Sec. 5-15. Certification of certified service providers.  
23 The Department shall, ~~no later than December 31, 2019,~~  
24 establish standards for the certification of certified service

1 providers and certified automated systems and may act jointly  
2 with other states to accomplish these ends.

3 The Department may take other actions reasonably required  
4 to implement the provisions of this Act, including the adoption  
5 of rules and emergency rules and the procurement of goods and  
6 services, which also may be coordinated jointly with other  
7 states.

8 (Source: P.A. 101-31, eff. 6-28-19.)

9 (35 ILCS 185/5-20)

10 Sec. 5-20. Provision of databases. The Department shall, no  
11 later than July 1, 2020:

12 (1) provide and maintain an electronic, ~~downloadable~~  
13 database of defined product categories that identifies the  
14 taxability of each category;

15 (2) provide and maintain an electronic, ~~downloadable~~  
16 database of all retailers' occupation tax rates for the  
17 jurisdictions in this State that levy a retailers'  
18 occupation tax; and

19 (3) provide and maintain an electronic, ~~downloadable~~  
20 database that assigns delivery addresses in this State to  
21 the applicable taxing jurisdictions.

22 (Source: P.A. 101-31, eff. 6-28-19.)

23 (35 ILCS 185/5-25)

24 Sec. 5-25. Certification.

1       (a) The Department shall, no later than July 1, 2020:

2           (1) establish ~~provide~~ uniform minimum standards that  
3       companies wishing to be designated as a certified service  
4       provider in this State must meet; ~~those minimum standards~~  
5       ~~must include an expedited certification process for~~  
6       ~~companies that have been certified in at least 5 other~~  
7       ~~states;~~

8           (2) establish ~~provide~~ uniform minimum standards that  
9       certified automated systems must meet; ~~those minimum~~  
10       ~~standards may include an expedited certification process~~  
11       ~~for automated systems that have been certified in at least~~  
12       ~~5 other states;~~

13          (3) establish a certification process to review the  
14       systems of companies wishing to be designated as a  
15       certified service provider in this State or of companies  
16       wishing to use a certified automated process; this  
17       certification process shall provide that companies that  
18       meet all required standards and whose systems have been  
19       tested and approved by the Department for properly  
20       determining the taxability of items to be sold, the correct  
21       tax rate to apply to a transaction, and the appropriate  
22       jurisdictions to which the tax shall be remitted, shall be  
23       certified;

24          (4) enter into a contractual relationship with each  
25       company that qualifies as a certified service provider or  
26       that will be using a certified automated system; those

1 contracts shall, at a minimum, provide:

2 (A) that the certified service provider shall be  
3 held liable for the tax imposed under this Act and the  
4 Use Tax Act and all applicable local occupation taxes  
5 administered by the Department if the certified  
6 service provider fails to correctly remit the tax after  
7 having been provided with the tax and information by a  
8 remote retailer to correctly remit the taxes imposed  
9 under this Act and the Use Tax Act and all applicable  
10 local occupation taxes administered by the Department;  
11 if the certified service provider demonstrates to the  
12 satisfaction of the Department that its failure to  
13 correctly remit tax on a retail sale resulted from the  
14 certified service provider's good faith reliance on  
15 incorrect or insufficient information provided by the  
16 remote retailer, the certified service provider shall  
17 be relieved of liability for the tax on that retail  
18 sale; in that case, the remote retailer is liable for  
19 any resulting tax due ~~the responsibilities of the~~  
20 ~~certified service provider and the remote retailers~~  
21 ~~that contract with the certified service provider or~~  
22 ~~the user of a certified automated system related to~~  
23 ~~liability for proper collection and remittance of use~~  
24 ~~and occupation taxes;~~

25 (B) the responsibilities of the certified service  
26 provider and the remote retailers that contract with



1 the certified service provider or the user of a  
2 certified automated system ~~service provider~~ related to  
3 record keeping and auditing consistent with  
4 requirements imposed under the Retailers' Occupation  
5 Tax Act and the Use Tax Act;

6 (C) for the protection and confidentiality of tax  
7 information consistent with requirements imposed under  
8 the Retailers' Occupation Tax Act and the Use Tax Act;  
9 and

10 (D) compensation equal to 1.75% of the tax dollars  
11 collected and remitted to the State by a certified  
12 service provider on a timely basis, along with a return  
13 that has been timely filed, on behalf of remote  
14 retailers; remote retailers using a certified service  
15 provider may not claim the vendor's discount allowed  
16 under the Retailers' Occupation Tax Act or the Service  
17 Occupation Tax Act; and -

18 (E) that the certified service provider shall file  
19 a separate return for each remote retailer with which  
20 it has a Tax Remittance Agreement.

21 The provisions of this Section shall supersede the  
22 provisions of the Illinois Procurement Code.

23 (b) The Department may act jointly with other states to  
24 establish the minimum standards and process for certification  
25 required by paragraphs (1), (2), and (3) of subsection (a).

26 (c) When the systems of a certified service provider or

1 certified automated systems are updated or upgraded, they must  
2 be recertified by the Department. Notification of changes shall  
3 be provided to the Department prior to implementation. Upon  
4 receipt of such notification, the Department shall review and  
5 test the changes to assess whether the updated system of the  
6 certified service provider or the updated certified automated  
7 system can properly determine the taxability of items to be  
8 sold, the correct tax rate to apply to a transaction, and the  
9 appropriate jurisdictions to which the tax shall be remitted.  
10 The Department shall recertify updated systems that meet these  
11 requirements. The certified service provider or retailer using  
12 a certified automated system shall be liable for any tax  
13 resulting from errors caused by use of an updated or upgraded  
14 system prior to recertification by the Department. In addition  
15 to these procedures, the Department may periodically review the  
16 system of a certified service provider or the certified  
17 automated system used by a retailer to ensure that the system  
18 can properly determine the taxability of items to be sold, the  
19 correct tax rate to apply to a transaction, and the appropriate  
20 jurisdictions to which the tax shall be remitted.

21 (Source: P.A. 101-31, eff. 6-28-19.)

22 (35 ILCS 185/5-27 new)

23 Sec. 5-27. Tax remittance agreement.

24 (a) Before using the services of a certified service  
25 provider to remit taxes, remote retailers using a certified

1 service provider shall enter into a tax remittance agreement  
2 with that certified service provider under which the certified  
3 service provider agrees to remit all State retailers'  
4 occupation taxes under this Act, use tax, and local occupation  
5 taxes administered by the Department for sales made by the  
6 remote retailer. A copy of the tax remittance agreement shall  
7 be electronically filed with the Department by the certified  
8 service provider no later than 30 days prior to its effective  
9 date.

10 (b) A certified service provider that has entered into a  
11 tax remittance agreement with a remote retailer is required to  
12 file all returns and remit all taxes required under the tax  
13 remittance agreement, including all local occupation taxes  
14 administered by the Department, with respect to all sales for  
15 which there is not otherwise an exemption.

16 (35 ILCS 185/5-30)

17 Sec. 5-30. Database; relief ~~Relief~~ from liability; annual  
18 verification; refunds.

19 (a) The Department shall, to the best of its ability,  
20 utilize an electronic database to provide information  
21 assigning purchaser addresses to the proper local taxing  
22 jurisdiction.

23 (b) Remote ~~Beginning January 1, 2020, remote~~ retailers  
24 using certified service providers or certified automated  
25 systems and their certified service providers or certified

1 automated systems providers are relieved from liability to the  
2 State for having remitted ~~charged and collected~~ the incorrect  
3 amount of use or occupation tax resulting from a certified  
4 service provider or certified automated system relying, at the  
5 time of the sale, on: (1) erroneous data provided by the State  
6 in database files on tax rates, boundaries, or taxing  
7 jurisdictions; or (2) erroneous data provided by the State  
8 concerning the taxability of products and services.

9 (c) Beginning February 1, 2022 and on or before February 1  
10 of each year thereafter, the Department shall make available to  
11 each local taxing jurisdiction the taxing jurisdiction's  
12 boundaries, determined by the Department, for its  
13 verification. Jurisdictions shall verify these taxing  
14 jurisdiction boundaries and notify the Department of any  
15 changes, additions, or deletions by April 1 of each year in the  
16 form and manner required by the Department. The Department  
17 shall use its best judgment and information to confirm the  
18 information provided by the taxing jurisdictions and update its  
19 database. The Department shall administer and enforce such  
20 changes on the first day of the next following July. The  
21 ~~Department shall, to the best of its ability, assign addresses~~  
22 ~~to the proper local taxing jurisdiction using a 9 digit zip~~  
23 ~~code identifier. On an annual basis, the Department shall make~~  
24 ~~available to local taxing jurisdictions the taxing~~  
25 ~~jurisdiction boundaries determined by the Department for their~~  
26 ~~verification. If a jurisdiction fails to verify their taxing~~

1 ~~jurisdiction boundaries to the Department in any given year,~~  
2 ~~the Department shall assign retailers' occupation tax revenue~~  
3 ~~from remote retail sales based on its best information. In that~~  
4 ~~case, tax revenues from remote retail sales remitted to a~~  
5 ~~taxing jurisdiction based on erroneous local tax boundary~~  
6 ~~information will be assigned to the correct taxing jurisdiction~~  
7 ~~on a prospective basis upon notice of the boundary error from a~~  
8 ~~local taxing jurisdiction.~~

9 (d) The clerk of any municipality or county from which  
10 territory has been annexed or disconnected shall notify the  
11 Department of Revenue of that annexation or disconnection in  
12 the form and manner required by the Department. Required  
13 documentation shall include a certified copy of the plat of  
14 annexation or, in the case of disconnection, the ordinance,  
15 final judgment, or resolution of disconnection together with an  
16 accurate depiction of the territory disconnected. Notification  
17 shall be provided to the Department either (i) on or before the  
18 first day of April, whereupon the Department shall confirm the  
19 information provided by the municipality or county and update  
20 its database and proceed to administer and enforce the  
21 confirmed changes on the first day of July next following the  
22 proper notification; or (ii) on or before the first day of  
23 October, whereupon the Department shall confirm the  
24 information provided by the municipality or county and update  
25 its database and proceed to administer and enforce the  
26 confirmed changes on the first day of January next following

1 proper notification.

2 ~~No certified service provider or remote retailer using a~~  
3 ~~certified automated system shall be subject to a class action~~  
4 ~~brought on behalf of customers and arising from, or in any way~~  
5 ~~related to, an overpayment of retailers' occupation tax~~  
6 ~~collected by the certified service provider if, at the time of~~  
7 ~~the sale, they relied on information provided by the~~  
8 ~~Department, regardless of whether that claim is characterized~~  
9 ~~as a tax refund claim.~~

10 (e) Nothing in this Section affects a customer's right to  
11 seek a refund from the remote retailer as provided in this Act.  
12 (Source: P.A. 101-31, eff. 6-28-19.)

13 Section 15-97. Severability. The provisions of this  
14 Article are severable under Section 1.31 of the Statute on  
15 Statutes.

16 ARTICLE 20. VEHICLE CODE; JUNKING CERTIFICATE

17 Section 20-5. The Illinois Vehicle Code is amended by  
18 changing Section 3-821 as follows:

19 (625 ILCS 5/3-821) (from Ch. 95 1/2, par. 3-821)  
20 Sec. 3-821. Miscellaneous registration and title fees.

21 (a) Except as provided under subsection (h), the fee to be  
22 paid to the Secretary of State for the following certificates,

1 registrations or evidences of proper registration, or for  
2 corrected or duplicate documents shall be in accordance with  
3 the following schedule:

4 Certificate of Title, except for an all-terrain  
5 vehicle or off-highway motorcycle, prior to July 1,  
6 2019 \$95

7 Certificate of Title, except for an all-terrain  
8 vehicle, off-highway motorcycle, or motor home, mini  
9 motor home or van camper, on and after July 1, 2019 \$150

10 Certificate of Title for a motor home, mini motor  
11 home, or van camper, on and after July 1, 2019 \$250

12 Certificate of Title for an all-terrain vehicle  
13 or off-highway motorcycle \$30

14 Certificate of Title for an all-terrain vehicle  
15 or off-highway motorcycle used for production  
16 agriculture, or accepted by a dealer in trade \$13

17 Certificate of Title for a low-speed vehicle \$30

18 Transfer of Registration or any evidence of  
19 proper registration \$25

20 Duplicate Registration Card for plates or other  
21 evidence of proper registration \$3

22 Duplicate Registration Sticker or Stickers, each \$20

23 Duplicate Certificate of Title, prior to July 1,  
24 2019 \$95

25 Duplicate Certificate of Title, on and after July  
26 1, 2019 \$50

1	Corrected Registration Card or Card for other	
2	evidence of proper registration	\$3
3	Corrected Certificate of Title	\$95
4	Salvage Certificate, prior to July 1, 2019	\$4
5	Salvage Certificate, on and after July 1, 2019	\$20
6	Fleet Reciprocity Permit	\$15
7	Prorate Decal	\$1
8	Prorate Backing Plate	\$3
9	Special Corrected Certificate of Title	\$15
10	Expedited Title Service (to be charged in addition	
11	to other applicable fees)	\$30
12	Dealer Lien Release Certificate of Title	\$20
13	<del>Junking Certificate, on and after July 1, 2019</del>	<del>\$10</del>

14 A special corrected certificate of title shall be issued  
15 (i) to remove a co-owner's name due to the death of the  
16 co-owner, to transfer title to a spouse if the decedent-spouse  
17 was the sole owner on the title, or due to a divorce; (ii) to  
18 change a co-owner's name due to a marriage; or (iii) due to a  
19 name change under Article XXI of the Code of Civil Procedure.

20 There shall be no fee paid for a Junking Certificate ~~prior~~  
21 ~~to July 1, 2019.~~

22 There shall be no fee paid for a certificate of title  
23 issued to a county when the vehicle is forfeited to the county  
24 under Article 36 of the Criminal Code of 2012.

25 (a-5) The Secretary of State may revoke a certificate of  
26 title and registration card and issue a corrected certificate



1 of title and registration card, at no fee to the vehicle owner  
2 or lienholder, if there is proof that the vehicle  
3 identification number is erroneously shown on the original  
4 certificate of title.

5 (a-10) The Secretary of State may issue, in connection with  
6 the sale of a motor vehicle, a corrected title to a motor  
7 vehicle dealer upon application and submittal of a lien release  
8 letter from the lienholder listed in the files of the  
9 Secretary. In the case of a title issued by another state, the  
10 dealer must submit proof from the state that issued the last  
11 title. The corrected title, which shall be known as a dealer  
12 lien release certificate of title, shall be issued in the name  
13 of the vehicle owner without the named lienholder. If the motor  
14 vehicle is currently titled in a state other than Illinois, the  
15 applicant must submit either (i) a letter from the current  
16 lienholder releasing the lien and stating that the lienholder  
17 has possession of the title; or (ii) a letter from the current  
18 lienholder releasing the lien and a copy of the records of the  
19 department of motor vehicles for the state in which the vehicle  
20 is titled, showing that the vehicle is titled in the name of  
21 the applicant and that no liens are recorded other than the  
22 lien for which a release has been submitted. The fee for the  
23 dealer lien release certificate of title is \$20.

24 (b) The Secretary may prescribe the maximum service charge  
25 to be imposed upon an applicant for renewal of a registration  
26 by any person authorized by law to receive and remit or

1 transmit to the Secretary such renewal application and fees  
2 therewith.

3 (c) If payment is delivered to the Office of the Secretary  
4 of State as payment of any fee or tax under this Code, and such  
5 payment is not honored for any reason, the registrant or other  
6 person tendering the payment remains liable for the payment of  
7 such fee or tax. The Secretary of State may assess a service  
8 charge of \$25 in addition to the fee or tax due and owing for  
9 all dishonored payments.

10 If the total amount then due and owing exceeds the sum of  
11 \$100 and has not been paid in full within 60 days from the date  
12 the dishonored payment was first delivered to the Secretary of  
13 State, the Secretary of State shall assess a penalty of 25% of  
14 such amount remaining unpaid.

15 All amounts payable under this Section shall be computed to  
16 the nearest dollar. Out of each fee collected for dishonored  
17 payments, \$5 shall be deposited in the Secretary of State  
18 Special Services Fund.

19 (d) The minimum fee and tax to be paid by any applicant for  
20 apportionment of a fleet of vehicles under this Code shall be  
21 \$15 if the application was filed on or before the date  
22 specified by the Secretary together with fees and taxes due. If  
23 an application and the fees or taxes due are filed after the  
24 date specified by the Secretary, the Secretary may prescribe  
25 the payment of interest at the rate of 1/2 of 1% per month or  
26 fraction thereof after such due date and a minimum of \$8.

1 (e) Trucks, truck tractors, truck tractors with loads, and  
2 motor buses, any one of which having a combined total weight in  
3 excess of 12,000 lbs. shall file an application for a Fleet  
4 Reciprocity Permit issued by the Secretary of State. This  
5 permit shall be in the possession of any driver operating a  
6 vehicle on Illinois highways. Any foreign licensed vehicle of  
7 the second division operating at any time in Illinois without a  
8 Fleet Reciprocity Permit or other proper Illinois  
9 registration, shall subject the operator to the penalties  
10 provided in Section 3-834 of this Code. For the purposes of  
11 this Code, "Fleet Reciprocity Permit" means any second division  
12 motor vehicle with a foreign license and used only in  
13 interstate transportation of goods. The fee for such permit  
14 shall be \$15 per fleet which shall include all vehicles of the  
15 fleet being registered.

16 (f) For purposes of this Section, "all-terrain vehicle or  
17 off-highway motorcycle used for production agriculture" means  
18 any all-terrain vehicle or off-highway motorcycle used in the  
19 raising of or the propagation of livestock, crops for sale for  
20 human consumption, crops for livestock consumption, and  
21 production seed stock grown for the propagation of feed grains  
22 and the husbandry of animals or for the purpose of providing a  
23 food product, including the husbandry of blood stock as a main  
24 source of providing a food product. "All-terrain vehicle or  
25 off-highway motorcycle used in production agriculture" also  
26 means any all-terrain vehicle or off-highway motorcycle used in

1 animal husbandry, floriculture, aquaculture, horticulture, and  
2 viticulture.

3 (g) All of the proceeds of the additional fees imposed by  
4 Public Act 96-34 shall be deposited into the Capital Projects  
5 Fund.

6 (h) The fee for a duplicate registration sticker or  
7 stickers shall be the amount required under subsection (a) or  
8 the vehicle's annual registration fee amount, whichever is  
9 less.

10 (i) All of the proceeds of the additional fees imposed by  
11 this amendatory Act of the 101st General Assembly shall be  
12 deposited into the Road Fund.

13 (Source: P.A. 100-956, eff. 1-1-19; 101-32, eff. 6-28-19.)

14 ARTICLE 95. NON-ACCELERATION

15 Section 95-995. No acceleration or delay. Where this Act  
16 makes changes in a statute that is represented in this Act by  
17 text that is not yet or no longer in effect (for example, a  
18 Section represented by multiple versions), the use of that text  
19 does not accelerate or delay the taking effect of (i) the  
20 changes made by this Act or (ii) provisions derived from any  
21 other Public Act.

22 ARTICLE 99. EFFECTIVE DATE

23 Section 99-999. Effective date. This Act takes effect upon

1 becoming law, except that the provisions of Article 15 take  
2 effect January 1, 2020.