



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB4965

Introduced 2/7/2024, by Rep. Jennifer Sanalidro

SYNOPSIS AS INTRODUCED:

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

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that the tax on school supplies under those Acts is imposed at the rate of 1.25%. Makes changes concerning the distribution of the proceeds from the taxes on those items. Effective immediately.

LRB103 37512 HLH 67635 b

1 AN ACT concerning revenue.

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

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

6 (35 ILCS 105/3-10)

7 Sec. 3-10. Rate of tax. Unless otherwise provided in this
8 Section, the tax imposed by this Act is at the rate of 6.25% of
9 either the selling price or the fair market value, if any, of
10 the tangible personal property. In all cases where property
11 functionally used or consumed is the same as the property that
12 was purchased at retail, then the tax is imposed on the selling
13 price of the property. In all cases where property
14 functionally used or consumed is a by-product or waste product
15 that has been refined, manufactured, or produced from property
16 purchased at retail, then the tax is imposed on the lower of
17 the fair market value, if any, of the specific property so used
18 in this State or on the selling price of the property purchased
19 at retail. For purposes of this Section "fair market value"
20 means the price at which property would change hands between a
21 willing buyer and a willing seller, neither being under any
22 compulsion to buy or sell and both having reasonable knowledge
23 of the relevant facts. The fair market value shall be

1 established by Illinois sales by the taxpayer of the same
2 property as that functionally used or consumed, or if there
3 are no such sales by the taxpayer, then comparable sales or
4 purchases of property of like kind and character in Illinois.

5 Beginning on January 1, 2025, with respect to school
6 supplies, the tax is imposed at the rate of 1.25% of the
7 selling price of the school supplies. This reduction is exempt
8 from the provisions of Section 3-90.

9 As used in this Section:

10 "School supplies" means items that may be used by a
11 student in a course of study, including, but not limited to:
12 binders; book bags; calculators; cellophane tape; blackboard
13 chalk; compasses; composition books; crayons; erasers;
14 expandable, pocket, plastic, and manila folders; glue, paste,
15 and paste sticks; highlighters; index cards; index card boxes;
16 legal pads; lunch boxes; markers; notebooks; paper, including
17 loose leaf ruled notebook paper, copy paper, graph paper,
18 tracing paper, manila paper, colored paper, poster board, and
19 construction paper; pencils; pencil leads; pens; ink and ink
20 refills for pens; pencil boxes and other school supply boxes;
21 pencil sharpeners; protractors; rulers; scissors; and writing
22 tablets.

23 "School supplies" does not include school art supplies,
24 except to the extent that those supplies are specifically
25 included in this definition; school instructional materials;
26 cameras; film and memory cards; video cameras, tapes, and

1 videotapes; computers; cell phones; Personal Digital
2 Assistants (PDAs); handheld electronic schedulers; and school
3 computer supplies.

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

8 Beginning on August 6, 2010 through August 15, 2010, and
9 beginning again on August 5, 2022 through August 14, 2022,
10 with respect to sales tax holiday items as defined in Section
11 3-6 of this Act, the tax is imposed at the rate of 1.25%.

12 With respect to gasohol, the tax imposed by this Act
13 applies to (i) 70% of the proceeds of sales made on or after
14 January 1, 1990, and before July 1, 2003, (ii) 80% of the
15 proceeds of sales made on or after July 1, 2003 and on or
16 before July 1, 2017, (iii) 100% of the proceeds of sales made
17 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
18 the proceeds of sales made on or after January 1, 2024 and on
19 or before December 31, 2028, and (v) 100% of the proceeds of
20 sales made after December 31, 2028. If, at any time, however,
21 the tax under this Act on sales of gasohol is imposed at the
22 rate of 1.25%, then the tax imposed by this Act applies to 100%
23 of the proceeds of sales of gasohol made during that time.

24 With respect to mid-range ethanol blends, the tax imposed
25 by this Act applies to (i) 80% of the proceeds of sales made on
26 or after January 1, 2024 and on or before December 31, 2028 and

1 (ii) 100% of the proceeds of sales made thereafter. If, at any
2 time, however, the tax under this Act on sales of mid-range
3 ethanol blends is imposed at the rate of 1.25%, then the tax
4 imposed by this Act applies to 100% of the proceeds of sales of
5 mid-range ethanol blends made during that time.

6 With respect to majority blended ethanol fuel, the tax
7 imposed by this Act does not apply to the proceeds of sales
8 made on or after July 1, 2003 and on or before December 31,
9 2028 but applies to 100% of the proceeds of sales made
10 thereafter.

11 With respect to biodiesel blends with no less than 1% and
12 no more than 10% biodiesel, the tax imposed by this Act applies
13 to (i) 80% of the proceeds of sales made on or after July 1,
14 2003 and on or before December 31, 2018 and (ii) 100% of the
15 proceeds of sales made after December 31, 2018 and before
16 January 1, 2024. On and after January 1, 2024 and on or before
17 December 31, 2030, the taxation of biodiesel, renewable
18 diesel, and biodiesel blends shall be as provided in Section
19 3-5.1. If, at any time, however, the tax under this Act on
20 sales of biodiesel blends with no less than 1% and no more than
21 10% biodiesel is imposed at the rate of 1.25%, then the tax
22 imposed by this Act applies to 100% of the proceeds of sales of
23 biodiesel blends with no less than 1% and no more than 10%
24 biodiesel made during that time.

25 With respect to biodiesel and biodiesel blends with more
26 than 10% but no more than 99% biodiesel, the tax imposed by

1 this Act does not apply to the proceeds of sales made on or
2 after July 1, 2003 and on or before December 31, 2023. On and
3 after January 1, 2024 and on or before December 31, 2030, the
4 taxation of biodiesel, renewable diesel, and biodiesel blends
5 shall be as provided in Section 3-5.1.

6 Until July 1, 2022 and beginning again on July 1, 2023,
7 with respect to food for human consumption that is to be
8 consumed off the premises where it is sold (other than
9 alcoholic beverages, food consisting of or infused with adult
10 use cannabis, soft drinks, and food that has been prepared for
11 immediate consumption), the tax is imposed at the rate of 1%.
12 Beginning on July 1, 2022 and until July 1, 2023, with respect
13 to food for human consumption that is to be consumed off the
14 premises where it is sold (other than alcoholic beverages,
15 food consisting of or infused with adult use cannabis, soft
16 drinks, and food that has been prepared for immediate
17 consumption), the tax is imposed at the rate of 0%.

18 With respect to prescription and nonprescription
19 medicines, drugs, medical appliances, products classified as
20 Class III medical devices by the United States Food and Drug
21 Administration that are used for cancer treatment pursuant to
22 a prescription, as well as any accessories and components
23 related to those devices, modifications to a motor vehicle for
24 the purpose of rendering it usable by a person with a
25 disability, and insulin, blood sugar testing materials,
26 syringes, and needles used by human diabetics, the tax is

1 imposed at the rate of 1%. For the purposes of this Section,
2 until September 1, 2009: the term "soft drinks" means any
3 complete, finished, ready-to-use, non-alcoholic drink, whether
4 carbonated or not, including, but not limited to, soda water,
5 cola, fruit juice, vegetable juice, carbonated water, and all
6 other preparations commonly known as soft drinks of whatever
7 kind or description that are contained in any closed or sealed
8 bottle, can, carton, or container, regardless of size; but
9 "soft drinks" does not include coffee, tea, non-carbonated
10 water, infant formula, milk or milk products as defined in the
11 Grade A Pasteurized Milk and Milk Products Act, or drinks
12 containing 50% or more natural fruit or vegetable juice.

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

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

1 off the premises where it is sold" includes all food sold
2 through a vending machine, except soft drinks, candy, and food
3 products that are dispensed hot from a vending machine,
4 regardless of the location of the vending machine.

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

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

1 (A) a "Drug Facts" panel; or

2 (B) a statement of the "active ingredient(s)" with a
3 list of those ingredients contained in the compound,
4 substance or preparation.

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

10 As used in this Section, "adult use cannabis" means
11 cannabis subject to tax under the Cannabis Cultivation
12 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
13 and does not include cannabis subject to tax under the
14 Compassionate Use of Medical Cannabis Program Act.

15 If the property that is purchased at retail from a
16 retailer is acquired outside Illinois and used outside
17 Illinois before being brought to Illinois for use here and is
18 taxable under this Act, the "selling price" on which the tax is
19 computed shall be reduced by an amount that represents a
20 reasonable allowance for depreciation for the period of prior
21 out-of-state use.

22 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
23 Section 20-5, eff. 4-19-22; 102-700, Article 60, Section
24 60-15, eff. 4-19-22; 102-700, Article 65, Section 65-5, eff.
25 4-19-22; 103-9, eff. 6-7-23; 103-154 eff. 6-30-23.)

1 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

2 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
3 and trailers that are required to be registered with an agency
4 of this State, each retailer required or authorized to collect
5 the tax imposed by this Act shall pay to the Department the
6 amount of such tax (except as otherwise provided) at the time
7 when he is required to file his return for the period during
8 which such tax was collected, less a discount of 2.1% prior to
9 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
10 per calendar year, whichever is greater, which is allowed to
11 reimburse the retailer for expenses incurred in collecting the
12 tax, keeping records, preparing and filing returns, remitting
13 the tax and supplying data to the Department on request. When
14 determining the discount allowed under this Section, retailers
15 shall include the amount of tax that would have been due at the
16 6.25% rate but for the 1.25% rate imposed on sales tax holiday
17 items under Public Act 102-700. The discount under this
18 Section is not allowed for the 1.25% portion of taxes paid on
19 aviation fuel that is subject to the revenue use requirements
20 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. When determining
21 the discount allowed under this Section, retailers shall
22 include the amount of tax that would have been due at the 1%
23 rate but for the 0% rate imposed under Public Act 102-700. In
24 the case of retailers who report and pay the tax on a
25 transaction by transaction basis, as provided in this Section,
26 such discount shall be taken with each such tax remittance

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

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

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

1 require. The return shall include the gross receipts on food
2 for human consumption that is to be consumed off the premises
3 where it is sold (other than alcoholic beverages, food
4 consisting of or infused with adult use cannabis, soft drinks,
5 and food that has been prepared for immediate consumption)
6 which were received during the preceding calendar month,
7 quarter, or year, as appropriate, and upon which tax would
8 have been due but for the 0% rate imposed under Public Act
9 102-700. The return shall also include the amount of tax that
10 would have been due on food for human consumption that is to be
11 consumed off the premises where it is sold (other than
12 alcoholic beverages, food consisting of or infused with adult
13 use cannabis, soft drinks, and food that has been prepared for
14 immediate consumption) but for the 0% rate imposed under
15 Public Act 102-700.

16 On and after January 1, 2018, except for returns required
17 to be filed prior to January 1, 2023 for motor vehicles,
18 watercraft, aircraft, and trailers that are required to be
19 registered with an agency of this State, with respect to
20 retailers whose annual gross receipts average \$20,000 or more,
21 all returns required to be filed pursuant to this Act shall be
22 filed electronically. On and after January 1, 2023, with
23 respect to retailers whose annual gross receipts average
24 \$20,000 or more, all returns required to be filed pursuant to
25 this Act, including, but not limited to, returns for motor
26 vehicles, watercraft, aircraft, and trailers that are required

1 to be registered with an agency of this State, shall be filed
2 electronically. Retailers who demonstrate that they do not
3 have access to the Internet or demonstrate hardship in filing
4 electronically may petition the Department to waive the
5 electronic filing requirement.

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

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

1 may require.

2 Each retailer required or authorized to collect the tax
3 imposed by this Act on aviation fuel sold at retail in this
4 State during the preceding calendar month shall, instead of
5 reporting and paying tax on aviation fuel as otherwise
6 required by this Section, report and pay such tax on a separate
7 aviation fuel tax return. The requirements related to the
8 return shall be as otherwise provided in this Section.
9 Notwithstanding any other provisions of this Act to the
10 contrary, retailers collecting tax on aviation fuel shall file
11 all aviation fuel tax returns and shall make all aviation fuel
12 tax payments by electronic means in the manner and form
13 required by the Department. For purposes of this Section,
14 "aviation fuel" means jet fuel and aviation gasoline.

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

19 Notwithstanding any other provision of this Act to the
20 contrary, retailers subject to tax on cannabis shall file all
21 cannabis tax returns and shall make all cannabis tax payments
22 by electronic means in the manner and form required by the
23 Department.

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

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

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

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

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

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

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

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

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

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

1 the making of quarter monthly payments to the Department shall
2 continue until such taxpayer's average monthly liability to
3 the Department during the preceding 4 complete calendar
4 quarters (excluding the month of highest liability and the
5 month of lowest liability) is less than \$19,000 or until such
6 taxpayer's average monthly liability to the Department as
7 computed for each calendar quarter of the 4 preceding complete
8 calendar quarter period is less than \$20,000. However, if a
9 taxpayer can show the Department that a substantial change in
10 the taxpayer's business has occurred which causes the taxpayer
11 to anticipate that his average monthly tax liability for the
12 reasonably foreseeable future will fall below the \$20,000
13 threshold stated above, then such taxpayer may petition the
14 Department for a change in such taxpayer's reporting status.
15 The Department shall change such taxpayer's reporting status
16 unless it finds that such change is seasonal in nature and not
17 likely to be long term. Quarter monthly payment status shall
18 be determined under this paragraph as if the rate reduction to
19 1.25% in Public Act 102-700 on sales tax holiday items had not
20 occurred. For quarter monthly payments due on or after July 1,
21 2023 and through June 30, 2024, "25% of the taxpayer's
22 liability for the same calendar month of the preceding year"
23 shall be determined as if the rate reduction to 1.25% in Public
24 Act 102-700 on sales tax holiday items had not occurred.
25 Quarter monthly payment status shall be determined under this
26 paragraph as if the rate reduction to 0% in Public Act 102-700

1 on food for human consumption that is to be consumed off the
2 premises where it is sold (other than alcoholic beverages,
3 food consisting of or infused with adult use cannabis, soft
4 drinks, and food that has been prepared for immediate
5 consumption) had not occurred. For quarter monthly payments
6 due under this paragraph on or after July 1, 2023 and through
7 June 30, 2024, "25% of the taxpayer's liability for the same
8 calendar month of the preceding year" shall be determined as
9 if the rate reduction to 0% in Public Act 102-700 had not
10 occurred. If any such quarter monthly payment is not paid at
11 the time or in the amount required by this Section, then the
12 taxpayer shall be liable for penalties and interest on the
13 difference between the minimum amount due and the amount of
14 such quarter monthly payment actually and timely paid, except
15 insofar as the taxpayer has previously made payments for that
16 month to the Department in excess of the minimum payments
17 previously due as provided in this Section. The Department
18 shall make reasonable rules and regulations to govern the
19 quarter monthly payment amount and quarter monthly payment
20 dates for taxpayers who file on other than a calendar monthly
21 basis.

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

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

23 If the retailer is otherwise required to file a monthly
24 return and if the retailer's average monthly tax liability to
25 the Department does not exceed \$200, the Department may
26 authorize his returns to be filed on a quarter annual basis,

1 with the return for January, February, and March of a given
2 year being due by April 20 of such year; with the return for
3 April, May and June of a given year being due by July 20 of
4 such year; with the return for July, August and September of a
5 given year being due by October 20 of such year, and with the
6 return for October, November and December of a given year
7 being due by January 20 of the following year.

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

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

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

24 In addition, with respect to motor vehicles, watercraft,
25 aircraft, and trailers that are required to be registered with
26 an agency of this State, except as otherwise provided in this

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

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

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

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

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

6 The transaction reporting return in the case of watercraft
7 and aircraft must show the name and address of the seller; the
8 name and address of the purchaser; the amount of the selling
9 price including the amount allowed by the retailer for
10 traded-in property, if any; the amount allowed by the retailer
11 for the traded-in tangible personal property, if any, to the
12 extent to which Section 2 of this Act allows an exemption for
13 the value of traded-in property; the balance payable after
14 deducting such trade-in allowance from the total selling
15 price; the amount of tax due from the retailer with respect to
16 such transaction; the amount of tax collected from the
17 purchaser by the retailer on such transaction (or satisfactory
18 evidence that such tax is not due in that particular instance,
19 if that is claimed to be the fact); the place and date of the
20 sale, a sufficient identification of the property sold, and
21 such other information as the Department may reasonably
22 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
6 of 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
2 filing his return for the period in which he refunds such tax
3 to the purchaser, the retailer may deduct the amount of the tax
4 so refunded by him to the purchaser from any other use tax
5 which 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
2 Act, such retailer may not file each return that is due as a
3 single return covering all such registered businesses, but
4 shall file 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
14 property which is purchased outside Illinois at retail from a
15 retailer and which is titled or registered by an agency of this
16 State's 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
23 retail from a retailer and which is titled or registered by an
24 agency of this State's government and (ii) aviation fuel sold
25 on or after December 1, 2019. This exception for aviation fuel
26 only 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
7 required for refunds of the 20% portion of the tax on aviation
8 fuel 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. If, in any
18 month, the tax on sales tax holiday items, as defined in
19 Section 3-6, is imposed at the rate of 1.25%, then the
20 Department shall pay 100% of the net revenue realized for that
21 month from the 1.25% rate on the selling price of sales tax
22 holiday items into the State and Local Sales Tax Reform Fund.

23 Beginning January 1, 2025, the Department shall pay 100%
24 of the net revenue realized from the 1.25% rate on the selling
25 price of school supplies into the State and Local Sales Tax
26 Reform Fund.

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

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

15 Beginning July 1, 2011, each month the Department shall
16 pay into the Clean Air Act Permit Fund 80% of the net revenue
17 realized for the preceding month from the 6.25% general rate
18 on the selling price of sorbents used in Illinois in the
19 process of sorbent injection as used to comply with the
20 Environmental Protection Act or the federal Clean Air Act, but
21 the total payment into the Clean Air Act Permit Fund under this
22 Act and the Retailers' Occupation Tax Act shall not exceed
23 \$2,000,000 in any fiscal year.

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

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

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

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

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

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

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

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

18	Fiscal Year	Total Deposit
19	1993	\$0
20	1994	53,000,000
21	1995	58,000,000
22	1996	61,000,000
23	1997	64,000,000
24	1998	68,000,000
25	1999	71,000,000
26	2000	75,000,000

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	300,000,000
22	2022	300,000,000
23	2023	300,000,000
24	2024	300,000,000
25	2025	300,000,000
26	2026	300,000,000

1	2027	375,000,000
2	2028	375,000,000
3	2029	375,000,000
4	2030	375,000,000
5	2031	375,000,000
6	2032	375,000,000
7	2033	375,000,000
8	2034	375,000,000
9	2035	375,000,000
10	2036	450,000,000

11 and

12 each fiscal year

13 thereafter that bonds

14 are outstanding under

15 Section 13.2 of the

16 Metropolitan Pier and

17 Exposition Authority Act,

18 but not after fiscal year 2060.

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

1 required under this Section for previous months and years,
2 shall be deposited into the McCormick Place Expansion Project
3 Fund, until the full amount requested for the fiscal year, but
4 not in excess of the amount specified above as "Total
5 Deposit", has been deposited.

6 Subject to payment of amounts into the Capital Projects
7 Fund, the Clean Air Act Permit Fund, 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, for aviation fuel sold on or after December 1, 2019,
11 the Department shall each month deposit into the Aviation Fuel
12 Sales Tax Refund Fund an amount estimated by the Department to
13 be required for refunds of the 80% portion of the tax on
14 aviation fuel under this Act. The Department shall only
15 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
16 under this paragraph for so long as the revenue use
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
18 binding on the State.

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

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

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

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

22	Fiscal Year.....	Total Deposit
23	2024	\$200,000,000
24	2025	\$206,000,000
25	2026	\$212,200,000
26	2027	\$218,500,000

1	2028	.....	\$225,100,000
2	2029	.....	\$288,700,000
3	2030	.....	\$298,900,000
4	2031	.....	\$309,300,000
5	2032	.....	\$320,100,000
6	2033	.....	\$331,200,000
7	2034	.....	\$341,200,000
8	2035	.....	\$351,400,000
9	2036	.....	\$361,900,000
10	2037	.....	\$372,800,000
11	2038	.....	\$384,000,000
12	2039	.....	\$395,500,000
13	2040	.....	\$407,400,000
14	2041	.....	\$419,600,000
15	2042	.....	\$432,200,000
16	2043	.....	\$445,100,000

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

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

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

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

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

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

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

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

6 (Source: P.A. 102-700, Article 60, Section 60-15, eff.
7 4-19-22; 102-700, Article 65, Section 65-5, eff. 4-19-22;
8 102-1019, eff. 1-1-23; 103-154, eff. 6-30-23; 103-363, eff.
9 7-28-23.)

10 Section 10. The Service Use Tax Act is amended by changing
11 Sections 3-10 and 9 as follows:

12 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

13 Sec. 3-10. Rate of tax. Unless otherwise provided in this
14 Section, the tax imposed by this Act is at the rate of 6.25% of
15 the selling price of tangible personal property transferred as
16 an incident to the sale of service, but, for the purpose of
17 computing this tax, in no event shall the selling price be less
18 than the cost price of the property to the serviceman.

19 Beginning on January 1, 2025, with respect to school
20 supplies, the tax is imposed at the rate of 1.25% of the
21 selling price of the school supplies. This reduction is exempt
22 from the provisions of Section 3-75.

23 As used in this Section:

24 "School supplies" means items that may be used by a

1 student in a course of study, including, but not limited to:
2 binders; book bags; calculators; cellophane tape; blackboard
3 chalk; compasses; composition books; crayons; erasers;
4 expandable, pocket, plastic, and manila folders; glue, paste,
5 and paste sticks; highlighters; index cards; index card boxes;
6 legal pads; lunch boxes; markers; notebooks; paper, including
7 loose leaf ruled notebook paper, copy paper, graph paper,
8 tracing paper, manila paper, colored paper, poster board, and
9 construction paper; pencils; pencil leads; pens; ink and ink
10 refills for pens; pencil boxes and other school supply boxes;
11 pencil sharpeners; protractors; rulers; scissors; and writing
12 tablets.

13 "School supplies" does not include school art supplies,
14 except to the extent that those supplies are specifically
15 included in this definition; school instructional materials;
16 cameras; film and memory cards; video cameras, tapes, and
17 videotapes; computers; cell phones; Personal Digital
18 Assistants (PDAs); handheld electronic schedulers; and school
19 computer supplies.

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

24 With respect to gasohol, as defined in the Use Tax Act, the
25 tax imposed by this Act applies to (i) 70% of the selling price
26 of property transferred as an incident to the sale of service

1 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
2 of the selling price of property transferred as an incident to
3 the sale of service on or after July 1, 2003 and on or before
4 July 1, 2017, (iii) 100% of the selling price of property
5 transferred as an incident to the sale of service after July 1,
6 2017 and before January 1, 2024, (iv) 90% of the selling price
7 of property transferred as an incident to the sale of service
8 on or after January 1, 2024 and on or before December 31, 2028,
9 and (v) 100% of the selling price of property transferred as an
10 incident to the sale of service after December 31, 2028. If, at
11 any time, however, the tax under this Act on sales of gasohol,
12 as defined in the Use Tax Act, is imposed at the rate of 1.25%,
13 then the tax imposed by this Act applies to 100% of the
14 proceeds of sales of gasohol made during that time.

15 With respect to mid-range ethanol blends, as defined in
16 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
17 applies to (i) 80% of the selling price of property
18 transferred as an incident to the sale of service on or after
19 January 1, 2024 and on or before December 31, 2028 and (ii)
20 100% of the selling price of property transferred as an
21 incident to the sale of service after December 31, 2028. If, at
22 any time, however, the tax under this Act on sales of mid-range
23 ethanol blends is imposed at the rate of 1.25%, then the tax
24 imposed by this Act applies to 100% of the selling price of
25 mid-range ethanol blends transferred as an incident to the
26 sale of service during that time.

1 With respect to majority blended ethanol fuel, as defined
2 in the Use Tax Act, the tax imposed by this Act does not apply
3 to the selling price of property transferred as an incident to
4 the sale of service on or after July 1, 2003 and on or before
5 December 31, 2028 but applies to 100% of the selling price
6 thereafter.

7 With respect to biodiesel blends, as defined in the Use
8 Tax Act, with no less than 1% and no more than 10% biodiesel,
9 the tax imposed by this Act applies to (i) 80% of the selling
10 price of property transferred as an incident to the sale of
11 service on or after July 1, 2003 and on or before December 31,
12 2018 and (ii) 100% of the proceeds of the selling price after
13 December 31, 2018 and before January 1, 2024. On and after
14 January 1, 2024 and on or before December 31, 2030, the
15 taxation of biodiesel, renewable diesel, and biodiesel blends
16 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
17 at any time, however, the tax under this Act on sales of
18 biodiesel blends, as defined in the Use Tax Act, with no less
19 than 1% and no more than 10% biodiesel is imposed at the rate
20 of 1.25%, then the tax imposed by this Act applies to 100% of
21 the proceeds of sales of biodiesel blends with no less than 1%
22 and no more than 10% biodiesel made during that time.

23 With respect to biodiesel, as defined in the Use Tax Act,
24 and biodiesel blends, as defined in the Use Tax Act, with more
25 than 10% but no more than 99% biodiesel, the tax imposed by
26 this Act does not apply to the proceeds of the selling price of

1 property transferred as an incident to the sale of service on
2 or after July 1, 2003 and on or before December 31, 2023. On
3 and after January 1, 2024 and on or before December 31, 2030,
4 the taxation of biodiesel, renewable diesel, and biodiesel
5 blends shall be as provided in Section 3-5.1 of the Use Tax
6 Act.

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

17 Until July 1, 2022 and beginning again on July 1, 2023, the
18 tax shall be imposed at the rate of 1% on food prepared for
19 immediate consumption and transferred incident to a sale of
20 service subject to this Act or the Service Occupation Tax Act
21 by an entity licensed under the Hospital Licensing Act, the
22 Nursing Home Care Act, the Assisted Living and Shared Housing
23 Act, the ID/DD Community Care Act, the MC/DD Act, the
24 Specialized Mental Health Rehabilitation Act of 2013, or the
25 Child Care Act of 1969, or an entity that holds a permit issued
26 pursuant to the Life Care Facilities Act. Until July 1, 2022

1 and beginning again on July 1, 2023, the tax shall also be
2 imposed at the rate of 1% on food for human consumption that is
3 to be consumed off the premises where it is sold (other than
4 alcoholic beverages, food consisting of or infused with adult
5 use cannabis, soft drinks, and food that has been prepared for
6 immediate consumption and is not otherwise included in this
7 paragraph).

8 Beginning on July 1, 2022 and until July 1, 2023, the tax
9 shall be imposed at the rate of 0% on food prepared for
10 immediate consumption and transferred incident to a sale of
11 service subject to this Act or the Service Occupation Tax Act
12 by an entity licensed under the Hospital Licensing Act, the
13 Nursing Home Care Act, the Assisted Living and Shared Housing
14 Act, the ID/DD Community Care Act, the MC/DD Act, the
15 Specialized Mental Health Rehabilitation Act of 2013, or the
16 Child Care Act of 1969, or an entity that holds a permit issued
17 pursuant to the Life Care Facilities Act. Beginning on July 1,
18 2022 and until July 1, 2023, the tax shall also be imposed at
19 the rate of 0% on food for human consumption that is to be
20 consumed off the premises where it is sold (other than
21 alcoholic beverages, food consisting of or infused with adult
22 use cannabis, soft drinks, and food that has been prepared for
23 immediate consumption and is not otherwise included in this
24 paragraph).

25 The tax shall also be imposed at the rate of 1% on
26 prescription and nonprescription medicines, drugs, medical

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

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

26 Until August 1, 2009, and notwithstanding any other

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

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

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

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

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

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

12 Beginning on January 1, 2014 (the effective date of Public
13 Act 98-122), "prescription and nonprescription medicines and
14 drugs" includes medical cannabis purchased from a registered
15 dispensing organization under the Compassionate Use of Medical
16 Cannabis Program Act.

17 As used in this Section, "adult use cannabis" means
18 cannabis subject to tax under the Cannabis Cultivation
19 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
20 and does not include cannabis subject to tax under the
21 Compassionate Use of Medical Cannabis Program Act.

22 If the property that is acquired from a serviceman is
23 acquired outside Illinois and used outside Illinois before
24 being brought to Illinois for use here and is taxable under
25 this Act, the "selling price" on which the tax is computed
26 shall be reduced by an amount that represents a reasonable

1 allowance for depreciation for the period of prior
2 out-of-state use.

3 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;
4 102-700, Article 20, Section 20-10, eff. 4-19-22; 102-700,
5 Article 60, Section 60-20, eff. 4-19-22; 103-9, eff. 6-7-23;
6 103-154, eff. 6-30-23.)

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

8 Sec. 9. Each serviceman required or authorized to collect
9 the tax herein imposed shall pay to the Department the amount
10 of such tax (except as otherwise provided) at the time when he
11 is required to file his return for the period during which such
12 tax was collected, less a discount of 2.1% prior to January 1,
13 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
14 year, whichever is greater, which is allowed to reimburse the
15 serviceman for expenses incurred in collecting the tax,
16 keeping records, preparing and filing returns, remitting the
17 tax and supplying data to the Department on request. When
18 determining the discount allowed under this Section,
19 servicemen shall include the amount of tax that would have
20 been due at the 1% rate but for the 0% rate imposed under this
21 amendatory Act of the 102nd General Assembly. The discount
22 under this Section is not allowed for the 1.25% portion of
23 taxes paid on aviation fuel that is subject to the revenue use
24 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. The
25 discount allowed under this Section is allowed only for

1 returns that are filed in the manner required by this Act. The
2 Department may disallow the discount for servicemen whose
3 certificate of registration is revoked at the time the return
4 is filed, but only if the Department's decision to revoke the
5 certificate of registration has become final. A serviceman
6 need not remit that part of any tax collected by him to the
7 extent that he is required to pay and does pay the tax imposed
8 by the Service Occupation Tax Act with respect to his sale of
9 service involving the incidental transfer by him of the same
10 property.

11 Except as provided hereinafter in this Section, on or
12 before the twentieth day of each calendar month, such
13 serviceman shall file a return for the preceding calendar
14 month in accordance with reasonable Rules and Regulations to
15 be promulgated by the Department. Such return shall be filed
16 on a form prescribed by the Department and shall contain such
17 information as the Department may reasonably require. The
18 return shall include the gross receipts which were received
19 during the preceding calendar month or quarter on the
20 following items upon which tax would have been due but for the
21 0% rate imposed under this amendatory Act of the 102nd General
22 Assembly: (i) food for human consumption that is to be
23 consumed off the premises where it is sold (other than
24 alcoholic beverages, food consisting of or infused with adult
25 use cannabis, soft drinks, and food that has been prepared for
26 immediate consumption); and (ii) food prepared for immediate

1 consumption and transferred incident to a sale of service
2 subject to this Act or the Service Occupation Tax Act by an
3 entity licensed under the Hospital Licensing Act, the Nursing
4 Home Care Act, the Assisted Living and Shared Housing Act, the
5 ID/DD Community Care Act, the MC/DD Act, the Specialized
6 Mental Health Rehabilitation Act of 2013, or the Child Care
7 Act of 1969, or an entity that holds a permit issued pursuant
8 to the Life Care Facilities Act. The return shall also include
9 the amount of tax that would have been due on the items listed
10 in the previous sentence but for the 0% rate imposed under this
11 amendatory Act of the 102nd General Assembly.

12 On and after January 1, 2018, with respect to servicemen
13 whose annual gross receipts average \$20,000 or more, all
14 returns required to be filed pursuant to this Act shall be
15 filed electronically. Servicemen who demonstrate that they do
16 not have access to the Internet or demonstrate hardship in
17 filing electronically may petition the Department to waive the
18 electronic filing requirement.

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

- 26 1. The name of the seller;

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

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

8 4. The amount of credit provided in Section 2d of this
9 Act;

10 5. The amount of tax due;

11 5-5. The signature of the taxpayer; and

12 6. Such other reasonable information as the Department
13 may require.

14 Each serviceman required or authorized to collect the tax
15 imposed by this Act on aviation fuel transferred as an
16 incident of a sale of service in this State during the
17 preceding calendar month shall, instead of reporting and
18 paying tax on aviation fuel as otherwise required by this
19 Section, report and pay such tax on a separate aviation fuel
20 tax return. The requirements related to the return shall be as
21 otherwise provided in this Section. Notwithstanding any other
22 provisions of this Act to the contrary, servicemen collecting
23 tax on aviation fuel shall file all aviation fuel tax returns
24 and shall make all aviation fuel tax payments by electronic
25 means in the manner and form required by the Department. For
26 purposes of this Section, "aviation fuel" means jet fuel and

1 aviation gasoline.

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

6 Notwithstanding any other provision of this Act to the
7 contrary, servicemen subject to tax on cannabis shall file all
8 cannabis tax returns and shall make all cannabis tax payments
9 by electronic means in the manner and form required by the
10 Department.

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

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

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

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

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

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

25 If the serviceman is otherwise required to file a monthly
26 return and if the serviceman's average monthly tax liability

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

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

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

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

26 Where a serviceman collects the tax with respect to the

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

17 Any serviceman filing a return hereunder shall also
18 include the total tax upon the selling price of tangible
19 personal property purchased for use by him as an incident to a
20 sale of service, and such serviceman shall remit the amount of
21 such tax to the Department when filing such return.

22 If experience indicates such action to be practicable, the
23 Department may prescribe and furnish a combination or joint
24 return which will enable servicemen, who are required to file
25 returns hereunder and also under the Service Occupation Tax
26 Act, to furnish all the return information required by both

1 Acts on the one form.

2 Where the serviceman has more than one business registered
3 with the Department under separate registration hereunder,
4 such serviceman shall not file each return that is due as a
5 single return covering all such registered businesses, but
6 shall file separate returns for each such registered business.

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

11 Beginning January 1, 1990, each month the Department shall
12 pay into the State and Local Sales Tax Reform Fund 20% of the
13 net revenue realized for the preceding month from the 6.25%
14 general rate on transfers of tangible personal property, other
15 than (i) tangible personal property which is purchased outside
16 Illinois at retail from a retailer and which is titled or
17 registered by an agency of this State's government and (ii)
18 aviation fuel sold on or after December 1, 2019. This
19 exception for aviation fuel only applies 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 For aviation fuel sold on or after December 1, 2019, each
23 month the Department shall pay into the State Aviation Program
24 Fund 20% of the net revenue realized for the preceding month
25 from the 6.25% general rate on the selling price of aviation
26 fuel, less an amount estimated by the Department to be

1 required for refunds of the 20% portion of the tax on aviation
2 fuel under this Act, which amount shall be deposited into the
3 Aviation Fuel Sales Tax Refund Fund. The Department shall only
4 pay moneys into the State Aviation Program Fund and the
5 Aviation Fuel Sales Tax Refund Fund under this Act for so long
6 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
7 U.S.C. 47133 are binding on the State.

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

12 Beginning January 1, 2025, the Department shall pay 100%
13 of the net revenue realized from the 1.25% rate on the selling
14 price of school supplies into the State and Local Sales Tax
15 Reform Fund.

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

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

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

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

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

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

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

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

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

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

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	300,000,000
22	2022	300,000,000
23	2023	300,000,000
24	2024	300,000,000
25	2025	300,000,000
26	2026	300,000,000

1	2027	375,000,000
2	2028	375,000,000
3	2029	375,000,000
4	2030	375,000,000
5	2031	375,000,000
6	2032	375,000,000
7	2033	375,000,000
8	2034	375,000,000
9	2035	375,000,000
10	2036	450,000,000

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

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

1 required under this Section for previous months and years,
2 shall be deposited into the McCormick Place Expansion Project
3 Fund, until the full amount requested for the fiscal year, but
4 not in excess of the amount specified above as "Total
5 Deposit", has been deposited.

6 Subject to payment of amounts into the Capital Projects
7 Fund, the Clean Air Act Permit Fund, 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, for aviation fuel sold on or after December 1, 2019,
11 the Department shall each month deposit into the Aviation Fuel
12 Sales Tax Refund Fund an amount estimated by the Department to
13 be required for refunds of the 80% portion of the tax on
14 aviation fuel under this Act. The Department shall only
15 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
16 under this paragraph for so long as the revenue use
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
18 binding on the State.

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

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

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

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

22	Fiscal Year.....	Total Deposit
23	2024	\$200,000,000
24	2025	\$206,000,000
25	2026	\$212,200,000
26	2027	\$218,500,000

1	2028	.....	\$225,100,000
2	2029	.....	\$288,700,000
3	2030	.....	\$298,900,000
4	2031	.....	\$309,300,000
5	2032	.....	\$320,100,000
6	2033	.....	\$331,200,000
7	2034	.....	\$341,200,000
8	2035	.....	\$351,400,000
9	2036	.....	\$361,900,000
10	2037	.....	\$372,800,000
11	2038	.....	\$384,000,000
12	2039	.....	\$395,500,000
13	2040	.....	\$407,400,000
14	2041	.....	\$419,600,000
15	2042	.....	\$432,200,000
16	2043	.....	\$445,100,000

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

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

1 Administration Fund as provided in this Section, the
2 Department shall pay each month into the Road Fund the amount
3 estimated to represent 80% of the net revenue realized from
4 the taxes imposed on motor fuel and gasohol. As used in this
5 paragraph "motor fuel" has the meaning given to that term in
6 Section 1.1 of the Motor Fuel Tax Law, 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
14 State 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. 102-700, eff. 4-19-22; 103-363, eff. 7-28-23.)

1 Section 15. The Service Occupation Tax Act is amended by
2 changing Sections 3-10 and 9 as follows:

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

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

22 Beginning on January 1, 2025, with respect to school
23 supplies, the tax is imposed at the rate of 1.25% of the
24 "selling price", as defined in Section 2 of the Service Use Tax

1 Act, of the school supplies. This reduction is exempt from the
2 provisions of Section 3-55.

3 As used in this Section:

4 "School supplies" means items that may be used by a
5 student in a course of study, including, but not limited to:
6 binders; book bags; calculators; cellophane tape; blackboard
7 chalk; compasses; composition books; crayons; erasers;
8 expandable, pocket, plastic, and manila folders; glue, paste,
9 and paste sticks; highlighters; index cards; index card boxes;
10 legal pads; lunch boxes; markers; notebooks; paper, including
11 loose leaf ruled notebook paper, copy paper, graph paper,
12 tracing paper, manila paper, colored paper, poster board, and
13 construction paper; pencils; pencil leads; pens; ink and ink
14 refills for pens; pencil boxes and other school supply boxes;
15 pencil sharpeners; protractors; rulers; scissors; and writing
16 tablets.

17 "School supplies" does not include school art supplies,
18 except to the extent that those supplies are specifically
19 included in this definition; school instructional materials;
20 cameras; film and memory cards; video cameras, tapes, and
21 videotapes; computers; cell phones; Personal Digital
22 Assistants (PDAs); handheld electronic schedulers; and school
23 computer supplies.

24 Beginning on July 1, 2000 and through December 31, 2000,
25 with respect to motor fuel, as defined in Section 1.1 of the
26 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of

1 the Use Tax Act, the tax is imposed at the rate of 1.25%.

2 With respect to gasohol, as defined in the Use Tax Act, the
3 tax imposed by this Act shall apply to (i) 70% of the cost
4 price of property transferred as an incident to the sale of
5 service on or after January 1, 1990, and before July 1, 2003,
6 (ii) 80% of the selling price of property transferred as an
7 incident to the sale of service on or after July 1, 2003 and on
8 or before July 1, 2017, (iii) 100% of the selling price of
9 property transferred as an incident to the sale of service
10 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
11 the selling price of property transferred as an incident to
12 the sale of service on or after January 1, 2024 and on or
13 before December 31, 2028, and (v) 100% of the selling price of
14 property transferred as an incident to the sale of service
15 after December 31, 2028. If, at any time, however, the tax
16 under this Act on sales of gasohol, as defined in the Use Tax
17 Act, is imposed at the rate of 1.25%, then the tax imposed by
18 this Act applies to 100% of the proceeds of sales of gasohol
19 made during that time.

20 With respect to mid-range ethanol blends, as defined in
21 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
22 applies to (i) 80% of the selling price of property
23 transferred as an incident to the sale of service on or after
24 January 1, 2024 and on or before December 31, 2028 and (ii)
25 100% of the selling price of property transferred as an
26 incident to the sale of service after December 31, 2028. If, at

1 any time, however, the tax under this Act on sales of mid-range
2 ethanol blends is imposed at the rate of 1.25%, then the tax
3 imposed by this Act applies to 100% of the selling price of
4 mid-range ethanol blends transferred as an incident to the
5 sale of service during that time.

6 With respect to majority blended ethanol fuel, as defined
7 in the Use Tax Act, the tax imposed by this Act does not apply
8 to the selling price of property transferred as an incident to
9 the sale of service on or after July 1, 2003 and on or before
10 December 31, 2028 but applies to 100% of the selling price
11 thereafter.

12 With respect to biodiesel blends, as defined in the Use
13 Tax Act, with no less than 1% and no more than 10% biodiesel,
14 the tax imposed by this Act applies to (i) 80% of the selling
15 price of property transferred as an incident to the sale of
16 service on or after July 1, 2003 and on or before December 31,
17 2018 and (ii) 100% of the proceeds of the selling price after
18 December 31, 2018 and before January 1, 2024. On and after
19 January 1, 2024 and on or before December 31, 2030, the
20 taxation of biodiesel, renewable diesel, and biodiesel blends
21 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
22 at any time, however, the tax under this Act on sales of
23 biodiesel blends, as defined in the Use Tax Act, with no less
24 than 1% and no more than 10% biodiesel is imposed at the rate
25 of 1.25%, then the tax imposed by this Act applies to 100% of
26 the proceeds of sales of biodiesel blends with no less than 1%

1 and no more than 10% biodiesel made during that time.

2 With respect to biodiesel, as defined in the Use Tax Act,
3 and biodiesel blends, as defined in the Use Tax Act, with more
4 than 10% but no more than 99% biodiesel material, the tax
5 imposed by this Act does not apply to the proceeds of the
6 selling price of property transferred as an incident to the
7 sale of service on or after July 1, 2003 and on or before
8 December 31, 2023. On and after January 1, 2024 and on or
9 before December 31, 2030, the taxation of biodiesel, renewable
10 diesel, and biodiesel blends shall be as provided in Section
11 3-5.1 of the Use Tax Act.

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

22 Until July 1, 2022 and beginning again on July 1, 2023, the
23 tax shall be imposed at the rate of 1% on food prepared for
24 immediate consumption and transferred incident to a sale of
25 service subject to this Act or the Service Use Tax Act by an
26 entity licensed under the Hospital Licensing Act, the Nursing

1 Home Care Act, the Assisted Living and Shared Housing Act, the
2 ID/DD Community Care Act, the MC/DD Act, the Specialized
3 Mental Health Rehabilitation Act of 2013, or the Child Care
4 Act of 1969, or an entity that holds a permit issued pursuant
5 to the Life Care Facilities Act. Until July 1, 2022 and
6 beginning again on July 1, 2023, the tax shall also be imposed
7 at the rate of 1% on food for human consumption that is to be
8 consumed off the premises where it is sold (other than
9 alcoholic beverages, food consisting of or infused with adult
10 use cannabis, soft drinks, and food that has been prepared for
11 immediate consumption and is not otherwise included in this
12 paragraph).

13 Beginning on July 1, 2022 and until July 1, 2023, the tax
14 shall be imposed at the rate of 0% on food prepared for
15 immediate consumption and transferred incident to a sale of
16 service subject to this Act or the Service Use Tax Act by an
17 entity licensed under the Hospital Licensing Act, the Nursing
18 Home Care Act, the Assisted Living and Shared Housing Act, the
19 ID/DD Community Care Act, the MC/DD Act, the Specialized
20 Mental Health Rehabilitation Act of 2013, or the Child Care
21 Act of 1969, or an entity that holds a permit issued pursuant
22 to the Life Care Facilities Act. Beginning July 1, 2022 and
23 until July 1, 2023, the tax shall also be imposed at the rate
24 of 0% on food for human consumption that is to be consumed off
25 the premises where it is sold (other than alcoholic beverages,
26 food consisting of or infused with adult use cannabis, soft

1 drinks, and food that has been prepared for immediate
2 consumption and is not otherwise included in this paragraph).

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

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "soft drinks" means non-alcoholic
26 beverages that contain natural or artificial sweeteners. "Soft

1 drinks" does not include beverages that contain milk or milk
2 products, soy, rice or similar milk substitutes, or greater
3 than 50% of vegetable or fruit juice by volume.

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

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

25 Notwithstanding any other provisions of this Act,
26 beginning September 1, 2009, "nonprescription medicines and

1 drugs" does not include grooming and hygiene products. For
2 purposes of this Section, "grooming and hygiene products"
3 includes, but is not limited to, soaps and cleaning solutions,
4 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
5 lotions and screens, unless those products are available by
6 prescription only, regardless of whether the products meet the
7 definition of "over-the-counter-drugs". For the purposes of
8 this paragraph, "over-the-counter-drug" means a drug for human
9 use that contains a label that identifies the product as a drug
10 as required by 21 CFR 201.66. The "over-the-counter-drug"
11 label includes:

12 (A) a "Drug Facts" panel; or

13 (B) a statement of the "active ingredient(s)" with a
14 list of those ingredients contained in the compound,
15 substance or preparation.

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

21 As used in this Section, "adult use cannabis" means
22 cannabis subject to tax under the Cannabis Cultivation
23 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
24 and does not include cannabis subject to tax under the
25 Compassionate Use of Medical Cannabis Program Act.

26 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;

1 102-700, Article 20, Section 20-15, eff. 4-19-22; 102-700,
2 Article 60, Section 60-25, eff. 4-19-22; 103-9, eff. 6-7-23;
3 103-154, eff. 6-30-23.)

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. When determining the
15 discount allowed under this Section, servicemen shall include
16 the amount of tax that would have been due at the 1% rate but
17 for the 0% rate imposed under Public Act 102-700 ~~this~~
18 ~~amendatory Act of the 102nd General Assembly~~. The discount
19 under this Section is not allowed for the 1.25% portion of
20 taxes paid on aviation fuel that is subject to the revenue use
21 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. The
22 discount allowed under this Section is allowed only for
23 returns that are filed in the manner required by this Act. The
24 Department may disallow the discount for servicemen whose
25 certificate of registration is revoked at the time the return

1 is filed, but only if the Department's decision to revoke the
2 certificate of registration has become final.

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

11 Except as provided hereinafter in this Section, on or
12 before the twentieth day of each calendar month, such
13 serviceman shall file a return for the preceding calendar
14 month in accordance with reasonable rules and regulations to
15 be promulgated by the Department of Revenue. Such return shall
16 be filed on a form prescribed by the Department and shall
17 contain such information as the Department may reasonably
18 require. The return shall include the gross receipts which
19 were received during the preceding calendar month or quarter
20 on the following items upon which tax would have been due but
21 for the 0% rate imposed under Public Act 102-700 ~~this~~
22 ~~amendatory Act of the 102nd General Assembly~~: (i) food for
23 human consumption that is to be consumed off the premises
24 where it is sold (other than alcoholic beverages, food
25 consisting of or infused with adult use cannabis, soft drinks,
26 and food that has been prepared for immediate consumption);

1 and (ii) food prepared for immediate consumption and
2 transferred incident to a sale of service subject to this Act
3 or the Service Use Tax Act by an entity licensed under the
4 Hospital Licensing Act, the Nursing Home Care Act, the
5 Assisted Living and Shared Housing Act, the ID/DD Community
6 Care Act, the MC/DD Act, the Specialized Mental Health
7 Rehabilitation Act of 2013, or the Child Care Act of 1969, or
8 an entity that holds a permit issued pursuant to the Life Care
9 Facilities Act. The return shall also include the amount of
10 tax that would have been due on the items listed in the
11 previous sentence but for the 0% rate imposed under Public Act
12 102-700 ~~this amendatory Act of the 102nd General Assembly.~~

13 On and after January 1, 2018, with respect to servicemen
14 whose annual gross receipts average \$20,000 or more, all
15 returns required to be filed pursuant to this Act shall be
16 filed electronically. Servicemen who demonstrate that they do
17 not have access to the Internet or demonstrate hardship in
18 filing electronically may petition the Department to waive the
19 electronic filing requirement.

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

- 1 1. The name of the seller;
- 2 2. The address of the principal place of business from
3 which he engages in business as a serviceman in this
4 State;
- 5 3. The total amount of taxable receipts received by
6 him during the preceding calendar month, including
7 receipts from charge and time sales, but less all
8 deductions allowed by law;
- 9 4. The amount of credit provided in Section 2d of this
10 Act;
- 11 5. The amount of tax due;
- 12 5-5. The signature of the taxpayer; and
- 13 6. Such other reasonable information as the Department
14 may require.

15 Each serviceman required or authorized to collect the tax
16 herein imposed on aviation fuel acquired as an incident to the
17 purchase of a service in this State during the preceding
18 calendar month shall, instead of reporting and paying tax as
19 otherwise required by this Section, report and pay such tax on
20 a separate aviation fuel tax return. The requirements related
21 to the return shall be as otherwise provided in this Section.
22 Notwithstanding any other provisions of this Act to the
23 contrary, servicemen transferring aviation fuel incident to
24 sales of service shall file all aviation fuel tax returns and
25 shall make all aviation fuel tax payments by electronic means
26 in the manner and form required by the Department. For

1 purposes of this Section, "aviation fuel" means jet fuel and
2 aviation gasoline.

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

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

12 Prior to October 1, 2003, and on and after September 1,
13 2004 a serviceman may accept a Manufacturer's Purchase Credit
14 certification from a purchaser in satisfaction of Service Use
15 Tax as provided in Section 3-70 of the Service Use Tax Act if
16 the purchaser provides the appropriate documentation as
17 required by Section 3-70 of the Service Use Tax Act. A
18 Manufacturer's Purchase Credit certification, accepted prior
19 to October 1, 2003 or on or after September 1, 2004 by a
20 serviceman as provided in Section 3-70 of the Service Use Tax
21 Act, may be used by that serviceman to satisfy Service
22 Occupation Tax liability in the amount claimed in the
23 certification, not to exceed 6.25% of the receipts subject to
24 tax from a qualifying purchase. A Manufacturer's Purchase
25 Credit reported on any original or amended return filed under
26 this Act after October 20, 2003 for reporting periods prior to

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

8 Beginning on July 1, 2023 and through December 31, 2032, a
9 serviceman may accept a Sustainable Aviation Fuel Purchase
10 Credit certification from an air common carrier-purchaser in
11 satisfaction of Service Use Tax as provided in Section 3-72 of
12 the Service Use Tax Act if the purchaser provides the
13 appropriate documentation as required by Section 3-72 of the
14 Service Use Tax Act. A Sustainable Aviation Fuel Purchase
15 Credit certification accepted by a serviceman in accordance
16 with this paragraph may be used by that serviceman to satisfy
17 service occupation tax liability (but not in satisfaction of
18 penalty or interest) in the amount claimed in the
19 certification, not to exceed 6.25% of the receipts subject to
20 tax from a sale of aviation fuel. In addition, for a sale of
21 aviation fuel to qualify to earn the Sustainable Aviation Fuel
22 Purchase Credit, servicemen must retain in their books and
23 records a certification from the producer of the aviation fuel
24 that the aviation fuel sold by the serviceman and for which a
25 sustainable aviation fuel purchase credit was earned meets the
26 definition of sustainable aviation fuel under Section 3-72 of

1 the Service Use Tax Act. The documentation must include detail
2 sufficient for the Department to determine the number of
3 gallons of sustainable aviation fuel sold.

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

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

18 Such quarter annual and annual returns, as to form and
19 substance, shall be subject to the same requirements as
20 monthly returns.

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

1 discontinuing such business.

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

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

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

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

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

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

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

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

14 Where the serviceman has more than one business registered
15 with the Department under separate registrations hereunder,
16 such serviceman shall file separate returns for each
17 registered business.

18 Beginning January 1, 2025, the Department shall pay into
19 the County and Mass Transit District Fund 20% of the net
20 revenue realized from the 1.25% rate on school supplies.
21 Beginning January 1, 2025, the Department shall pay into the
22 Local Government Tax Fund 80% of the revenue realized for the
23 preceding month from the 1.25% rate on school supplies.

24 Beginning January 1, 1990, each month the Department shall
25 pay into the Local Government Tax Fund the revenue realized
26 for the preceding month from the 1% tax imposed under this Act.

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

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

13 Beginning January 1, 1990, each month the Department shall
14 pay into the Local Government Tax Fund 16% of the revenue
15 realized for the preceding month from the 6.25% general rate
16 on transfers of tangible personal property other than aviation
17 fuel sold on or after December 1, 2019. This exception for
18 aviation fuel only applies for so long as the revenue use
19 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
20 binding on the State.

21 For aviation fuel sold on or after December 1, 2019, each
22 month the Department shall pay into the State Aviation Program
23 Fund 20% of the net revenue realized for the preceding month
24 from the 6.25% general rate on the selling price of aviation
25 fuel, less an amount estimated by the Department to be
26 required for refunds of the 20% portion of the tax on aviation

1 fuel under this Act, which amount shall be deposited into the
2 Aviation Fuel Sales Tax Refund Fund. The Department shall only
3 pay moneys into the State Aviation Program Fund and the
4 Aviation Fuel Sales Tax Refund Fund under this Act for so long
5 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
6 U.S.C. 47133 are binding on the State.

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

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

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

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

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

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

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

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

26 Subject to payment of amounts into the Build Illinois Fund

1 as provided in the preceding paragraph or in any amendment
2 thereto hereafter enacted, the following specified monthly
3 installment of the amount requested in the certificate of the
4 Chairman of the Metropolitan Pier and Exposition Authority
5 provided under Section 8.25f of the State Finance Act, but not
6 in excess of 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 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

1	2006	113,000,000
2	2007	119,000,000
3	2008	126,000,000
4	2009	132,000,000
5	2010	139,000,000
6	2011	146,000,000
7	2012	153,000,000
8	2013	161,000,000
9	2014	170,000,000
10	2015	179,000,000
11	2016	189,000,000
12	2017	199,000,000
13	2018	210,000,000
14	2019	221,000,000
15	2020	233,000,000
16	2021	300,000,000
17	2022	300,000,000
18	2023	300,000,000
19	2024	300,000,000
20	2025	300,000,000
21	2026	300,000,000
22	2027	375,000,000
23	2028	375,000,000
24	2029	375,000,000
25	2030	375,000,000
26	2031	375,000,000

1	2032	375,000,000
2	2033	375,000,000
3	2034	375,000,000
4	2035	375,000,000
5	2036	450,000,000

6 and

7 each fiscal year

8 thereafter that bonds

9 are outstanding under

10 Section 13.2 of the

11 Metropolitan Pier and

12 Exposition Authority Act,

13 but not after fiscal year 2060.

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

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

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

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

1 of Public Act 98-1098), each month, from the collections made
2 under Section 9 of the Use Tax Act, Section 9 of the Service
3 Use Tax Act, Section 9 of the Service Occupation Tax Act, and
4 Section 3 of the Retailers' Occupation Tax Act, the Department
5 shall pay into the Tax Compliance and Administration Fund, to
6 be used, subject to appropriation, to fund additional auditors
7 and compliance personnel at the Department of Revenue, an
8 amount equal to 1/12 of 5% of 80% of the cash receipts
9 collected during the preceding fiscal year by the Audit Bureau
10 of the Department under the Use Tax Act, the Service Use Tax
11 Act, the Service Occupation Tax Act, the Retailers' Occupation
12 Tax Act, and associated local occupation and use taxes
13 administered by the Department.

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

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

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

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

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

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

1 revenue realized from the taxes imposed on motor fuel and
2 gasohol. Beginning July 1, 2023 and until July 1, 2024,
3 subject to the payment of amounts into the County and Mass
4 Transit District Fund, the Local Government Tax Fund, the
5 Build Illinois Fund, the McCormick Place Expansion Project
6 Fund, the Illinois Tax Increment Fund, and the Tax Compliance
7 and Administration Fund as provided in this Section, the
8 Department shall pay each month into the Road Fund the amount
9 estimated to represent 48% of the net revenue realized from
10 the taxes imposed on motor fuel and gasohol. Beginning July 1,
11 2024 and until July 1, 2025, subject to the payment of amounts
12 into the County and Mass Transit District Fund, the Local
13 Government Tax Fund, the Build Illinois Fund, the McCormick
14 Place Expansion Project Fund, the Illinois Tax Increment Fund,
15 and the Tax Compliance and Administration Fund as provided in
16 this Section, the Department shall pay each month into the
17 Road Fund the amount estimated to represent 64% of the net
18 revenue realized from the taxes imposed on motor fuel and
19 gasohol. Beginning on July 1, 2025, subject to the payment of
20 amounts into the County and Mass Transit District Fund, the
21 Local Government Tax Fund, the Build Illinois Fund, the
22 McCormick Place Expansion Project Fund, the Illinois Tax
23 Increment Fund, and the Tax Compliance and Administration Fund
24 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 Law, 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 ~~Treasury~~ and 25% shall be
8 reserved in a special account and used only for the transfer to
9 the Common School Fund as part of the monthly transfer from the
10 General Revenue Fund in accordance with Section 8a of the
11 State Finance 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 ~~Federal~~ income tax return. If the total receipts of the
20 business as reported in the federal ~~Federal~~ income tax return
21 do not agree with the gross receipts reported to the
22 Department of Revenue for the same period, the taxpayer shall
23 attach to his annual return a schedule showing a
24 reconciliation of the 2 amounts and the reasons for the
25 difference. The taxpayer's annual return to the Department
26 shall also disclose the cost of goods sold by the taxpayer

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

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

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

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

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

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

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

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

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

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

1 arrangement.

2 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;
3 103-363, eff. 7-28-23; revised 9-25-23.)

4 Section 20. The Retailers' Occupation Tax Act is amended
5 by changing Sections 2-10 and 3 as follows:

6 (35 ILCS 120/2-10)

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

11 Beginning on January 1, 2025, with respect to school
12 supplies, the tax is imposed at the rate of 1.25% of the gross
13 receipts from sales of the school supplies. This reduction is
14 exempt from the provisions of Section 2-70.

15 As used in this Section:

16 "School supplies" means items that may be used by a
17 student in a course of study, including, but not limited to:
18 binders; book bags; calculators; cellophane tape; blackboard
19 chalk; compasses; composition books; crayons; erasers;
20 expandable, pocket, plastic, and manila folders; glue, paste,
21 and paste sticks; highlighters; index cards; index card boxes;
22 legal pads; lunch boxes; markers; notebooks; paper, including
23 loose leaf ruled notebook paper, copy paper, graph paper,
24 tracing paper, manila paper, colored paper, poster board, and

1 construction paper; pencils; pencil leads; pens; ink and ink
2 refills for pens; pencil boxes and other school supply boxes;
3 pencil sharpeners; protractors; rulers; scissors; and writing
4 tablets.

5 "School supplies" does not include school art supplies,
6 except to the extent that those supplies are specifically
7 included in this definition; school instructional materials;
8 cameras; film and memory cards; video cameras, tapes, and
9 videotapes; computers; cell phones; Personal Digital
10 Assistants (PDAs); handheld electronic schedulers; and school
11 computer supplies.

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

16 Beginning on August 6, 2010 through August 15, 2010, and
17 beginning again on August 5, 2022 through August 14, 2022,
18 with respect to sales tax holiday items as defined in Section
19 2-8 of this Act, the tax is imposed at the rate of 1.25%.

20 Within 14 days after July 1, 2000 (the effective date of
21 Public Act 91-872), each retailer of motor fuel and gasohol
22 shall cause the following notice to be posted in a prominently
23 visible place on each retail dispensing device that is used to
24 dispense motor fuel or gasohol in the State of Illinois: "As of
25 July 1, 2000, the State of Illinois has eliminated the State's
26 share of sales tax on motor fuel and gasohol through December

1 31, 2000. The price on this pump should reflect the
2 elimination of the tax." The notice shall be printed in bold
3 print on a sign that is no smaller than 4 inches by 8 inches.
4 The sign shall be clearly visible to customers. Any retailer
5 who fails to post or maintain a required sign through December
6 31, 2000 is guilty of a petty offense for which the fine shall
7 be \$500 per day per each retail premises where a violation
8 occurs.

9 With respect to gasohol, as defined in the Use Tax Act, the
10 tax imposed by this Act applies to (i) 70% of the proceeds of
11 sales made on or after January 1, 1990, and before July 1,
12 2003, (ii) 80% of the proceeds of sales made on or after July
13 1, 2003 and on or before July 1, 2017, (iii) 100% of the
14 proceeds of sales made after July 1, 2017 and prior to January
15 1, 2024, (iv) 90% of the proceeds of sales made on or after
16 January 1, 2024 and on or before December 31, 2028, and (v)
17 100% of the proceeds of sales made after December 31, 2028. If,
18 at any time, however, the tax under this Act on sales of
19 gasohol, as defined in the Use Tax Act, is imposed at the rate
20 of 1.25%, then the tax imposed by this Act applies to 100% of
21 the proceeds of sales of gasohol made during that time.

22 With respect to mid-range ethanol blends, as defined in
23 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
24 applies to (i) 80% of the proceeds of sales made on or after
25 January 1, 2024 and on or before December 31, 2028 and (ii)
26 100% of the proceeds of sales made after December 31, 2028. If,

1 at any time, however, the tax under this Act on sales of
2 mid-range ethanol blends is imposed at the rate of 1.25%, then
3 the tax imposed by this Act applies to 100% of the proceeds of
4 sales of mid-range ethanol blends made during that time.

5 With respect to majority blended ethanol fuel, as defined
6 in the Use Tax Act, the tax imposed by this Act does not apply
7 to the proceeds of sales made on or after July 1, 2003 and on
8 or before December 31, 2028 but applies to 100% of the proceeds
9 of sales made thereafter.

10 With respect to biodiesel blends, as defined in the Use
11 Tax Act, with no less than 1% and no more than 10% biodiesel,
12 the tax imposed by this Act applies to (i) 80% of the proceeds
13 of sales made on or after July 1, 2003 and on or before
14 December 31, 2018 and (ii) 100% of the proceeds of sales made
15 after December 31, 2018 and before January 1, 2024. On and
16 after January 1, 2024 and on or before December 31, 2030, the
17 taxation of biodiesel, renewable diesel, and biodiesel blends
18 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
19 at any time, however, the tax under this Act on sales of
20 biodiesel blends, as defined in the Use Tax Act, with no less
21 than 1% and no more than 10% biodiesel is imposed at the rate
22 of 1.25%, then the tax imposed by this Act applies to 100% of
23 the proceeds of sales of biodiesel blends with no less than 1%
24 and no more than 10% biodiesel made during that time.

25 With respect to biodiesel, as defined in the Use Tax Act,
26 and biodiesel blends, as defined in the Use Tax Act, with more

1 than 10% but no more than 99% biodiesel, the tax imposed by
2 this Act does not apply to the proceeds of sales made on or
3 after July 1, 2003 and on or before December 31, 2023. On and
4 after January 1, 2024 and on or before December 31, 2030, the
5 taxation of biodiesel, renewable diesel, and biodiesel blends
6 shall be as provided in Section 3-5.1 of the Use Tax Act.

7 Until July 1, 2022 and beginning again on July 1, 2023,
8 with respect to food for human consumption that is to be
9 consumed off the premises where it is sold (other than
10 alcoholic beverages, food consisting of or infused with adult
11 use cannabis, soft drinks, and food that has been prepared for
12 immediate consumption), the tax is imposed at the rate of 1%.
13 Beginning July 1, 2022 and until July 1, 2023, with respect to
14 food for human consumption that is to be consumed off the
15 premises where it is sold (other than alcoholic beverages,
16 food consisting of or infused with adult use cannabis, soft
17 drinks, and food that has been prepared for immediate
18 consumption), the tax is imposed at the rate of 0%.

19 With respect to prescription and nonprescription
20 medicines, drugs, medical appliances, products classified as
21 Class III medical devices by the United States Food and Drug
22 Administration that are used for cancer treatment pursuant to
23 a prescription, as well as any accessories and components
24 related to those devices, modifications to a motor vehicle for
25 the purpose of rendering it usable by a person with a
26 disability, and insulin, blood sugar testing materials,

1 syringes, and needles used by human diabetics, the tax is
2 imposed at the rate of 1%. For the purposes of this Section,
3 until September 1, 2009: the term "soft drinks" means any
4 complete, finished, ready-to-use, non-alcoholic drink, whether
5 carbonated or not, including, but not limited to, soda water,
6 cola, fruit juice, vegetable juice, carbonated water, and all
7 other preparations commonly known as soft drinks of whatever
8 kind or description that are contained in any closed or sealed
9 bottle, can, carton, or container, regardless of size; but
10 "soft drinks" does not include coffee, tea, non-carbonated
11 water, infant formula, milk or milk products as defined in the
12 Grade A Pasteurized Milk and Milk Products Act, or drinks
13 containing 50% or more natural fruit or vegetable juice.

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

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

1 this Act, "food for human consumption that is to be consumed
2 off the premises where it is sold" includes all food sold
3 through a vending machine, except soft drinks, candy, and food
4 products that are dispensed hot from a vending machine,
5 regardless of the location of the vending machine.

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

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

1 label includes:

2 (A) a "Drug Facts" panel; or

3 (B) a statement of the "active ingredient(s)" with a
4 list of those ingredients contained in the compound,
5 substance or preparation.

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

11 As used in this Section, "adult use cannabis" means
12 cannabis subject to tax under the Cannabis Cultivation
13 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
14 and does not include cannabis subject to tax under the
15 Compassionate Use of Medical Cannabis Program Act.

16 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
17 Section 20-20, eff. 4-19-22; 102-700, Article 60, Section
18 60-30, eff. 4-19-22; 102-700, Article 65, Section 65-10, eff.
19 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23.)

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

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

- 1 1. The name of the seller;
- 2 2. His residence address and the address of his
3 principal place of business and the address of the
4 principal place of business (if that is a different
5 address) from which he engages in the business of selling
6 tangible personal property at retail in this State;
- 7 3. Total amount of receipts received by him during the
8 preceding calendar month or quarter, as the case may be,
9 from sales of tangible personal property, and from
10 services furnished, by him during such preceding calendar
11 month or quarter;
- 12 4. Total amount received by him during the preceding
13 calendar month or quarter on charge and time sales of
14 tangible personal property, and from services furnished,
15 by him prior to the month or quarter for which the return
16 is filed;
- 17 5. Deductions allowed by law;
- 18 6. Gross receipts which were received by him during
19 the preceding calendar month or quarter and upon the basis
20 of which the tax is imposed, including gross receipts on
21 food for human consumption that is to be consumed off the
22 premises where it is sold (other than alcoholic beverages,
23 food consisting of or infused with adult use cannabis,
24 soft drinks, and food that has been prepared for immediate
25 consumption) which were received during the preceding
26 calendar month or quarter and upon which tax would have

1 been due but for the 0% rate imposed under Public Act
2 102-700;

3 7. The amount of credit provided in Section 2d of this
4 Act;

5 8. The amount of tax due, including the amount of tax
6 that would have been due on food for human consumption
7 that is to be consumed off the premises where it is sold
8 (other than alcoholic beverages, food consisting of or
9 infused with adult use cannabis, soft drinks, and food
10 that has been prepared for immediate consumption) but for
11 the 0% rate imposed under Public Act 102-700;

12 9. The signature of the taxpayer; and

13 10. Such other reasonable information as the
14 Department may require.

15 On and after January 1, 2018, except for returns required
16 to be filed prior to January 1, 2023 for motor vehicles,
17 watercraft, aircraft, and trailers that are required to be
18 registered with an agency of this State, with respect to
19 retailers whose annual gross receipts average \$20,000 or more,
20 all returns required to be filed pursuant to this Act shall be
21 filed electronically. On and after January 1, 2023, with
22 respect to retailers whose annual gross receipts average
23 \$20,000 or more, all returns required to be filed pursuant to
24 this Act, including, but not limited to, returns for motor
25 vehicles, watercraft, aircraft, and trailers that are required
26 to be registered with an agency of this State, shall be filed

1 electronically. Retailers who demonstrate that they do not
2 have access to the Internet or demonstrate hardship in filing
3 electronically may petition the Department to waive the
4 electronic filing requirement.

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

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

12 Prior to October 1, 2003~~7~~ and on and after September 1,
13 2004~~4~~, a retailer may accept a Manufacturer's Purchase Credit
14 certification from a purchaser in satisfaction of Use Tax as
15 provided in Section 3-85 of the Use Tax Act if the purchaser
16 provides the appropriate documentation as required by Section
17 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
18 certification, accepted by a retailer prior to October 1, 2003
19 and on and after September 1, 2004 as provided in Section 3-85
20 of the Use Tax Act, may be used by that retailer to satisfy
21 Retailers' Occupation Tax liability in the amount claimed in
22 the certification, not to exceed 6.25% of the receipts subject
23 to tax from a qualifying purchase. A Manufacturer's Purchase
24 Credit reported on any original or amended return filed under
25 this Act after October 20, 2003 for reporting periods prior to
26 September 1, 2004 shall be disallowed. Manufacturer's Purchase

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

7 Beginning on July 1, 2023 and through December 31, 2032, a
8 retailer may accept a Sustainable Aviation Fuel Purchase
9 Credit certification from an air common carrier-purchaser in
10 satisfaction of Use Tax on aviation fuel as provided in
11 Section 3-87 of the Use Tax Act if the purchaser provides the
12 appropriate documentation as required by Section 3-87 of the
13 Use Tax Act. A Sustainable Aviation Fuel Purchase Credit
14 certification accepted by a retailer in accordance with this
15 paragraph may be used by that retailer to satisfy Retailers'
16 Occupation Tax liability (but not in satisfaction of penalty
17 or interest) in the amount claimed in the certification, not
18 to exceed 6.25% of the receipts subject to tax from a sale of
19 aviation fuel. In addition, for a sale of aviation fuel to
20 qualify to earn the Sustainable Aviation Fuel Purchase Credit,
21 retailers must retain in their books and records a
22 certification from the producer of the aviation fuel that the
23 aviation fuel sold by the retailer and for which a sustainable
24 aviation fuel purchase credit was earned meets the definition
25 of sustainable aviation fuel under Section 3-87 of the Use Tax
26 Act. The documentation must include detail sufficient for the

1 Department to determine the number of gallons of sustainable
2 aviation fuel sold.

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

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

25 Every person engaged in the business of selling aviation
26 fuel at retail in this State during the preceding calendar

1 month shall, instead of reporting and paying tax as otherwise
2 required by this Section, report and pay such tax on a separate
3 aviation fuel tax return. The requirements related to the
4 return shall be as otherwise provided in this Section.
5 Notwithstanding any other provisions of this Act to the
6 contrary, retailers selling aviation fuel shall file all
7 aviation fuel tax returns and shall make all aviation fuel tax
8 payments by electronic means in the manner and form required
9 by the Department. For purposes of this Section, "aviation
10 fuel" means jet fuel and aviation gasoline.

11 Beginning on October 1, 2003, any person who is not a
12 licensed distributor, importing distributor, or manufacturer,
13 as defined in the Liquor Control Act of 1934, but is engaged in
14 the business of selling, at retail, alcoholic liquor shall
15 file a statement with the Department of Revenue, in a format
16 and at a time prescribed by the Department, showing the total
17 amount paid for alcoholic liquor purchased during the
18 preceding month and such other information as is reasonably
19 required by the Department. The Department may adopt rules to
20 require that this statement be filed in an electronic or
21 telephonic format. Such rules may provide for exceptions from
22 the filing requirements of this paragraph. For the purposes of
23 this paragraph, the term "alcoholic liquor" shall have the
24 meaning prescribed in the Liquor Control Act of 1934.

25 Beginning on October 1, 2003, every distributor, importing
26 distributor, and manufacturer of alcoholic liquor as defined

1 in the Liquor Control Act of 1934, shall file a statement with
2 the Department of Revenue, no later than the 10th day of the
3 month for the preceding month during which transactions
4 occurred, by electronic means, showing the total amount of
5 gross receipts from the sale of alcoholic liquor sold or
6 distributed during the preceding month to purchasers;
7 identifying the purchaser to whom it was sold or distributed;
8 the purchaser's tax registration number; and such other
9 information reasonably required by the Department. A
10 distributor, importing distributor, or manufacturer of
11 alcoholic liquor must personally deliver, mail, or provide by
12 electronic means to each retailer listed on the monthly
13 statement a report containing a cumulative total of that
14 distributor's, importing distributor's, or manufacturer's
15 total sales of alcoholic liquor to that retailer no later than
16 the 10th day of the month for the preceding month during which
17 the transaction occurred. The distributor, importing
18 distributor, or manufacturer shall notify the retailer as to
19 the method by which the distributor, importing distributor, or
20 manufacturer will provide the sales information. If the
21 retailer is unable to receive the sales information by
22 electronic means, the distributor, importing distributor, or
23 manufacturer shall furnish the sales information by personal
24 delivery or by mail. For purposes of this paragraph, the term
25 "electronic means" includes, but is not limited to, the use of
26 a secure Internet website, e-mail, or facsimile.

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

5 Notwithstanding any other provision of this Act to the
6 contrary, retailers subject to tax on cannabis shall file all
7 cannabis tax returns and shall make all cannabis tax payments
8 by electronic means in the manner and form required by the
9 Department.

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

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

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

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

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

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

24 Any amount which is required to be shown or reported on any
25 return or other document under this Act shall, if such amount
26 is not a whole-dollar amount, be increased to the nearest

1 whole-dollar amount in any case where the fractional part of a
2 dollar is 50 cents or more, and decreased to the nearest
3 whole-dollar amount where the fractional part of a dollar is
4 less than 50 cents.

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

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

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

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

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

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

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

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

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

26 Any retailer who sells only motor vehicles, watercraft,

1 aircraft, or trailers that are required to be registered with
2 an agency of this State, so that all retailers' occupation tax
3 liability is required to be reported, and is reported, on such
4 transaction reporting returns and who is not otherwise
5 required to file monthly or quarterly returns, need not file
6 monthly or quarterly returns. However, those retailers shall
7 be required to file returns on an annual basis.

8 The transaction reporting return, in the case of motor
9 vehicles or trailers that are required to be registered with
10 an agency of this State, shall be the same document as the
11 Uniform Invoice referred to in Section 5-402 of the Illinois
12 Vehicle Code and must show the name and address of the seller;
13 the name and address of the purchaser; the amount of the
14 selling price including the amount allowed by the retailer for
15 traded-in property, if any; the amount allowed by the retailer
16 for the traded-in tangible personal property, if any, to the
17 extent to which Section 1 of this Act allows an exemption for
18 the value of traded-in property; the balance payable after
19 deducting such trade-in allowance from the total selling
20 price; the amount of tax due from the retailer with respect to
21 such transaction; the amount of tax collected from the
22 purchaser by the retailer on such transaction (or satisfactory
23 evidence that such tax is not due in that particular instance,
24 if that is claimed to be the fact); the place and date of the
25 sale; a sufficient identification of the property sold; such
26 other information as is required in Section 5-402 of the

1 Illinois Vehicle Code, and such other information as the
2 Department may reasonably require.

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

20 Such transaction reporting return shall be filed not later
21 than 20 days after the day of delivery of the item that is
22 being sold, but may be filed by the retailer at any time sooner
23 than that if he chooses to do so. The transaction reporting
24 return and tax remittance or proof of exemption from the
25 Illinois use tax may be transmitted to the Department by way of
26 the State agency with which, or State officer with whom the

1 tangible personal property must be titled or registered (if
2 titling or registration is required) if the Department and
3 such agency or State officer determine that this procedure
4 will expedite the processing of applications for title or
5 registration.

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

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

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

19 Refunds made by the seller during the preceding return
20 period to purchasers, on account of tangible personal property
21 returned to the seller, shall be allowed as a deduction under
22 subdivision 5 of his monthly or quarterly return, as the case
23 may be, in case the seller had theretofore included the
24 receipts from the sale of such tangible personal property in a
25 return filed by him and had paid the tax imposed by this Act
26 with respect to such receipts.

1 Where the seller is a corporation, the return filed on
2 behalf of such corporation shall be signed by the president,
3 vice-president, secretary, or treasurer or by the properly
4 accredited agent of such corporation.

5 Where the seller is a limited liability company, the
6 return filed on behalf of the limited liability company shall
7 be signed by a manager, member, or properly accredited agent
8 of the limited liability company.

9 Except as provided in this Section, the retailer filing
10 the return under this Section shall, at the time of filing such
11 return, pay to the Department the amount of tax imposed by this
12 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
13 on and after January 1, 1990, or \$5 per calendar year,
14 whichever is greater, which is allowed to reimburse the
15 retailer for the expenses incurred in keeping records,
16 preparing and filing returns, remitting the tax and supplying
17 data to the Department on request. On and after January 1,
18 2021, a certified service provider, as defined in the Leveling
19 the Playing Field for Illinois Retail Act, filing the return
20 under this Section on behalf of a remote retailer shall, at the
21 time of such return, pay to the Department the amount of tax
22 imposed by this Act less a discount of 1.75%. A remote retailer
23 using a certified service provider to file a return on its
24 behalf, as provided in the Leveling the Playing Field for
25 Illinois Retail Act, is not eligible for the discount. When
26 determining the discount allowed under this Section, retailers

1 shall include the amount of tax that would have been due at the
2 1% rate but for the 0% rate imposed under Public Act 102-700.
3 When determining the discount allowed under this Section,
4 retailers shall include the amount of tax that would have been
5 due at the 6.25% rate but for the 1.25% rate imposed on sales
6 tax holiday items under Public Act 102-700. 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. Any
10 prepayment made pursuant to Section 2d of this Act shall be
11 included in the amount on which such 2.1% or 1.75% discount is
12 computed. 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
17 only for returns that are filed in the manner required by this
18 Act. The Department may disallow the discount for retailers
19 whose certificate of registration is revoked at the time the
20 return is filed, but only if the Department's decision to
21 revoke the certificate of registration has become final.

22 Before October 1, 2000, if the taxpayer's average monthly
23 tax liability to the Department under this Act, the Use Tax
24 Act, the Service Occupation Tax Act, and the Service Use Tax
25 Act, excluding any liability for prepaid sales tax to be
26 remitted in accordance with Section 2d of this Act, was

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

1 prior to January 1, 1987, each payment shall be in an amount
2 equal to 22.5% of the taxpayer's actual liability for the
3 month or 27.5% of the taxpayer's liability for the same
4 calendar month of the preceding year. If the month during
5 which such tax liability is incurred begins on or after
6 January 1, 1987 and prior to January 1, 1988, each payment
7 shall be in an amount equal to 22.5% of the taxpayer's actual
8 liability for the month or 26.25% of the taxpayer's liability
9 for the same calendar month of the preceding year. If the month
10 during which such tax liability is incurred begins on or after
11 January 1, 1988, and prior to January 1, 1989, or begins on or
12 after January 1, 1996, each payment shall be in an amount equal
13 to 22.5% of the taxpayer's actual liability for the month or
14 25% of the taxpayer's liability for the same calendar month of
15 the preceding year. If the month during which such tax
16 liability is incurred begins on or after January 1, 1989, and
17 prior to January 1, 1996, each payment shall be in an amount
18 equal to 22.5% of the taxpayer's actual liability for the
19 month or 25% of the taxpayer's liability for the same calendar
20 month of the preceding year or 100% of the taxpayer's actual
21 liability for the quarter monthly reporting period. The amount
22 of such quarter monthly payments shall be credited against the
23 final tax liability of the taxpayer's return for that month.
24 Before October 1, 2000, once applicable, the requirement of
25 the making of quarter monthly payments to the Department by
26 taxpayers having an average monthly tax liability of \$10,000

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

1 the taxpayer's business has occurred which causes the taxpayer
2 to anticipate that his average monthly tax liability for the
3 reasonably foreseeable future will fall below the \$20,000
4 threshold stated above, then such taxpayer may petition the
5 Department for a change in such taxpayer's reporting status.
6 The Department shall change such taxpayer's reporting status
7 unless it finds that such change is seasonal in nature and not
8 likely to be long term. Quarter monthly payment status shall
9 be determined under this paragraph as if the rate reduction to
10 0% in Public Act 102-700 on food for human consumption that is
11 to be consumed off the premises where it is sold (other than
12 alcoholic beverages, food consisting of or infused with adult
13 use cannabis, soft drinks, and food that has been prepared for
14 immediate consumption) had not occurred. For quarter monthly
15 payments due under this paragraph on or after July 1, 2023 and
16 through June 30, 2024, "25% of the taxpayer's liability for
17 the same calendar month of the preceding year" shall be
18 determined as if the rate reduction to 0% in Public Act 102-700
19 had not occurred. Quarter monthly payment status shall be
20 determined under this paragraph as if the rate reduction to
21 1.25% in Public Act 102-700 on sales tax holiday items had not
22 occurred. For quarter monthly payments due on or after July 1,
23 2023 and through June 30, 2024, "25% of the taxpayer's
24 liability for the same calendar month of the preceding year"
25 shall be determined as if the rate reduction to 1.25% in Public
26 Act 102-700 on sales tax holiday items had not occurred. If any

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

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

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

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

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

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

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

1 taxpayer a credit memorandum for the excess.

2 Beginning January 1, 1990, each month the Department shall
3 pay into the Local Government Tax Fund, a special fund in the
4 State treasury which is hereby created, the net revenue
5 realized for the preceding month from the 1% tax imposed under
6 this Act.

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

15 Beginning August 1, 2000, each month the Department shall
16 pay into the County and Mass Transit District Fund 20% of the
17 net revenue realized for the preceding month from the 1.25%
18 rate on the selling price of motor fuel and gasohol. If, in any
19 month, the tax on sales tax holiday items, as defined in
20 Section 2-8, is imposed at the rate of 1.25%, then the
21 Department shall pay 20% of the net revenue realized for that
22 month from the 1.25% rate on the selling price of sales tax
23 holiday items into the County and Mass Transit District Fund.

24 Beginning January 1, 1990, each month the Department shall
25 pay into the Local Government Tax Fund 16% of the net revenue
26 realized for the preceding month from the 6.25% general rate

1 on the selling price of tangible personal property other than
2 aviation fuel sold on or after December 1, 2019. This
3 exception for aviation fuel only applies for so long as the
4 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
5 47133 are binding on the State.

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

18 Beginning August 1, 2000, each month the Department shall
19 pay into the Local Government Tax Fund 80% of the net revenue
20 realized for the preceding month from the 1.25% rate on the
21 selling price of motor fuel and gasohol. If, in any month, the
22 tax on sales tax holiday items, as defined in Section 2-8, is
23 imposed at the rate of 1.25%, then the Department shall pay 80%
24 of the net revenue realized for that month from the 1.25% rate
25 on the selling price of sales tax holiday items into the Local
26 Government Tax Fund.

1 Beginning January 1, 2025, the Department shall pay into
2 the County and Mass Transit District Fund 20% of the net
3 revenue realized from the 1.25% rate on school supplies.
4 Beginning January 1, 2025, the Department shall pay into the
5 Local Government Tax Fund 80% of the revenue realized for the
6 preceding month from the 1.25% rate on school supplies.

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

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

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

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

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

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

11	Fiscal Year	Annual Specified Amount
12	1986	\$54,800,000
13	1987	\$76,650,000
14	1988	\$80,480,000
15	1989	\$88,510,000
16	1990	\$115,330,000
17	1991	\$145,470,000
18	1992	\$182,730,000
19	1993	\$206,520,000;

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

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

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

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

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

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

1	2016	189,000,000
2	2017	199,000,000
3	2018	210,000,000
4	2019	221,000,000
5	2020	233,000,000
6	2021	300,000,000
7	2022	300,000,000
8	2023	300,000,000
9	2024	300,000,000
10	2025	300,000,000
11	2026	300,000,000
12	2027	375,000,000
13	2028	375,000,000
14	2029	375,000,000
15	2030	375,000,000
16	2031	375,000,000
17	2032	375,000,000
18	2033	375,000,000
19	2034	375,000,000
20	2035	375,000,000
21	2036	450,000,000

22 and
23 each fiscal year
24 thereafter that bonds
25 are outstanding under
26 Section 13.2 of the

1 Metropolitan Pier and
2 Exposition Authority Act,
3 but not after fiscal year 2060.

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

17 Subject to payment of amounts into the Capital Projects
18 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
19 and the McCormick Place Expansion Project Fund pursuant to the
20 preceding paragraphs or in any amendments thereto hereafter
21 enacted, for aviation fuel sold on or after December 1, 2019,
22 the Department shall each month deposit into the Aviation Fuel
23 Sales Tax Refund Fund an amount estimated by the Department to
24 be required for refunds of the 80% portion of the tax on
25 aviation fuel under this Act. The Department shall only
26 deposit moneys into the Aviation Fuel Sales Tax Refund Fund

1 under this paragraph for so long as the revenue use
2 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
3 binding on the State.

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

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

1 of the Department under the Use Tax Act, the Service Use Tax
2 Act, the Service Occupation Tax Act, the Retailers' Occupation
3 Tax Act, and associated local occupation and use taxes
4 administered by the Department.

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

13 Subject to successful execution and delivery of a
14 public-private agreement between the public agency and private
15 entity and completion of the civic build, beginning on July 1,
16 2023, of the remainder of the moneys received by the
17 Department under the Use Tax Act, the Service Use Tax Act, the
18 Service Occupation Tax Act, and this Act, the Department shall
19 deposit the following specified deposits in the aggregate from
20 collections under the Use Tax Act, the Service Use Tax Act, the
21 Service Occupation Tax Act, and the Retailers' Occupation Tax
22 Act, as required under Section 8.25g of the State Finance Act
23 for distribution consistent with the Public-Private
24 Partnership for Civic and Transit Infrastructure Project Act.
25 The moneys received by the Department pursuant to this Act and
26 required to be deposited into the Civic and Transit

1 Infrastructure Fund are subject to the pledge, claim and
 2 charge set forth in Section 25-55 of the Public-Private
 3 Partnership for Civic and Transit Infrastructure Project Act.
 4 As used in this paragraph, "civic build", "private entity",
 5 "public-private agreement", and "public agency" have the
 6 meanings provided in Section 25-10 of the Public-Private
 7 Partnership for Civic and Transit Infrastructure Project Act.

8	Fiscal Year.....	Total Deposit
9	2024	\$200,000,000
10	2025	\$206,000,000
11	2026	\$212,200,000
12	2027	\$218,500,000
13	2028	\$225,100,000
14	2029	\$288,700,000
15	2030	\$298,900,000
16	2031	\$309,300,000
17	2032	\$320,100,000
18	2033	\$331,200,000
19	2034	\$341,200,000
20	2035	\$351,400,000
21	2036	\$361,900,000
22	2037	\$372,800,000
23	2038	\$384,000,000
24	2039	\$395,500,000
25	2040	\$407,400,000
26	2041	\$419,600,000

1 2042 \$432,200,000

2 2043 \$445,100,000

3 Beginning July 1, 2021 and until July 1, 2022, subject to
4 the payment of amounts into the County and Mass Transit
5 District Fund, the Local Government Tax Fund, the Build
6 Illinois Fund, the McCormick Place Expansion Project Fund, the
7 Illinois Tax Increment Fund, and the Tax Compliance and
8 Administration Fund as provided in this Section, the
9 Department shall pay each month into the Road Fund the amount
10 estimated to represent 16% of the net revenue realized from
11 the taxes imposed on motor fuel and gasohol. Beginning July 1,
12 2022 and until July 1, 2023, subject to the payment of amounts
13 into the County and Mass Transit District Fund, the Local
14 Government Tax Fund, the Build Illinois Fund, the McCormick
15 Place Expansion Project Fund, the Illinois Tax Increment Fund,
16 and the Tax Compliance and Administration Fund as provided in
17 this Section, the Department shall pay each month into the
18 Road Fund the amount estimated to represent 32% of the net
19 revenue realized from the taxes imposed on motor fuel and
20 gasohol. Beginning July 1, 2023 and until July 1, 2024,
21 subject to the payment of amounts into the County and Mass
22 Transit District Fund, the Local Government Tax Fund, the
23 Build Illinois Fund, the McCormick Place Expansion Project
24 Fund, the Illinois Tax Increment Fund, and the Tax Compliance
25 and Administration Fund as provided in this Section, the
26 Department shall pay each month into the Road Fund the amount

1 estimated to represent 48% of the net revenue realized from
2 the taxes imposed on motor fuel and gasohol. Beginning July 1,
3 2024 and until July 1, 2025, subject to the payment of amounts
4 into the County and Mass Transit District Fund, the Local
5 Government Tax Fund, the Build Illinois Fund, the McCormick
6 Place Expansion Project Fund, the Illinois Tax Increment Fund,
7 and the Tax Compliance and Administration Fund as provided in
8 this Section, the Department shall pay each month into the
9 Road Fund the amount estimated to represent 64% of the net
10 revenue realized from the taxes imposed on motor fuel and
11 gasohol. Beginning on July 1, 2025, subject to the payment of
12 amounts into the County and Mass Transit District Fund, the
13 Local Government Tax Fund, the Build Illinois Fund, the
14 McCormick Place Expansion Project Fund, the Illinois Tax
15 Increment Fund, and the Tax Compliance and Administration Fund
16 as provided in this Section, the Department shall pay each
17 month into the Road Fund the amount estimated to represent 80%
18 of the net revenue realized from the taxes imposed on motor
19 fuel and gasohol. As used in this paragraph "motor fuel" has
20 the meaning given to that term in Section 1.1 of the Motor Fuel
21 Tax Law, and "gasohol" has the meaning given to that term in
22 Section 3-40 of the Use Tax Act.

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, 75% thereof shall be paid into the State
25 treasury and 25% shall be reserved in a special account and
26 used only for the transfer to the Common School Fund as part of

1 the monthly transfer from the General Revenue Fund in
2 accordance with Section 8a of the State Finance Act.

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

1 If the annual information return required by this Section
2 is not filed when and as required, the taxpayer shall be liable
3 as follows:

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

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

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

22 The provisions of this Section concerning the filing of an
23 annual information return do not apply to a retailer who is not
24 required to file an income tax return with the United States
25 Government.

26 As soon as possible after the first day of each month, upon

1 certification of the Department of Revenue, the Comptroller
2 shall order transferred and the Treasurer shall transfer from
3 the General Revenue Fund to the Motor Fuel Tax Fund an amount
4 equal to 1.7% of 80% of the net revenue realized under this Act
5 for the second preceding month. Beginning April 1, 2000, this
6 transfer is no longer required and shall not be made.

7 Net revenue realized for a month shall be the revenue
8 collected by the State pursuant to this Act, less the amount
9 paid out during that month as refunds to taxpayers for
10 overpayment of liability.

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

18 Any person who promotes, organizes, or provides retail
19 selling space for concessionaires or other types of sellers at
20 the Illinois State Fair, DuQuoin State Fair, county fairs,
21 local fairs, art shows, flea markets, and similar exhibitions
22 or events, including any transient merchant as defined by
23 Section 2 of the Transient Merchant Act of 1987, is required to
24 file a report with the Department providing the name of the
25 merchant's business, the name of the person or persons engaged
26 in merchant's business, the permanent address and Illinois

1 Retailers Occupation Tax Registration Number of the merchant,
2 the dates and location of the event, and other reasonable
3 information that the Department may require. The report must
4 be filed not later than the 20th day of the month next
5 following the month during which the event with retail sales
6 was held. Any person who fails to file a report required by
7 this Section commits a business offense and is subject to a
8 fine not to exceed \$250.

9 Any person engaged in the business of selling tangible
10 personal property at retail as a concessionaire or other type
11 of seller at the Illinois State Fair, county fairs, art shows,
12 flea markets, and similar exhibitions or events, or any
13 transient merchants, as defined by Section 2 of the Transient
14 Merchant Act of 1987, may be required to make a daily report of
15 the amount of such sales to the Department and to make a daily
16 payment of the full amount of tax due. The Department shall
17 impose this requirement when it finds that there is a
18 significant risk of loss of revenue to the State at such an
19 exhibition or event. Such a finding shall be based on evidence
20 that a substantial number of concessionaires or other sellers
21 who are not residents of Illinois will be engaging in the
22 business of selling tangible personal property at retail at
23 the exhibition or event, or other evidence of a significant
24 risk of loss of revenue to the State. The Department shall
25 notify concessionaires and other sellers affected by the
26 imposition of this requirement. In the absence of notification

1 by the Department, the concessionaires and other sellers shall
2 file their returns as otherwise required in this Section.

3 (Source: P.A. 102-634, eff. 8-27-21; 102-700, Article 60,
4 Section 60-30, eff. 4-19-22; 102-700, Article 65, Section
5 65-10, eff. 4-19-22; 102-813, eff. 5-13-22; 102-1019, eff.
6 1-1-23; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-363,
7 eff. 7-28-23; revised 9-27-23.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.