



Sen. Denny Jacobs

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1 AMENDMENT TO SENATE BILL 2290

2 AMENDMENT NO. _____. Amend Senate Bill 2290 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Retailers' Occupation Tax Act is amended by
5 changing Section 3 as follows:

6 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

12 1. The name of the seller;

13 2. His residence address and the address of his
14 principal place of business and the address of the
15 principal place of business (if that is a different
16 address) from which he engages in the business of selling
17 tangible personal property at retail in this State;

18 3. Total amount of receipts received by him during the
19 preceding calendar month or quarter, as the case may be,
20 from sales of tangible personal property, and from services
21 furnished, by him during such preceding calendar month or
22 quarter;

23 4. Total amount received by him during the preceding
24 calendar month or quarter on charge and time sales of

1 tangible personal property, and from services furnished,
2 by him prior to the month or quarter for which the return
3 is filed;

4 5. Deductions allowed by law;

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

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

10 8. The amount of tax due;

11 9. The signature of the taxpayer; and

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

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

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

21 Prior to October 1, 2003, a retailer may accept a
22 Manufacturer's Purchase Credit certification from a purchaser
23 in satisfaction of Use Tax as provided in Section 3-85 of the
24 Use Tax Act if the purchaser provides the appropriate
25 documentation as required by Section 3-85 of the Use Tax Act. A
26 Manufacturer's Purchase Credit certification, accepted by a
27 retailer prior to October 1, 2003 as provided in Section 3-85
28 of the Use Tax Act, may be used by that retailer to satisfy
29 Retailers' Occupation Tax liability in the amount claimed in
30 the certification, not to exceed 6.25% of the receipts subject
31 to tax from a qualifying purchase. A Manufacturer's Purchase
32 Credit reported on any original or amended return filed under
33 this Act after October 20, 2003 shall be disallowed. No
34 Manufacturer's Purchase Credit may be used after September 30,

1 2003 to satisfy any tax liability imposed under this Act,
2 including any audit liability.

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

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

24 Beginning on October 1, 2003, any person who is not a
25 licensed distributor, importing distributor, or manufacturer,
26 as defined in the Liquor Control Act of 1934, but is engaged in
27 the business of selling, at retail, alcoholic liquor shall file
28 a statement with the Department of Revenue, in a format and at
29 a time prescribed by the Department, showing the total amount
30 paid for alcoholic liquor purchased during the preceding month
31 and such other information as is reasonably required by the
32 Department. The Department may adopt rules to require that this
33 statement be filed in an electronic or telephonic format. Such
34 rules may provide for exceptions from the filing requirements

1 of this paragraph. For the purposes of this paragraph, the term
2 "alcoholic liquor" shall have the meaning prescribed in the
3 Liquor Control Act of 1934.

4 Beginning on October 1, 2003, every distributor, importing
5 distributor, and manufacturer of alcoholic liquor as defined in
6 the Liquor Control Act of 1934, shall file a statement with the
7 Department of Revenue, no later than the 10th day of the month
8 for the preceding month during which transactions occurred, by
9 electronic means, showing the total amount of gross receipts
10 from the sale of alcoholic liquor sold or distributed during
11 the preceding month to purchasers; identifying the purchaser to
12 whom it was sold or distributed; the purchaser's tax
13 registration number; and such other information reasonably
14 required by the Department. A distributor, importing
15 distributor, or manufacturer of alcoholic liquor must
16 personally deliver, mail, or provide by electronic means to
17 each retailer listed on the monthly statement a report
18 containing a cumulative total of that distributor's, importing
19 distributor's, or manufacturer's total sales of alcoholic
20 liquor to that retailer no later than the 10th day of the month
21 for the preceding month during which the transaction occurred.
22 The distributor, importing distributor, or manufacturer shall
23 notify the retailer as to the method by which the distributor,
24 importing distributor, or manufacturer will provide the sales
25 information. If the retailer is unable to receive the sales
26 information by electronic means, the distributor, importing
27 distributor, or manufacturer shall furnish the sales
28 information by personal delivery or by mail. For purposes of
29 this paragraph, the term "electronic means" includes, but is
30 not limited to, the use of a secure Internet website, e-mail,
31 or facsimile. A copy of the monthly statement shall be sent to
32 the retailer no later than the 10th day of the month for the
33 preceding month during which transactions occurred.

34 If a total amount of less than \$1 is payable, refundable or

1 creditable, such amount shall be disregarded if it is less than
2 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

28 Before August 1 of each year beginning in 1993, the
29 Department shall notify all taxpayers required to make payments
30 by electronic funds transfer. All taxpayers required to make
31 payments by electronic funds transfer shall make those payments
32 for a minimum of one year beginning on October 1.

33 Any taxpayer not required to make payments by electronic
34 funds transfer may make payments by electronic funds transfer

1 with the permission of the Department.

2 All taxpayers required to make payment by electronic funds
3 transfer and any taxpayers authorized to voluntarily make
4 payments by electronic funds transfer shall make those payments
5 in the manner authorized by the Department.

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

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

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

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

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

1 returns.

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

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

14 In addition, with respect to motor vehicles, watercraft,
15 aircraft, and trailers that are required to be registered with
16 an agency of this State, every retailer selling this kind of
17 tangible personal property shall file, with the Department,
18 upon a form to be prescribed and supplied by the Department, a
19 separate return for each such item of tangible personal
20 property which the retailer sells, except that if, in the same
21 transaction, (i) a retailer of aircraft, watercraft, motor
22 vehicles or trailers transfers more than one aircraft,
23 watercraft, motor vehicle or trailer to another aircraft,
24 watercraft, motor vehicle retailer or trailer retailer for the
25 purpose of resale or (ii) a retailer of aircraft, watercraft,
26 motor vehicles, or trailers transfers more than one aircraft,
27 watercraft, motor vehicle, or trailer to a purchaser for use as
28 a qualifying rolling stock as provided in Section 2-5 of this
29 Act, then that seller may report the transfer of all aircraft,
30 watercraft, motor vehicles or trailers involved in that
31 transaction to the Department on the same uniform
32 invoice-transaction reporting return form. For purposes of
33 this Section, "watercraft" means a Class 2, Class 3, or Class 4
34 watercraft as defined in Section 3-2 of the Boat Registration

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

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

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

32 The transaction reporting return in the case of watercraft
33 or aircraft must show the name and address of the seller; the
34 name and address of the purchaser; the amount of the selling

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

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

26 With each such transaction reporting return, the retailer
27 shall remit the proper amount of tax due (or shall submit
28 satisfactory evidence that the sale is not taxable if that is
29 the case), to the Department or its agents, whereupon the
30 Department shall issue, in the purchaser's name, a use tax
31 receipt (or a certificate of exemption if the Department is
32 satisfied that the particular sale is tax exempt) which such
33 purchaser may submit to the agency with which, or State officer
34 with whom, he must title or register the tangible personal

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

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

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

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

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

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

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

13 Except as provided in this Section, the retailer filing the
14 return under this Section shall, at the time of filing such
15 return, pay to the Department the amount of tax imposed by this
16 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
17 on and after January 1, 1990, or \$5 per calendar year,
18 whichever is greater, which is allowed to reimburse the
19 retailer for the expenses incurred in keeping records,
20 preparing and filing returns, remitting the tax and supplying
21 data to the Department on request. Any prepayment made pursuant
22 to Section 2d of this Act shall be included in the amount on
23 which such 2.1% or 1.75% discount is computed. In the case of
24 retailers who report and pay the tax on a transaction by
25 transaction basis, as provided in this Section, such discount
26 shall be taken with each such tax remittance instead of when
27 such retailer files his periodic return.

28 Before October 1, 2000, if the taxpayer's average monthly
29 tax liability to the Department under this Act, the Use Tax
30 Act, the Service Occupation Tax Act, and the Service Use Tax
31 Act, excluding any liability for prepaid sales tax to be
32 remitted in accordance with Section 2d of this Act, was \$10,000
33 or more during the preceding 4 complete calendar quarters, he
34 shall file a return with the Department each month by the 20th

1 day of the month next following the month during which such tax
2 liability is incurred and shall make payments to the Department
3 on or before the 7th, 15th, 22nd and last day of the month
4 during which such liability is incurred. On and after October
5 1, 2000, if the taxpayer's average monthly tax liability to the
6 Department under this Act, the Use Tax Act, the Service
7 Occupation Tax Act, and the Service Use Tax Act, excluding any
8 liability for prepaid sales tax to be remitted in accordance
9 with Section 2d of this Act, was \$20,000 or more during the
10 preceding 4 complete calendar quarters, he shall file a return
11 with the Department each month by the 20th day of the month
12 next following the month during which such tax liability is
13 incurred and shall make payment to the Department on or before
14 the 7th, 15th, 22nd and last day of the month during which such
15 liability is incurred. If the month during which such tax
16 liability is incurred began prior to January 1, 1985, each
17 payment shall be in an amount equal to 1/4 of the taxpayer's
18 actual liability for the month or an amount set by the
19 Department not to exceed 1/4 of the average monthly liability
20 of the taxpayer to the Department for the preceding 4 complete
21 calendar quarters (excluding the month of highest liability and
22 the month of lowest liability in such 4 quarter period). If the
23 month during which such tax liability is incurred begins on or
24 after January 1, 1985 and prior to January 1, 1987, each
25 payment shall be in an amount equal to 22.5% of the taxpayer's
26 actual liability for the month or 27.5% of the taxpayer's
27 liability for the same calendar month of the preceding year. If
28 the month during which such tax liability is incurred begins on
29 or after January 1, 1987 and prior to January 1, 1988, each
30 payment shall be in an amount equal to 22.5% of the taxpayer's
31 actual liability for the month or 26.25% of the taxpayer's
32 liability for the same calendar month of the preceding year. If
33 the month during which such tax liability is incurred begins on
34 or after January 1, 1988, and prior to January 1, 1989, or

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

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

27 The provisions of this paragraph apply before October 1,
28 2001. Without regard to whether a taxpayer is required to make
29 quarter monthly payments as specified above, any taxpayer who
30 is required by Section 2d of this Act to collect and remit
31 prepaid taxes and has collected prepaid taxes which average in
32 excess of \$25,000 per month during the preceding 2 complete
33 calendar quarters, shall file a return with the Department as
34 required by Section 2f and shall make payments to the

1 Department on or before the 7th, 15th, 22nd and last day of the
2 month during which such liability is incurred. If the month
3 during which such tax liability is incurred began prior to the
4 effective date of this amendatory Act of 1985, each payment
5 shall be in an amount not less than 22.5% of the taxpayer's
6 actual liability under Section 2d. If the month during which
7 such tax liability is incurred begins on or after January 1,
8 1986, each payment shall be in an amount equal to 22.5% of the
9 taxpayer's actual liability for the month or 27.5% of the
10 taxpayer's liability for the same calendar month of the
11 preceding calendar year. If the month during which such tax
12 liability is incurred begins on or after January 1, 1987, each
13 payment shall be in an amount equal to 22.5% of the taxpayer's
14 actual liability for the month or 26.25% of the taxpayer's
15 liability for the same calendar month of the preceding year.
16 The amount of such quarter monthly payments shall be credited
17 against the final tax liability of the taxpayer's return for
18 that month filed under this Section or Section 2f, as the case
19 may be. Once applicable, the requirement of the making of
20 quarter monthly payments to the Department pursuant to this
21 paragraph shall continue until such taxpayer's average monthly
22 prepaid tax collections during the preceding 2 complete
23 calendar quarters is \$25,000 or less. If any such quarter
24 monthly payment is not paid at the time or in the amount
25 required, the taxpayer shall be liable for penalties and
26 interest on such difference, except insofar as the taxpayer has
27 previously made payments for that month in excess of the
28 minimum payments previously due.

29 The provisions of this paragraph apply on and after October
30 1, 2001. Without regard to whether a taxpayer is required to
31 make quarter monthly payments as specified above, any taxpayer
32 who is required by Section 2d of this Act to collect and remit
33 prepaid taxes and has collected prepaid taxes that average in
34 excess of \$20,000 per month during the preceding 4 complete

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

25 If any payment provided for in this Section exceeds the
26 taxpayer's liabilities under this Act, the Use Tax Act, the
27 Service Occupation Tax Act and the Service Use Tax Act, as
28 shown on an original monthly return, the Department shall, if
29 requested by the taxpayer, issue to the taxpayer a credit
30 memorandum no later than 30 days after the date of payment. The
31 credit evidenced by such credit memorandum may be assigned by
32 the taxpayer to a similar taxpayer under this Act, the Use Tax
33 Act, the Service Occupation Tax Act or the Service Use Tax Act,
34 in accordance with reasonable rules and regulations to be

1 prescribed by the Department. If no such request is made, the
2 taxpayer may credit such excess payment against tax liability
3 subsequently to be remitted to the Department under this Act,
4 the Use Tax Act, the Service Occupation Tax Act or the Service
5 Use Tax Act, in accordance with reasonable rules and
6 regulations prescribed by the Department. If the Department
7 subsequently determined that all or any part of the credit
8 taken was not actually due to the taxpayer, the taxpayer's 2.1%
9 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
10 of the difference between the credit taken and that actually
11 due, and that taxpayer shall be liable for penalties and
12 interest on such difference.

13 If a retailer of motor fuel is entitled to a credit under
14 Section 2d of this Act which exceeds the taxpayer's liability
15 to the Department under this Act for the month which the
16 taxpayer is filing a return, the Department shall issue the
17 taxpayer a credit memorandum for the excess.

18 Beginning January 1, 1990, each month the Department shall
19 pay into the Local Government Tax Fund, a special fund in the
20 State treasury which is hereby created, the net revenue
21 realized for the preceding month from the 1% tax on sales of
22 food for human consumption which is to be consumed off the
23 premises where it is sold (other than alcoholic beverages, soft
24 drinks and food which has been prepared for immediate
25 consumption) and prescription and nonprescription medicines,
26 drugs, medical appliances and insulin, urine testing
27 materials, syringes and needles used by diabetics.

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

33 Beginning August 1, 2000, each month the Department shall
34 pay into the County and Mass Transit District Fund 20% of the

1 net revenue realized for the preceding month from the 1.25%
2 rate on the selling price of motor fuel and gasohol.

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

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 Of the remainder of the moneys received by the Department
12 pursuant to this Act, (a) 1.75% thereof shall be paid into the
13 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
14 and after July 1, 1989, 3.8% thereof shall be paid into the
15 Build Illinois Fund; provided, however, that if in any fiscal
16 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
17 may be, of the moneys received by the Department and required
18 to be paid into the Build Illinois Fund pursuant to this Act,
19 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
20 Act, and Section 9 of the Service Occupation Tax Act, such Acts
21 being hereinafter called the "Tax Acts" and such aggregate of
22 2.2% or 3.8%, as the case may be, of moneys being hereinafter
23 called the "Tax Act Amount", and (2) the amount transferred to
24 the Build Illinois Fund from the State and Local Sales Tax
25 Reform Fund shall be less than the Annual Specified Amount (as
26 hereinafter defined), an amount equal to the difference shall
27 be immediately paid into the Build Illinois Fund from other
28 moneys received by the Department pursuant to the Tax Acts; the
29 "Annual Specified Amount" means the amounts specified below for
30 fiscal years 1986 through 1993:

31	Fiscal Year	Annual Specified Amount
32	1986	\$54,800,000
33	1987	\$76,650,000
34	1988	\$80,480,000

1	1989	\$88,510,000
2	1990	\$115,330,000
3	1991	\$145,470,000
4	1992	\$182,730,000
5	1993	\$206,520,000;

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

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

21 Subject to payment of amounts into the Build Illinois Fund
22 as provided in the preceding paragraph or in any amendment
23 thereto hereafter enacted, the following specified monthly
24 installment of the amount requested in the certificate of the
25 Chairman of the Metropolitan Pier and Exposition Authority
26 provided under Section 8.25f of the State Finance Act, but not
27 in excess of sums designated as "Total Deposit", shall be
28 deposited in the aggregate from collections under Section 9 of
29 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
30 9 of the Service Occupation Tax Act, and Section 3 of the
31 Retailers' Occupation Tax Act into the McCormick Place
32 Expansion Project Fund in the specified fiscal years.

33
Fiscal Year Total Deposit

1	1993	\$0
2	1994	53,000,000
3	1995	58,000,000
4	1996	61,000,000
5	1997	64,000,000
6	1998	68,000,000
7	1999	71,000,000
8	2000	75,000,000
9	2001	80,000,000
10	2002	93,000,000
11	2003	99,000,000
12	2004	103,000,000
13	2005	108,000,000
14	2006	113,000,000
15	2007	119,000,000
16	2008	126,000,000
17	2009	132,000,000
18	2010	139,000,000
19	2011	146,000,000
20	2012	153,000,000
21	2013	161,000,000
22	2014	170,000,000
23	2015	179,000,000
24	2016	189,000,000
25	2017	199,000,000
26	2018	210,000,000
27	2019	221,000,000
28	2020	233,000,000
29	2021	246,000,000
30	2022	260,000,000
31	2023 and	275,000,000
32	each fiscal year	
33	thereafter that bonds	
34	are outstanding under	

1 Section 13.2 of the
2 Metropolitan Pier and
3 Exposition Authority Act,
4 but not after fiscal year 2042.

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

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

26 Subject to payment of amounts into the Build Illinois Fund
27 and the McCormick Place Expansion Project Fund pursuant to the
28 preceding paragraphs or in any amendments thereto hereafter
29 enacted, beginning with the receipt of the first report of
30 taxes paid by an eligible business and continuing for a 25-year
31 period, the Department shall each month pay into the Energy
32 Infrastructure Fund 80% of the net revenue realized from the
33 6.25% general rate on the selling price of Illinois-mined coal
34 that was sold to an eligible business. For purposes of this

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

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

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

34 If the annual information return required by this Section

1 is not filed when and as required, the taxpayer shall be liable
2 as follows:

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

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

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

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

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

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

1 overpayment of liability.

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

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

26 Any person engaged in the business of selling tangible
27 personal property at retail as a concessionaire or other type
28 of seller at the Illinois State Fair, county fairs, art shows,
29 flea markets and similar exhibitions or events, or any
30 transient merchants, as defined by Section 2 of the Transient
31 Merchant Act of 1987, may be required to make a daily report of
32 the amount of such sales to the Department and to make a daily
33 payment of the full amount of tax due. The Department shall
34 impose this requirement when it finds that there is a

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

12 (Source: P.A. 92-12, eff. 7-1-01; 92-16, eff. 6-28-01; 92-208,
13 eff. 8-2-01; 92-484, eff. 8-23-01; 92-492, eff. 1-1-02; 92-600,
14 eff. 6-28-02; 92-651, eff. 7-11-02; 93-22, eff. 6-20-03; 93-24,
15 eff. 6-20-03; revised 10-15-03.)

16 Section 10. The Liquor Control Act of 1934 is amended by
17 changing Sections 7-5 and 7-6 as follows:

18 (235 ILCS 5/7-5) (from Ch. 43, par. 149)

19 Sec. 7-5. The local liquor control commissioner may revoke
20 or suspend any license issued by him if he determines that the
21 licensee has violated any of the provisions of this Act or of
22 any valid ordinance or resolution enacted by the particular
23 city council, president, or board of trustees or county board
24 (as the case may be) or any applicable rule or regulations
25 established by the local liquor control commissioner or the
26 State commission which is not inconsistent with law. Upon
27 notification by the Illinois Department of Revenue, the State
28 Commission, in accordance with Section 3-12, may fine a
29 licensee or suspend or ~~shall~~ revoke any license issued by the
30 State Commission ~~it~~ if the licensee has violated the provisions
31 of Section 3 of the Retailers' Occupation Tax Act. In addition
32 to the suspension, the local liquor control commissioner in any

1 county or municipality may levy a fine on the licensee for such
2 violations. The fine imposed shall not exceed \$1000 for a first
3 violation within a 12-month period, \$1,500 for a second
4 violation within a 12-month period, and \$2,500 for a third or
5 subsequent violation within a 12-month period. Each day on
6 which a violation continues shall constitute a separate
7 violation. Not more than \$15,000 in fines under this Section
8 may be imposed against any licensee during the period of his
9 license. Proceeds from such fines shall be paid into the
10 general corporate fund of the county or municipal treasury, as
11 the case may be.

12 However, no such license shall be so revoked or suspended
13 and no licensee shall be fined except after a public hearing by
14 the local liquor control commissioner with a 3 day written
15 notice to the licensee affording the licensee an opportunity to
16 appear and defend. All such hearings shall be open to the
17 public and the local liquor control commissioner shall reduce
18 all evidence to writing and shall maintain an official record
19 of the proceedings. If the local liquor control commissioner
20 has reason to believe that any continued operation of a
21 particular licensed premises will immediately threaten the
22 welfare of the community he may, upon the issuance of a written
23 order stating the reason for such conclusion and without notice
24 or hearing order the licensed premises closed for not more than
25 7 days, giving the licensee an opportunity to be heard during
26 that period, except that if such licensee shall also be engaged
27 in the conduct of another business or businesses on the
28 licensed premises such order shall not be applicable to such
29 other business or businesses.

30 The local liquor control commissioner shall within 5 days
31 after such hearing, if he determines after such hearing that
32 the license should be revoked or suspended or that the licensee
33 should be fined, state the reason or reasons for such
34 determination in a written order, and either the amount of the

1 fine, the period of suspension, or that the license has been
2 revoked, and shall serve a copy of such order within the 5 days
3 upon the licensee.

4 If the premises for which the license was issued are
5 located outside of a city, village or incorporated town having
6 a population of 500,000 or more inhabitants, the licensee after
7 the receipt of such order of suspension or revocation shall
8 have the privilege within a period of 20 days after the receipt
9 of such order of suspension or revocation of appealing the
10 order to the State commission for a decision sustaining,
11 reversing or modifying the order of the local liquor control
12 commissioner. If the State commission affirms the local
13 commissioner's order to suspend or revoke the license at the
14 first hearing, the appellant shall cease to engage in the
15 business for which the license was issued, until the local
16 commissioner's order is terminated by its own provisions or
17 reversed upon rehearing or by the courts.

18 If the premises for which the license was issued are
19 located within a city, village or incorporated town having a
20 population of 500,000 or more inhabitants, the licensee shall
21 have the privilege, within a period of 20 days after the
22 receipt of such order of fine, suspension or revocation, of
23 appealing the order to the local license appeal commission and
24 upon the filing of such an appeal by the licensee the license
25 appeal commission shall determine the appeal upon certified
26 record of proceedings of the local liquor commissioner in
27 accordance with the provisions of Section 7-9. Within 30 days
28 after such appeal was heard the license appeal commission shall
29 render a decision sustaining or reversing the order of the
30 local liquor control commissioner.

31 (Source: P.A. 93-22, eff. 6-20-03.)

32 (235 ILCS 5/7-6) (from Ch. 43, par. 150)

33 Sec. 7-6. All proceedings for the revocation or suspension

1 of licenses of manufacturers, distributors, importing
2 distributors, non-resident dealers, foreign importers,
3 non-beverage users, railroads, airplanes and boats shall be
4 before the State Commission. All such proceedings and all
5 proceedings for the revocation or suspension of a retailer's
6 license before the State commission shall be in accordance with
7 rules and regulations established by it not inconsistent with
8 law. However, no such license shall be so revoked or suspended
9 except after a hearing by the State commission with reasonable
10 notice to the licensee served by registered or certified mail
11 with return receipt requested at least 10 days prior to the
12 hearings at the last known place of business of the licensee
13 and after an opportunity to appear and defend. Such notice
14 shall specify the time and place of the hearing, the nature of
15 the charges, the specific provisions of the Act and rules
16 violated, and the specific facts supporting the charges or
17 violation. The findings of the Commission shall be predicated
18 upon competent evidence. The revocation of a local license
19 shall automatically result in the revocation of a State
20 license. Upon notification by the Illinois Department of
21 Revenue, the State Commission, in accordance with Section 3-12,
22 may fine a licensee or suspend or ~~shall~~ revoke any license
23 issued by the State Commission ~~it~~ if the licensee has violated
24 the provisions of Section 3 of the Retailers' Occupation Tax
25 Act. All procedures for the suspension or revocation of a
26 license, as enumerated above, are applicable to the levying of
27 fines for violations of this Act or any rule or regulation
28 issued pursuant thereto.

29 (Source: P.A. 93-22, eff. 6-20-03.)

30 Section 99. Effective date. This Act takes effect upon
31 becoming law."