



## 98TH GENERAL ASSEMBLY

### State of Illinois

### 2013 and 2014

### HB3025

by Rep. Wayne Rosenthal

#### 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 taxes on motor fuel and gasohol shall be imposed at the following rates: (1) 5.25% from July 1, 2013 through June 30, 2014; (2) 4.25% from July 1, 2014 through June 30, 2015; (3) 3.25% from July 1, 2015 through June 30, 2016; (4) 2.25% from July 1, 2016 through June 30, 2017; and (5) 1.25% on and after July 1, 2017. Makes changes concerning the distribution of proceeds. Effective immediately.

LRB098 10134 HLH 40293 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Sections  
5 3-10 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 functionally  
14 used or consumed is a by-product or waste product that has been  
15 refined, manufactured, or produced from property purchased at  
16 retail, then the tax is imposed on the lower of the fair market  
17 value, if any, of the specific property so used in this State  
18 or on the selling price of the property purchased at retail.  
19 For purposes of this Section "fair market value" means the  
20 price at which property would change hands between a willing  
21 buyer and a willing seller, neither being under any compulsion  
22 to buy or sell and both having reasonable knowledge of the  
23 relevant facts. The fair market value shall be established by

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

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

9 Beginning on August 6, 2010 through August 15, 2010, with  
10 respect to sales tax holiday items as defined in Section 3-6 of  
11 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 December 31, 2018, and (iii) 100% of the proceeds of  
17 sales made thereafter. If, at any time, however, the tax under  
18 this Act on sales of gasohol is imposed at the rate of 1.25%,  
19 then the tax imposed by this Act applies to 100% of the  
20 proceeds of sales of gasohol made during that time.

21 With respect to majority blended ethanol fuel, the tax  
22 imposed by this Act does not apply to the proceeds of sales  
23 made on or after July 1, 2003 and on or before December 31,  
24 2018 but applies to 100% of the proceeds of sales made  
25 thereafter.

26 With respect to biodiesel blends with no less than 1% and

1 no more than 10% biodiesel, the tax imposed by this Act applies  
2 to (i) 80% of the proceeds of sales made on or after July 1,  
3 2003 and on or before December 31, 2018 and (ii) 100% of the  
4 proceeds of sales made thereafter. If, at any time, however,  
5 the tax under this Act on sales of biodiesel blends with no  
6 less than 1% and no more than 10% biodiesel is imposed at the  
7 rate of 1.25%, then the tax imposed by this Act applies to 100%  
8 of the proceeds of sales of biodiesel blends with no less than  
9 1% and no more than 10% biodiesel made during that time.

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

15 With respect to food for human consumption that is to be  
16 consumed off the premises where it is sold (other than  
17 alcoholic beverages, soft drinks, and food that has been  
18 prepared for immediate consumption) and prescription and  
19 nonprescription medicines, drugs, medical appliances,  
20 modifications to a motor vehicle for the purpose of rendering  
21 it usable by a disabled person, and insulin, urine testing  
22 materials, syringes, and needles used by diabetics, for human  
23 use, the tax is imposed at the rate of 1%. For the purposes of  
24 this Section, until September 1, 2009: the term "soft drinks"  
25 means any complete, finished, ready-to-use, non-alcoholic  
26 drink, whether carbonated or not, including but not limited to

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

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

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

1 regardless of the location of the vending machine.

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

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

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

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

1 substance or preparation.

2 Beginning on July 1, 2013 and through June 30, 2014, with  
3 respect to motor fuel, as defined in Section 1.1 of the Motor  
4 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
5 Use Tax Act, the tax is imposed at the rate of 5.25%.

6 Beginning on July 1, 2014 and through June 30, 2015, with  
7 respect to motor fuel, as defined in Section 1.1 of the Motor  
8 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
9 Use Tax Act, the tax is imposed at the rate of 4.25%.

10 Beginning on July 1, 2015 and through June 30, 2016, with  
11 respect to motor fuel, as defined in Section 1.1 of the Motor  
12 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
13 Use Tax Act, the tax is imposed at the rate of 3.25%.

14 Beginning on July 1, 2016 and through June 30, 2017, with  
15 respect to motor fuel, as defined in Section 1.1 of the Motor  
16 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
17 Use Tax Act, the tax is imposed at the rate of 2.25%.

18 Beginning on July 1, 2017, with respect to motor fuel, as  
19 defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol,  
20 as defined in Section 3-40 of the Use Tax Act, the tax is  
21 imposed at the rate of 1.25%.

22 If the property that is purchased at retail from a retailer  
23 is 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 out-of-state  
2 use.

3 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
4 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10;  
5 97-636, eff. 6-1-12.)

6 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

7 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
8 and trailers that are required to be registered with an agency  
9 of this State, each retailer required or authorized to collect  
10 the tax imposed by this Act shall pay to the Department the  
11 amount of such tax (except as otherwise provided) at the time  
12 when he is required to file his return for the period during  
13 which such tax was collected, less a discount of 2.1% prior to  
14 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
15 per calendar year, whichever is greater, which is allowed to  
16 reimburse the retailer for expenses incurred in collecting the  
17 tax, keeping records, preparing and filing returns, remitting  
18 the tax and supplying data to the Department on request. In the  
19 case of retailers who report and pay the tax on a transaction  
20 by transaction basis, as provided in this Section, such  
21 discount shall be taken with each such tax remittance instead  
22 of when such retailer files his periodic return. A retailer  
23 need not remit that part of any tax collected by him to the  
24 extent that he is required to remit and does remit the tax  
25 imposed by the Retailers' Occupation Tax Act, with respect to



1 the sale of the same property.

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

12 Except as provided in this Section, on or before the  
13 twentieth day of each calendar month, such retailer shall file  
14 a return for the preceding calendar month. Such return shall be  
15 filed on forms prescribed by the Department and shall furnish  
16 such information as the Department may reasonably require.

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

- 24 1. The name of the seller;
- 25 2. The address of the principal place of business from  
26 which he engages in the business of selling tangible

1 personal property at retail in this State;

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

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

9 5. The amount of tax due;

10 5-5. The signature of the taxpayer; and

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

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

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

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

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

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

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

1 in the manner authorized by the Department.

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

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

1 Department not to exceed 1/4 of the average monthly liability  
2 of the taxpayer to the Department for the preceding 4 complete  
3 calendar quarters (excluding the month of highest liability and  
4 the month of lowest liability in such 4 quarter period). If the  
5 month during which such tax liability is incurred begins on or  
6 after January 1, 1985, and prior to January 1, 1987, each  
7 payment shall be in an amount equal to 22.5% of the taxpayer's  
8 actual liability for the month or 27.5% of the taxpayer's  
9 liability for the same calendar month of the preceding year. If  
10 the month during which such tax liability is incurred begins on  
11 or after January 1, 1987, and prior to January 1, 1988, each  
12 payment shall be in an amount equal to 22.5% of the taxpayer's  
13 actual liability for the month or 26.25% of the taxpayer's  
14 liability for the same calendar month of the preceding year. If  
15 the month during which such tax liability is incurred begins on  
16 or after January 1, 1988, and prior to January 1, 1989, or  
17 begins on or after January 1, 1996, each payment shall be in an  
18 amount equal to 22.5% of the taxpayer's actual liability for  
19 the month or 25% of the taxpayer's liability for the same  
20 calendar month of the preceding year. If the month during which  
21 such tax liability is incurred begins on or after January 1,  
22 1989, and prior to January 1, 1996, each payment shall be in an  
23 amount equal to 22.5% of the taxpayer's actual liability for  
24 the month or 25% of the taxpayer's liability for the same  
25 calendar month of the preceding year or 100% of the taxpayer's  
26 actual liability for the quarter monthly reporting period. The

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

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

21 If any such payment provided for in this Section exceeds  
22 the taxpayer's liabilities under this Act, the Retailers'  
23 Occupation Tax Act, the Service Occupation Tax Act and the  
24 Service Use Tax Act, as shown by an original monthly return,  
25 the Department shall issue to the taxpayer a credit memorandum  
26 no later than 30 days after the date of payment, which

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

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



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

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

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

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

23 In addition, with respect to motor vehicles, watercraft,  
24 aircraft, and trailers that are required to be registered with  
25 an agency of this State, every retailer selling this kind of  
26 tangible personal property shall file, with the Department,

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

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

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

15 The transaction reporting return in the case of watercraft  
16 and aircraft must show the name and address of the seller; the  
17 name and address of the purchaser; the amount of the selling  
18 price including the amount allowed by the retailer for  
19 traded-in property, if any; the amount allowed by the retailer  
20 for the traded-in tangible personal property, if any, to the  
21 extent to which Section 2 of this Act allows an exemption for  
22 the value of traded-in property; the balance payable after  
23 deducting such trade-in allowance from the total selling price;  
24 the amount of tax due from the retailer with respect to such  
25 transaction; the amount of tax collected from the purchaser by  
26 the retailer on such transaction (or satisfactory evidence that

1 such tax is not due in that particular instance, if that is  
2 claimed to be the fact); the place and date of the sale, a  
3 sufficient identification of the property sold, and such other  
4 information as the Department may reasonably require.

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

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

1 support of such purchaser's application for an Illinois  
2 certificate or other evidence of title or registration to such  
3 tangible personal property.

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

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

1 the tax directly to the Department, he shall pay the tax in the  
2 same amount and in the same form in which it would be remitted  
3 if the tax had been remitted to the Department by the retailer.

4 Where a retailer collects the tax with respect to the  
5 selling price of tangible personal property which he sells and  
6 the purchaser thereafter returns such tangible personal  
7 property and the retailer refunds the selling price thereof to  
8 the purchaser, such retailer shall also refund, to the  
9 purchaser, the tax so collected from the purchaser. When filing  
10 his return for the period in which he refunds such tax to the  
11 purchaser, the retailer may deduct the amount of the tax so  
12 refunded by him to the purchaser from any other use tax which  
13 such retailer may be required to pay or remit to the  
14 Department, as shown by such return, if the amount of the tax  
15 to be deducted was previously remitted to the Department by  
16 such retailer. If the retailer has not previously remitted the  
17 amount of such tax to the Department, he is entitled to no  
18 deduction under this Act upon refunding such tax to the  
19 purchaser.

20 Any retailer filing a return under this Section shall also  
21 include (for the purpose of paying tax thereon) the total tax  
22 covered by such return upon the selling price of tangible  
23 personal property purchased by him at retail from a retailer,  
24 but as to which the tax imposed by this Act was not collected  
25 from the retailer filing such return, and such retailer shall  
26 remit the amount of such tax to the Department when filing such

1 return.

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

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

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

23 Beginning January 1, 1990, each month the Department shall  
24 pay into the County and Mass Transit District Fund 4% of the  
25 net revenue realized for the preceding month from the 6.25%  
26 general rate on the selling price of tangible personal property

1 which is purchased outside Illinois at retail from a retailer  
2 and which is titled or registered by an agency of this State's  
3 government.

4 Except as otherwise provided in this Section with respect  
5 to motor fuel and gasohol, beginning ~~Beginning~~ January 1, 1990,  
6 each month the Department shall pay into the State and Local  
7 Sales Tax Reform Fund, a special fund in the State Treasury,  
8 20% of the net revenue realized for the preceding month from  
9 the 6.25% general rate on the selling price of tangible  
10 personal property, other than tangible personal property which  
11 is purchased outside Illinois at retail from a retailer and  
12 which is titled or registered by an agency of this State's  
13 government.

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

22 Beginning August 1, 2013 and through July 31, 2014, each  
23 month the Department shall pay into the State and Local Sales  
24 Tax Reform Fund 24% of the net revenue realized for the  
25 preceding month from the 5.25% rate on the selling price of  
26 motor fuel and gasohol.



1       Beginning August 1, 2014 and through July 31, 2015, each  
2 month the Department shall pay into the State and Local Sales  
3 Tax Reform Fund 29% of the net revenue realized for the  
4 preceding month from the 4.25% rate on the selling price of  
5 motor fuel and gasohol.

6       Beginning August 1, 2015 and through July 31, 2016, each  
7 month the Department shall pay into the State and Local Sales  
8 Tax Reform Fund 39% of the net revenue realized for the  
9 preceding month from the 3.25% rate on the selling price of  
10 motor fuel and gasohol.

11       Beginning August 1, 2016 and through July 31, 2017, each  
12 month the Department shall pay into the State and Local Sales  
13 Tax Reform Fund 56% of the net revenue realized for the  
14 preceding month from the 2.25% rate on the selling price of  
15 motor fuel and gasohol.

16       Beginning August 1, 2017, each month the Department shall  
17 pay into the State and Local Sales Tax Reform Fund 100% of the  
18 net revenue realized for the preceding month from the 1.25%  
19 rate on the selling price of motor fuel and gasohol.

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

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

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

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 securing  
2 Bonds issued and outstanding pursuant to the Build Illinois  
3 Bond Act is sufficient, taking into account any future  
4 investment income, to fully provide, in accordance with such  
5 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 Fund;  
21 provided, however, that any amounts paid to the Build Illinois  
22 Fund in any fiscal year pursuant to this sentence shall be  
23 deemed to constitute payments pursuant to clause (b) of the  
24 preceding sentence and shall reduce the amount otherwise  
25 payable for such fiscal year pursuant to clause (b) of the  
26 preceding sentence. The moneys received by the Department

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

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

16	Fiscal Year	Total Deposit
17	1993	\$0
18	1994	53,000,000
19	1995	58,000,000
20	1996	61,000,000
21	1997	64,000,000
22	1998	68,000,000
23	1999	71,000,000
24	2000	75,000,000
25	2001	80,000,000
26	2002	93,000,000

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	246,000,000
20	2022	260,000,000
21	2023	275,000,000
22	2024	275,000,000
23	2025	275,000,000
24	2026	279,000,000
25	2027	292,000,000
26	2028	307,000,000

1	2029	322,000,000
2	2030	338,000,000
3	2031	350,000,000
4	2032	350,000,000

5 and

6 each fiscal year

7 thereafter that bonds

8 are outstanding under

9 Section 13.2 of the

10 Metropolitan Pier and

11 Exposition Authority Act,

12 but not after fiscal year 2060.

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

26 Subject to payment of amounts into the Build Illinois Fund

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

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

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



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

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

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

19           (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,  
20 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;  
21 97-333, eff. 8-12-11.)

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

24           (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

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

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

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

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

1 thereafter.

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

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

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

1 annual total gross receipts from all sales of service, the tax  
2 imposed by this Act shall be based on the serviceman's cost  
3 price of the tangible personal property transferred as an  
4 incident to the sale of those services.

5 The tax shall be imposed at the rate of 1% on food prepared  
6 for immediate consumption and transferred incident to a sale of  
7 service subject to this Act or the Service Occupation Tax Act  
8 by an entity licensed under the Hospital Licensing Act, the  
9 Nursing Home Care Act, the ID/DD Community Care Act, the  
10 Specialized Mental Health Rehabilitation Act, or the Child Care  
11 Act of 1969. The tax shall also be imposed at the rate of 1% on  
12 food for human consumption that is to be consumed off the  
13 premises where it is sold (other than alcoholic beverages, soft  
14 drinks, and food that has been prepared for immediate  
15 consumption and is not otherwise included in this paragraph)  
16 and prescription and nonprescription medicines, drugs, medical  
17 appliances, modifications to a motor vehicle for the purpose of  
18 rendering it usable by a disabled person, and insulin, urine  
19 testing materials, syringes, and needles used by diabetics, for  
20 human use. For the purposes of this Section, until September 1,  
21 2009: the term "soft drinks" means any complete, finished,  
22 ready-to-use, non-alcoholic drink, whether carbonated or not,  
23 including but not limited to soda water, cola, fruit juice,  
24 vegetable juice, carbonated water, and all other preparations  
25 commonly known as soft drinks of whatever kind or description  
26 that are contained in any closed or sealed bottle, can, carton,

1 or container, regardless of size; but "soft drinks" does not  
2 include coffee, tea, non-carbonated water, infant formula,  
3 milk or milk products as defined in the Grade A Pasteurized  
4 Milk and Milk Products Act, or drinks containing 50% or more  
5 natural fruit or vegetable juice.

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

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

24 Notwithstanding any other provisions of this Act,  
25 beginning September 1, 2009, "food for human consumption that  
26 is to be consumed off the premises where it is sold" does not

1 include candy. For purposes of this Section, "candy" means a  
2 preparation of sugar, honey, or other natural or artificial  
3 sweeteners in combination with chocolate, fruits, nuts or other  
4 ingredients or flavorings in the form of bars, drops, or  
5 pieces. "Candy" does not include any preparation that contains  
6 flour or requires refrigeration.

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

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

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

24 Beginning on July 1, 2013 and through June 30, 2014, with  
25 respect to motor fuel, as defined in Section 1.1 of the Motor  
26 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the

1 Use Tax Act, the tax is imposed at the rate of 5.25%.

2 Beginning on July 1, 2014 and through June 30, 2015, with  
3 respect to motor fuel, as defined in Section 1.1 of the Motor  
4 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
5 Use Tax Act, the tax is imposed at the rate of 4.25%.

6 Beginning on July 1, 2015 and through June 30, 2016, with  
7 respect to motor fuel, as defined in Section 1.1 of the Motor  
8 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
9 Use Tax Act, the tax is imposed at the rate of 3.25%.

10 Beginning on July 1, 2016 and through June 30, 2017, with  
11 respect to motor fuel, as defined in Section 1.1 of the Motor  
12 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
13 Use Tax Act, the tax is imposed at the rate of 2.25%.

14 Beginning on July 1, 2017, with respect to motor fuel, as  
15 defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol,  
16 as defined in Section 3-40 of the Use Tax Act, the tax is  
17 imposed at the rate of 1.25%.

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

25 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
26 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,

1 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)

2 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

3 Sec. 9. Each serviceman required or authorized to collect  
4 the tax herein imposed shall pay to the Department the amount  
5 of such tax (except as otherwise provided) at the time when he  
6 is required to file his return for the period during which such  
7 tax was collected, less a discount of 2.1% prior to January 1,  
8 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar  
9 year, whichever is greater, which is allowed to reimburse the  
10 serviceman for expenses incurred in collecting the tax, keeping  
11 records, preparing and filing returns, remitting the tax and  
12 supplying data to the Department on request. A serviceman need  
13 not remit that part of any tax collected by him to the extent  
14 that he is required to pay and does pay the tax imposed by the  
15 Service Occupation Tax Act with respect to his sale of service  
16 involving the incidental transfer by him of the same property.

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

24 The Department may require returns to be filed on a  
25 quarterly basis. If so required, a return for each calendar



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

6 1. The name of the seller;

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

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

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

15 5. The amount of tax due;

16 5-5. The signature of the taxpayer; and

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

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

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

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

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

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

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

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

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

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

1 following year.

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

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

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

1 entitled to no deduction hereunder upon refunding such tax to  
2 the purchaser.

3 Any serviceman filing a return hereunder shall also include  
4 the total tax upon the selling price of tangible personal  
5 property purchased for use by him as an incident to a sale of  
6 service, and such serviceman shall remit the amount of such tax  
7 to the Department when filing such return.

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

14 Where the serviceman has more than one business registered  
15 with the Department under separate registration hereunder,  
16 such serviceman shall not file each return that is due as a  
17 single return covering all such registered businesses, but  
18 shall file separate returns for each such registered business.

19 Beginning January 1, 1990, each month the Department shall  
20 pay into the State and Local Tax Reform Fund, a special fund in  
21 the State Treasury, the net revenue realized for the preceding  
22 month from the 1% tax on sales of food for human consumption  
23 which is to be consumed off the premises where it is sold  
24 (other than alcoholic beverages, soft drinks and food which has  
25 been prepared for immediate consumption) and prescription and  
26 nonprescription medicines, drugs, medical appliances and

1 insulin, urine testing materials, syringes and needles used by  
2 diabetics.

3 Except as otherwise provided in this Section with respect  
4 to motor fuel and gasohol, beginning ~~Beginning~~ January 1, 1990,  
5 each month the Department shall pay into the State and Local  
6 Sales Tax Reform Fund 20% of the net revenue realized for the  
7 preceding month from the 6.25% general rate on transfers of  
8 tangible personal property, other than tangible personal  
9 property which is purchased outside Illinois at retail from a  
10 retailer and which is titled or registered by an agency of this  
11 State's government.

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

16 Beginning August 1, 2013 and through July 31, 2014, each  
17 month the Department shall pay into the State and Local Sales  
18 Tax Reform Fund 24% of the net revenue realized for the  
19 preceding month from the 5.25% rate on the selling price of  
20 motor fuel and gasohol.

21 Beginning August 1, 2014 and through July 31, 2015, each  
22 month the Department shall pay into the State and Local Sales  
23 Tax Reform Fund 29% of the net revenue realized for the  
24 preceding month from the 4.25% rate on the selling price of  
25 motor fuel and gasohol.

26 Beginning August 1, 2015 and through July 31, 2016, each

1 month the Department shall pay into the State and Local Sales  
2 Tax Reform Fund 39% of the net revenue realized for the  
3 preceding month from the 3.25% rate on the selling price of  
4 motor fuel and gasohol.

5 Beginning August 1, 2016 and through July 31, 2017, each  
6 month the Department shall pay into the State and Local Sales  
7 Tax Reform Fund 56% of the net revenue realized for the  
8 preceding month from the 2.25% rate on the selling price of  
9 motor fuel and gasohol.

10 Beginning August 1, 2017, each month the Department shall  
11 pay into the State and Local Sales Tax Reform Fund 100% of the  
12 net revenue realized for the preceding month from the 1.25%  
13 rate on the selling price of motor fuel and gasohol.

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

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

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



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

1 deemed to constitute payments pursuant to clause (b) of the  
 2 preceding sentence and shall reduce the amount otherwise  
 3 payable for such fiscal year pursuant to clause (b) of the  
 4 preceding sentence. The moneys received by the Department  
 5 pursuant to this Act and required to be deposited into the  
 6 Build Illinois Fund are subject to the pledge, claim and charge  
 7 set forth in Section 12 of the Build Illinois Bond Act.

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

	Fiscal Year	Total Deposit
21	1993	\$0
22	1994	53,000,000
23	1995	58,000,000
24	1996	61,000,000
25	1997	64,000,000

1	1998	68,000,000
2	1999	71,000,000
3	2000	75,000,000
4	2001	80,000,000
5	2002	93,000,000
6	2003	99,000,000
7	2004	103,000,000
8	2005	108,000,000
9	2006	113,000,000
10	2007	119,000,000
11	2008	126,000,000
12	2009	132,000,000
13	2010	139,000,000
14	2011	146,000,000
15	2012	153,000,000
16	2013	161,000,000
17	2014	170,000,000
18	2015	179,000,000
19	2016	189,000,000
20	2017	199,000,000
21	2018	210,000,000
22	2019	221,000,000
23	2020	233,000,000
24	2021	246,000,000
25	2022	260,000,000
26	2023	275,000,000

1	2024	275,000,000
2	2025	275,000,000
3	2026	279,000,000
4	2027	292,000,000
5	2028	307,000,000
6	2029	322,000,000
7	2030	338,000,000
8	2031	350,000,000
9	2032	350,000,000

10 and

11 each fiscal year

12 thereafter that bonds

13 are outstanding under

14 Section 13.2 of the

15 Metropolitan Pier and

16 Exposition Authority Act,

17 but not after fiscal year 2060.

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

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

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

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 with the receipt of the first report of  
17 taxes paid by an eligible business and continuing for a 25-year  
18 period, the Department shall each month pay into the Energy  
19 Infrastructure Fund 80% of the net revenue realized from the  
20 6.25% general rate on the selling price of Illinois-mined coal  
21 that was sold to an eligible business. For purposes of this  
22 paragraph, the term "eligible business" means a new electric  
23 generating facility certified pursuant to Section 605-332 of  
24 the Department of Commerce and Economic Opportunity Law of the  
25 Civil Administrative Code of Illinois.

26 All remaining moneys received by the Department pursuant to

1 this Act shall be paid into the General Revenue Fund of the  
2 State Treasury.

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

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

14 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,  
15 eff. 5-27-10.)

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

18 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

19 Sec. 3-10. Rate of tax. Unless otherwise provided in this  
20 Section, the tax imposed by this Act is at the rate of 6.25% of  
21 the "selling price", as defined in Section 2 of the Service Use  
22 Tax Act, of the tangible personal property. For the purpose of  
23 computing this tax, in no event shall the "selling price" be  
24 less than the cost price to the serviceman of the tangible

1 personal property transferred. The selling price of each item  
2 of tangible personal property transferred as an incident of a  
3 sale of service may be shown as a distinct and separate item on  
4 the serviceman's billing to the service customer. If the  
5 selling price is not so shown, the selling price of the  
6 tangible personal property is deemed to be 50% of the  
7 serviceman's entire billing to the service customer. When,  
8 however, a serviceman contracts to design, develop, and produce  
9 special order machinery or equipment, the tax imposed by this  
10 Act shall be based on the serviceman's cost price of the  
11 tangible personal property transferred incident to the  
12 completion of the contract.

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

17 With respect to gasohol, as defined in the Use Tax Act, the  
18 tax imposed by this Act shall apply to (i) 70% of the cost  
19 price of property transferred as an incident to the sale of  
20 service on or after January 1, 1990, and before July 1, 2003,  
21 (ii) 80% of the selling price of property transferred as an  
22 incident to the sale of service on or after July 1, 2003 and on  
23 or before December 31, 2018, and (iii) 100% of the cost price  
24 thereafter. If, at any time, however, the tax under this Act on  
25 sales of gasohol, as defined in the Use Tax Act, is imposed at  
26 the rate of 1.25%, then the tax imposed by this Act applies to

1 100% of the proceeds of sales of gasohol made during that time.

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

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

20 With respect to 100% biodiesel, as defined in the Use Tax  
21 Act, and biodiesel blends, as defined in the Use Tax Act, with  
22 more than 10% but no more than 99% biodiesel material, the tax  
23 imposed by this Act does not apply to the proceeds of the  
24 selling price of property transferred as an incident to the  
25 sale of service on or after July 1, 2003 and on or before  
26 December 31, 2018 but applies to 100% of the selling price



1 thereafter.

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

12 The tax shall be imposed at the rate of 1% on food prepared  
13 for immediate consumption and transferred incident to a sale of  
14 service subject to this Act or the Service Occupation Tax Act  
15 by an entity licensed under the Hospital Licensing Act, the  
16 Nursing Home Care Act, the ID/DD Community Care Act, the  
17 Specialized Mental Health Rehabilitation Act, or the Child Care  
18 Act of 1969. The tax shall also be imposed at the rate of 1% on  
19 food for human consumption that is to be consumed off the  
20 premises where it is sold (other than alcoholic beverages, soft  
21 drinks, and food that has been prepared for immediate  
22 consumption and is not otherwise included in this paragraph)  
23 and prescription and nonprescription medicines, drugs, medical  
24 appliances, modifications to a motor vehicle for the purpose of  
25 rendering it usable by a disabled person, and insulin, urine  
26 testing materials, syringes, and needles used by diabetics, for

1 human use. For the purposes of this Section, until September 1,  
2 2009: the term "soft drinks" means any complete, finished,  
3 ready-to-use, non-alcoholic drink, whether carbonated or not,  
4 including but not limited to soda water, cola, fruit juice,  
5 vegetable juice, carbonated water, and all other preparations  
6 commonly known as soft drinks of whatever kind or description  
7 that are contained in any closed or sealed can, carton, or  
8 container, regardless of size; but "soft drinks" does not  
9 include coffee, tea, non-carbonated water, infant formula,  
10 milk or milk products as defined in the Grade A Pasteurized  
11 Milk and Milk Products Act, or drinks containing 50% or more  
12 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" do 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 other  
11 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 C.F.R. § 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 July 1, 2013 and through June 30, 2014, with  
6 respect to motor fuel, as defined in Section 1.1 of the Motor  
7 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
8 Use Tax Act, the tax is imposed at the rate of 5.25%.

9 Beginning on July 1, 2014 and through June 30, 2015, with  
10 respect to motor fuel, as defined in Section 1.1 of the Motor  
11 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
12 Use Tax Act, the tax is imposed at the rate of 4.25%.

13 Beginning on July 1, 2015 and through June 30, 2016, with  
14 respect to motor fuel, as defined in Section 1.1 of the Motor  
15 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
16 Use Tax Act, the tax is imposed at the rate of 3.25%.

17 Beginning on July 1, 2016 and through June 30, 2017, with  
18 respect to motor fuel, as defined in Section 1.1 of the Motor  
19 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
20 Use Tax Act, the tax is imposed at the rate of 2.25%.

21 Beginning on July 1, 2017, with respect to motor fuel, as  
22 defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol,  
23 as defined in Section 3-40 of the Use Tax Act, the tax is  
24 imposed at the rate of 1.25%.

25 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
26 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,

1 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)

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

3 Sec. 9. Each serviceman required or authorized to collect  
4 the tax herein imposed shall pay to the Department the amount  
5 of such tax at the time when he is required to file his return  
6 for the period during which such tax was collectible, less a  
7 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
8 after January 1, 1990, or \$5 per calendar year, whichever is  
9 greater, which is allowed to reimburse the serviceman for  
10 expenses incurred in collecting the tax, keeping records,  
11 preparing and filing returns, remitting the tax and supplying  
12 data to the Department on request.

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

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

1 filed on a form prescribed by the Department and shall contain  
2 such information as the Department may reasonably require.

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

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

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

1 Prior to October 1, 2003, and on and after September 1,  
2 2004 a serviceman may accept a Manufacturer's Purchase Credit  
3 certification from a purchaser in satisfaction of Service Use  
4 Tax as provided in Section 3-70 of the Service Use Tax Act if  
5 the purchaser provides the appropriate documentation as  
6 required by Section 3-70 of the Service Use Tax Act. A  
7 Manufacturer's Purchase Credit certification, accepted prior  
8 to October 1, 2003 or on or after September 1, 2004 by a  
9 serviceman as provided in Section 3-70 of the Service Use Tax  
10 Act, may be used by that serviceman to satisfy Service  
11 Occupation Tax liability in the amount claimed in the  
12 certification, not to exceed 6.25% of the receipts subject to  
13 tax from a qualifying purchase. A Manufacturer's Purchase  
14 Credit reported on any original or amended return filed under  
15 this Act after October 20, 2003 for reporting periods prior to  
16 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
17 Credit reported on annual returns due on or after January 1,  
18 2005 will be disallowed for periods prior to September 1, 2004.  
19 No Manufacturer's Purchase Credit may be used after September  
20 30, 2003 through August 31, 2004 to satisfy any tax liability  
21 imposed under this Act, including any audit liability.

22 If the serviceman's average monthly tax liability to the  
23 Department does not exceed \$200, the Department may authorize  
24 his returns to be filed on a quarter annual basis, with the  
25 return for January, February and March of a given year being  
26 due by April 20 of such year; with the return for April, May

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

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

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

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

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



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

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

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

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

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

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

25 If experience indicates such action to be practicable, the  
26 Department may prescribe and furnish a combination or joint

1 return which will enable servicemen, who are required to file  
2 returns hereunder and also under the Retailers' Occupation Tax  
3 Act, the Use Tax Act or the Service Use Tax Act, to furnish all  
4 the return information required by all said Acts on the one  
5 form.

6 Where the serviceman has more than one business registered  
7 with the Department under separate registrations hereunder,  
8 such serviceman shall file separate returns for each registered  
9 business.

10 Beginning January 1, 1990, each month the Department shall  
11 pay into the Local Government Tax Fund the revenue realized for  
12 the preceding month from the 1% tax on sales of food for human  
13 consumption which is to be consumed off the premises where it  
14 is sold (other than alcoholic beverages, soft drinks and food  
15 which has been prepared for immediate consumption) and  
16 prescription and nonprescription medicines, drugs, medical  
17 appliances and insulin, urine testing materials, syringes and  
18 needles used by diabetics.

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

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

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

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

9           Beginning August 1, 2013 and through July 31, 2014, each  
10 month the Department shall pay into the County and Mass Transit  
11 District Fund 4.8% of the net revenue realized for the  
12 preceding month from the 5.25% rate on the selling price of  
13 motor fuel and gasohol.

14           Beginning August 1, 2013 and through July 31, 2014, each  
15 month the Department shall pay into the Local Government Tax  
16 Fund 19.2% of the net revenue realized for the preceding month  
17 from the 5.25% rate on the selling price of motor fuel and  
18 gasohol.

19           Beginning August 1, 2014 and through July 31, 2015, each  
20 month the Department shall pay into the County and Mass Transit  
21 District Fund 5.8% of the net revenue realized for the  
22 preceding month from the 4.25% rate on the selling price of  
23 motor fuel and gasohol.

24           Beginning August 1, 2014 and through July 31, 2015, each  
25 month the Department shall pay into the Local Government Tax  
26 Fund 23.2% of the net revenue realized for the preceding month

1 from the 4.25% rate on the selling price of motor fuel and  
2 gasohol.

3 Beginning August 1, 2015 and through July 31, 2016, each  
4 month the Department shall pay into the County and Mass Transit  
5 District Fund 7.8% of the net revenue realized for the  
6 preceding month from the 3.25% rate on the selling price of  
7 motor fuel and gasohol.

8 Beginning August 1, 2015 and through July 31, 2016, each  
9 month the Department shall pay into the Local Government Tax  
10 Fund 31.2% of the net revenue realized for the preceding month  
11 from the 3.25% rate on the selling price of motor fuel and  
12 gasohol.

13 Beginning August 1, 2016 and through July 31, 2017, each  
14 month the Department shall pay into the County and Mass Transit  
15 District Fund 11.2% of the net revenue realized for the  
16 preceding month from the 2.25% rate on the selling price of  
17 motor fuel and gasohol.

18 Beginning August 1, 2016 and through July 31, 2017, each  
19 month the Department shall pay into the Local Government Tax  
20 Fund 44.8% of the net revenue realized for the preceding month  
21 from the 2.25% rate on the selling price of motor fuel and  
22 gasohol.

23 Beginning August 1, 2017, each month the Department shall  
24 pay into the County and Mass Transit District Fund 20% of the  
25 net revenue realized for the preceding month from the 1.25%  
26 rate on the selling price of motor fuel and gasohol.

1        Beginning August 1, 2017, each month the Department shall  
2        pay into the Local Government Tax Fund 80% of the net revenue  
3        realized for the preceding month from the 1.25% rate on the  
4        selling price of motor fuel and gasohol.

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

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

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

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



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

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

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

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

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

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

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

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

17 Remaining moneys received by the Department pursuant to  
18 this Act shall be paid into the General Revenue Fund of the  
19 State Treasury.

20 The Department may, upon separate written notice to a  
21 taxpayer, require the taxpayer to prepare and file with the  
22 Department on a form prescribed by the Department within not  
23 less than 60 days after receipt of the notice an annual  
24 information return for the tax year specified in the notice.  
25 Such annual return to the Department shall include a statement  
26 of gross receipts as shown by the taxpayer's last Federal

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

17 If the annual information return required by this Section  
18 is not filed when and as required, the taxpayer shall be liable  
19 as follows:

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

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

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

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

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

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

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

9 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,  
10 eff. 5-27-10.)

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

13 (35 ILCS 120/2-10)

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

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

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

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

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

26           With respect to majority blended ethanol fuel, as defined



1 in the Use Tax Act, the tax imposed by this Act does not apply  
2 to the proceeds of sales made on or after July 1, 2003 and on or  
3 before December 31, 2018 but applies to 100% of the proceeds of  
4 sales made thereafter.

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

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

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

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

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

23 Until August 1, 2009, and notwithstanding any other  
24 provisions of this Act, "food for human consumption that is to  
25 be consumed off the premises where it is sold" includes all  
26 food sold through a vending machine, except soft drinks and

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

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

18 Notwithstanding any other provisions of this Act,  
19 beginning September 1, 2009, "nonprescription medicines and  
20 drugs" does not include grooming and hygiene products. For  
21 purposes of this Section, "grooming and hygiene products"  
22 includes, but is not limited to, soaps and cleaning solutions,  
23 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
24 lotions and screens, unless those products are available by  
25 prescription only, regardless of whether the products meet the  
26 definition of "over-the-counter-drugs". For the purposes of

1 this paragraph, "over-the-counter-drug" means a drug for human  
2 use that contains a label that identifies the product as a drug  
3 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"  
4 label includes:

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

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

9 Beginning on July 1, 2013 and through June 30, 2014, with  
10 respect to motor fuel, as defined in Section 1.1 of the Motor  
11 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
12 Use Tax Act, the tax is imposed at the rate of 5.25%.

13 Beginning on July 1, 2014 and through June 30, 2015, with  
14 respect to motor fuel, as defined in Section 1.1 of the Motor  
15 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
16 Use Tax Act, the tax is imposed at the rate of 4.25%.

17 Beginning on July 1, 2015 and through June 30, 2016, with  
18 respect to motor fuel, as defined in Section 1.1 of the Motor  
19 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
20 Use Tax Act, the tax is imposed at the rate of 3.25%.

21 Beginning on July 1, 2016 and through June 30, 2017, with  
22 respect to motor fuel, as defined in Section 1.1 of the Motor  
23 Fuel Tax Law, and gasohol, as defined in Section 3-40 of the  
24 Use Tax Act, the tax is imposed at the rate of 2.25%.

25 Beginning on July 1, 2017, with respect to motor fuel, as  
26 defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol,

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

3 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
4 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10;  
5 97-636, eff. 6-1-12.)

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  
25 tangible personal property, and from services furnished,

1 by him prior to the month or quarter for which the return  
2 is filed;

3 5. Deductions allowed by law;

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

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

9 8. The amount of tax due;

10 9. The signature of the taxpayer; and

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

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

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

20 Prior to October 1, 2003, and on and after September 1,  
21 2004 a retailer may accept a Manufacturer's Purchase Credit  
22 certification from a purchaser in satisfaction of Use Tax as  
23 provided in Section 3-85 of the Use Tax Act if the purchaser  
24 provides the appropriate documentation as required by Section  
25 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
26 certification, accepted by a retailer prior to October 1, 2003

1 and on and after September 1, 2004 as provided in Section 3-85  
2 of the Use Tax Act, may be used by that retailer to satisfy  
3 Retailers' Occupation Tax liability in the amount claimed in  
4 the certification, not to exceed 6.25% of the receipts subject  
5 to tax from a qualifying purchase. A Manufacturer's Purchase  
6 Credit reported on any original or amended return filed under  
7 this Act after October 20, 2003 for reporting periods prior to  
8 September 1, 2004 shall be disallowed. Manufacturer's  
9 Purchaser Credit reported on annual returns due on or after  
10 January 1, 2005 will be disallowed for periods prior to  
11 September 1, 2004. No Manufacturer's Purchase Credit may be  
12 used after September 30, 2003 through August 31, 2004 to  
13 satisfy any tax liability imposed under this Act, including any  
14 audit liability.

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

22 1. The name of the seller;

23 2. The address of the principal place of business from  
24 which he engages in the business of selling tangible  
25 personal property at retail in this State;

26 3. The total amount of taxable receipts received by him

1 during the preceding calendar month from sales of tangible  
2 personal property by him during such preceding calendar  
3 month, including receipts from charge and time sales, but  
4 less all deductions allowed by law;

5 4. The amount of credit provided in Section 2d of this  
6 Act;

7 5. The amount of tax due; and

8 6. Such other reasonable information as the Department  
9 may require.

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

24 Beginning on October 1, 2003, every distributor, importing  
25 distributor, and manufacturer of alcoholic liquor as defined in  
26 the Liquor Control Act of 1934, shall file a statement with the



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

26 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

1 funds transfer.

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

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

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

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

17 Any amount which is required to be shown or reported on any  
18 return or other document under this Act shall, if such amount  
19 is not a whole-dollar amount, be increased to the nearest  
20 whole-dollar amount in any case where the fractional part of a  
21 dollar is 50 cents or more, and decreased to the nearest  
22 whole-dollar amount where the fractional part of a dollar is  
23 less than 50 cents.

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

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

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

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

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

25 Where the same person has more than one business registered  
26 with the Department under separate registrations under this

1 Act, such person may not file each return that is due as a  
2 single return covering all such registered businesses, but  
3 shall file separate returns for each such registered business.

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

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

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

1 is required in Section 5-402 of The Illinois Vehicle Code, and  
2 such other information as the Department may reasonably  
3 require.

4 The transaction reporting return in the case of watercraft  
5 or aircraft must show the name and address of the seller; the  
6 name and address of the purchaser; the amount of the selling  
7 price including the amount allowed by the retailer for  
8 traded-in property, if any; the amount allowed by the retailer  
9 for the traded-in tangible personal property, if any, to the  
10 extent to which Section 1 of this Act allows an exemption for  
11 the value of traded-in property; the balance payable after  
12 deducting such trade-in allowance from the total selling price;  
13 the amount of tax due from the retailer with respect to such  
14 transaction; the amount of tax collected from the purchaser by  
15 the retailer on such transaction (or satisfactory evidence that  
16 such tax is not due in that particular instance, if that is  
17 claimed to be the fact); the place and date of the sale, a  
18 sufficient identification of the property sold, and such other  
19 information as the Department may reasonably 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 such  
3 agency or State officer determine that this procedure will  
4 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 officer  
14 with whom, he must title or register the tangible personal  
15 property that is involved (if titling or registration is  
16 required) in support of such purchaser's application for an  
17 Illinois certificate or other evidence of title or registration  
18 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 of  
3 the tax or proof of exemption made to the Department before the  
4 retailer is willing to take these actions and such user has not  
5 paid the tax to the retailer, such user may certify to the fact  
6 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 return  
6 filed on behalf of the limited liability company shall be  
7 signed by a manager, member, or properly accredited agent of  
8 the limited liability company.

9           Except as provided in this Section, the retailer filing the  
10 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. Any prepayment made pursuant  
18 to Section 2d of this Act shall be included in the amount on  
19 which such 2.1% or 1.75% discount is computed. In the case of  
20 retailers who report and pay the tax on a transaction by  
21 transaction basis, as provided in this Section, such discount  
22 shall be taken with each such tax remittance instead of when  
23 such retailer files his periodic return.

24           Before October 1, 2000, if the taxpayer's average monthly  
25 tax liability to the Department under this Act, the Use Tax  
26 Act, the Service Occupation Tax Act, and the Service Use Tax

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

1 month during which such tax liability is incurred begins on or  
2 after January 1, 1985 and prior to January 1, 1987, each  
3 payment shall be in an amount equal to 22.5% of the taxpayer's  
4 actual liability for the month or 27.5% of the taxpayer's  
5 liability for the same calendar month of the preceding year. If  
6 the month during which such tax liability is incurred begins on  
7 or after January 1, 1987 and prior to January 1, 1988, each  
8 payment shall be in an amount equal to 22.5% of the taxpayer's  
9 actual liability for the month or 26.25% of the taxpayer's  
10 liability for the same calendar month of the preceding year. If  
11 the month during which such tax liability is incurred begins on  
12 or after January 1, 1988, and prior to January 1, 1989, or  
13 begins on or after January 1, 1996, each payment shall be in an  
14 amount equal to 22.5% of the taxpayer's actual liability for  
15 the month or 25% of the taxpayer's liability for the same  
16 calendar month of the preceding year. If the month during which  
17 such tax liability is incurred begins on or after January 1,  
18 1989, and prior to January 1, 1996, each payment shall be in an  
19 amount equal to 22.5% of the taxpayer's actual liability for  
20 the month or 25% of the taxpayer's liability for the same  
21 calendar month of the preceding year or 100% of the taxpayer's  
22 actual liability for the quarter monthly reporting period. The  
23 amount of such quarter monthly payments shall be credited  
24 against the final tax liability of the taxpayer's return for  
25 that month. Before October 1, 2000, once applicable, the  
26 requirement of the making of quarter monthly payments to the

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

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

21 The provisions of this paragraph apply before October 1,  
22 2001. Without regard to whether a taxpayer is required to make  
23 quarter monthly payments as specified above, any taxpayer who  
24 is required by Section 2d of this Act to collect and remit  
25 prepaid taxes and has collected prepaid taxes which average in  
26 excess of \$25,000 per month during the preceding 2 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 such liability is incurred. If the month  
5 during which such tax liability is incurred began prior to the  
6 effective date of this amendatory Act of 1985, each payment  
7 shall be in an amount not less than 22.5% of the taxpayer's  
8 actual liability under Section 2d. If the month during which  
9 such tax liability is incurred begins on or after January 1,  
10 1986, each payment shall be in an amount equal to 22.5% of the  
11 taxpayer's actual liability for the month or 27.5% of the  
12 taxpayer's liability for the same calendar month of the  
13 preceding calendar year. If the month during which such tax  
14 liability is incurred begins on or after January 1, 1987, each  
15 payment shall be in an amount equal to 22.5% of the taxpayer's  
16 actual liability for the month or 26.25% of the taxpayer's  
17 liability for the same calendar month of the preceding year.  
18 The amount of such quarter monthly payments shall be credited  
19 against the final tax liability of the taxpayer's return for  
20 that month filed under this Section or Section 2f, as the case  
21 may be. Once applicable, the requirement of the making of  
22 quarter monthly payments to the Department pursuant to this  
23 paragraph shall continue until such taxpayer's average monthly  
24 prepaid tax collections during the preceding 2 complete  
25 calendar quarters is \$25,000 or less. If any such quarter  
26 monthly payment is not paid at the time or in the amount

1 required, the taxpayer shall be liable for penalties and  
2 interest on such difference, except insofar as the taxpayer has  
3 previously made payments for that month in excess of the  
4 minimum payments previously due.

5 The provisions of this paragraph apply on and after October  
6 1, 2001. Without regard to whether a taxpayer is required to  
7 make quarter monthly payments as specified above, any taxpayer  
8 who is required by Section 2d of this Act to collect and remit  
9 prepaid taxes and has collected prepaid taxes that average in  
10 excess of \$20,000 per month during the preceding 4 complete  
11 calendar quarters shall file a return with the Department as  
12 required by Section 2f and shall make payments to the  
13 Department on or before the 7th, 15th, 22nd and last day of the  
14 month during which the liability is incurred. Each payment  
15 shall be in an amount equal to 22.5% of the taxpayer's actual  
16 liability for the month or 25% of the taxpayer's liability for  
17 the same calendar month of the preceding year. The amount of  
18 the quarter monthly payments shall be credited against the  
19 final tax liability of the taxpayer's return for that month  
20 filed under this Section or Section 2f, as the case may be.  
21 Once applicable, the requirement of the making of quarter  
22 monthly payments to the Department pursuant to this paragraph  
23 shall continue until the taxpayer's average monthly prepaid tax  
24 collections during the preceding 4 complete calendar quarters  
25 (excluding the month of highest liability and the month of  
26 lowest liability) is less than \$19,000 or until such taxpayer's



1 average monthly liability to the Department as computed for  
2 each calendar quarter of the 4 preceding complete calendar  
3 quarters is less than \$20,000. If any such quarter monthly  
4 payment is not paid at the time or in the amount required, the  
5 taxpayer shall be liable for penalties and interest on such  
6 difference, except insofar as the taxpayer has previously made  
7 payments for that month in excess of the minimum payments  
8 previously due.

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

1 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%  
2 of the difference between the credit taken and that actually  
3 due, and that taxpayer shall be liable for penalties and  
4 interest on such difference.

5 If a retailer of motor fuel is entitled to a credit under  
6 Section 2d of this Act which exceeds the taxpayer's liability  
7 to the Department under this Act for the month which the  
8 taxpayer is filing a return, the Department shall issue the  
9 taxpayer a credit memorandum for the excess.

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

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

25 Beginning August 1, 2000, each month the Department shall  
26 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. Beginning  
3 September 1, 2010, each month the Department shall pay into the  
4 County and Mass Transit District Fund 20% of the net revenue  
5 realized for the preceding month from the 1.25% rate on the  
6 selling price of sales tax holiday items.

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

11 Beginning August 1, 2000, each month the Department shall  
12 pay into the Local Government Tax Fund 80% of the net revenue  
13 realized for the preceding month from the 1.25% rate on the  
14 selling price of motor fuel and gasohol. Beginning September 1,  
15 2010, each month the Department shall pay into the Local  
16 Government Tax Fund 80% of the net revenue realized for the  
17 preceding month from the 1.25% rate on the selling price of  
18 sales tax holiday items.

19 Beginning August 1, 2013 and through July 31, 2014, each  
20 month the Department shall pay into the County and Mass Transit  
21 District Fund 4.8% of the net revenue realized for the  
22 preceding month from the 5.25% rate on the selling price of  
23 motor fuel and gasohol.

24 Beginning August 1, 2013 and through July 31, 2014, each  
25 month the Department shall pay into the Local Government Tax  
26 Fund 19.2% of the net revenue realized for the preceding month

1 from the 5.25% rate on the selling price of motor fuel and  
2 gasohol.

3 Beginning August 1, 2014 and through July 31, 2015, each  
4 month the Department shall pay into the County and Mass Transit  
5 District Fund 5.8% of the net revenue realized for the  
6 preceding month from the 4.25% rate on the selling price of  
7 motor fuel and gasohol.

8 Beginning August 1, 2014 and through July 31, 2015, each  
9 month the Department shall pay into the Local Government Tax  
10 Fund 23.2% of the net revenue realized for the preceding month  
11 from the 4.25% rate on the selling price of motor fuel and  
12 gasohol.

13 Beginning August 1, 2015 and through July 31, 2016, each  
14 month the Department shall pay into the County and Mass Transit  
15 District Fund 7.8% of the net revenue realized for the  
16 preceding month from the 3.25% rate on the selling price of  
17 motor fuel and gasohol.

18 Beginning August 1, 2015 and through July 31, 2016, each  
19 month the Department shall pay into the Local Government Tax  
20 Fund 31.2% of the net revenue realized for the preceding month  
21 from the 3.25% rate on the selling price of motor fuel and  
22 gasohol.

23 Beginning August 1, 2016 and through July 31, 2017, each  
24 month the Department shall pay into the County and Mass Transit  
25 District Fund 11.2% of the net revenue realized for the  
26 preceding month from the 2.25% rate on the selling price of

1 motor fuel and gasohol.

2 Beginning August 1, 2016 and through July 31, 2017, each  
3 month the Department shall pay into the Local Government Tax  
4 Fund 44.8% of the net revenue realized for the preceding month  
5 from the 2.25% rate on the selling price of motor fuel and  
6 gasohol.

7 Beginning August 1, 2017, each month the Department shall  
8 pay into the County and Mass Transit District Fund 20% of the  
9 net revenue realized for the preceding month from the 1.25%  
10 rate on the selling price of motor fuel and gasohol.

11 Beginning August 1, 2017, each month the Department shall  
12 pay into the Local Government Tax Fund 80% of the net revenue  
13 realized for the preceding month from the 1.25% rate on the  
14 selling price of motor fuel and gasohol.

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

22 Beginning July 1, 2011, each month the Department shall pay  
23 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue  
24 realized for the preceding month from the 6.25% general rate on  
25 the selling price of sorbents used in Illinois in the process  
26 of sorbent injection as used to comply with the Environmental

1 Protection Act or the federal Clean Air Act, but the total  
2 payment into the Clean Air Act (CAA) Permit Fund under this Act  
3 and the Use Tax Act shall not exceed \$2,000,000 in any fiscal  
4 year.

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

25	Fiscal Year	Annual Specified Amount
26	1986	\$54,800,000

1	1987	\$76,650,000
2	1988	\$80,480,000
3	1989	\$88,510,000
4	1990	\$115,330,000
5	1991	\$145,470,000
6	1992	\$182,730,000
7	1993	\$206,520,000;

8 and means the Certified Annual Debt Service Requirement (as  
9 defined in Section 13 of the Build Illinois Bond Act) or the  
10 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
11 each fiscal year thereafter; and further provided, that if on  
12 the last business day of any month the sum of (1) the Tax Act  
13 Amount required to be deposited into the Build Illinois Bond  
14 Account in the Build Illinois Fund during such month and (2)  
15 the amount transferred to the Build Illinois Fund from the  
16 State and Local Sales Tax Reform Fund shall have been less than  
17 1/12 of the Annual Specified Amount, an amount equal to the  
18 difference shall be immediately paid into the Build Illinois  
19 Fund from other moneys received by the Department pursuant to  
20 the Tax Acts; and, further provided, that in no event shall the  
21 payments required under the preceding proviso result in  
22 aggregate payments into the Build Illinois Fund pursuant to  
23 this clause (b) for any fiscal year in excess of the greater of  
24 (i) the Tax Act Amount or (ii) the Annual Specified Amount for  
25 such fiscal year. The amounts payable into the Build Illinois  
26 Fund under clause (b) of the first sentence in this paragraph

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

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

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

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

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

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

1 has been deposited.

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

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

23 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 income tax return. If the total receipts of the business as  
11 reported in the Federal income tax return do not agree with the  
12 gross receipts reported to the Department of Revenue for the  
13 same period, the retailer shall attach to his annual return a  
14 schedule showing a reconciliation of the 2 amounts and the  
15 reasons for the difference. The retailer's annual return to the  
16 Department shall also disclose the cost of goods sold by the  
17 retailer during the year covered by such return, opening and  
18 closing inventories of such goods for such year, costs of goods  
19 used from stock or taken from stock and given away by the  
20 retailer during such year, payroll information of the  
21 retailer's business during such year and any additional  
22 reasonable information which the Department deems would be  
23 helpful in determining the accuracy of the monthly, quarterly  
24 or annual returns filed by such retailer as provided for in  
25 this Section.

26 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

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

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

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

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

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

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



1 their returns as otherwise required in this Section.

2 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,  
3 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;  
4 97-333, eff. 8-12-11.)

5 Section 99. Effective date. This Act takes effect upon  
6 becoming law.