



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3158

by Rep. Al Riley

SYNOPSIS AS INTRODUCED:

70 ILCS 3615/4.03
70 ILCS 3615/4.03.1

from Ch. 111 2/3, par. 704.03
from Ch. 111 2/3, par. 704.03.1

Amends the Regional Transportation Authority Act. In Sections regarding taxes, permits a municipality that is not being served, or that being is underserved, by the Regional Transportation Authority to, by resolution, provide for the sequestration of all taxes collected within its corporate boundaries under this Section. Provides that taxes sequestered in this way shall be held in trust by the Illinois Department of Revenue and shall be paid over to the Regional Transportation Authority as the municipality may by resolution provide. Effective immediately.

LRB098 10099 OMW 40258 b

1 AN ACT concerning local government, which may be referred
2 to as the Fairness in Transportation Taxation Act.

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

5 Section 5. The Regional Transportation Authority Act is
6 amended by changing Sections 4.03 and 4.03.1 as follows:

7 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)
8 Sec. 4.03. Taxes.

9 (a) In order to carry out any of the powers or purposes of
10 the Authority, the Board may by ordinance adopted with the
11 concurrence of 12 of the then Directors, impose throughout the
12 metropolitan region any or all of the taxes provided in this
13 Section. Except as otherwise provided in this Act, taxes
14 imposed under this Section and civil penalties imposed incident
15 thereto shall be collected and enforced by the State Department
16 of Revenue. The Department shall have the power to administer
17 and enforce the taxes and to determine all rights for refunds
18 for erroneous payments of the taxes. Nothing in this amendatory
19 Act of the 95th General Assembly is intended to invalidate any
20 taxes currently imposed by the Authority. The increased vote
21 requirements to impose a tax shall only apply to actions taken
22 after the effective date of this amendatory Act of the 95th
23 General Assembly.

1 (b) The Board may impose a public transportation tax upon
2 all persons engaged in the metropolitan region in the business
3 of selling at retail motor fuel for operation of motor vehicles
4 upon public highways. The tax shall be at a rate not to exceed
5 5% of the gross receipts from the sales of motor fuel in the
6 course of the business. As used in this Act, the term "motor
7 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
8 The Board may provide for details of the tax. The provisions of
9 any tax shall conform, as closely as may be practicable, to the
10 provisions of the Municipal Retailers Occupation Tax Act,
11 including without limitation, conformity to penalties with
12 respect to the tax imposed and as to the powers of the State
13 Department of Revenue to promulgate and enforce rules and
14 regulations relating to the administration and enforcement of
15 the provisions of the tax imposed, except that reference in the
16 Act to any municipality shall refer to the Authority and the
17 tax shall be imposed only with regard to receipts from sales of
18 motor fuel in the metropolitan region, at rates as limited by
19 this Section.

20 (c) In connection with the tax imposed under paragraph (b)
21 of this Section the Board may impose a tax upon the privilege
22 of using in the metropolitan region motor fuel for the
23 operation of a motor vehicle upon public highways, the tax to
24 be at a rate not in excess of the rate of tax imposed under
25 paragraph (b) of this Section. The Board may provide for
26 details of the tax.

1 (d) The Board may impose a motor vehicle parking tax upon
2 the privilege of parking motor vehicles at off-street parking
3 facilities in the metropolitan region at which a fee is
4 charged, and may provide for reasonable classifications in and
5 exemptions to the tax, for administration and enforcement
6 thereof and for civil penalties and refunds thereunder and may
7 provide criminal penalties thereunder, the maximum penalties
8 not to exceed the maximum criminal penalties provided in the
9 Retailers' Occupation Tax Act. The Authority may collect and
10 enforce the tax itself or by contract with any unit of local
11 government. The State Department of Revenue shall have no
12 responsibility for the collection and enforcement unless the
13 Department agrees with the Authority to undertake the
14 collection and enforcement. As used in this paragraph, the term
15 "parking facility" means a parking area or structure having
16 parking spaces for more than 2 vehicles at which motor vehicles
17 are permitted to park in return for an hourly, daily, or other
18 periodic fee, whether publicly or privately owned, but does not
19 include parking spaces on a public street, the use of which is
20 regulated by parking meters.

21 (e) The Board may impose a Regional Transportation
22 Authority Retailers' Occupation Tax upon all persons engaged in
23 the business of selling tangible personal property at retail in
24 the metropolitan region. In Cook County the tax rate shall be
25 1.25% of the gross receipts from sales of food for human
26 consumption that is to be consumed off the premises where it is

1 sold (other than alcoholic beverages, soft drinks and food that
2 has been prepared for immediate consumption) and prescription
3 and nonprescription medicines, drugs, medical appliances and
4 insulin, urine testing materials, syringes and needles used by
5 diabetics, and 1% of the gross receipts from other taxable
6 sales made in the course of that business. In DuPage, Kane,
7 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
8 of the gross receipts from all taxable sales made in the course
9 of that business. The tax imposed under this Section and all
10 civil penalties that may be assessed as an incident thereof
11 shall be collected and enforced by the State Department of
12 Revenue. The Department shall have full power to administer and
13 enforce this Section; to collect all taxes and penalties so
14 collected in the manner hereinafter provided; and to determine
15 all rights to credit memoranda arising on account of the
16 erroneous payment of tax or penalty hereunder. In the
17 administration of, and compliance with this Section, the
18 Department and persons who are subject to this Section shall
19 have the same rights, remedies, privileges, immunities, powers
20 and duties, and be subject to the same conditions,
21 restrictions, limitations, penalties, exclusions, exemptions
22 and definitions of terms, and employ the same modes of
23 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
24 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
25 therein other than the State rate of tax), 2c, 3 (except as to
26 the disposition of taxes and penalties collected), 4, 5, 5a,

1 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
2 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
3 Section 3-7 of the Uniform Penalty and Interest Act, as fully
4 as if those provisions were set forth herein.

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

12 Whenever the Department determines that a refund should be
13 made under this Section to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the warrant to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the Regional Transportation Authority tax fund
19 established under paragraph (n) of this Section.

20 If a tax is imposed under this subsection (e), a tax shall
21 also be imposed under subsections (f) and (g) of this Section.

22 For the purpose of determining whether a tax authorized
23 under this Section is applicable, a retail sale by a producer
24 of coal or other mineral mined in Illinois, is a sale at retail
25 at the place where the coal or other mineral mined in Illinois
26 is extracted from the earth. This paragraph does not apply to

1 coal or other mineral when it is delivered or shipped by the
2 seller to the purchaser at a point outside Illinois so that the
3 sale is exempt under the Federal Constitution as a sale in
4 interstate or foreign commerce.

5 No tax shall be imposed or collected under this subsection
6 on the sale of a motor vehicle in this State to a resident of
7 another state if that motor vehicle will not be titled in this
8 State.

9 Nothing in this Section shall be construed to authorize the
10 Regional Transportation Authority to impose a tax upon the
11 privilege of engaging in any business that under the
12 Constitution of the United States may not be made the subject
13 of taxation by this State.

14 (f) If a tax has been imposed under paragraph (e), a
15 Regional Transportation Authority Service Occupation Tax shall
16 also be imposed upon all persons engaged, in the metropolitan
17 region in the business of making sales of service, who as an
18 incident to making the sales of service, transfer tangible
19 personal property within the metropolitan region, either in the
20 form of tangible personal property or in the form of real
21 estate as an incident to a sale of service. In Cook County, the
22 tax rate shall be: (1) 1.25% of the serviceman's cost price of
23 food prepared for immediate consumption and transferred
24 incident to a sale of service subject to the service occupation
25 tax by an entity licensed under the Hospital Licensing Act, the
26 Nursing Home Care Act, the Specialized Mental Health

1 Rehabilitation Act, or the ID/DD Community Care Act that is
2 located in the metropolitan region; (2) 1.25% of the selling
3 price of food for human consumption that is to be consumed off
4 the premises where it is sold (other than alcoholic beverages,
5 soft drinks and food that has been prepared for immediate
6 consumption) and prescription and nonprescription medicines,
7 drugs, medical appliances and insulin, urine testing
8 materials, syringes and needles used by diabetics; and (3) 1%
9 of the selling price from other taxable sales of tangible
10 personal property transferred. In DuPage, Kane, Lake, McHenry
11 and Will Counties the rate shall be 0.75% of the selling price
12 of all tangible personal property transferred.

13 The tax imposed under this paragraph and all civil
14 penalties that may be assessed as an incident thereof shall be
15 collected and enforced by the State Department of Revenue. The
16 Department shall have full power to administer and enforce this
17 paragraph; to collect all taxes and penalties due hereunder; to
18 dispose of taxes and penalties collected in the manner
19 hereinafter provided; and to determine all rights to credit
20 memoranda arising on account of the erroneous payment of tax or
21 penalty hereunder. In the administration of and compliance with
22 this paragraph, the Department and persons who are subject to
23 this paragraph shall have the same rights, remedies,
24 privileges, immunities, powers and duties, and be subject to
25 the same conditions, restrictions, limitations, penalties,
26 exclusions, exemptions and definitions of terms, and employ the

1 same modes of procedure, as are prescribed in Sections 1a-1, 2,
2 2a, 3 through 3-50 (in respect to all provisions therein other
3 than the State rate of tax), 4 (except that the reference to
4 the State shall be to the Authority), 5, 7, 8 (except that the
5 jurisdiction to which the tax shall be a debt to the extent
6 indicated in that Section 8 shall be the Authority), 9 (except
7 as to the disposition of taxes and penalties collected, and
8 except that the returned merchandise credit for this tax may
9 not be taken against any State tax), 10, 11, 12 (except the
10 reference therein to Section 2b of the Retailers' Occupation
11 Tax Act), 13 (except that any reference to the State shall mean
12 the Authority), the first paragraph of Section 15, 16, 17, 18,
13 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
14 the Uniform Penalty and Interest Act, as fully as if those
15 provisions were set forth herein.

16 Persons subject to any tax imposed under the authority
17 granted in this paragraph may reimburse themselves for their
18 serviceman's tax liability hereunder by separately stating the
19 tax as an additional charge, that charge may be stated in
20 combination in a single amount with State tax that servicemen
21 are authorized to collect under the Service Use Tax Act, under
22 any bracket schedules the Department may prescribe.

23 Whenever the Department determines that a refund should be
24 made under this paragraph to a claimant instead of issuing a
25 credit memorandum, the Department shall notify the State
26 Comptroller, who shall cause the warrant to be drawn for the

1 amount specified, and to the person named in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the Regional Transportation Authority tax fund
4 established under paragraph (n) of this Section.

5 Nothing in this paragraph shall be construed to authorize
6 the Authority to impose a tax upon the privilege of engaging in
7 any business that under the Constitution of the United States
8 may not be made the subject of taxation by the State.

9 (g) If a tax has been imposed under paragraph (e), a tax
10 shall also be imposed upon the privilege of using in the
11 metropolitan region, any item of tangible personal property
12 that is purchased outside the metropolitan region at retail
13 from a retailer, and that is titled or registered with an
14 agency of this State's government. In Cook County the tax rate
15 shall be 1% of the selling price of the tangible personal
16 property, as "selling price" is defined in the Use Tax Act. In
17 DuPage, Kane, Lake, McHenry and Will counties the tax rate
18 shall be 0.75% of the selling price of the tangible personal
19 property, as "selling price" is defined in the Use Tax Act. The
20 tax shall be collected from persons whose Illinois address for
21 titling or registration purposes is given as being in the
22 metropolitan region. The tax shall be collected by the
23 Department of Revenue for the Regional Transportation
24 Authority. The tax must be paid to the State, or an exemption
25 determination must be obtained from the Department of Revenue,
26 before the title or certificate of registration for the

1 property may be issued. The tax or proof of exemption may be
2 transmitted to the Department by way of the State agency with
3 which, or the State officer with whom, the tangible personal
4 property must be titled or registered if the Department and the
5 State agency or State officer determine that this procedure
6 will expedite the processing of applications for title or
7 registration.

8 The Department shall have full power to administer and
9 enforce this paragraph; to collect all taxes, penalties and
10 interest due hereunder; to dispose of taxes, penalties and
11 interest collected in the manner hereinafter provided; and to
12 determine all rights to credit memoranda or refunds arising on
13 account of the erroneous payment of tax, penalty or interest
14 hereunder. In the administration of and compliance with this
15 paragraph, the Department and persons who are subject to this
16 paragraph shall have the same rights, remedies, privileges,
17 immunities, powers and duties, and be subject to the same
18 conditions, restrictions, limitations, penalties, exclusions,
19 exemptions and definitions of terms and employ the same modes
20 of procedure, as are prescribed in Sections 2 (except the
21 definition of "retailer maintaining a place of business in this
22 State"), 3 through 3-80 (except provisions pertaining to the
23 State rate of tax, and except provisions concerning collection
24 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
25 19 (except the portions pertaining to claims by retailers and
26 except the last paragraph concerning refunds), 20, 21 and 22 of

1 the Use Tax Act, and are not inconsistent with this paragraph,
2 as fully as if those provisions were set forth herein.

3 Whenever the Department determines that a refund should be
4 made under this paragraph to a claimant instead of issuing a
5 credit memorandum, the Department shall notify the State
6 Comptroller, who shall cause the order to be drawn for the
7 amount specified, and to the person named in the notification
8 from the Department. The refund shall be paid by the State
9 Treasurer out of the Regional Transportation Authority tax fund
10 established under paragraph (n) of this Section.

11 (h) The Authority may impose a replacement vehicle tax of
12 \$50 on any passenger car as defined in Section 1-157 of the
13 Illinois Vehicle Code purchased within the metropolitan region
14 by or on behalf of an insurance company to replace a passenger
15 car of an insured person in settlement of a total loss claim.
16 The tax imposed may not become effective before the first day
17 of the month following the passage of the ordinance imposing
18 the tax and receipt of a certified copy of the ordinance by the
19 Department of Revenue. The Department of Revenue shall collect
20 the tax for the Authority in accordance with Sections 3-2002
21 and 3-2003 of the Illinois Vehicle Code.

22 The Department shall immediately pay over to the State
23 Treasurer, ex officio, as trustee, all taxes collected
24 hereunder.

25 As soon as possible after the first day of each month,
26 beginning January 1, 2011, upon certification of the Department

1 of Revenue, the Comptroller shall order transferred, and the
2 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
3 local sales tax increment, as defined in the Innovation
4 Development and Economy Act, collected under this Section
5 during the second preceding calendar month for sales within a
6 STAR bond district.

7 After the monthly transfer to the STAR Bonds Revenue Fund,
8 on or before the 25th day of each calendar month, the
9 Department shall prepare and certify to the Comptroller the
10 disbursement of stated sums of money to the Authority. The
11 amount to be paid to the Authority shall be the amount
12 collected hereunder during the second preceding calendar month
13 by the Department, less any amount determined by the Department
14 to be necessary for the payment of refunds, and less any
15 amounts that are transferred to the STAR Bonds Revenue Fund.
16 Within 10 days after receipt by the Comptroller of the
17 disbursement certification to the Authority provided for in
18 this Section to be given to the Comptroller by the Department,
19 the Comptroller shall cause the orders to be drawn for that
20 amount in accordance with the directions contained in the
21 certification.

22 (i) The Board may not impose any other taxes except as it
23 may from time to time be authorized by law to impose.

24 (j) A certificate of registration issued by the State
25 Department of Revenue to a retailer under the Retailers'
26 Occupation Tax Act or under the Service Occupation Tax Act

1 shall permit the registrant to engage in a business that is
2 taxed under the tax imposed under paragraphs (b), (e), (f) or
3 (g) of this Section and no additional registration shall be
4 required under the tax. A certificate issued under the Use Tax
5 Act or the Service Use Tax Act shall be applicable with regard
6 to any tax imposed under paragraph (c) of this Section.

7 (k) The provisions of any tax imposed under paragraph (c)
8 of this Section shall conform as closely as may be practicable
9 to the provisions of the Use Tax Act, including without
10 limitation conformity as to penalties with respect to the tax
11 imposed and as to the powers of the State Department of Revenue
12 to promulgate and enforce rules and regulations relating to the
13 administration and enforcement of the provisions of the tax
14 imposed. The taxes shall be imposed only on use within the
15 metropolitan region and at rates as provided in the paragraph.

16 (l) The Board in imposing any tax as provided in paragraphs
17 (b) and (c) of this Section, shall, after seeking the advice of
18 the State Department of Revenue, provide means for retailers,
19 users or purchasers of motor fuel for purposes other than those
20 with regard to which the taxes may be imposed as provided in
21 those paragraphs to receive refunds of taxes improperly paid,
22 which provisions may be at variance with the refund provisions
23 as applicable under the Municipal Retailers Occupation Tax Act.
24 The State Department of Revenue may provide for certificates of
25 registration for users or purchasers of motor fuel for purposes
26 other than those with regard to which taxes may be imposed as

1 provided in paragraphs (b) and (c) of this Section to
2 facilitate the reporting and nontaxability of the exempt sales
3 or uses.

4 (m) Any ordinance imposing or discontinuing any tax under
5 this Section shall be adopted and a certified copy thereof
6 filed with the Department on or before June 1, whereupon the
7 Department of Revenue shall proceed to administer and enforce
8 this Section on behalf of the Regional Transportation Authority
9 as of September 1 next following such adoption and filing.
10 Beginning January 1, 1992, an ordinance or resolution imposing
11 or discontinuing the tax hereunder shall be adopted and a
12 certified copy thereof filed with the Department on or before
13 the first day of July, whereupon the Department shall proceed
14 to administer and enforce this Section as of the first day of
15 October next following such adoption and filing. Beginning
16 January 1, 1993, an ordinance or resolution imposing,
17 increasing, decreasing, or discontinuing the tax hereunder
18 shall be adopted and a certified copy thereof filed with the
19 Department, whereupon the Department shall proceed to
20 administer and enforce this Section as of the first day of the
21 first month to occur not less than 60 days following such
22 adoption and filing. Any ordinance or resolution of the
23 Authority imposing a tax under this Section and in effect on
24 August 1, 2007 shall remain in full force and effect and shall
25 be administered by the Department of Revenue under the terms
26 and conditions and rates of tax established by such ordinance

1 or resolution until the Department begins administering and
2 enforcing an increased tax under this Section as authorized by
3 this amendatory Act of the 95th General Assembly. The tax rates
4 authorized by this amendatory Act of the 95th General Assembly
5 are effective only if imposed by ordinance of the Authority.

6 (n) The State Department of Revenue shall, upon collecting
7 any taxes as provided in this Section, pay the taxes over to
8 the State Treasurer as trustee for the Authority. The taxes
9 shall be held in a trust fund outside the State Treasury. On or
10 before the 25th day of each calendar month, the State
11 Department of Revenue shall prepare and certify to the
12 Comptroller of the State of Illinois and to the Authority (i)
13 the amount of taxes collected in each County other than Cook
14 County in the metropolitan region, (ii) the amount of taxes
15 collected within the City of Chicago, and (iii) the amount
16 collected in that portion of Cook County outside of Chicago,
17 each amount less the amount necessary for the payment of
18 refunds to taxpayers located in those areas described in items
19 (i), (ii), and (iii). Within 10 days after receipt by the
20 Comptroller of the certification of the amounts, the
21 Comptroller shall cause an order to be drawn for the payment of
22 two-thirds of the amounts certified in item (i) of this
23 subsection to the Authority and one-third of the amounts
24 certified in item (i) of this subsection to the respective
25 counties other than Cook County and the amount certified in
26 items (ii) and (iii) of this subsection to the Authority.

1 In addition to the disbursement required by the preceding
2 paragraph, an allocation shall be made in July 1991 and each
3 year thereafter to the Regional Transportation Authority. The
4 allocation shall be made in an amount equal to the average
5 monthly distribution during the preceding calendar year
6 (excluding the 2 months of lowest receipts) and the allocation
7 shall include the amount of average monthly distribution from
8 the Regional Transportation Authority Occupation and Use Tax
9 Replacement Fund. The distribution made in July 1992 and each
10 year thereafter under this paragraph and the preceding
11 paragraph shall be reduced by the amount allocated and
12 disbursed under this paragraph in the preceding calendar year.
13 The Department of Revenue shall prepare and certify to the
14 Comptroller for disbursement the allocations made in
15 accordance with this paragraph.

16 (o) Failure to adopt a budget ordinance or otherwise to
17 comply with Section 4.01 of this Act or to adopt a Five-year
18 Capital Program or otherwise to comply with paragraph (b) of
19 Section 2.01 of this Act shall not affect the validity of any
20 tax imposed by the Authority otherwise in conformity with law.

21 (p) At no time shall a public transportation tax or motor
22 vehicle parking tax authorized under paragraphs (b), (c) and
23 (d) of this Section be in effect at the same time as any
24 retailers' occupation, use or service occupation tax
25 authorized under paragraphs (e), (f) and (g) of this Section is
26 in effect.

1 Any taxes imposed under the authority provided in
2 paragraphs (b), (c) and (d) shall remain in effect only until
3 the time as any tax authorized by paragraphs (e), (f) or (g) of
4 this Section are imposed and becomes effective. Once any tax
5 authorized by paragraphs (e), (f) or (g) is imposed the Board
6 may not reimpose taxes as authorized in paragraphs (b), (c) and
7 (d) of the Section unless any tax authorized by paragraphs (e),
8 (f) or (g) of this Section becomes ineffective by means other
9 than an ordinance of the Board.

10 (q) Any existing rights, remedies and obligations
11 (including enforcement by the Regional Transportation
12 Authority) arising under any tax imposed under paragraphs (b),
13 (c) or (d) of this Section shall not be affected by the
14 imposition of a tax under paragraphs (e), (f) or (g) of this
15 Section.

16 (r) Notwithstanding any provision of law to the contrary, a
17 municipality that is not being served, or that being is
18 underserved, by the Regional Transportation Authority may by
19 resolution provide for the sequestration of all taxes collected
20 within its corporate boundaries under this Section. Taxes
21 sequestered under this subsection shall be held in trust by the
22 Illinois Department of Revenue and shall be paid over to the
23 Regional Transportation Authority as the municipality may by
24 resolution provide.

25 (Source: P.A. 96-339, eff. 7-1-10; 96-939, eff. 6-24-10; 97-38,
26 eff. 6-28-11; 97-227, eff. 1-1-12; 97-813, eff. 7-13-12.)

1 (70 ILCS 3615/4.03.1) (from Ch. 111 2/3, par. 704.03.1)

2 Sec. 4.03.1. (a) The Board may impose a tax upon all
3 persons engaged in the business of renting automobiles in the
4 metropolitan region at the rate of not to exceed 1% of the
5 gross receipts from such business within Cook County and not to
6 exceed 1/4% of the gross receipts from such business within the
7 Counties of DuPage, Kane, Lake, McHenry and Will. The tax
8 imposed pursuant to this paragraph and all civil penalties that
9 may be assessed as an incident thereof shall be collected and
10 enforced by the State Department of Revenue. The certificate of
11 registration which is issued by the Department to a retailer
12 under the Retailers' Occupation Tax Act or under the Automobile
13 Renting Occupation and Use Tax Act shall permit such person to
14 engage in a business which is taxable under any ordinance or
15 resolution enacted pursuant to this paragraph without
16 registering separately with the Department under such
17 ordinance or resolution or under this paragraph. The Department
18 shall have full power to administer and enforce this paragraph;
19 to collect all taxes and penalties due hereunder; to dispose of
20 taxes and penalties so collected in the manner hereinafter
21 provided, and to determine all rights to credit memoranda,
22 arising on account of the erroneous payment of tax or penalty
23 hereunder. In the administration of, and compliance with, this
24 paragraph, the Department and persons who are subject to this
25 paragraph shall have the same rights, remedies, privileges,

1 immunities, powers and duties, and be subject to the same
2 conditions, restrictions, limitations, penalties and
3 definitions of terms, and employ the same modes of procedure,
4 as are prescribed in Sections 2 and 3 (in respect to all
5 provisions therein other than the State rate of tax; and with
6 relation to the provisions of the Retailers' Occupation Tax
7 referred to therein, except as to the disposition of taxes and
8 penalties collected, and except for the provision allowing
9 retailers a deduction from the tax cover certain costs, and
10 except that credit memoranda issued hereunder may not be used
11 to discharge any State tax liability) of the Automobile Renting
12 Occupation and Use Tax Act as fully as if provisions contained
13 in those Sections of said Act were set forth herein. Persons
14 subject to any tax imposed pursuant to the authority granted in
15 this paragraph may reimburse themselves for their tax liability
16 hereunder by separately stating such tax as an additional
17 charge, which charge may be stated in combination, in a single
18 amount, with State tax which sellers are required to collect
19 under the Automobile Renting Occupation and Use Tax Act
20 pursuant to such bracket schedules as the Department may
21 prescribe. Nothing in this paragraph shall be construed to
22 authorize the Authority to impose a tax upon the privilege of
23 engaging in any business which under the Constitution of the
24 United States may not be made the subject of taxation by this
25 State.

26 (b) The Board may impose a tax upon the privilege of using,

1 in the metropolitan region an automobile which is rented from a
2 renter outside Illinois, and which is titled or registered with
3 an agency of this State's government, at a rate not to exceed
4 1% of the rental price of such automobile within the County of
5 Cook, and not to exceed 1/4% of the rental price within the
6 counties of DuPage, Kane, Lake, McHenry and Will. Such tax
7 shall be collected from persons whose Illinois address for
8 titling or registration purposes is given as being in the
9 metropolitan region. Such tax shall be collected by the
10 Department of Revenue for the Regional Transportation
11 Authority. Such tax must be paid to the State, or an exemption
12 determination must be obtained from the Department of Revenue,
13 before the title or certificate of registration for the
14 property may be issued. The tax or proof of exemption may be
15 transmitted to the Department by way of the State agency with
16 which, or State officer with whom, the tangible personal
17 property must be titled or registered if the Department and
18 such agency or State officer determine that this procedure will
19 expedite the processing of applications for title or
20 registration. The Department shall have full power to
21 administer and enforce this paragraph; to collect all taxes,
22 penalties and interest due hereunder; to dispose of taxes,
23 penalties and interest so collected in the manner hereinafter
24 provided, and to determine all rights to credit memoranda or
25 refunds arising on account of the erroneous payment of tax,
26 penalty or interest hereunder. In the administration of, and

1 compliance with, this paragraph, the Department and persons who
2 are subject to this paragraph shall have the same rights,
3 remedies, privileges, immunities, powers and duties, and be
4 subject to the same conditions, restrictions, limitations,
5 penalties and definitions of terms, and employ the same modes
6 of procedure, as are prescribed in Sections 2 and 4 (except
7 provisions pertaining to the State rate of tax; and with
8 relation to the provisions of the Use Tax Act referred to
9 therein, except provisions concerning collection or refunding
10 of the tax by retailers, and except the provisions of Section
11 19 pertaining to claims by retailers and except the last
12 paragraph concerning refunds, and except that credit memoranda
13 issued hereunder may not be used to discharge any State tax
14 liability) of the Automobile Renting Occupation and Use Tax Act
15 which are not inconsistent with this paragraph, as fully as if
16 provisions contained in those Sections of said Act were set
17 forth herein.

18 (c) Whenever the Department determines that a refund should
19 be made under this Section to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the order to be drawn for the
22 amount specified, and to the person named, in such notification
23 from the Department. Such refund shall be paid by the State
24 Treasurer out of the Regional Transportation Authority tax fund
25 created pursuant to Section 4.03 of this Act.

26 (d) The Department shall forthwith pay over to the State

1 Treasurer, ex-officio, as trustee, all taxes, penalties and
2 interest collected under this Section. On or before the 25th
3 day of each calendar month, the Department shall prepare and
4 certify to the State Comptroller the amount to be paid to the
5 Authority. The State Department of Revenue shall also certify
6 to the Authority the amount of taxes collected in each County
7 other than Cook County in the metropolitan region less the
8 amount necessary for the payment of refunds to taxpayers in
9 such County. With regard to the County of Cook, the
10 certification shall specify the amount of taxes collected
11 within the City of Chicago less the amount necessary for the
12 payment of refunds to taxpayers in the City of Chicago and the
13 amount collected in that portion of Cook County outside of
14 Chicago less the amount necessary for the payment of refunds to
15 taxpayers in that portion of Cook County outside of Chicago.
16 The amount to be paid to the Authority shall be the amount (not
17 including credit memoranda) collected hereunder during the
18 second preceding calendar month by the Department, and not
19 including an amount equal to the amount of refunds made during
20 the second preceding calendar month by the Department on behalf
21 of the Authority. Within 10 days after receipt, by the State
22 Comptroller, of the disbursement certification to the
23 Authority, the State Comptroller shall cause the orders to be
24 drawn in accordance with the directions contained in such
25 certification.

26 (e) An ordinance imposing a tax hereunder or effecting a

1 change in the rate thereof shall be effective on the first day
2 of the calendar month next following the month in which such
3 ordinance is passed. The Board shall transmit to the Department
4 of Revenue on or not later than 5 days after passage of the
5 ordinance a certified copy of the ordinance imposing such tax
6 whereupon the Department of Revenue shall proceed to administer
7 and enforce this Section on behalf of the Authority as of the
8 effective date of the ordinance. Upon a change in rate of a tax
9 levied hereunder, or upon the discontinuance of the tax, the
10 Board shall, on or not later than 5 days after passage of the
11 ordinance discontinuing the tax or effecting a change in rate,
12 transmit to the Department of Revenue a certified copy of the
13 ordinance effecting such change or discontinuance.

14 (f) Notwithstanding any provision of law to the contrary, a
15 municipality that is not being served, or that being is
16 underserved, by the Regional Transportation Authority may by
17 resolution provide for the sequestration of all taxes collected
18 within its corporate boundaries under this Section. Taxes
19 sequestered under this subsection shall be held in trust by the
20 Illinois Department of Revenue and shall be paid over to the
21 Regional Transportation Authority as the municipality may by
22 resolution provide.

23 (Source: P.A. 91-357, eff. 7-29-99.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.