



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB2528

by Rep. Joe Sosnowski

SYNOPSIS AS INTRODUCED:

55 ILCS 5/5-1006.5

55 ILCS 5/5-1006.7

65 ILCS 5/8-11-1.1

from Ch. 24, par. 8-11-1.1

Amends the Counties Code. Provides that if a County School Facility tax or a County Public Safety tax is imposed, the tax shall be imposed for a period of not less than 5 years but not more than 23 years (currently, no minimum or sunset is required). Specifies the name of the tax in the ballot (currently, the ballot states that tax will increase a county's share of a local sales tax). Requires that a certified copy of an ordinance which includes a sunset date be provided to the Department of Revenue who shall discontinue the tax on the sunset date. Amends the Illinois Municipal Code making similar changes to the Municipal Non-Home Rule Sales tax. Effective immediately.

LRB100 10543 AWJ 20759 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning local government.

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

4 Section 5. The Counties Code is amended by changing
5 Sections 5-1006.5 and 5-1006.7 as follows:

6 (55 ILCS 5/5-1006.5)

7 Sec. 5-1006.5. Special County Retailers' Occupation Tax
8 For Public Safety, Public Facilities, or Transportation.

9 (a) The county board of any county may impose a tax upon
10 all persons engaged in the business of selling tangible
11 personal property, other than personal property titled or
12 registered with an agency of this State's government, at retail
13 in the county on the gross receipts from the sales made in the
14 course of business to provide revenue to be used exclusively
15 for public safety, public facility, or transportation purposes
16 in that county, if a proposition for the tax has been submitted
17 to the electors of that county and approved by a majority of
18 those voting on the question. If imposed, this tax shall be
19 imposed only in one-quarter percent increments. If imposed on
20 or after the effective date of this amendatory Act of the 100th
21 General Assembly, this tax shall be imposed for a period of not
22 less than 5 years but not more than 23 years, unless terminated
23 earlier by a vote of the county board. Once the tax imposed

1 under this Section terminates, it may be imposed again, subject
2 to the same time limitations. By resolution, the county board
3 may order the proposition to be submitted at any election. If
4 the tax is imposed for transportation purposes for expenditures
5 for public highways or as authorized under the Illinois Highway
6 Code, the county board must publish notice of the existence of
7 its long-range highway transportation plan as required or
8 described in Section 5-301 of the Illinois Highway Code and
9 must make the plan publicly available prior to approval of the
10 ordinance or resolution imposing the tax. If the tax is imposed
11 for transportation purposes for expenditures for passenger
12 rail transportation, the county board must publish notice of
13 the existence of its long-range passenger rail transportation
14 plan and must make the plan publicly available prior to
15 approval of the ordinance or resolution imposing the tax.

16 If a tax is imposed for public facilities purposes, then
17 the name of the project may be included in the proposition at
18 the discretion of the county board as determined in the
19 enabling resolution. For example, the "XXX Nursing Home" or the
20 "YYY Museum".

21 The county clerk shall certify the question to the proper
22 election authority, who shall submit the proposition at an
23 election in accordance with the general election law.

24 (1) ~~The proposition for public safety purposes shall be~~
25 ~~in substantially the following form:~~

26 ~~"To pay for public safety purposes, shall (name of~~

1 ~~county) be authorized to impose an increase on its share of~~
2 ~~local sales taxes by (insert rate)?"~~

3 ~~As additional information on the ballot below the~~
4 ~~question shall appear the following:~~

5 ~~"This would mean that a consumer would pay an~~
6 ~~additional (insert amount) in sales tax for every \$100 of~~
7 ~~tangible personal property bought at retail."~~

8 For a proposition for public safety purposes, the ~~The~~
9 county board shall ~~may also opt to~~ establish a sunset
10 provision within the range provided in this subsection (a),
11 at which time the additional sales tax would cease being
12 collected, if not terminated earlier by a vote of the
13 county board. The ~~If the county board votes to include a~~
14 ~~sunset provision, the proposition for public safety~~
15 ~~purposes shall be in substantially the following form:~~

16 "To pay for public safety purposes, shall (name of
17 county) be authorized to impose a special county retailers'
18 occupation tax (commonly referred to as a "sales tax") at a
19 rate of ~~an increase on its share of local sales taxes by~~
20 (insert rate) for a period not to exceed (insert number of
21 years)?"

22 As additional information on the ballot below the
23 question shall appear the following:

24 "This would mean that a consumer would pay an
25 additional (insert amount) in sales tax for every \$100 of
26 tangible personal property bought at retail. If imposed,

1 the additional tax would cease being collected at the end
2 of (insert number of years), if not terminated earlier by a
3 vote of the county board."

4 For the purposes of the paragraph, "public safety
5 purposes" means crime prevention, detention, fire
6 fighting, police, medical, ambulance, or other emergency
7 services.

8 Votes shall be recorded as "Yes" or "No".

9 Beginning on the January 1 or July 1, whichever is
10 first, that occurs not less than 30 days after May 31, 2015
11 (the effective date of Public Act 99-4), Adams County may
12 impose a public safety retailers' occupation tax and
13 service occupation tax at the rate of 0.25%, as provided in
14 the referendum approved by the voters on April 7, 2015,
15 notwithstanding the omission of the additional information
16 that is otherwise required to be printed on the ballot
17 below the question pursuant to this item (1).

18 ~~(2) The proposition for transportation purposes shall~~
19 ~~be in substantially the following form:~~

20 ~~"To pay for improvements to roads and other~~
21 ~~transportation purposes, shall (name of county) be~~
22 ~~authorized to impose an increase on its share of local~~
23 ~~sales taxes by (insert rate)?"~~

24 ~~As additional information on the ballot below the~~
25 ~~question shall appear the following:~~

26 ~~"This would mean that a consumer would pay an~~

1 ~~additional (insert amount) in sales tax for every \$100 of~~
2 ~~tangible personal property bought at retail."~~

3 For a proposition for transportation purposes, the ~~The~~
4 county board shall ~~may also opt to~~ establish a sunset
5 provision within the range provided in this subsection (a),
6 at which time the additional sales tax would cease being
7 collected, if not terminated earlier by a vote of the
8 county board. ~~The~~ ~~If the county board votes to include a~~
9 ~~sunset provision, the proposition for transportation~~
10 ~~purposes~~ shall be in substantially the following form:

11 "To pay for road improvements and other transportation
12 purposes, shall (name of county) be authorized to impose a
13 special county retailers' occupation tax (commonly
14 referred to as a "sales tax") at a rate of ~~an increase on~~
15 ~~its share of local sales taxes by~~ (insert rate) for a
16 period not to exceed (insert number of years)?"

17 As additional information on the ballot below the
18 question shall appear the following:

19 "This would mean that a consumer would pay an
20 additional (insert amount) in sales tax for every \$100 of
21 tangible personal property bought at retail. If imposed,
22 the additional tax would cease being collected at the end
23 of (insert number of years), if not terminated earlier by a
24 vote of the county board."

25 For the purposes of this paragraph, transportation
26 purposes means construction, maintenance, operation, and

1 improvement of public highways, any other purpose for which
2 a county may expend funds under the Illinois Highway Code,
3 and passenger rail transportation.

4 The votes shall be recorded as "Yes" or "No".

5 (3) ~~The proposition for public facilities purposes~~
6 ~~shall be in substantially the following form:~~

7 ~~"To pay for public facilities purposes, shall (name of~~
8 ~~county) be authorized to impose an increase on its share of~~
9 ~~local sales taxes by (insert rate)?"~~

10 ~~As additional information on the ballot below the~~
11 ~~question shall appear the following:~~

12 ~~"This would mean that a consumer would pay an~~
13 ~~additional (insert amount) in sales tax for every \$100 of~~
14 ~~tangible personal property bought at retail."~~

15 For a proposition for public facilities purposes, the
16 ~~The~~ county board shall ~~may also opt to~~ establish a sunset
17 provision within the range provided in this subsection (a),
18 at which time the additional sales tax would cease being
19 collected, if not terminated earlier by a vote of the
20 county board. The ~~If the county board votes to include a~~
21 ~~sunset provision, the proposition for public facilities~~
22 ~~purposes shall be in substantially the following form:~~

23 "To pay for public facilities purposes, shall (name of
24 county) be authorized to impose a special county retailers'
25 occupation tax (commonly referred to as a "sales tax") at a
26 rate of ~~an increase on its share of local sales taxes by~~

1 (insert rate) for a period not to exceed (insert number of
2 years)?"

3 As additional information on the ballot below the
4 question shall appear the following:

5 "This would mean that a consumer would pay an
6 additional (insert amount) in sales tax for every \$100 of
7 tangible personal property bought at retail. If imposed,
8 the additional tax would cease being collected at the end
9 of (insert number of years), if not terminated earlier by a
10 vote of the county board."

11 For purposes of this Section, "public facilities
12 purposes" means the acquisition, development,
13 construction, reconstruction, rehabilitation, improvement,
14 financing, architectural planning, and installation of
15 capital facilities consisting of buildings, structures,
16 and durable equipment and for the acquisition and
17 improvement of real property and interest in real property
18 required, or expected to be required, in connection with
19 the public facilities, for use by the county for the
20 furnishing of governmental services to its citizens,
21 including but not limited to museums and nursing homes.

22 The votes shall be recorded as "Yes" or "No".

23 If a majority of the electors voting on the proposition
24 vote in favor of it, the county may impose the tax. A county
25 may not submit more than one proposition authorized by this
26 Section to the electors at any one time.

1 This additional tax may not be imposed on the sales of food
2 for human consumption that is to be consumed off the premises
3 where it is sold (other than alcoholic beverages, soft drinks,
4 and food which has been prepared for immediate consumption) and
5 prescription and non-prescription medicines, drugs, medical
6 appliances and insulin, urine testing materials, syringes, and
7 needles used by diabetics. The tax imposed by a county under
8 this Section and all civil penalties that may be assessed as an
9 incident of the tax shall be collected and enforced by the
10 Illinois Department of Revenue and deposited into a special
11 fund created for that purpose. The certificate of registration
12 that is issued by the Department to a retailer under the
13 Retailers' Occupation Tax Act shall permit the retailer to
14 engage in a business that is taxable without registering
15 separately with the Department under an ordinance or resolution
16 under this Section. The Department has full power to administer
17 and enforce this Section, to collect all taxes and penalties
18 due under this Section, to dispose of taxes and penalties so
19 collected in the manner provided in this Section, and to
20 determine all rights to credit memoranda arising on account of
21 the erroneous payment of a tax or penalty under this Section.
22 In the administration of and compliance with this Section, the
23 Department and persons who are subject to this Section shall
24 (i) have the same rights, remedies, privileges, immunities,
25 powers, and duties, (ii) be subject to the same conditions,
26 restrictions, limitations, penalties, and definitions of

1 terms, and (iii) employ the same modes of procedure as are
2 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
3 1n, 2 through 2-70 (in respect to all provisions contained in
4 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
5 (except provisions relating to transaction returns and quarter
6 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
7 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
8 of the Retailers' Occupation Tax Act and Section 3-7 of the
9 Uniform Penalty and Interest Act as if those provisions were
10 set forth in this Section.

11 Persons subject to any tax imposed under the authority
12 granted in this Section may reimburse themselves for their
13 sellers' tax liability by separately stating the tax as an
14 additional charge, which charge may be stated in combination,
15 in a single amount, with State tax which sellers are required
16 to collect under the Use Tax Act, pursuant to such bracketed
17 schedules as the Department may prescribe.

18 Whenever the Department determines that a refund should be
19 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 the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of the County Public Safety or Transportation
25 Retailers' Occupation Tax Fund.

26 (b) If a tax has been imposed under subsection (a), a

1 service occupation tax shall also be imposed at the same rate
2 upon all persons engaged, in the county, in the business of
3 making sales of service, who, as an incident to making those
4 sales of service, transfer tangible personal property within
5 the county as an incident to a sale of service. This tax may
6 not be imposed on sales of food for human consumption that is
7 to be consumed off the premises where it is sold (other than
8 alcoholic beverages, soft drinks, and food prepared for
9 immediate consumption) and prescription and non-prescription
10 medicines, drugs, medical appliances and insulin, urine
11 testing materials, syringes, and needles used by diabetics. The
12 tax imposed under this subsection and all civil penalties that
13 may be assessed as an incident thereof shall be collected and
14 enforced by the Department of Revenue. The Department has full
15 power to administer and enforce this subsection; to collect all
16 taxes and penalties due hereunder; to dispose of taxes and
17 penalties so collected in the manner hereinafter provided; and
18 to determine all rights to credit memoranda arising on account
19 of the erroneous payment of tax or penalty hereunder. In the
20 administration of, and compliance with this subsection, the
21 Department and persons who are subject to this paragraph shall
22 (i) have the same rights, remedies, privileges, immunities,
23 powers, and duties, (ii) be subject to the same conditions,
24 restrictions, limitations, penalties, exclusions, exemptions,
25 and definitions of terms, and (iii) employ the same modes of
26 procedure as are prescribed in Sections 2 (except that the

1 reference to State in the definition of supplier maintaining a
2 place of business in this State shall mean the county), 2a, 2b,
3 2c, 3 through 3-50 (in respect to all provisions therein other
4 than the State rate of tax), 4 (except that the reference to
5 the State shall be to the county), 5, 7, 8 (except that the
6 jurisdiction to which the tax shall be a debt to the extent
7 indicated in that Section 8 shall be the county), 9 (except as
8 to the disposition of taxes and penalties collected), 10, 11,
9 12 (except the reference therein to Section 2b of the
10 Retailers' Occupation Tax Act), 13 (except that any reference
11 to the State shall mean the county), Section 15, 16, 17, 18, 19
12 and 20 of the Service Occupation Tax Act and Section 3-7 of the
13 Uniform Penalty and Interest Act, as fully as if those
14 provisions were set forth herein.

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

23 Whenever the Department determines that a refund should be
24 made under this subsection 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 County Public Safety or Transportation
4 Retailers' Occupation Fund.

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

9 (c) The Department shall immediately pay over to the State
10 Treasurer, ex officio, as trustee, all taxes and penalties
11 collected under this Section to be deposited into the County
12 Public Safety or Transportation Retailers' Occupation Tax
13 Fund, which shall be an unappropriated trust fund held outside
14 of the State treasury.

15 As soon as possible after the first day of each month,
16 beginning January 1, 2011, upon certification of the Department
17 of Revenue, the Comptroller shall order transferred, and the
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
19 local sales tax increment, as defined in the Innovation
20 Development and Economy Act, collected under this Section
21 during the second preceding calendar month for sales within a
22 STAR bond district.

23 After the monthly transfer to the STAR Bonds Revenue Fund,
24 on or before the 25th day of each calendar month, the
25 Department shall prepare and certify to the Comptroller the
26 disbursement of stated sums of money to the counties from which

1 retailers have paid taxes or penalties to the Department during
2 the second preceding calendar month. The amount to be paid to
3 each county, and deposited by the county into its special fund
4 created for the purposes of this Section, shall be the amount
5 (not including credit memoranda) collected under this Section
6 during the second preceding calendar month by the Department
7 plus an amount the Department determines is necessary to offset
8 any amounts that were erroneously paid to a different taxing
9 body, and not including (i) an amount equal to the amount of
10 refunds made during the second preceding calendar month by the
11 Department on behalf of the county, (ii) any amount that the
12 Department determines is necessary to offset any amounts that
13 were payable to a different taxing body but were erroneously
14 paid to the county, and (iii) any amounts that are transferred
15 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
16 the Comptroller of the disbursement certification to the
17 counties provided for in this Section to be given to the
18 Comptroller by the Department, the Comptroller shall cause the
19 orders to be drawn for the respective amounts in accordance
20 with directions contained in the certification.

21 In addition to the disbursement required by the preceding
22 paragraph, an allocation shall be made in March of each year to
23 each county that received more than \$500,000 in disbursements
24 under the preceding paragraph in the preceding calendar year.
25 The allocation shall be in an amount equal to the average
26 monthly distribution made to each such county under the

1 preceding paragraph during the preceding calendar year
2 (excluding the 2 months of highest receipts). The distribution
3 made in March of each year subsequent to the year in which an
4 allocation was made pursuant to this paragraph and the
5 preceding paragraph shall be reduced by the amount allocated
6 and disbursed under this paragraph in the preceding calendar
7 year. The Department shall prepare and certify to the
8 Comptroller for disbursement the allocations made in
9 accordance with this paragraph.

10 A county may direct, by ordinance, that all or a portion of
11 the taxes and penalties collected under the Special County
12 Retailers' Occupation Tax For Public Safety or Transportation
13 be deposited into the Transportation Development Partnership
14 Trust Fund.

15 (d) For the purpose of determining the local governmental
16 unit whose tax is applicable, a retail sale by a producer of
17 coal or another mineral mined in Illinois is a sale at retail
18 at the place where the coal or other mineral mined in Illinois
19 is extracted from the earth. This paragraph does not apply to
20 coal or another mineral when it is delivered or shipped by the
21 seller to the purchaser at a point outside Illinois so that the
22 sale is exempt under the United States Constitution as a sale
23 in interstate or foreign commerce.

24 (e) Nothing in this Section shall be construed to authorize
25 a county to impose a tax upon the privilege of engaging in any
26 business that under the Constitution of the United States may

1 not be made the subject of taxation by this State.

2 (e-5) If a county imposes a tax under this Section, the
3 county board may, by ordinance, discontinue or lower the rate
4 of the tax. If the county board lowers the tax rate or
5 discontinues the tax, a referendum must be held in accordance
6 with subsection (a) of this Section in order to increase the
7 rate of the tax or to reimpose the discontinued tax.

8 (f) Beginning April 1, 1998 and through December 31, 2013,
9 the results of any election authorizing a proposition to impose
10 a tax under this Section or effecting a change in the rate of
11 tax, or any ordinance lowering the rate or discontinuing the
12 tax, shall be certified by the county clerk and filed with the
13 Illinois Department of Revenue either (i) on or before the
14 first day of April, whereupon the Department shall proceed to
15 administer and enforce the tax as of the first day of July next
16 following the filing; or (ii) on or before the first day of
17 October, whereupon the Department shall proceed to administer
18 and enforce the tax as of the first day of January next
19 following the filing.

20 Beginning January 1, 2014, the results of any election
21 authorizing a proposition to impose a tax under this Section or
22 effecting an increase in the rate of tax, along with the
23 ordinance adopted to impose the tax or increase the rate of the
24 tax, or any ordinance adopted to lower the rate or discontinue
25 the tax, shall be certified by the county clerk and filed with
26 the Illinois Department of Revenue either (i) on or before the

1 first day of May, whereupon the Department shall proceed to
2 administer and enforce the tax as of the first day of July next
3 following the adoption and filing; or (ii) on or before the
4 first day of October, whereupon the Department shall proceed to
5 administer and enforce the tax as of the first day of January
6 next following the adoption and filing. If a tax imposed under
7 this Section will sunset as provided in subsection (a), the
8 county clerk must file a certified copy of an ordinance that
9 states the sunset date with the Illinois Department of Revenue
10 in the same timeframes as established in this paragraph for the
11 imposition of the tax and the Department shall discontinue
12 collection of the tax on its sunset date.

13 (g) When certifying the amount of a monthly disbursement to
14 a county under this Section, the Department shall increase or
15 decrease the amounts by an amount necessary to offset any
16 miscalculation of previous disbursements. The offset amount
17 shall be the amount erroneously disbursed within the previous 6
18 months from the time a miscalculation is discovered.

19 (h) This Section may be cited as the "Special County
20 Occupation Tax For Public Safety, Public Facilities, or
21 Transportation Law".

22 (i) For purposes of this Section, "public safety" includes,
23 but is not limited to, crime prevention, detention, fire
24 fighting, police, medical, ambulance, or other emergency
25 services. The county may share tax proceeds received under this
26 Section for public safety purposes, including proceeds

1 received before August 4, 2009 (the effective date of Public
2 Act 96-124), with any fire protection district located in the
3 county. For the purposes of this Section, "transportation"
4 includes, but is not limited to, the construction, maintenance,
5 operation, and improvement of public highways, any other
6 purpose for which a county may expend funds under the Illinois
7 Highway Code, and passenger rail transportation. For the
8 purposes of this Section, "public facilities purposes"
9 includes, but is not limited to, the acquisition, development,
10 construction, reconstruction, rehabilitation, improvement,
11 financing, architectural planning, and installation of capital
12 facilities consisting of buildings, structures, and durable
13 equipment and for the acquisition and improvement of real
14 property and interest in real property required, or expected to
15 be required, in connection with the public facilities, for use
16 by the county for the furnishing of governmental services to
17 its citizens, including but not limited to museums and nursing
18 homes.

19 (j) The Department may promulgate rules to implement Public
20 Act 95-1002 only to the extent necessary to apply the existing
21 rules for the Special County Retailers' Occupation Tax for
22 Public Safety to this new purpose for public facilities.

23 (Source: P.A. 98-584, eff. 8-27-13; 99-4, eff. 5-31-15; 99-217,
24 eff. 7-31-15; 99-642, eff. 7-28-16.)

1 Sec. 5-1006.7. School facility occupation taxes.

2 (a) In any county, a tax shall be imposed upon all persons
3 engaged in the business of selling tangible personal property,
4 other than personal property titled or registered with an
5 agency of this State's government, at retail in the county on
6 the gross receipts from the sales made in the course of
7 business to provide revenue to be used exclusively for school
8 facility purposes if a proposition for the tax has been
9 submitted to the electors of that county and approved by a
10 majority of those voting on the question as provided in
11 subsection (c). The tax under this Section shall be imposed
12 only in one-quarter percent increments and may not exceed 1%.
13 If imposed on or after the effective date of this amendatory
14 Act of the 100th General Assembly, the tax under this Section
15 shall be imposed for a period of not less than 5 years but not
16 more than 23 years. Once the tax imposed under this Section
17 terminates, it may be imposed again, subject to the same time
18 limitations.

19 This additional tax may not be imposed on the sale of food
20 for human consumption that is to be consumed off the premises
21 where it is sold (other than alcoholic beverages, soft drinks,
22 and food that has been prepared for immediate consumption) and
23 prescription and non-prescription medicines, drugs, medical
24 appliances and insulin, urine testing materials, syringes and
25 needles used by diabetics. The Department of Revenue has full
26 power to administer and enforce this subsection, to collect all

1 taxes and penalties due under this subsection, to dispose of
2 taxes and penalties so collected in the manner provided in this
3 subsection, and to determine all rights to credit memoranda
4 arising on account of the erroneous payment of a tax or penalty
5 under this subsection. The Department shall deposit all taxes
6 and penalties collected under this subsection into a special
7 fund created for that purpose.

8 In the administration of and compliance with this
9 subsection, the Department and persons who are subject to this
10 subsection (i) have the same rights, remedies, privileges,
11 immunities, powers, and duties, (ii) are subject to the same
12 conditions, restrictions, limitations, penalties, and
13 definitions of terms, and (iii) shall employ the same modes of
14 procedure as are set forth in Sections 1 through 10, 2 through
15 2-70 (in respect to all provisions contained in those Sections
16 other than the State rate of tax), 2a through 2h, 3 (except as
17 to the disposition of taxes and penalties collected), 4, 5, 5a,
18 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
19 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
20 Tax Act and all provisions of the Uniform Penalty and Interest
21 Act as if those provisions were set forth in this subsection.

22 The certificate of registration that is issued by the
23 Department to a retailer under the Retailers' Occupation Tax
24 Act permits the retailer to engage in a business that is
25 taxable without registering separately with the Department
26 under an ordinance or resolution under this subsection.

1 Persons subject to any tax imposed under the authority
2 granted in this subsection may reimburse themselves for their
3 seller's tax liability by separately stating that tax as an
4 additional charge, which may be stated in combination, in a
5 single amount, with State tax that sellers are required to
6 collect under the Use Tax Act, pursuant to any bracketed
7 schedules set forth by the Department.

8 (b) If a tax has been imposed under subsection (a), then a
9 service occupation tax must also be imposed at the same rate
10 upon all persons engaged, in the county, in the business of
11 making sales of service, who, as an incident to making those
12 sales of service, transfer tangible personal property within
13 the county as an incident to a sale of service.

14 This tax may not be imposed on sales of food for human
15 consumption that is to be consumed off the premises where it is
16 sold (other than alcoholic beverages, soft drinks, and food
17 prepared for immediate consumption) and prescription and
18 non-prescription medicines, drugs, medical appliances and
19 insulin, urine testing materials, syringes, and needles used by
20 diabetics.

21 The tax imposed under this subsection and all civil
22 penalties that may be assessed as an incident thereof shall be
23 collected and enforced by the Department and deposited into a
24 special fund created for that purpose. The Department has full
25 power to administer and enforce this subsection, to collect all
26 taxes and penalties due under this subsection, to dispose of

1 taxes and penalties so collected in the manner provided in this
2 subsection, and to determine all rights to credit memoranda
3 arising on account of the erroneous payment of a tax or penalty
4 under this subsection.

5 In the administration of and compliance with this
6 subsection, the Department and persons who are subject to this
7 subsection shall (i) have the same rights, remedies,
8 privileges, immunities, powers and duties, (ii) be subject to
9 the same conditions, restrictions, limitations, penalties and
10 definition of terms, and (iii) employ the same modes of
11 procedure as are set forth in Sections 2 (except that that
12 reference to State in the definition of supplier maintaining a
13 place of business in this State means the county), 2a through
14 2d, 3 through 3-50 (in respect to all provisions contained in
15 those Sections other than the State rate of tax), 4 (except
16 that the reference to the State shall be to the county), 5, 7,
17 8 (except that the jurisdiction to which the tax is a debt to
18 the extent indicated in that Section 8 is the county), 9
19 (except as to the disposition of taxes and penalties
20 collected), 10, 11, 12 (except the reference therein to Section
21 2b of the Retailers' Occupation Tax Act), 13 (except that any
22 reference to the State means the county), Section 15, 16, 17,
23 18, 19, and 20 of the Service Occupation Tax Act and all
24 provisions of the Uniform Penalty and Interest Act, as fully as
25 if those provisions were set forth herein.

26 Persons subject to any tax imposed under the authority

1 granted in this subsection may reimburse themselves for their
2 serviceman's tax liability by separately stating the tax as an
3 additional charge, which may be stated in combination, in a
4 single amount, with State tax that servicemen are authorized to
5 collect under the Service Use Tax Act, pursuant to any
6 bracketed schedules set forth by the Department.

7 (c) The tax under this Section may not be imposed until the
8 question of imposing the tax has been submitted to the electors
9 of the county at a regular election and approved by a majority
10 of the electors voting on the question. For all regular
11 elections held prior to August 23, 2011 (the effective date of
12 Public Act 97-542), upon a resolution by the county board or a
13 resolution by school district boards that represent at least
14 51% of the student enrollment within the county, the county
15 board must certify the question to the proper election
16 authority in accordance with the Election Code.

17 For all regular elections held prior to August 23, 2011
18 (the effective date of Public Act 97-542), the election
19 authority must submit the question in substantially the
20 following form:

21 Shall (name of county) be authorized to impose a
22 retailers' occupation tax and a service occupation tax
23 (commonly referred to as a "sales tax") at a rate of
24 (insert rate) for a period of (number of years) to be used
25 exclusively for school facility purposes?

26 The election authority must record the votes as "Yes" or "No".

1 If a majority of the electors voting on the question vote
2 in the affirmative, then the county may, thereafter, impose the
3 tax.

4 For all regular elections held on or after August 23, 2011
5 (the effective date of Public Act 97-542), the regional
6 superintendent of schools for the county must, upon receipt of
7 a resolution or resolutions of school district boards that
8 represent more than 50% of the student enrollment within the
9 county, certify the question to the proper election authority
10 for submission to the electors of the county at the next
11 regular election at which the question lawfully may be
12 submitted to the electors, all in accordance with the Election
13 Code.

14 For all regular elections held on or after August 23, 2011
15 (the effective date of Public Act 97-542), the election
16 authority must submit the question in substantially the
17 following form:

18 Shall a retailers' occupation tax and a service
19 occupation tax (commonly referred to as a "sales tax") be
20 imposed in (name of county) at a rate of (insert rate) for
21 a period not to exceed (insert number of years) to be used
22 exclusively for school facility purposes?

23 The election authority must record the votes as "Yes" or "No".

24 If a majority of the electors voting on the question vote
25 in the affirmative, then the tax shall be imposed at the rate
26 set forth in the question.

1 For the purposes of this subsection (c), "enrollment" means
2 the head count of the students residing in the county on the
3 last school day of September of each year, which must be
4 reported on the Illinois State Board of Education Public School
5 Fall Enrollment/Housing Report.

6 (d) The Department shall immediately pay over to the State
7 Treasurer, ex officio, as trustee, all taxes and penalties
8 collected under this Section to be deposited into the School
9 Facility Occupation Tax Fund, which shall be an unappropriated
10 trust fund held outside the State treasury.

11 On or before the 25th day of each calendar month, the
12 Department shall prepare and certify to the Comptroller the
13 disbursement of stated sums of money to the regional
14 superintendents of schools in counties from which retailers or
15 servicemen have paid taxes or penalties to the Department
16 during the second preceding calendar month. The amount to be
17 paid to each regional superintendent of schools and disbursed
18 to him or her in accordance with Section 3-14.31 of the School
19 Code, is equal to the amount (not including credit memoranda)
20 collected from the county under this Section during the second
21 preceding calendar month by the Department, (i) less 2% of that
22 amount, which shall be deposited into the Tax Compliance and
23 Administration Fund and shall be used by the Department,
24 subject to appropriation, to cover the costs of the Department
25 in administering and enforcing the provisions of this Section,
26 on behalf of the county, (ii) plus an amount that the

1 Department determines is necessary to offset any amounts that
2 were erroneously paid to a different taxing body; (iii) less an
3 amount equal to the amount of refunds made during the second
4 preceding calendar month by the Department on behalf of the
5 county; and (iv) less any amount that the Department determines
6 is necessary to offset any amounts that were payable to a
7 different taxing body but were erroneously paid to the county.
8 When certifying the amount of a monthly disbursement to a
9 regional superintendent of schools under this Section, the
10 Department shall increase or decrease the amounts by an amount
11 necessary to offset any miscalculation of previous
12 disbursements within the previous 6 months from the time a
13 miscalculation is discovered.

14 Within 10 days after receipt by the Comptroller from the
15 Department of the disbursement certification to the regional
16 superintendents of the schools provided for in this Section,
17 the Comptroller shall cause the orders to be drawn for the
18 respective amounts in accordance with directions contained in
19 the certification.

20 If the Department determines that a refund should be made
21 under this Section to a claimant instead of issuing a credit
22 memorandum, then the Department shall notify the Comptroller,
23 who shall cause the order to be drawn for the amount specified
24 and to the person named in the notification from the
25 Department. The refund shall be paid by the Treasurer out of
26 the School Facility Occupation Tax Fund.

1 (e) For the purposes of determining the local governmental
2 unit whose tax is applicable, a retail sale by a producer of
3 coal or another mineral mined in Illinois is a sale at retail
4 at the place where the coal or other mineral mined in Illinois
5 is extracted from the earth. This subsection does not apply to
6 coal or another mineral when it is delivered or shipped by the
7 seller to the purchaser at a point outside Illinois so that the
8 sale is exempt under the United States Constitution as a sale
9 in interstate or foreign commerce.

10 (f) Nothing in this Section may be construed to authorize a
11 tax to be imposed upon the privilege of engaging in any
12 business that under the Constitution of the United States may
13 not be made the subject of taxation by this State.

14 (g) If a county board imposes a tax under this Section
15 pursuant to a referendum held before August 23, 2011 (the
16 effective date of Public Act 97-542) at a rate below the rate
17 set forth in the question approved by a majority of electors of
18 that county voting on the question as provided in subsection
19 (c), then the county board may, by ordinance, increase the rate
20 of the tax up to the rate set forth in the question approved by
21 a majority of electors of that county voting on the question as
22 provided in subsection (c). If a county board imposes a tax
23 under this Section pursuant to a referendum held before August
24 23, 2011 (the effective date of Public Act 97-542), then the
25 board may, by ordinance, discontinue or reduce the rate of the
26 tax. If a tax is imposed under this Section pursuant to a

1 referendum held on or after August 23, 2011 (the effective date
2 of Public Act 97-542), then the county board may reduce or
3 discontinue the tax, but only in accordance with subsection
4 (h-5) of this Section. If, however, a school board issues bonds
5 that are secured by the proceeds of the tax under this Section,
6 then the county board may not reduce the tax rate or
7 discontinue the tax if that rate reduction or discontinuance
8 would adversely affect the school board's ability to pay the
9 principal and interest on those bonds as they become due or
10 necessitate the extension of additional property taxes to pay
11 the principal and interest on those bonds. If the county board
12 reduces the tax rate or discontinues the tax, then a referendum
13 must be held in accordance with subsection (c) of this Section
14 in order to increase the rate of the tax or to reimpose the
15 discontinued tax.

16 Until January 1, 2014, the results of any election that
17 imposes, reduces, or discontinues a tax under this Section must
18 be certified by the election authority, and any ordinance that
19 increases or lowers the rate or discontinues the tax must be
20 certified by the county clerk and, in each case, filed with the
21 Illinois Department of Revenue either (i) on or before the
22 first day of April, whereupon the Department shall proceed to
23 administer and enforce the tax or change in the rate as of the
24 first day of July next following the filing; or (ii) on or
25 before the first day of October, whereupon the Department shall
26 proceed to administer and enforce the tax or change in the rate

1 as of the first day of January next following the filing.

2 Beginning January 1, 2014, the results of any election that
3 imposes, reduces, or discontinues a tax under this Section must
4 be certified by the election authority, and any ordinance that
5 increases or lowers the rate or discontinues the tax must be
6 certified by the county clerk and, in each case, filed with the
7 Illinois Department of Revenue either (i) on or before the
8 first day of May, whereupon the Department shall proceed to
9 administer and enforce the tax or change in the rate as of the
10 first day of July next following the filing; or (ii) on or
11 before the first day of October, whereupon the Department shall
12 proceed to administer and enforce the tax or change in the rate
13 as of the first day of January next following the filing. If a
14 tax imposed under this Section will sunset as provided in
15 subsection (a), the county clerk must file a certified copy of
16 the proposition that was approved under subsection (c) that
17 states the sunset date with the Illinois Department of Revenue
18 in the same timeframes as established in this paragraph for the
19 imposition of the tax and the Department shall discontinue
20 collection of the tax on its sunset date.

21 (h) For purposes of this Section, "school facility
22 purposes" means (i) the acquisition, development,
23 construction, reconstruction, rehabilitation, improvement,
24 financing, architectural planning, and installation of capital
25 facilities consisting of buildings, structures, and durable
26 equipment and for the acquisition and improvement of real

1 property and interest in real property required, or expected to
2 be required, in connection with the capital facilities and (ii)
3 the payment of bonds or other obligations heretofore or
4 hereafter issued, including bonds or other obligations
5 heretofore or hereafter issued to refund or to continue to
6 refund bonds or other obligations issued, for school facility
7 purposes, provided that the taxes levied to pay those bonds are
8 abated by the amount of the taxes imposed under this Section
9 that are used to pay those bonds. "School-facility purposes"
10 also includes fire prevention, safety, energy conservation,
11 accessibility, school security, and specified repair purposes
12 set forth under Section 17-2.11 of the School Code.

13 (h-5) A county board in a county where a tax has been
14 imposed under this Section pursuant to a referendum held on or
15 after August 23, 2011 (the effective date of Public Act 97-542)
16 may, by ordinance or resolution, submit to the voters of the
17 county the question of reducing or discontinuing the tax. In
18 the ordinance or resolution, the county board shall certify the
19 question to the proper election authority in accordance with
20 the Election Code. The election authority must submit the
21 question in substantially the following form:

22 Shall the school facility retailers' occupation tax
23 and service occupation tax (commonly referred to as the
24 "school facility sales tax") currently imposed in (name of
25 county) at a rate of (insert rate) be (reduced to (insert
26 rate)) (discontinued)?

1 If a majority of the electors voting on the question vote in
2 the affirmative, then, subject to the provisions of subsection
3 (g) of this Section, the tax shall be reduced or discontinued
4 as set forth in the question.

5 (i) This Section does not apply to Cook County.

6 (j) This Section may be cited as the County School Facility
7 Occupation Tax Law.

8 (Source: P.A. 98-584, eff. 8-27-13; 99-143, eff. 7-27-15;
9 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

10 Section 10. The Illinois Municipal Code is amended by
11 changing Section 8-11-1.1 as follows:

12 (65 ILCS 5/8-11-1.1) (from Ch. 24, par. 8-11-1.1)

13 Sec. 8-11-1.1. Non-home rule municipalities; imposition of
14 taxes.

15 (a) The corporate authorities of a non-home rule
16 municipality may, upon approval of the electors of the
17 municipality pursuant to subsection (b) of this Section, impose
18 by ordinance or resolution the tax authorized in Sections
19 8-11-1.3, 8-11-1.4 and 8-11-1.5 of this Act.

20 (b) The corporate authorities of the municipality may by
21 ordinance or resolution call for the submission to the electors
22 of the municipality the question of whether the municipality
23 shall impose such tax. If imposed on or after the effective
24 date of this amendatory Act of the 100th General Assembly, this

1 tax may be imposed for a period of not less than 5 years but not
2 more than 23 years, unless terminated earlier by a vote of the
3 corporate authorities of the municipality. Once the tax imposed
4 under this Section terminates, it may be imposed again, subject
5 to the same time limitations. Such question shall be certified
6 by the municipal clerk to the election authority in accordance
7 with Section 28-5 of the Election Code and shall be in a form
8 in accordance with Section 16-7 of the Election Code.

9 Notwithstanding any provision of law to the contrary, if
10 the proceeds of the tax may be used for municipal operations
11 pursuant to Section 8-11-1.3, 8-11-1.4, or 8-11-1.5, then the
12 election authority must submit the question in substantially
13 the following form:

14 Shall the corporate authorities of the municipality be
15 authorized to levy a tax (commonly referred to as "sales
16 tax") at a rate of (rate)% for a period not to exceed
17 (number of years) for expenditures on municipal
18 operations, expenditures on public infrastructure, or
19 property tax relief?

20 If a majority of the electors in the municipality voting
21 upon the question vote in the affirmative, such tax shall be
22 imposed.

23 Until January 1, 1992, an ordinance or resolution imposing
24 the tax of not more than 1% hereunder or discontinuing the same
25 shall be adopted and a certified copy thereof, together with a
26 certification that the ordinance or resolution received

1 referendum approval in the case of the imposition of such tax,
2 filed with the Department of Revenue, on or before the first
3 day of June, whereupon the Department shall proceed to
4 administer and enforce the additional tax or to discontinue the
5 tax, as the case may be, as of the first day of September next
6 following such adoption and filing.

7 Beginning January 1, 1992 and through December 31, 1992, an
8 ordinance or resolution imposing or discontinuing the tax
9 hereunder shall be adopted and a certified copy thereof filed
10 with the Department on or before the first day of July,
11 whereupon the Department shall proceed to administer and
12 enforce this Section as of the first day of October next
13 following such adoption and filing.

14 Beginning January 1, 1993, and through September 30, 2002,
15 an ordinance or resolution imposing or discontinuing the tax
16 hereunder shall be adopted and a certified copy thereof filed
17 with the Department on or before the first day of October,
18 whereupon the Department shall proceed to administer and
19 enforce this Section as of the first day of January next
20 following such adoption and filing.

21 Beginning October 1, 2002, and through December 31, 2013,
22 an ordinance or resolution imposing or discontinuing the tax
23 under this Section or effecting a change in the rate of tax
24 must either (i) be adopted and a certified copy of the
25 ordinance or resolution filed with the Department on or before
26 the first day of April, whereupon the Department shall proceed

1 to administer and enforce this Section as of the first day of
2 July next following the adoption and filing; or (ii) be adopted
3 and a certified copy of the ordinance or resolution filed with
4 the Department on or before the first day of October, whereupon
5 the Department shall proceed to administer and enforce this
6 Section as of the first day of January next following the
7 adoption and filing.

8 Beginning January 1, 2014, ~~if~~ an ordinance or resolution
9 imposing the tax under this Section, discontinuing the tax
10 under this Section, or effecting a change in the rate of tax
11 under this Section shall be ~~is~~ adopted and, a certified copy
12 thereof, together with a certification that the ordinance or
13 resolution received referendum approval in the case of the
14 imposition of or increase in the rate of such tax, shall be
15 filed with the Department of Revenue, either (i) on or before
16 the first day of May, whereupon the Department shall proceed to
17 administer and enforce this Section as of the first day of July
18 next following the adoption and filing; or (ii) on or before
19 the first day of October, whereupon the Department shall
20 proceed to administer and enforce this Section as of the first
21 day of January next following the adoption and filing. If a tax
22 imposed under this Section will sunset as provided in
23 subsection (b), a certified copy of an ordinance that states
24 the sunset date must be filed with the Illinois Department of
25 Revenue in the same timeframes as established in this paragraph
26 for the imposition of the tax and the Department shall

1 discontinue collection of the tax on its sunset date.

2 Notwithstanding any provision in this Section to the
3 contrary, if, in a non-home rule municipality with more than
4 150,000 but fewer than 200,000 inhabitants, as determined by
5 the last preceding federal decennial census, an ordinance or
6 resolution under this Section imposes or discontinues a tax or
7 changes the tax rate as of July 1, 2007, then that ordinance or
8 resolution, together with a certification that the ordinance or
9 resolution received referendum approval in the case of the
10 imposition of the tax, must be adopted and a certified copy of
11 that ordinance or resolution must be filed with the Department
12 on or before May 15, 2007, whereupon the Department shall
13 proceed to administer and enforce this Section as of July 1,
14 2007.

15 Notwithstanding any provision in this Section to the
16 contrary, if, in a non-home rule municipality with more than
17 6,500 but fewer than 7,000 inhabitants, as determined by the
18 last preceding federal decennial census, an ordinance or
19 resolution under this Section imposes or discontinues a tax or
20 changes the tax rate on or before May 20, 2009, then that
21 ordinance or resolution, together with a certification that the
22 ordinance or resolution received referendum approval in the
23 case of the imposition of the tax, must be adopted and a
24 certified copy of that ordinance or resolution must be filed
25 with the Department on or before May 20, 2009, whereupon the
26 Department shall proceed to administer and enforce this Section

1 as of July 1, 2009.

2 A non-home rule municipality may file a certified copy of
3 an ordinance or resolution, with a certification that the
4 ordinance or resolution received referendum approval in the
5 case of the imposition of the tax, with the Department of
6 Revenue, as required under this Section, only after October 2,
7 2000.

8 The tax authorized by this Section may not be more than 1%
9 and may be imposed only in 1/4% increments.

10 (Source: P.A. 98-584, eff. 8-27-13.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.