

HB3878



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB3878

by Rep. Daniel V. Beiser

SYNOPSIS AS INTRODUCED:

5 ILCS 100/5-45 from Ch. 127, par. 1005-45
35 ILCS 105/3-5
35 ILCS 105/3-6.5 new
35 ILCS 120/2-5
35 ILCS 120/2-8.5 new

Amends the Use Tax Act and the Retailers' Occupation Tax Act. Provides a hunting sales tax holiday on specified dates for firearms and firearm ammunition that may be used for lawful hunting under the Wildlife Code. Provides for administration of the hunting sales tax holiday by the Department of Revenue. Provides the Department of Revenue with rulemaking authority, including emergency rulemaking authority. Amends the Illinois Administrative Procedure Act to allow emergency rulemaking. Effective immediately.

LRB100 10228 HLH 20411 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Illinois Administrative Procedure Act is
5 amended by changing Section 5-45 as follows:

6 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

7 (Text of Section before amendment by P.A. 99-906)

8 Sec. 5-45. Emergency rulemaking.

9 (a) "Emergency" means the existence of any situation that
10 any agency finds reasonably constitutes a threat to the public
11 interest, safety, or welfare.

12 (b) If any agency finds that an emergency exists that
13 requires adoption of a rule upon fewer days than is required by
14 Section 5-40 and states in writing its reasons for that
15 finding, the agency may adopt an emergency rule without prior
16 notice or hearing upon filing a notice of emergency rulemaking
17 with the Secretary of State under Section 5-70. The notice
18 shall include the text of the emergency rule and shall be
19 published in the Illinois Register. Consent orders or other
20 court orders adopting settlements negotiated by an agency may
21 be adopted under this Section. Subject to applicable
22 constitutional or statutory provisions, an emergency rule
23 becomes effective immediately upon filing under Section 5-65 or

1 at a stated date less than 10 days thereafter. The agency's
2 finding and a statement of the specific reasons for the finding
3 shall be filed with the rule. The agency shall take reasonable
4 and appropriate measures to make emergency rules known to the
5 persons who may be affected by them.

6 (c) An emergency rule may be effective for a period of not
7 longer than 150 days, but the agency's authority to adopt an
8 identical rule under Section 5-40 is not precluded. No
9 emergency rule may be adopted more than once in any 24-month ~~24~~
10 ~~month~~ period, except that this limitation on the number of
11 emergency rules that may be adopted in a 24-month ~~24-month~~
12 period does not apply to (i) emergency rules that make
13 additions to and deletions from the Drug Manual under Section
14 5-5.16 of the Illinois Public Aid Code or the generic drug
15 formulary under Section 3.14 of the Illinois Food, Drug and
16 Cosmetic Act, (ii) emergency rules adopted by the Pollution
17 Control Board before July 1, 1997 to implement portions of the
18 Livestock Management Facilities Act, (iii) emergency rules
19 adopted by the Illinois Department of Public Health under
20 subsections (a) through (i) of Section 2 of the Department of
21 Public Health Act when necessary to protect the public's
22 health, (iv) emergency rules adopted pursuant to subsection (n)
23 of this Section, (v) emergency rules adopted pursuant to
24 subsection (o) of this Section, or (vi) emergency rules adopted
25 pursuant to subsection (c-5) of this Section. Two or more
26 emergency rules having substantially the same purpose and

1 effect shall be deemed to be a single rule for purposes of this
2 Section.

3 (c-5) To facilitate the maintenance of the program of group
4 health benefits provided to annuitants, survivors, and retired
5 employees under the State Employees Group Insurance Act of
6 1971, rules to alter the contributions to be paid by the State,
7 annuitants, survivors, retired employees, or any combination
8 of those entities, for that program of group health benefits,
9 shall be adopted as emergency rules. The adoption of those
10 rules shall be considered an emergency and necessary for the
11 public interest, safety, and welfare.

12 (d) In order to provide for the expeditious and timely
13 implementation of the State's fiscal year 1999 budget,
14 emergency rules to implement any provision of Public Act 90-587
15 or 90-588 or any other budget initiative for fiscal year 1999
16 may be adopted in accordance with this Section by the agency
17 charged with administering that provision or initiative,
18 except that the 24-month limitation on the adoption of
19 emergency rules and the provisions of Sections 5-115 and 5-125
20 do not apply to rules adopted under this subsection (d). The
21 adoption of emergency rules authorized by this subsection (d)
22 shall be deemed to be necessary for the public interest,
23 safety, and welfare.

24 (e) In order to provide for the expeditious and timely
25 implementation of the State's fiscal year 2000 budget,
26 emergency rules to implement any provision of Public Act 91-24

1 or any other budget initiative for fiscal year 2000 may be
2 adopted in accordance with this Section by the agency charged
3 with administering that provision or initiative, except that
4 the 24-month limitation on the adoption of emergency rules and
5 the provisions of Sections 5-115 and 5-125 do not apply to
6 rules adopted under this subsection (e). The adoption of
7 emergency rules authorized by this subsection (e) shall be
8 deemed to be necessary for the public interest, safety, and
9 welfare.

10 (f) In order to provide for the expeditious and timely
11 implementation of the State's fiscal year 2001 budget,
12 emergency rules to implement any provision of Public Act 91-712
13 or any other budget initiative for fiscal year 2001 may be
14 adopted in accordance with this Section by the agency charged
15 with administering that provision or initiative, except that
16 the 24-month limitation on the adoption of emergency rules and
17 the provisions of Sections 5-115 and 5-125 do not apply to
18 rules adopted under this subsection (f). The adoption of
19 emergency rules authorized by this subsection (f) shall be
20 deemed to be necessary for the public interest, safety, and
21 welfare.

22 (g) In order to provide for the expeditious and timely
23 implementation of the State's fiscal year 2002 budget,
24 emergency rules to implement any provision of Public Act 92-10
25 or any other budget initiative for fiscal year 2002 may be
26 adopted in accordance with this Section by the agency charged

1 with administering that provision or initiative, except that
2 the 24-month limitation on the adoption of emergency rules and
3 the provisions of Sections 5-115 and 5-125 do not apply to
4 rules adopted under this subsection (g). The adoption of
5 emergency rules authorized by this subsection (g) shall be
6 deemed to be necessary for the public interest, safety, and
7 welfare.

8 (h) In order to provide for the expeditious and timely
9 implementation of the State's fiscal year 2003 budget,
10 emergency rules to implement any provision of Public Act 92-597
11 or any other budget initiative for fiscal year 2003 may be
12 adopted in accordance with this Section by the agency charged
13 with administering that provision or initiative, except that
14 the 24-month limitation on the adoption of emergency rules and
15 the provisions of Sections 5-115 and 5-125 do not apply to
16 rules adopted under this subsection (h). The adoption of
17 emergency rules authorized by this subsection (h) shall be
18 deemed to be necessary for the public interest, safety, and
19 welfare.

20 (i) In order to provide for the expeditious and timely
21 implementation of the State's fiscal year 2004 budget,
22 emergency rules to implement any provision of Public Act 93-20
23 or any other budget initiative for fiscal year 2004 may be
24 adopted in accordance with this Section by the agency charged
25 with administering that provision or initiative, except that
26 the 24-month limitation on the adoption of emergency rules and

1 the provisions of Sections 5-115 and 5-125 do not apply to
2 rules adopted under this subsection (i). The adoption of
3 emergency rules authorized by this subsection (i) shall be
4 deemed to be necessary for the public interest, safety, and
5 welfare.

6 (j) In order to provide for the expeditious and timely
7 implementation of the provisions of the State's fiscal year
8 2005 budget as provided under the Fiscal Year 2005 Budget
9 Implementation (Human Services) Act, emergency rules to
10 implement any provision of the Fiscal Year 2005 Budget
11 Implementation (Human Services) Act may be adopted in
12 accordance with this Section by the agency charged with
13 administering that provision, except that the 24-month
14 limitation on the adoption of emergency rules and the
15 provisions of Sections 5-115 and 5-125 do not apply to rules
16 adopted under this subsection (j). The Department of Public Aid
17 may also adopt rules under this subsection (j) necessary to
18 administer the Illinois Public Aid Code and the Children's
19 Health Insurance Program Act. The adoption of emergency rules
20 authorized by this subsection (j) shall be deemed to be
21 necessary for the public interest, safety, and welfare.

22 (k) In order to provide for the expeditious and timely
23 implementation of the provisions of the State's fiscal year
24 2006 budget, emergency rules to implement any provision of
25 Public Act 94-48 or any other budget initiative for fiscal year
26 2006 may be adopted in accordance with this Section by the

1 agency charged with administering that provision or
2 initiative, except that the 24-month limitation on the adoption
3 of emergency rules and the provisions of Sections 5-115 and
4 5-125 do not apply to rules adopted under this subsection (k).
5 The Department of Healthcare and Family Services may also adopt
6 rules under this subsection (k) necessary to administer the
7 Illinois Public Aid Code, the Senior Citizens and Persons with
8 Disabilities Property Tax Relief Act, the Senior Citizens and
9 Disabled Persons Prescription Drug Discount Program Act (now
10 the Illinois Prescription Drug Discount Program Act), and the
11 Children's Health Insurance Program Act. The adoption of
12 emergency rules authorized by this subsection (k) shall be
13 deemed to be necessary for the public interest, safety, and
14 welfare.

15 (1) In order to provide for the expeditious and timely
16 implementation of the provisions of the State's fiscal year
17 2007 budget, the Department of Healthcare and Family Services
18 may adopt emergency rules during fiscal year 2007, including
19 rules effective July 1, 2007, in accordance with this
20 subsection to the extent necessary to administer the
21 Department's responsibilities with respect to amendments to
22 the State plans and Illinois waivers approved by the federal
23 Centers for Medicare and Medicaid Services necessitated by the
24 requirements of Title XIX and Title XXI of the federal Social
25 Security Act. The adoption of emergency rules authorized by
26 this subsection (1) shall be deemed to be necessary for the

1 public interest, safety, and welfare.

2 (m) In order to provide for the expeditious and timely
3 implementation of the provisions of the State's fiscal year
4 2008 budget, the Department of Healthcare and Family Services
5 may adopt emergency rules during fiscal year 2008, including
6 rules effective July 1, 2008, in accordance with this
7 subsection to the extent necessary to administer the
8 Department's responsibilities with respect to amendments to
9 the State plans and Illinois waivers approved by the federal
10 Centers for Medicare and Medicaid Services necessitated by the
11 requirements of Title XIX and Title XXI of the federal Social
12 Security Act. The adoption of emergency rules authorized by
13 this subsection (m) shall be deemed to be necessary for the
14 public interest, safety, and welfare.

15 (n) In order to provide for the expeditious and timely
16 implementation of the provisions of the State's fiscal year
17 2010 budget, emergency rules to implement any provision of
18 Public Act 96-45 or any other budget initiative authorized by
19 the 96th General Assembly for fiscal year 2010 may be adopted
20 in accordance with this Section by the agency charged with
21 administering that provision or initiative. The adoption of
22 emergency rules authorized by this subsection (n) shall be
23 deemed to be necessary for the public interest, safety, and
24 welfare. The rulemaking authority granted in this subsection
25 (n) shall apply only to rules promulgated during Fiscal Year
26 2010.

1 (o) In order to provide for the expeditious and timely
2 implementation of the provisions of the State's fiscal year
3 2011 budget, emergency rules to implement any provision of
4 Public Act 96-958 or any other budget initiative authorized by
5 the 96th General Assembly for fiscal year 2011 may be adopted
6 in accordance with this Section by the agency charged with
7 administering that provision or initiative. The adoption of
8 emergency rules authorized by this subsection (o) is deemed to
9 be necessary for the public interest, safety, and welfare. The
10 rulemaking authority granted in this subsection (o) applies
11 only to rules promulgated on or after July 1, 2010 (the
12 effective date of Public Act 96-958) through June 30, 2011.

13 (p) In order to provide for the expeditious and timely
14 implementation of the provisions of Public Act 97-689,
15 emergency rules to implement any provision of Public Act 97-689
16 may be adopted in accordance with this subsection (p) by the
17 agency charged with administering that provision or
18 initiative. The 150-day limitation of the effective period of
19 emergency rules does not apply to rules adopted under this
20 subsection (p), and the effective period may continue through
21 June 30, 2013. The 24-month limitation on the adoption of
22 emergency rules does not apply to rules adopted under this
23 subsection (p). The adoption of emergency rules authorized by
24 this subsection (p) is deemed to be necessary for the public
25 interest, safety, and welfare.

26 (q) In order to provide for the expeditious and timely

1 implementation of the provisions of Articles 7, 8, 9, 11, and
2 12 of Public Act 98-104, emergency rules to implement any
3 provision of Articles 7, 8, 9, 11, and 12 of Public Act 98-104
4 may be adopted in accordance with this subsection (q) by the
5 agency charged with administering that provision or
6 initiative. The 24-month limitation on the adoption of
7 emergency rules does not apply to rules adopted under this
8 subsection (q). The adoption of emergency rules authorized by
9 this subsection (q) is deemed to be necessary for the public
10 interest, safety, and welfare.

11 (r) In order to provide for the expeditious and timely
12 implementation of the provisions of Public Act 98-651,
13 emergency rules to implement Public Act 98-651 may be adopted
14 in accordance with this subsection (r) by the Department of
15 Healthcare and Family Services. The 24-month limitation on the
16 adoption of emergency rules does not apply to rules adopted
17 under this subsection (r). The adoption of emergency rules
18 authorized by this subsection (r) is deemed to be necessary for
19 the public interest, safety, and welfare.

20 (s) In order to provide for the expeditious and timely
21 implementation of the provisions of Sections 5-5b.1 and 5A-2 of
22 the Illinois Public Aid Code, emergency rules to implement any
23 provision of Section 5-5b.1 or Section 5A-2 of the Illinois
24 Public Aid Code may be adopted in accordance with this
25 subsection (s) by the Department of Healthcare and Family
26 Services. The rulemaking authority granted in this subsection

1 (s) shall apply only to those rules adopted prior to July 1,
2 2015. Notwithstanding any other provision of this Section, any
3 emergency rule adopted under this subsection (s) shall only
4 apply to payments made for State fiscal year 2015. The adoption
5 of emergency rules authorized by this subsection (s) is deemed
6 to be necessary for the public interest, safety, and welfare.

7 (t) In order to provide for the expeditious and timely
8 implementation of the provisions of Article II of Public Act
9 99-6, emergency rules to implement the changes made by Article
10 II of Public Act 99-6 to the Emergency Telephone System Act may
11 be adopted in accordance with this subsection (t) by the
12 Department of State Police. The rulemaking authority granted in
13 this subsection (t) shall apply only to those rules adopted
14 prior to July 1, 2016. The 24-month limitation on the adoption
15 of emergency rules does not apply to rules adopted under this
16 subsection (t). The adoption of emergency rules authorized by
17 this subsection (t) is deemed to be necessary for the public
18 interest, safety, and welfare.

19 (u) In order to provide for the expeditious and timely
20 implementation of the provisions of the Burn Victims Relief
21 Act, emergency rules to implement any provision of the Act may
22 be adopted in accordance with this subsection (u) by the
23 Department of Insurance. The rulemaking authority granted in
24 this subsection (u) shall apply only to those rules adopted
25 prior to December 31, 2015. The adoption of emergency rules
26 authorized by this subsection (u) is deemed to be necessary for

1 the public interest, safety, and welfare.

2 (v) In order to provide for the expeditious and timely
3 implementation of the provisions of Public Act 99-516 ~~this~~
4 ~~amendatory Act of the 99th General Assembly~~, emergency rules to
5 implement Public Act 99-516 ~~this amendatory Act of the 99th~~
6 ~~General Assembly~~ may be adopted in accordance with this
7 subsection (v) by the Department of Healthcare and Family
8 Services. The 24-month limitation on the adoption of emergency
9 rules does not apply to rules adopted under this subsection
10 (v). The adoption of emergency rules authorized by this
11 subsection (v) is deemed to be necessary for the public
12 interest, safety, and welfare.

13 (w) ~~(v)~~ In order to provide for the expeditious and timely
14 implementation of the provisions of Public Act 99-796 ~~this~~
15 ~~amendatory Act of the 99th General Assembly~~, emergency rules to
16 implement the changes made by Public Act 99-796 ~~this amendatory~~
17 ~~Act of the 99th General Assembly~~ may be adopted in accordance
18 with this subsection (w) ~~(v)~~ by the Adjutant General. The
19 adoption of emergency rules authorized by this subsection (w)
20 ~~(v)~~ is deemed to be necessary for the public interest, safety,
21 and welfare.

22 (y) In order to provide for the expeditious and timely
23 implementation of the provisions of this amendatory Act of the
24 100th General Assembly, emergency rules to implement the
25 changes made by this amendatory Act of the 100th General
26 Assembly may be adopted in accordance with this subsection (x)

1 by the Department of Revenue. The adoption of emergency rules
2 authorized by this subsection (y) is deemed to be necessary for
3 the public interest, safety, and welfare.

4 (Source: P.A. 98-104, eff. 7-22-13; 98-463, eff. 8-16-13;
5 98-651, eff. 6-16-14; 99-2, eff. 3-26-15; 99-6, eff. 1-1-16;
6 99-143, eff. 7-27-15; 99-455, eff. 1-1-16; 99-516, eff.
7 6-30-16; 99-642, eff. 7-28-16; 99-796, eff. 1-1-17; revised
8 9-21-16.)

9 (Text of Section after amendment by P.A. 99-906)

10 Sec. 5-45. Emergency rulemaking.

11 (a) "Emergency" means the existence of any situation that
12 any agency finds reasonably constitutes a threat to the public
13 interest, safety, or welfare.

14 (b) If any agency finds that an emergency exists that
15 requires adoption of a rule upon fewer days than is required by
16 Section 5-40 and states in writing its reasons for that
17 finding, the agency may adopt an emergency rule without prior
18 notice or hearing upon filing a notice of emergency rulemaking
19 with the Secretary of State under Section 5-70. The notice
20 shall include the text of the emergency rule and shall be
21 published in the Illinois Register. Consent orders or other
22 court orders adopting settlements negotiated by an agency may
23 be adopted under this Section. Subject to applicable
24 constitutional or statutory provisions, an emergency rule
25 becomes effective immediately upon filing under Section 5-65 or

1 at a stated date less than 10 days thereafter. The agency's
2 finding and a statement of the specific reasons for the finding
3 shall be filed with the rule. The agency shall take reasonable
4 and appropriate measures to make emergency rules known to the
5 persons who may be affected by them.

6 (c) An emergency rule may be effective for a period of not
7 longer than 150 days, but the agency's authority to adopt an
8 identical rule under Section 5-40 is not precluded. No
9 emergency rule may be adopted more than once in any 24-month
10 period, except that this limitation on the number of emergency
11 rules that may be adopted in a 24-month period does not apply
12 to (i) emergency rules that make additions to and deletions
13 from the Drug Manual under Section 5-5.16 of the Illinois
14 Public Aid Code or the generic drug formulary under Section
15 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii)
16 emergency rules adopted by the Pollution Control Board before
17 July 1, 1997 to implement portions of the Livestock Management
18 Facilities Act, (iii) emergency rules adopted by the Illinois
19 Department of Public Health under subsections (a) through (i)
20 of Section 2 of the Department of Public Health Act when
21 necessary to protect the public's health, (iv) emergency rules
22 adopted pursuant to subsection (n) of this Section, (v)
23 emergency rules adopted pursuant to subsection (o) of this
24 Section, or (vi) emergency rules adopted pursuant to subsection
25 (c-5) of this Section. Two or more emergency rules having
26 substantially the same purpose and effect shall be deemed to be

1 a single rule for purposes of this Section.

2 (c-5) To facilitate the maintenance of the program of group
3 health benefits provided to annuitants, survivors, and retired
4 employees under the State Employees Group Insurance Act of
5 1971, rules to alter the contributions to be paid by the State,
6 annuitants, survivors, retired employees, or any combination
7 of those entities, for that program of group health benefits,
8 shall be adopted as emergency rules. The adoption of those
9 rules shall be considered an emergency and necessary for the
10 public interest, safety, and welfare.

11 (d) In order to provide for the expeditious and timely
12 implementation of the State's fiscal year 1999 budget,
13 emergency rules to implement any provision of Public Act 90-587
14 or 90-588 or any other budget initiative for fiscal year 1999
15 may be adopted in accordance with this Section by the agency
16 charged with administering that provision or initiative,
17 except that the 24-month limitation on the adoption of
18 emergency rules and the provisions of Sections 5-115 and 5-125
19 do not apply to rules adopted under this subsection (d). The
20 adoption of emergency rules authorized by this subsection (d)
21 shall be deemed to be necessary for the public interest,
22 safety, and welfare.

23 (e) In order to provide for the expeditious and timely
24 implementation of the State's fiscal year 2000 budget,
25 emergency rules to implement any provision of Public Act 91-24
26 or any other budget initiative for fiscal year 2000 may be

1 adopted in accordance with this Section by the agency charged
2 with administering that provision or initiative, except that
3 the 24-month limitation on the adoption of emergency rules and
4 the provisions of Sections 5-115 and 5-125 do not apply to
5 rules adopted under this subsection (e). The adoption of
6 emergency rules authorized by this subsection (e) shall be
7 deemed to be necessary for the public interest, safety, and
8 welfare.

9 (f) In order to provide for the expeditious and timely
10 implementation of the State's fiscal year 2001 budget,
11 emergency rules to implement any provision of Public Act 91-712
12 or any other budget initiative for fiscal year 2001 may be
13 adopted in accordance with this Section by the agency charged
14 with administering that provision or initiative, except that
15 the 24-month limitation on the adoption of emergency rules and
16 the provisions of Sections 5-115 and 5-125 do not apply to
17 rules adopted under this subsection (f). The adoption of
18 emergency rules authorized by this subsection (f) shall be
19 deemed to be necessary for the public interest, safety, and
20 welfare.

21 (g) In order to provide for the expeditious and timely
22 implementation of the State's fiscal year 2002 budget,
23 emergency rules to implement any provision of Public Act 92-10
24 or any other budget initiative for fiscal year 2002 may be
25 adopted in accordance with this Section by the agency charged
26 with administering that provision or initiative, except that

1 the 24-month limitation on the adoption of emergency rules and
2 the provisions of Sections 5-115 and 5-125 do not apply to
3 rules adopted under this subsection (g). The adoption of
4 emergency rules authorized by this subsection (g) shall be
5 deemed to be necessary for the public interest, safety, and
6 welfare.

7 (h) In order to provide for the expeditious and timely
8 implementation of the State's fiscal year 2003 budget,
9 emergency rules to implement any provision of Public Act 92-597
10 or any other budget initiative for fiscal year 2003 may be
11 adopted in accordance with this Section by the agency charged
12 with administering that provision or initiative, except that
13 the 24-month limitation on the adoption of emergency rules and
14 the provisions of Sections 5-115 and 5-125 do not apply to
15 rules adopted under this subsection (h). The adoption of
16 emergency rules authorized by this subsection (h) shall be
17 deemed to be necessary for the public interest, safety, and
18 welfare.

19 (i) In order to provide for the expeditious and timely
20 implementation of the State's fiscal year 2004 budget,
21 emergency rules to implement any provision of Public Act 93-20
22 or any other budget initiative for fiscal year 2004 may be
23 adopted in accordance with this Section by the agency charged
24 with administering that provision or initiative, except that
25 the 24-month limitation on the adoption of emergency rules and
26 the provisions of Sections 5-115 and 5-125 do not apply to

1 rules adopted under this subsection (i). The adoption of
2 emergency rules authorized by this subsection (i) shall be
3 deemed to be necessary for the public interest, safety, and
4 welfare.

5 (j) In order to provide for the expeditious and timely
6 implementation of the provisions of the State's fiscal year
7 2005 budget as provided under the Fiscal Year 2005 Budget
8 Implementation (Human Services) Act, emergency rules to
9 implement any provision of the Fiscal Year 2005 Budget
10 Implementation (Human Services) Act may be adopted in
11 accordance with this Section by the agency charged with
12 administering that provision, except that the 24-month
13 limitation on the adoption of emergency rules and the
14 provisions of Sections 5-115 and 5-125 do not apply to rules
15 adopted under this subsection (j). The Department of Public Aid
16 may also adopt rules under this subsection (j) necessary to
17 administer the Illinois Public Aid Code and the Children's
18 Health Insurance Program Act. The adoption of emergency rules
19 authorized by this subsection (j) shall be deemed to be
20 necessary for the public interest, safety, and welfare.

21 (k) In order to provide for the expeditious and timely
22 implementation of the provisions of the State's fiscal year
23 2006 budget, emergency rules to implement any provision of
24 Public Act 94-48 or any other budget initiative for fiscal year
25 2006 may be adopted in accordance with this Section by the
26 agency charged with administering that provision or

1 initiative, except that the 24-month limitation on the adoption
2 of emergency rules and the provisions of Sections 5-115 and
3 5-125 do not apply to rules adopted under this subsection (k).
4 The Department of Healthcare and Family Services may also adopt
5 rules under this subsection (k) necessary to administer the
6 Illinois Public Aid Code, the Senior Citizens and Persons with
7 Disabilities Property Tax Relief Act, the Senior Citizens and
8 Disabled Persons Prescription Drug Discount Program Act (now
9 the Illinois Prescription Drug Discount Program Act), and the
10 Children's Health Insurance Program Act. The adoption of
11 emergency rules authorized by this subsection (k) shall be
12 deemed to be necessary for the public interest, safety, and
13 welfare.

14 (1) In order to provide for the expeditious and timely
15 implementation of the provisions of the State's fiscal year
16 2007 budget, the Department of Healthcare and Family Services
17 may adopt emergency rules during fiscal year 2007, including
18 rules effective July 1, 2007, in accordance with this
19 subsection to the extent necessary to administer the
20 Department's responsibilities with respect to amendments to
21 the State plans and Illinois waivers approved by the federal
22 Centers for Medicare and Medicaid Services necessitated by the
23 requirements of Title XIX and Title XXI of the federal Social
24 Security Act. The adoption of emergency rules authorized by
25 this subsection (1) shall be deemed to be necessary for the
26 public interest, safety, and welfare.

1 (m) In order to provide for the expeditious and timely
2 implementation of the provisions of the State's fiscal year
3 2008 budget, the Department of Healthcare and Family Services
4 may adopt emergency rules during fiscal year 2008, including
5 rules effective July 1, 2008, in accordance with this
6 subsection to the extent necessary to administer the
7 Department's responsibilities with respect to amendments to
8 the State plans and Illinois waivers approved by the federal
9 Centers for Medicare and Medicaid Services necessitated by the
10 requirements of Title XIX and Title XXI of the federal Social
11 Security Act. The adoption of emergency rules authorized by
12 this subsection (m) shall be deemed to be necessary for the
13 public interest, safety, and welfare.

14 (n) In order to provide for the expeditious and timely
15 implementation of the provisions of the State's fiscal year
16 2010 budget, emergency rules to implement any provision of
17 Public Act 96-45 or any other budget initiative authorized by
18 the 96th General Assembly for fiscal year 2010 may be adopted
19 in accordance with this Section by the agency charged with
20 administering that provision or initiative. The adoption of
21 emergency rules authorized by this subsection (n) shall be
22 deemed to be necessary for the public interest, safety, and
23 welfare. The rulemaking authority granted in this subsection
24 (n) shall apply only to rules promulgated during Fiscal Year
25 2010.

26 (o) In order to provide for the expeditious and timely

1 implementation of the provisions of the State's fiscal year
2 2011 budget, emergency rules to implement any provision of
3 Public Act 96-958 or any other budget initiative authorized by
4 the 96th General Assembly for fiscal year 2011 may be adopted
5 in accordance with this Section by the agency charged with
6 administering that provision or initiative. The adoption of
7 emergency rules authorized by this subsection (o) is deemed to
8 be necessary for the public interest, safety, and welfare. The
9 rulemaking authority granted in this subsection (o) applies
10 only to rules promulgated on or after July 1, 2010 (the
11 effective date of Public Act 96-958) through June 30, 2011.

12 (p) In order to provide for the expeditious and timely
13 implementation of the provisions of Public Act 97-689,
14 emergency rules to implement any provision of Public Act 97-689
15 may be adopted in accordance with this subsection (p) by the
16 agency charged with administering that provision or
17 initiative. The 150-day limitation of the effective period of
18 emergency rules does not apply to rules adopted under this
19 subsection (p), and the effective period may continue through
20 June 30, 2013. The 24-month limitation on the adoption of
21 emergency rules does not apply to rules adopted under this
22 subsection (p). The adoption of emergency rules authorized by
23 this subsection (p) is deemed to be necessary for the public
24 interest, safety, and welfare.

25 (q) In order to provide for the expeditious and timely
26 implementation of the provisions of Articles 7, 8, 9, 11, and

1 12 of Public Act 98-104, emergency rules to implement any
2 provision of Articles 7, 8, 9, 11, and 12 of Public Act 98-104
3 may be adopted in accordance with this subsection (q) by the
4 agency charged with administering that provision or
5 initiative. The 24-month limitation on the adoption of
6 emergency rules does not apply to rules adopted under this
7 subsection (q). The adoption of emergency rules authorized by
8 this subsection (q) is deemed to be necessary for the public
9 interest, safety, and welfare.

10 (r) In order to provide for the expeditious and timely
11 implementation of the provisions of Public Act 98-651,
12 emergency rules to implement Public Act 98-651 may be adopted
13 in accordance with this subsection (r) by the Department of
14 Healthcare and Family Services. The 24-month limitation on the
15 adoption of emergency rules does not apply to rules adopted
16 under this subsection (r). The adoption of emergency rules
17 authorized by this subsection (r) is deemed to be necessary for
18 the public interest, safety, and welfare.

19 (s) In order to provide for the expeditious and timely
20 implementation of the provisions of Sections 5-5b.1 and 5A-2 of
21 the Illinois Public Aid Code, emergency rules to implement any
22 provision of Section 5-5b.1 or Section 5A-2 of the Illinois
23 Public Aid Code may be adopted in accordance with this
24 subsection (s) by the Department of Healthcare and Family
25 Services. The rulemaking authority granted in this subsection
26 (s) shall apply only to those rules adopted prior to July 1,

1 2015. Notwithstanding any other provision of this Section, any
2 emergency rule adopted under this subsection (s) shall only
3 apply to payments made for State fiscal year 2015. The adoption
4 of emergency rules authorized by this subsection (s) is deemed
5 to be necessary for the public interest, safety, and welfare.

6 (t) In order to provide for the expeditious and timely
7 implementation of the provisions of Article II of Public Act
8 99-6, emergency rules to implement the changes made by Article
9 II of Public Act 99-6 to the Emergency Telephone System Act may
10 be adopted in accordance with this subsection (t) by the
11 Department of State Police. The rulemaking authority granted in
12 this subsection (t) shall apply only to those rules adopted
13 prior to July 1, 2016. The 24-month limitation on the adoption
14 of emergency rules does not apply to rules adopted under this
15 subsection (t). The adoption of emergency rules authorized by
16 this subsection (t) is deemed to be necessary for the public
17 interest, safety, and welfare.

18 (u) In order to provide for the expeditious and timely
19 implementation of the provisions of the Burn Victims Relief
20 Act, emergency rules to implement any provision of the Act may
21 be adopted in accordance with this subsection (u) by the
22 Department of Insurance. The rulemaking authority granted in
23 this subsection (u) shall apply only to those rules adopted
24 prior to December 31, 2015. The adoption of emergency rules
25 authorized by this subsection (u) is deemed to be necessary for
26 the public interest, safety, and welfare.

1 (v) In order to provide for the expeditious and timely
2 implementation of the provisions of Public Act 99-516,
3 emergency rules to implement Public Act 99-516 may be adopted
4 in accordance with this subsection (v) by the Department of
5 Healthcare and Family Services. The 24-month limitation on the
6 adoption of emergency rules does not apply to rules adopted
7 under this subsection (v). The adoption of emergency rules
8 authorized by this subsection (v) is deemed to be necessary for
9 the public interest, safety, and welfare.

10 (w) In order to provide for the expeditious and timely
11 implementation of the provisions of Public Act 99-796,
12 emergency rules to implement the changes made by Public Act
13 99-796 may be adopted in accordance with this subsection (w) by
14 the Adjutant General. The adoption of emergency rules
15 authorized by this subsection (w) is deemed to be necessary for
16 the public interest, safety, and welfare.

17 (x) In order to provide for the expeditious and timely
18 implementation of the provisions of Public Act 99-906 ~~this~~
19 ~~amendatory Act of the 99th General Assembly~~, emergency rules to
20 implement subsection (i) of Section 16-115D, subsection (g) of
21 Section 16-128A, and subsection (a) of Section 16-128B of the
22 Public Utilities Act may be adopted in accordance with this
23 subsection (x) by the Illinois Commerce Commission. The
24 rulemaking authority granted in this subsection (x) shall apply
25 only to those rules adopted within 180 days after June 1, 2017
26 (the effective date of Public Act 99-906) ~~this amendatory Act~~

1 ~~of the 99th General Assembly.~~ The adoption of emergency rules
2 authorized by this subsection (x) is deemed to be necessary for
3 the public interest, safety, and welfare.

4 (y) In order to provide for the expeditious and timely
5 implementation of the provisions of this amendatory Act of the
6 100th General Assembly, emergency rules to implement the
7 changes made by this amendatory Act of the 100th General
8 Assembly may be adopted in accordance with this subsection (x)
9 by the Department of Revenue. The adoption of emergency rules
10 authorized by this subsection (y) is deemed to be necessary for
11 the public interest, safety, and welfare.

12 (Source: P.A. 98-104, eff. 7-22-13; 98-463, eff. 8-16-13;
13 98-651, eff. 6-16-14; 99-2, eff. 3-26-15; 99-6, eff. 1-1-16;
14 99-143, eff. 7-27-15; 99-455, eff. 1-1-16; 99-516, eff.
15 6-30-16; 99-642, eff. 7-28-16; 99-796, eff. 1-1-17; 99-906,
16 eff. 6-1-17; revised 1-1-17.)

17 Section 10. The Use Tax Act is amended by changing Section
18 3-5 and by adding Section 3-6.5 as follows:

19 (35 ILCS 105/3-5)

20 Sec. 3-5. Exemptions. Use of the following tangible
21 personal property is exempt from the tax imposed by this Act:

22 (1) Personal property purchased from a corporation,
23 society, association, foundation, institution, or
24 organization, other than a limited liability company, that is

1 organized and operated as a not-for-profit service enterprise
2 for the benefit of persons 65 years of age or older if the
3 personal property was not purchased by the enterprise for the
4 purpose of resale by the enterprise.

5 (2) Personal property purchased by a not-for-profit
6 Illinois county fair association for use in conducting,
7 operating, or promoting the county fair.

8 (3) Personal property purchased by a not-for-profit arts or
9 cultural organization that establishes, by proof required by
10 the Department by rule, that it has received an exemption under
11 Section 501(c)(3) of the Internal Revenue Code and that is
12 organized and operated primarily for the presentation or
13 support of arts or cultural programming, activities, or
14 services. These organizations include, but are not limited to,
15 music and dramatic arts organizations such as symphony
16 orchestras and theatrical groups, arts and cultural service
17 organizations, local arts councils, visual arts organizations,
18 and media arts organizations. On and after the effective date
19 of this amendatory Act of the 92nd General Assembly, however,
20 an entity otherwise eligible for this exemption shall not make
21 tax-free purchases unless it has an active identification
22 number issued by the Department.

23 (4) Personal property purchased by a governmental body, by
24 a corporation, society, association, foundation, or
25 institution organized and operated exclusively for charitable,
26 religious, or educational purposes, or by a not-for-profit

1 corporation, society, association, foundation, institution, or
2 organization that has no compensated officers or employees and
3 that is organized and operated primarily for the recreation of
4 persons 55 years of age or older. A limited liability company
5 may qualify for the exemption under this paragraph only if the
6 limited liability company is organized and operated
7 exclusively for educational purposes. On and after July 1,
8 1987, however, no entity otherwise eligible for this exemption
9 shall make tax-free purchases unless it has an active exemption
10 identification number issued by the Department.

11 (5) Until July 1, 2003, a passenger car that is a
12 replacement vehicle to the extent that the purchase price of
13 the car is subject to the Replacement Vehicle Tax.

14 (6) Until July 1, 2003 and beginning again on September 1,
15 2004 through August 30, 2014, graphic arts machinery and
16 equipment, including repair and replacement parts, both new and
17 used, and including that manufactured on special order,
18 certified by the purchaser to be used primarily for graphic
19 arts production, and including machinery and equipment
20 purchased for lease. Equipment includes chemicals or chemicals
21 acting as catalysts but only if the chemicals or chemicals
22 acting as catalysts effect a direct and immediate change upon a
23 graphic arts product.

24 (7) Farm chemicals.

25 (8) Legal tender, currency, medallions, or gold or silver
26 coinage issued by the State of Illinois, the government of the

1 United States of America, or the government of any foreign
2 country, and bullion.

3 (9) Personal property purchased from a teacher-sponsored
4 student organization affiliated with an elementary or
5 secondary school located in Illinois.

6 (10) A motor vehicle that is used for automobile renting,
7 as defined in the Automobile Renting Occupation and Use Tax
8 Act.

9 (11) Farm machinery and equipment, both new and used,
10 including that manufactured on special order, certified by the
11 purchaser to be used primarily for production agriculture or
12 State or federal agricultural programs, including individual
13 replacement parts for the machinery and equipment, including
14 machinery and equipment purchased for lease, and including
15 implements of husbandry defined in Section 1-130 of the
16 Illinois Vehicle Code, farm machinery and agricultural
17 chemical and fertilizer spreaders, and nurse wagons required to
18 be registered under Section 3-809 of the Illinois Vehicle Code,
19 but excluding other motor vehicles required to be registered
20 under the Illinois Vehicle Code. Horticultural polyhouses or
21 hoop houses used for propagating, growing, or overwintering
22 plants shall be considered farm machinery and equipment under
23 this item (11). Agricultural chemical tender tanks and dry
24 boxes shall include units sold separately from a motor vehicle
25 required to be licensed and units sold mounted on a motor
26 vehicle required to be licensed if the selling price of the

1 tender is separately stated.

2 Farm machinery and equipment shall include precision
3 farming equipment that is installed or purchased to be
4 installed on farm machinery and equipment including, but not
5 limited to, tractors, harvesters, sprayers, planters, seeders,
6 or spreaders. Precision farming equipment includes, but is not
7 limited to, soil testing sensors, computers, monitors,
8 software, global positioning and mapping systems, and other
9 such equipment.

10 Farm machinery and equipment also includes computers,
11 sensors, software, and related equipment used primarily in the
12 computer-assisted operation of production agriculture
13 facilities, equipment, and activities such as, but not limited
14 to, the collection, monitoring, and correlation of animal and
15 crop data for the purpose of formulating animal diets and
16 agricultural chemicals. This item (11) is exempt from the
17 provisions of Section 3-90.

18 (12) Until June 30, 2013, fuel and petroleum products sold
19 to or used by an air common carrier, certified by the carrier
20 to be used for consumption, shipment, or storage in the conduct
21 of its business as an air common carrier, for a flight destined
22 for or returning from a location or locations outside the
23 United States without regard to previous or subsequent domestic
24 stopovers.

25 Beginning July 1, 2013, fuel and petroleum products sold to
26 or used by an air carrier, certified by the carrier to be used

1 for consumption, shipment, or storage in the conduct of its
2 business as an air common carrier, for a flight that (i) is
3 engaged in foreign trade or is engaged in trade between the
4 United States and any of its possessions and (ii) transports at
5 least one individual or package for hire from the city of
6 origination to the city of final destination on the same
7 aircraft, without regard to a change in the flight number of
8 that aircraft.

9 (13) Proceeds of mandatory service charges separately
10 stated on customers' bills for the purchase and consumption of
11 food and beverages purchased at retail from a retailer, to the
12 extent that the proceeds of the service charge are in fact
13 turned over as tips or as a substitute for tips to the
14 employees who participate directly in preparing, serving,
15 hosting or cleaning up the food or beverage function with
16 respect to which the service charge is imposed.

17 (14) Until July 1, 2003, oil field exploration, drilling,
18 and production equipment, including (i) rigs and parts of rigs,
19 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and
20 tubular goods, including casing and drill strings, (iii) pumps
21 and pump-jack units, (iv) storage tanks and flow lines, (v) any
22 individual replacement part for oil field exploration,
23 drilling, and production equipment, and (vi) machinery and
24 equipment purchased for lease; but excluding motor vehicles
25 required to be registered under the Illinois Vehicle Code.

26 (15) Photoprocessing machinery and equipment, including

1 repair and replacement parts, both new and used, including that
2 manufactured on special order, certified by the purchaser to be
3 used primarily for photoprocessing, and including
4 photoprocessing machinery and equipment purchased for lease.

5 (16) Coal and aggregate exploration, mining, off-highway
6 hauling, processing, maintenance, and reclamation equipment,
7 including replacement parts and equipment, and including
8 equipment purchased for lease, but excluding motor vehicles
9 required to be registered under the Illinois Vehicle Code. The
10 changes made to this Section by Public Act 97-767 apply on and
11 after July 1, 2003, but no claim for credit or refund is
12 allowed on or after August 16, 2013 (the effective date of
13 Public Act 98-456) for such taxes paid during the period
14 beginning July 1, 2003 and ending on August 16, 2013 (the
15 effective date of Public Act 98-456).

16 (17) Until July 1, 2003, distillation machinery and
17 equipment, sold as a unit or kit, assembled or installed by the
18 retailer, certified by the user to be used only for the
19 production of ethyl alcohol that will be used for consumption
20 as motor fuel or as a component of motor fuel for the personal
21 use of the user, and not subject to sale or resale.

22 (18) Manufacturing and assembling machinery and equipment
23 used primarily in the process of manufacturing or assembling
24 tangible personal property for wholesale or retail sale or
25 lease, whether that sale or lease is made directly by the
26 manufacturer or by some other person, whether the materials

1 used in the process are owned by the manufacturer or some other
2 person, or whether that sale or lease is made apart from or as
3 an incident to the seller's engaging in the service occupation
4 of producing machines, tools, dies, jigs, patterns, gauges, or
5 other similar items of no commercial value on special order for
6 a particular purchaser. The exemption provided by this
7 paragraph (18) does not include machinery and equipment used in
8 (i) the generation of electricity for wholesale or retail sale;
9 (ii) the generation or treatment of natural or artificial gas
10 for wholesale or retail sale that is delivered to customers
11 through pipes, pipelines, or mains; or (iii) the treatment of
12 water for wholesale or retail sale that is delivered to
13 customers through pipes, pipelines, or mains. The provisions of
14 Public Act 98-583 are declaratory of existing law as to the
15 meaning and scope of this exemption.

16 (19) Personal property delivered to a purchaser or
17 purchaser's donee inside Illinois when the purchase order for
18 that personal property was received by a florist located
19 outside Illinois who has a florist located inside Illinois
20 deliver the personal property.

21 (20) Semen used for artificial insemination of livestock
22 for direct agricultural production.

23 (21) Horses, or interests in horses, registered with and
24 meeting the requirements of any of the Arabian Horse Club
25 Registry of America, Appaloosa Horse Club, American Quarter
26 Horse Association, United States Trotting Association, or

1 Jockey Club, as appropriate, used for purposes of breeding or
2 racing for prizes. This item (21) is exempt from the provisions
3 of Section 3-90, and the exemption provided for under this item
4 (21) applies for all periods beginning May 30, 1995, but no
5 claim for credit or refund is allowed on or after January 1,
6 2008 for such taxes paid during the period beginning May 30,
7 2000 and ending on January 1, 2008.

8 (22) Computers and communications equipment utilized for
9 any hospital purpose and equipment used in the diagnosis,
10 analysis, or treatment of hospital patients purchased by a
11 lessor who leases the equipment, under a lease of one year or
12 longer executed or in effect at the time the lessor would
13 otherwise be subject to the tax imposed by this Act, to a
14 hospital that has been issued an active tax exemption
15 identification number by the Department under Section 1g of the
16 Retailers' Occupation Tax Act. If the equipment is leased in a
17 manner that does not qualify for this exemption or is used in
18 any other non-exempt manner, the lessor shall be liable for the
19 tax imposed under this Act or the Service Use Tax Act, as the
20 case may be, based on the fair market value of the property at
21 the time the non-qualifying use occurs. No lessor shall collect
22 or attempt to collect an amount (however designated) that
23 purports to reimburse that lessor for the tax imposed by this
24 Act or the Service Use Tax Act, as the case may be, if the tax
25 has not been paid by the lessor. If a lessor improperly
26 collects any such amount from the lessee, the lessee shall have

1 a legal right to claim a refund of that amount from the lessor.
2 If, however, that amount is not refunded to the lessee for any
3 reason, the lessor is liable to pay that amount to the
4 Department.

5 (23) Personal property purchased by a lessor who leases the
6 property, under a lease of one year or longer executed or in
7 effect at the time the lessor would otherwise be subject to the
8 tax imposed by this Act, to a governmental body that has been
9 issued an active sales tax exemption identification number by
10 the Department under Section 1g of the Retailers' Occupation
11 Tax Act. If the property is leased in a manner that does not
12 qualify for this exemption or used in any other non-exempt
13 manner, the lessor shall be liable for the tax imposed under
14 this Act or the Service Use Tax Act, as the case may be, based
15 on the fair market value of the property at the time the
16 non-qualifying use occurs. No lessor shall collect or attempt
17 to collect an amount (however designated) that purports to
18 reimburse that lessor for the tax imposed by this Act or the
19 Service Use Tax Act, as the case may be, if the tax has not been
20 paid by the lessor. If a lessor improperly collects any such
21 amount from the lessee, the lessee shall have a legal right to
22 claim a refund of that amount from the lessor. If, however,
23 that amount is not refunded to the lessee for any reason, the
24 lessor is liable to pay that amount to the Department.

25 (24) Beginning with taxable years ending on or after
26 December 31, 1995 and ending with taxable years ending on or

1 before December 31, 2004, personal property that is donated for
2 disaster relief to be used in a State or federally declared
3 disaster area in Illinois or bordering Illinois by a
4 manufacturer or retailer that is registered in this State to a
5 corporation, society, association, foundation, or institution
6 that has been issued a sales tax exemption identification
7 number by the Department that assists victims of the disaster
8 who reside within the declared disaster area.

9 (25) Beginning with taxable years ending on or after
10 December 31, 1995 and ending with taxable years ending on or
11 before December 31, 2004, personal property that is used in the
12 performance of infrastructure repairs in this State, including
13 but not limited to municipal roads and streets, access roads,
14 bridges, sidewalks, waste disposal systems, water and sewer
15 line extensions, water distribution and purification
16 facilities, storm water drainage and retention facilities, and
17 sewage treatment facilities, resulting from a State or
18 federally declared disaster in Illinois or bordering Illinois
19 when such repairs are initiated on facilities located in the
20 declared disaster area within 6 months after the disaster.

21 (26) Beginning July 1, 1999, game or game birds purchased
22 at a "game breeding and hunting preserve area" as that term is
23 used in the Wildlife Code. This paragraph is exempt from the
24 provisions of Section 3-90.

25 (27) A motor vehicle, as that term is defined in Section
26 1-146 of the Illinois Vehicle Code, that is donated to a

1 corporation, limited liability company, society, association,
2 foundation, or institution that is determined by the Department
3 to be organized and operated exclusively for educational
4 purposes. For purposes of this exemption, "a corporation,
5 limited liability company, society, association, foundation,
6 or institution organized and operated exclusively for
7 educational purposes" means all tax-supported public schools,
8 private schools that offer systematic instruction in useful
9 branches of learning by methods common to public schools and
10 that compare favorably in their scope and intensity with the
11 course of study presented in tax-supported schools, and
12 vocational or technical schools or institutes organized and
13 operated exclusively to provide a course of study of not less
14 than 6 weeks duration and designed to prepare individuals to
15 follow a trade or to pursue a manual, technical, mechanical,
16 industrial, business, or commercial occupation.

17 (28) Beginning January 1, 2000, personal property,
18 including food, purchased through fundraising events for the
19 benefit of a public or private elementary or secondary school,
20 a group of those schools, or one or more school districts if
21 the events are sponsored by an entity recognized by the school
22 district that consists primarily of volunteers and includes
23 parents and teachers of the school children. This paragraph
24 does not apply to fundraising events (i) for the benefit of
25 private home instruction or (ii) for which the fundraising
26 entity purchases the personal property sold at the events from

1 another individual or entity that sold the property for the
2 purpose of resale by the fundraising entity and that profits
3 from the sale to the fundraising entity. This paragraph is
4 exempt from the provisions of Section 3-90.

5 (29) Beginning January 1, 2000 and through December 31,
6 2001, new or used automatic vending machines that prepare and
7 serve hot food and beverages, including coffee, soup, and other
8 items, and replacement parts for these machines. Beginning
9 January 1, 2002 and through June 30, 2003, machines and parts
10 for machines used in commercial, coin-operated amusement and
11 vending business if a use or occupation tax is paid on the
12 gross receipts derived from the use of the commercial,
13 coin-operated amusement and vending machines. This paragraph
14 is exempt from the provisions of Section 3-90.

15 (30) Beginning January 1, 2001 and through June 30, 2016,
16 food for human consumption that is to be consumed off the
17 premises where it is sold (other than alcoholic beverages, soft
18 drinks, and food that has been prepared for immediate
19 consumption) and prescription and nonprescription medicines,
20 drugs, medical appliances, and insulin, urine testing
21 materials, syringes, and needles used by diabetics, for human
22 use, when purchased for use by a person receiving medical
23 assistance under Article V of the Illinois Public Aid Code who
24 resides in a licensed long-term care facility, as defined in
25 the Nursing Home Care Act, or in a licensed facility as defined
26 in the ID/DD Community Care Act, the MC/DD Act, or the

1 Specialized Mental Health Rehabilitation Act of 2013.

2 (31) Beginning on the effective date of this amendatory Act
3 of the 92nd General Assembly, computers and communications
4 equipment utilized for any hospital purpose and equipment used
5 in the diagnosis, analysis, or treatment of hospital patients
6 purchased by a lessor who leases the equipment, under a lease
7 of one year or longer executed or in effect at the time the
8 lessor would otherwise be subject to the tax imposed by this
9 Act, to a hospital that has been issued an active tax exemption
10 identification number by the Department under Section 1g of the
11 Retailers' Occupation Tax Act. If the equipment is leased in a
12 manner that does not qualify for this exemption or is used in
13 any other nonexempt manner, the lessor shall be liable for the
14 tax imposed under this Act or the Service Use Tax Act, as the
15 case may be, based on the fair market value of the property at
16 the time the nonqualifying use occurs. No lessor shall collect
17 or attempt to collect an amount (however designated) that
18 purports to reimburse that lessor for the tax imposed by this
19 Act or the Service Use Tax Act, as the case may be, if the tax
20 has not been paid by the lessor. If a lessor improperly
21 collects any such amount from the lessee, the lessee shall have
22 a legal right to claim a refund of that amount from the lessor.
23 If, however, that amount is not refunded to the lessee for any
24 reason, the lessor is liable to pay that amount to the
25 Department. This paragraph is exempt from the provisions of
26 Section 3-90.

1 (32) Beginning on the effective date of this amendatory Act
2 of the 92nd General Assembly, personal property purchased by a
3 lessor who leases the property, under a lease of one year or
4 longer executed or in effect at the time the lessor would
5 otherwise be subject to the tax imposed by this Act, to a
6 governmental body that has been issued an active sales tax
7 exemption identification number by the Department under
8 Section 1g of the Retailers' Occupation Tax Act. If the
9 property is leased in a manner that does not qualify for this
10 exemption or used in any other nonexempt manner, the lessor
11 shall be liable for the tax imposed under this Act or the
12 Service Use Tax Act, as the case may be, based on the fair
13 market value of the property at the time the nonqualifying use
14 occurs. No lessor shall collect or attempt to collect an amount
15 (however designated) that purports to reimburse that lessor for
16 the tax imposed by this Act or the Service Use Tax Act, as the
17 case may be, if the tax has not been paid by the lessor. If a
18 lessor improperly collects any such amount from the lessee, the
19 lessee shall have a legal right to claim a refund of that
20 amount from the lessor. If, however, that amount is not
21 refunded to the lessee for any reason, the lessor is liable to
22 pay that amount to the Department. This paragraph is exempt
23 from the provisions of Section 3-90.

24 (33) On and after July 1, 2003 and through June 30, 2004,
25 the use in this State of motor vehicles of the second division
26 with a gross vehicle weight in excess of 8,000 pounds and that

1 are subject to the commercial distribution fee imposed under
2 Section 3-815.1 of the Illinois Vehicle Code. Beginning on July
3 1, 2004 and through June 30, 2005, the use in this State of
4 motor vehicles of the second division: (i) with a gross vehicle
5 weight rating in excess of 8,000 pounds; (ii) that are subject
6 to the commercial distribution fee imposed under Section
7 3-815.1 of the Illinois Vehicle Code; and (iii) that are
8 primarily used for commercial purposes. Through June 30, 2005,
9 this exemption applies to repair and replacement parts added
10 after the initial purchase of such a motor vehicle if that
11 motor vehicle is used in a manner that would qualify for the
12 rolling stock exemption otherwise provided for in this Act. For
13 purposes of this paragraph, the term "used for commercial
14 purposes" means the transportation of persons or property in
15 furtherance of any commercial or industrial enterprise,
16 whether for-hire or not.

17 (34) Beginning January 1, 2008, tangible personal property
18 used in the construction or maintenance of a community water
19 supply, as defined under Section 3.145 of the Environmental
20 Protection Act, that is operated by a not-for-profit
21 corporation that holds a valid water supply permit issued under
22 Title IV of the Environmental Protection Act. This paragraph is
23 exempt from the provisions of Section 3-90.

24 (35) Beginning January 1, 2010, materials, parts,
25 equipment, components, and furnishings incorporated into or
26 upon an aircraft as part of the modification, refurbishment,

1 completion, replacement, repair, or maintenance of the
2 aircraft. This exemption includes consumable supplies used in
3 the modification, refurbishment, completion, replacement,
4 repair, and maintenance of aircraft, but excludes any
5 materials, parts, equipment, components, and consumable
6 supplies used in the modification, replacement, repair, and
7 maintenance of aircraft engines or power plants, whether such
8 engines or power plants are installed or uninstalled upon any
9 such aircraft. "Consumable supplies" include, but are not
10 limited to, adhesive, tape, sandpaper, general purpose
11 lubricants, cleaning solution, latex gloves, and protective
12 films. This exemption applies only to the use of qualifying
13 tangible personal property by persons who modify, refurbish,
14 complete, repair, replace, or maintain aircraft and who (i)
15 hold an Air Agency Certificate and are empowered to operate an
16 approved repair station by the Federal Aviation
17 Administration, (ii) have a Class IV Rating, and (iii) conduct
18 operations in accordance with Part 145 of the Federal Aviation
19 Regulations. The exemption does not include aircraft operated
20 by a commercial air carrier providing scheduled passenger air
21 service pursuant to authority issued under Part 121 or Part 129
22 of the Federal Aviation Regulations. The changes made to this
23 paragraph (35) by Public Act 98-534 are declarative of existing
24 law.

25 (36) Tangible personal property purchased by a
26 public-facilities corporation, as described in Section

1 11-65-10 of the Illinois Municipal Code, for purposes of
2 constructing or furnishing a municipal convention hall, but
3 only if the legal title to the municipal convention hall is
4 transferred to the municipality without any further
5 consideration by or on behalf of the municipality at the time
6 of the completion of the municipal convention hall or upon the
7 retirement or redemption of any bonds or other debt instruments
8 issued by the public-facilities corporation in connection with
9 the development of the municipal convention hall. This
10 exemption includes existing public-facilities corporations as
11 provided in Section 11-65-25 of the Illinois Municipal Code.
12 This paragraph is exempt from the provisions of Section 3-90.

13 (37) Beginning January 1, 2017, menstrual pads, tampons,
14 and menstrual cups.

15 (38) Beginning on September 24, 2017 and through September
16 30, 2017, hunting sales tax holiday items, as defined in
17 Section 3-6.5 of this Act.

18 (Source: P.A. 98-104, eff. 7-22-13; 98-422, eff. 8-16-13;
19 98-456, eff. 8-16-13; 98-534, eff. 8-23-13; 98-574, eff.
20 1-1-14; 98-583, eff. 1-1-14; 98-756, eff. 7-16-14; 99-180, eff.
21 7-29-15; 99-855, eff. 8-19-16.)

22 (35 ILCS 105/3-6.5 new)

23 Sec. 3-6.5. Hunting sales tax holiday items.

24 (a) Beginning on September 24, 2017 and through September
25 30, 2017 (hereinafter referred to as the Hunting Sales Tax

1 Holiday Period) the following items of tangible personal
2 property are exempt as provided in Section 3-5:

3 (1) Firearms which may be used for lawful hunting under
4 the Wildlife Code.

5 (2) Firearm ammunition which may be used for lawful
6 hunting under the Wildlife Code.

7 (b) For purposes of this Section:

8 "Firearms" has the meaning provided in Section 1.1 of the
9 Firearm Owners Identification Card Act, except that it is
10 limited to those firearms which may be used for lawful hunting
11 under the Wildlife Code.

12 "Firearm ammunition" has the meaning provided in Section
13 1.1 of the Firearm Owners Identification Card Act, except that
14 it is limited to firearm ammunition which may be used for
15 lawful hunting under the Wildlife Code.

16 (c) Administration. Notwithstanding any other provision of
17 this Act, the exemption shall be administered by the Department
18 under the provisions of this subsection (c).

19 (1) Bundled sales. Items that qualify for the exemption
20 that are bundled together with items that do not qualify
21 for the exemption and that are sold for one itemized price
22 will be subject to the exemption only if the value of the
23 items that qualify for the exemption exceeds the value of
24 the items that do not qualify for the exemption.

25 (2) Coupons and discounts. An unreimbursed discount by
26 the seller reduces the sales price of the property so that

1 the discounted sales price determines whether the sales
2 price is within a sales tax holiday price threshold. A
3 coupon or other reduction in the sales price is treated as
4 a discount if the seller is not reimbursed for the coupon
5 or reduction amount by a third party.

6 (3) Splitting of items normally sold together.
7 Articles that are normally sold as a single unit must
8 continue to be sold in that manner. Such articles cannot be
9 priced separately and sold as individual items in order to
10 obtain the exemption. For example, a box of ammunition
11 cannot have each round of ammunition sold separately so
12 that the sales price of each round is within a hunting
13 sales tax holiday price threshold.

14 (4) Rain checks. A rain check is a procedure that
15 allows a customer to purchase an item at a certain price at
16 a later time because the particular item was out of stock.
17 Eligible property that customers purchase during the
18 Hunting Sales Tax Holiday Period with the use of a rain
19 check will qualify for the 0% rate of tax regardless of
20 when the rain check was issued. Issuance of a rain check
21 during the Hunting Sales Tax Holiday Period will not
22 qualify eligible property for the exemption if the property
23 is actually purchased after the Hunting Sales Tax Holiday
24 Period.

25 (5) Exchanges. The procedure for an exchange in regards
26 to a sales tax holiday is as follows:

1 (A) If a customer purchases an item of eligible
2 property during the Hunting Sales Tax Holiday Period,
3 but later exchanges the item for a similar eligible
4 item, even if a different size, different color, or
5 other feature, no additional tax is due even if the
6 exchange is made after the Hunting Sales Tax Holiday
7 Period.

8 (B) If a customer purchases an item of eligible
9 property during the Hunting Sales Tax Holiday Period,
10 but after the Hunting Sales Tax Holiday Period has
11 ended, the customer returns the item and receives
12 credit on the purchase of a different item, the 6.25%
13 general merchandise sales tax rate is due on the sale
14 of the newly purchased item.

15 (C) If a customer purchases an item of eligible
16 property before the Hunting Sales Tax Holiday Period,
17 but during the Hunting Sales Tax Holiday Period the
18 customer returns the item and receives credit on the
19 purchase of a different item of eligible property, the
20 exemption shall be applied to the sale of the new item
21 if the new item is purchased during the Hunting Sales
22 Tax Holiday Period.

23 (6) Delivery charges. Delivery charges, including
24 shipping, handling and service charges, are part of the
25 sales price of eligible property.

26 (7) Order date and back orders. For the purpose of a

1 sales tax holiday, eligible property qualifies for the
2 exemption if: (i) the item is both delivered to and paid
3 for by the customer during the Hunting Sales Tax Holiday
4 Period or (ii) the customer orders and pays for the item
5 and the seller accepts the order during the Hunting Sales
6 Tax Holiday Period for immediate shipment, even if delivery
7 is made after the Hunting Sales Tax Holiday Period. The
8 seller accepts an order when the seller has taken action to
9 fill the order for immediate shipment. Actions to fill an
10 order include placement of an "in date" stamp on an order
11 or assignment of an "order number" to an order within the
12 Hunting Sales Tax Holiday Period. An order is for immediate
13 shipment when the customer does not request delayed
14 shipment. An order is for immediate shipment
15 notwithstanding that the shipment may be delayed because of
16 a backlog of orders or because stock is currently
17 unavailable to, or on back order by, the seller.

18 (8) Returns. For a 60-day period immediately after the
19 Hunting Sales Tax Holiday Period, if a customer returns an
20 item that would qualify for the 0% rate of tax, credit for
21 or refund of sales tax shall be given only at the 0% rate
22 unless the customer provides a receipt or invoice that
23 shows tax was paid at the 6.25% general merchandise rate,
24 or the seller has sufficient documentation to show that tax
25 was paid at the 6.25% general merchandise rate on the
26 specific item. This 60-day period is set solely for the

1 purpose of designating a time period during which the
2 customer must provide documentation that shows that the
3 appropriate sales tax rate was paid on returned
4 merchandise. The 60-day period is not intended to change a
5 seller's policy on the time period during which the seller
6 will accept returns.

7 (d) The Department may implement the provisions of this
8 Section through the use of emergency rules, along with
9 permanent rules filed concurrently with such emergency rules,
10 in accordance with the provisions of Section 5-45 of the
11 Illinois Administrative Procedure Act. For purposes of the
12 Illinois Administrative Procedure Act, the adoption of rules to
13 implement the provisions of this Section shall be deemed an
14 emergency and necessary for the public interest, safety, and
15 welfare.

16 Section 15. The Retailers' Occupation Tax Act is amended by
17 changing Section 2-5 and by adding Section 2-8.5 as follows:

18 (35 ILCS 120/2-5)

19 Sec. 2-5. Exemptions. Gross receipts from proceeds from the
20 sale of the following tangible personal property are exempt
21 from the tax imposed by this Act:

22 (1) Farm chemicals.

23 (2) Farm machinery and equipment, both new and used,
24 including that manufactured on special order, certified by the

1 purchaser to be used primarily for production agriculture or
2 State or federal agricultural programs, including individual
3 replacement parts for the machinery and equipment, including
4 machinery and equipment purchased for lease, and including
5 implements of husbandry defined in Section 1-130 of the
6 Illinois Vehicle Code, farm machinery and agricultural
7 chemical and fertilizer spreaders, and nurse wagons required to
8 be registered under Section 3-809 of the Illinois Vehicle Code,
9 but excluding other motor vehicles required to be registered
10 under the Illinois Vehicle Code. Horticultural polyhouses or
11 hoop houses used for propagating, growing, or overwintering
12 plants shall be considered farm machinery and equipment under
13 this item (2). Agricultural chemical tender tanks and dry boxes
14 shall include units sold separately from a motor vehicle
15 required to be licensed and units sold mounted on a motor
16 vehicle required to be licensed, if the selling price of the
17 tender is separately stated.

18 Farm machinery and equipment shall include precision
19 farming equipment that is installed or purchased to be
20 installed on farm machinery and equipment including, but not
21 limited to, tractors, harvesters, sprayers, planters, seeders,
22 or spreaders. Precision farming equipment includes, but is not
23 limited to, soil testing sensors, computers, monitors,
24 software, global positioning and mapping systems, and other
25 such equipment.

26 Farm machinery and equipment also includes computers,

1 sensors, software, and related equipment used primarily in the
2 computer-assisted operation of production agriculture
3 facilities, equipment, and activities such as, but not limited
4 to, the collection, monitoring, and correlation of animal and
5 crop data for the purpose of formulating animal diets and
6 agricultural chemicals. This item (2) is exempt from the
7 provisions of Section 2-70.

8 (3) Until July 1, 2003, distillation machinery and
9 equipment, sold as a unit or kit, assembled or installed by the
10 retailer, certified by the user to be used only for the
11 production of ethyl alcohol that will be used for consumption
12 as motor fuel or as a component of motor fuel for the personal
13 use of the user, and not subject to sale or resale.

14 (4) Until July 1, 2003 and beginning again September 1,
15 2004 through August 30, 2014, graphic arts machinery and
16 equipment, including repair and replacement parts, both new and
17 used, and including that manufactured on special order or
18 purchased for lease, certified by the purchaser to be used
19 primarily for graphic arts production. Equipment includes
20 chemicals or chemicals acting as catalysts but only if the
21 chemicals or chemicals acting as catalysts effect a direct and
22 immediate change upon a graphic arts product.

23 (5) A motor vehicle that is used for automobile renting, as
24 defined in the Automobile Renting Occupation and Use Tax Act.
25 This paragraph is exempt from the provisions of Section 2-70.

26 (6) Personal property sold by a teacher-sponsored student

1 organization affiliated with an elementary or secondary school
2 located in Illinois.

3 (7) Until July 1, 2003, proceeds of that portion of the
4 selling price of a passenger car the sale of which is subject
5 to the Replacement Vehicle Tax.

6 (8) Personal property sold to an Illinois county fair
7 association for use in conducting, operating, or promoting the
8 county fair.

9 (9) Personal property sold to a not-for-profit arts or
10 cultural organization that establishes, by proof required by
11 the Department by rule, that it has received an exemption under
12 Section 501(c)(3) of the Internal Revenue Code and that is
13 organized and operated primarily for the presentation or
14 support of arts or cultural programming, activities, or
15 services. These organizations include, but are not limited to,
16 music and dramatic arts organizations such as symphony
17 orchestras and theatrical groups, arts and cultural service
18 organizations, local arts councils, visual arts organizations,
19 and media arts organizations. On and after the effective date
20 of this amendatory Act of the 92nd General Assembly, however,
21 an entity otherwise eligible for this exemption shall not make
22 tax-free purchases unless it has an active identification
23 number issued by the Department.

24 (10) Personal property sold by a corporation, society,
25 association, foundation, institution, or organization, other
26 than a limited liability company, that is organized and

1 operated as a not-for-profit service enterprise for the benefit
2 of persons 65 years of age or older if the personal property
3 was not purchased by the enterprise for the purpose of resale
4 by the enterprise.

5 (11) Personal property sold to a governmental body, to a
6 corporation, society, association, foundation, or institution
7 organized and operated exclusively for charitable, religious,
8 or educational purposes, or to a not-for-profit corporation,
9 society, association, foundation, institution, or organization
10 that has no compensated officers or employees and that is
11 organized and operated primarily for the recreation of persons
12 55 years of age or older. A limited liability company may
13 qualify for the exemption under this paragraph only if the
14 limited liability company is organized and operated
15 exclusively for educational purposes. On and after July 1,
16 1987, however, no entity otherwise eligible for this exemption
17 shall make tax-free purchases unless it has an active
18 identification number issued by the Department.

19 (12) Tangible personal property sold to interstate
20 carriers for hire for use as rolling stock moving in interstate
21 commerce or to lessors under leases of one year or longer
22 executed or in effect at the time of purchase by interstate
23 carriers for hire for use as rolling stock moving in interstate
24 commerce and equipment operated by a telecommunications
25 provider, licensed as a common carrier by the Federal
26 Communications Commission, which is permanently installed in

1 or affixed to aircraft moving in interstate commerce.

2 (12-5) On and after July 1, 2003 and through June 30, 2004,
3 motor vehicles of the second division with a gross vehicle
4 weight in excess of 8,000 pounds that are subject to the
5 commercial distribution fee imposed under Section 3-815.1 of
6 the Illinois Vehicle Code. Beginning on July 1, 2004 and
7 through June 30, 2005, the use in this State of motor vehicles
8 of the second division: (i) with a gross vehicle weight rating
9 in excess of 8,000 pounds; (ii) that are subject to the
10 commercial distribution fee imposed under Section 3-815.1 of
11 the Illinois Vehicle Code; and (iii) that are primarily used
12 for commercial purposes. Through June 30, 2005, this exemption
13 applies to repair and replacement parts added after the initial
14 purchase of such a motor vehicle if that motor vehicle is used
15 in a manner that would qualify for the rolling stock exemption
16 otherwise provided for in this Act. For purposes of this
17 paragraph, "used for commercial purposes" means the
18 transportation of persons or property in furtherance of any
19 commercial or industrial enterprise whether for-hire or not.

20 (13) Proceeds from sales to owners, lessors, or shippers of
21 tangible personal property that is utilized by interstate
22 carriers for hire for use as rolling stock moving in interstate
23 commerce and equipment operated by a telecommunications
24 provider, licensed as a common carrier by the Federal
25 Communications Commission, which is permanently installed in
26 or affixed to aircraft moving in interstate commerce.

1 (14) Machinery and equipment that will be used by the
2 purchaser, or a lessee of the purchaser, primarily in the
3 process of manufacturing or assembling tangible personal
4 property for wholesale or retail sale or lease, whether the
5 sale or lease is made directly by the manufacturer or by some
6 other person, whether the materials used in the process are
7 owned by the manufacturer or some other person, or whether the
8 sale or lease is made apart from or as an incident to the
9 seller's engaging in the service occupation of producing
10 machines, tools, dies, jigs, patterns, gauges, or other similar
11 items of no commercial value on special order for a particular
12 purchaser. The exemption provided by this paragraph (14) does
13 not include machinery and equipment used in (i) the generation
14 of electricity for wholesale or retail sale; (ii) the
15 generation or treatment of natural or artificial gas for
16 wholesale or retail sale that is delivered to customers through
17 pipes, pipelines, or mains; or (iii) the treatment of water for
18 wholesale or retail sale that is delivered to customers through
19 pipes, pipelines, or mains. The provisions of Public Act 98-583
20 are declaratory of existing law as to the meaning and scope of
21 this exemption.

22 (15) Proceeds of mandatory service charges separately
23 stated on customers' bills for purchase and consumption of food
24 and beverages, to the extent that the proceeds of the service
25 charge are in fact turned over as tips or as a substitute for
26 tips to the employees who participate directly in preparing,

1 serving, hosting or cleaning up the food or beverage function
2 with respect to which the service charge is imposed.

3 (16) Petroleum products sold to a purchaser if the seller
4 is prohibited by federal law from charging tax to the
5 purchaser.

6 (17) Tangible personal property sold to a common carrier by
7 rail or motor that receives the physical possession of the
8 property in Illinois and that transports the property, or
9 shares with another common carrier in the transportation of the
10 property, out of Illinois on a standard uniform bill of lading
11 showing the seller of the property as the shipper or consignor
12 of the property to a destination outside Illinois, for use
13 outside Illinois.

14 (18) Legal tender, currency, medallions, or gold or silver
15 coinage issued by the State of Illinois, the government of the
16 United States of America, or the government of any foreign
17 country, and bullion.

18 (19) Until July 1 2003, oil field exploration, drilling,
19 and production equipment, including (i) rigs and parts of rigs,
20 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and
21 tubular goods, including casing and drill strings, (iii) pumps
22 and pump-jack units, (iv) storage tanks and flow lines, (v) any
23 individual replacement part for oil field exploration,
24 drilling, and production equipment, and (vi) machinery and
25 equipment purchased for lease; but excluding motor vehicles
26 required to be registered under the Illinois Vehicle Code.

1 (20) Photoprocessing machinery and equipment, including
2 repair and replacement parts, both new and used, including that
3 manufactured on special order, certified by the purchaser to be
4 used primarily for photoprocessing, and including
5 photoprocessing machinery and equipment purchased for lease.

6 (21) Coal and aggregate exploration, mining, off-highway
7 hauling, processing, maintenance, and reclamation equipment,
8 including replacement parts and equipment, and including
9 equipment purchased for lease, but excluding motor vehicles
10 required to be registered under the Illinois Vehicle Code. The
11 changes made to this Section by Public Act 97-767 apply on and
12 after July 1, 2003, but no claim for credit or refund is
13 allowed on or after August 16, 2013 (the effective date of
14 Public Act 98-456) for such taxes paid during the period
15 beginning July 1, 2003 and ending on August 16, 2013 (the
16 effective date of Public Act 98-456).

17 (22) Until June 30, 2013, fuel and petroleum products sold
18 to or used by an air carrier, certified by the carrier to be
19 used for consumption, shipment, or storage in the conduct of
20 its business as an air common carrier, for a flight destined
21 for or returning from a location or locations outside the
22 United States without regard to previous or subsequent domestic
23 stopovers.

24 Beginning July 1, 2013, fuel and petroleum products sold to
25 or used by an air carrier, certified by the carrier to be used
26 for consumption, shipment, or storage in the conduct of its

1 business as an air common carrier, for a flight that (i) is
2 engaged in foreign trade or is engaged in trade between the
3 United States and any of its possessions and (ii) transports at
4 least one individual or package for hire from the city of
5 origination to the city of final destination on the same
6 aircraft, without regard to a change in the flight number of
7 that aircraft.

8 (23) A transaction in which the purchase order is received
9 by a florist who is located outside Illinois, but who has a
10 florist located in Illinois deliver the property to the
11 purchaser or the purchaser's donee in Illinois.

12 (24) Fuel consumed or used in the operation of ships,
13 barges, or vessels that are used primarily in or for the
14 transportation of property or the conveyance of persons for
15 hire on rivers bordering on this State if the fuel is delivered
16 by the seller to the purchaser's barge, ship, or vessel while
17 it is afloat upon that bordering river.

18 (25) Except as provided in item (25-5) of this Section, a
19 motor vehicle sold in this State to a nonresident even though
20 the motor vehicle is delivered to the nonresident in this
21 State, if the motor vehicle is not to be titled in this State,
22 and if a drive-away permit is issued to the motor vehicle as
23 provided in Section 3-603 of the Illinois Vehicle Code or if
24 the nonresident purchaser has vehicle registration plates to
25 transfer to the motor vehicle upon returning to his or her home
26 state. The issuance of the drive-away permit or having the

1 out-of-state registration plates to be transferred is prima
2 facie evidence that the motor vehicle will not be titled in
3 this State.

4 (25-5) The exemption under item (25) does not apply if the
5 state in which the motor vehicle will be titled does not allow
6 a reciprocal exemption for a motor vehicle sold and delivered
7 in that state to an Illinois resident but titled in Illinois.
8 The tax collected under this Act on the sale of a motor vehicle
9 in this State to a resident of another state that does not
10 allow a reciprocal exemption shall be imposed at a rate equal
11 to the state's rate of tax on taxable property in the state in
12 which the purchaser is a resident, except that the tax shall
13 not exceed the tax that would otherwise be imposed under this
14 Act. At the time of the sale, the purchaser shall execute a
15 statement, signed under penalty of perjury, of his or her
16 intent to title the vehicle in the state in which the purchaser
17 is a resident within 30 days after the sale and of the fact of
18 the payment to the State of Illinois of tax in an amount
19 equivalent to the state's rate of tax on taxable property in
20 his or her state of residence and shall submit the statement to
21 the appropriate tax collection agency in his or her state of
22 residence. In addition, the retailer must retain a signed copy
23 of the statement in his or her records. Nothing in this item
24 shall be construed to require the removal of the vehicle from
25 this state following the filing of an intent to title the
26 vehicle in the purchaser's state of residence if the purchaser

1 titles the vehicle in his or her state of residence within 30
2 days after the date of sale. The tax collected under this Act
3 in accordance with this item (25-5) shall be proportionately
4 distributed as if the tax were collected at the 6.25% general
5 rate imposed under this Act.

6 (25-7) Beginning on July 1, 2007, no tax is imposed under
7 this Act on the sale of an aircraft, as defined in Section 3 of
8 the Illinois Aeronautics Act, if all of the following
9 conditions are met:

10 (1) the aircraft leaves this State within 15 days after
11 the later of either the issuance of the final billing for
12 the sale of the aircraft, or the authorized approval for
13 return to service, completion of the maintenance record
14 entry, and completion of the test flight and ground test
15 for inspection, as required by 14 C.F.R. 91.407;

16 (2) the aircraft is not based or registered in this
17 State after the sale of the aircraft; and

18 (3) the seller retains in his or her books and records
19 and provides to the Department a signed and dated
20 certification from the purchaser, on a form prescribed by
21 the Department, certifying that the requirements of this
22 item (25-7) are met. The certificate must also include the
23 name and address of the purchaser, the address of the
24 location where the aircraft is to be titled or registered,
25 the address of the primary physical location of the
26 aircraft, and other information that the Department may

1 reasonably require.

2 For purposes of this item (25-7):

3 "Based in this State" means hangared, stored, or otherwise
4 used, excluding post-sale customizations as defined in this
5 Section, for 10 or more days in each 12-month period
6 immediately following the date of the sale of the aircraft.

7 "Registered in this State" means an aircraft registered
8 with the Department of Transportation, Aeronautics Division,
9 or titled or registered with the Federal Aviation
10 Administration to an address located in this State.

11 This paragraph (25-7) is exempt from the provisions of
12 Section 2-70.

13 (26) Semen used for artificial insemination of livestock
14 for direct agricultural production.

15 (27) Horses, or interests in horses, registered with and
16 meeting the requirements of any of the Arabian Horse Club
17 Registry of America, Appaloosa Horse Club, American Quarter
18 Horse Association, United States Trotting Association, or
19 Jockey Club, as appropriate, used for purposes of breeding or
20 racing for prizes. This item (27) is exempt from the provisions
21 of Section 2-70, and the exemption provided for under this item
22 (27) applies for all periods beginning May 30, 1995, but no
23 claim for credit or refund is allowed on or after January 1,
24 2008 (the effective date of Public Act 95-88) for such taxes
25 paid during the period beginning May 30, 2000 and ending on
26 January 1, 2008 (the effective date of Public Act 95-88).

1 (28) Computers and communications equipment utilized for
2 any hospital purpose and equipment used in the diagnosis,
3 analysis, or treatment of hospital patients sold to a lessor
4 who leases the equipment, under a lease of one year or longer
5 executed or in effect at the time of the purchase, to a
6 hospital that has been issued an active tax exemption
7 identification number by the Department under Section 1g of
8 this Act.

9 (29) Personal property sold to a lessor who leases the
10 property, under a lease of one year or longer executed or in
11 effect at the time of the purchase, to a governmental body that
12 has been issued an active tax exemption identification number
13 by the Department under Section 1g of this Act.

14 (30) Beginning with taxable years ending on or after
15 December 31, 1995 and ending with taxable years ending on or
16 before December 31, 2004, personal property that is donated for
17 disaster relief to be used in a State or federally declared
18 disaster area in Illinois or bordering Illinois by a
19 manufacturer or retailer that is registered in this State to a
20 corporation, society, association, foundation, or institution
21 that has been issued a sales tax exemption identification
22 number by the Department that assists victims of the disaster
23 who reside within the declared disaster area.

24 (31) Beginning with taxable years ending on or after
25 December 31, 1995 and ending with taxable years ending on or
26 before December 31, 2004, personal property that is used in the

1 performance of infrastructure repairs in this State, including
2 but not limited to municipal roads and streets, access roads,
3 bridges, sidewalks, waste disposal systems, water and sewer
4 line extensions, water distribution and purification
5 facilities, storm water drainage and retention facilities, and
6 sewage treatment facilities, resulting from a State or
7 federally declared disaster in Illinois or bordering Illinois
8 when such repairs are initiated on facilities located in the
9 declared disaster area within 6 months after the disaster.

10 (32) Beginning July 1, 1999, game or game birds sold at a
11 "game breeding and hunting preserve area" as that term is used
12 in the Wildlife Code. This paragraph is exempt from the
13 provisions of Section 2-70.

14 (33) A motor vehicle, as that term is defined in Section
15 1-146 of the Illinois Vehicle Code, that is donated to a
16 corporation, limited liability company, society, association,
17 foundation, or institution that is determined by the Department
18 to be organized and operated exclusively for educational
19 purposes. For purposes of this exemption, "a corporation,
20 limited liability company, society, association, foundation,
21 or institution organized and operated exclusively for
22 educational purposes" means all tax-supported public schools,
23 private schools that offer systematic instruction in useful
24 branches of learning by methods common to public schools and
25 that compare favorably in their scope and intensity with the
26 course of study presented in tax-supported schools, and

1 vocational or technical schools or institutes organized and
2 operated exclusively to provide a course of study of not less
3 than 6 weeks duration and designed to prepare individuals to
4 follow a trade or to pursue a manual, technical, mechanical,
5 industrial, business, or commercial occupation.

6 (34) Beginning January 1, 2000, personal property,
7 including food, purchased through fundraising events for the
8 benefit of a public or private elementary or secondary school,
9 a group of those schools, or one or more school districts if
10 the events are sponsored by an entity recognized by the school
11 district that consists primarily of volunteers and includes
12 parents and teachers of the school children. This paragraph
13 does not apply to fundraising events (i) for the benefit of
14 private home instruction or (ii) for which the fundraising
15 entity purchases the personal property sold at the events from
16 another individual or entity that sold the property for the
17 purpose of resale by the fundraising entity and that profits
18 from the sale to the fundraising entity. This paragraph is
19 exempt from the provisions of Section 2-70.

20 (35) Beginning January 1, 2000 and through December 31,
21 2001, new or used automatic vending machines that prepare and
22 serve hot food and beverages, including coffee, soup, and other
23 items, and replacement parts for these machines. Beginning
24 January 1, 2002 and through June 30, 2003, machines and parts
25 for machines used in commercial, coin-operated amusement and
26 vending business if a use or occupation tax is paid on the

1 gross receipts derived from the use of the commercial,
2 coin-operated amusement and vending machines. This paragraph
3 is exempt from the provisions of Section 2-70.

4 (35-5) Beginning August 23, 2001 and through June 30, 2016,
5 food for human consumption that is to be consumed off the
6 premises where it is sold (other than alcoholic beverages, soft
7 drinks, and food that has been prepared for immediate
8 consumption) and prescription and nonprescription medicines,
9 drugs, medical appliances, and insulin, urine testing
10 materials, syringes, and needles used by diabetics, for human
11 use, when purchased for use by a person receiving medical
12 assistance under Article V of the Illinois Public Aid Code who
13 resides in a licensed long-term care facility, as defined in
14 the Nursing Home Care Act, or a licensed facility as defined in
15 the ID/DD Community Care Act, the MC/DD Act, or the Specialized
16 Mental Health Rehabilitation Act of 2013.

17 (36) Beginning August 2, 2001, computers and
18 communications equipment utilized for any hospital purpose and
19 equipment used in the diagnosis, analysis, or treatment of
20 hospital patients sold to a lessor who leases the equipment,
21 under a lease of one year or longer executed or in effect at
22 the time of the purchase, to a hospital that has been issued an
23 active tax exemption identification number by the Department
24 under Section 1g of this Act. This paragraph is exempt from the
25 provisions of Section 2-70.

26 (37) Beginning August 2, 2001, personal property sold to a

1 lessor who leases the property, under a lease of one year or
2 longer executed or in effect at the time of the purchase, to a
3 governmental body that has been issued an active tax exemption
4 identification number by the Department under Section 1g of
5 this Act. This paragraph is exempt from the provisions of
6 Section 2-70.

7 (38) Beginning on January 1, 2002 and through June 30,
8 2016, tangible personal property purchased from an Illinois
9 retailer by a taxpayer engaged in centralized purchasing
10 activities in Illinois who will, upon receipt of the property
11 in Illinois, temporarily store the property in Illinois (i) for
12 the purpose of subsequently transporting it outside this State
13 for use or consumption thereafter solely outside this State or
14 (ii) for the purpose of being processed, fabricated, or
15 manufactured into, attached to, or incorporated into other
16 tangible personal property to be transported outside this State
17 and thereafter used or consumed solely outside this State. The
18 Director of Revenue shall, pursuant to rules adopted in
19 accordance with the Illinois Administrative Procedure Act,
20 issue a permit to any taxpayer in good standing with the
21 Department who is eligible for the exemption under this
22 paragraph (38). The permit issued under this paragraph (38)
23 shall authorize the holder, to the extent and in the manner
24 specified in the rules adopted under this Act, to purchase
25 tangible personal property from a retailer exempt from the
26 taxes imposed by this Act. Taxpayers shall maintain all

1 necessary books and records to substantiate the use and
2 consumption of all such tangible personal property outside of
3 the State of Illinois.

4 (39) Beginning January 1, 2008, tangible personal property
5 used in the construction or maintenance of a community water
6 supply, as defined under Section 3.145 of the Environmental
7 Protection Act, that is operated by a not-for-profit
8 corporation that holds a valid water supply permit issued under
9 Title IV of the Environmental Protection Act. This paragraph is
10 exempt from the provisions of Section 2-70.

11 (40) Beginning January 1, 2010, materials, parts,
12 equipment, components, and furnishings incorporated into or
13 upon an aircraft as part of the modification, refurbishment,
14 completion, replacement, repair, or maintenance of the
15 aircraft. This exemption includes consumable supplies used in
16 the modification, refurbishment, completion, replacement,
17 repair, and maintenance of aircraft, but excludes any
18 materials, parts, equipment, components, and consumable
19 supplies used in the modification, replacement, repair, and
20 maintenance of aircraft engines or power plants, whether such
21 engines or power plants are installed or uninstalled upon any
22 such aircraft. "Consumable supplies" include, but are not
23 limited to, adhesive, tape, sandpaper, general purpose
24 lubricants, cleaning solution, latex gloves, and protective
25 films. This exemption applies only to the sale of qualifying
26 tangible personal property to persons who modify, refurbish,

1 complete, replace, or maintain an aircraft and who (i) hold an
2 Air Agency Certificate and are empowered to operate an approved
3 repair station by the Federal Aviation Administration, (ii)
4 have a Class IV Rating, and (iii) conduct operations in
5 accordance with Part 145 of the Federal Aviation Regulations.
6 The exemption does not include aircraft operated by a
7 commercial air carrier providing scheduled passenger air
8 service pursuant to authority issued under Part 121 or Part 129
9 of the Federal Aviation Regulations. The changes made to this
10 paragraph (40) by Public Act 98-534 are declarative of existing
11 law.

12 (41) Tangible personal property sold to a
13 public-facilities corporation, as described in Section
14 11-65-10 of the Illinois Municipal Code, for purposes of
15 constructing or furnishing a municipal convention hall, but
16 only if the legal title to the municipal convention hall is
17 transferred to the municipality without any further
18 consideration by or on behalf of the municipality at the time
19 of the completion of the municipal convention hall or upon the
20 retirement or redemption of any bonds or other debt instruments
21 issued by the public-facilities corporation in connection with
22 the development of the municipal convention hall. This
23 exemption includes existing public-facilities corporations as
24 provided in Section 11-65-25 of the Illinois Municipal Code.
25 This paragraph is exempt from the provisions of Section 2-70.

26 (42) Beginning January 1, 2017, menstrual pads, tampons,

1 and menstrual cups.

2 (43) Beginning on September 24, 2017 and through September
3 30, 2017, hunting sales tax holiday items, as defined in
4 Section 2-8.5 of this Act.

5 (Source: P.A. 98-104, eff. 7-22-13; 98-422, eff. 8-16-13;
6 98-456, eff. 8-16-13; 98-534, eff. 8-23-13; 98-574, eff.
7 1-1-14; 98-583, eff. 1-1-14; 98-756, eff. 7-16-14; 99-180, eff.
8 7-29-15; 99-855, eff. 8-19-16.)

9 (35 ILCS 120/2-8.5 new)

10 Sec. 2-8.5. Hunting sales tax holiday items.

11 (a) Beginning on September 24, 2017 and through September
12 30, 2017 (hereinafter referred to as the Hunting Sales Tax
13 Holiday Period) the following items of tangible personal
14 property are exempt as provided in Section 2-5:

15 (1) Firearms which may be used for lawful hunting under
16 the Wildlife Code.

17 (2) Firearm ammunition which may be used for lawful
18 hunting under the Wildlife Code.

19 (b) For purposes of this Section:

20 "Firearms" has the meaning provided in Section 1.1 of the
21 Firearm Owners Identification Card Act, except that it is
22 limited to those firearms which may be used for lawful hunting
23 under the Wildlife Code.

24 "Firearm ammunition" has the meaning provided in Section
25 1.1 of the Firearm Owners Identification Card Act, except that

1 it is limited to firearm ammunition which may be used for
2 lawful hunting under the Wildlife Code.

3 (c) Administration. Notwithstanding any other provision of
4 this Act, the exemption shall be administered by the Department
5 under the provisions of this subsection (c).

6 (1) Bundled sales. Items that qualify for the exemption
7 that are bundled together with items that do not qualify
8 for the exemption and that are sold for one itemized price
9 will be subject to the exemption only if the value of the
10 items that qualify for the exemption exceeds the value of
11 the items that do not qualify for the exemption.

12 (2) Coupons and discounts. An unreimbursed discount by
13 the seller reduces the sales price of the property so that
14 the discounted sales price determines whether the sales
15 price is within a sales tax holiday price threshold. A
16 coupon or other reduction in the sales price is treated as
17 a discount if the seller is not reimbursed for the coupon
18 or reduction amount by a third party.

19 (3) Splitting of items normally sold together.
20 Articles that are normally sold as a single unit must
21 continue to be sold in that manner. Such articles cannot be
22 priced separately and sold as individual items in order to
23 obtain the exemption. For example, a box of ammunition
24 cannot have each round of ammunition sold separately so
25 that the sales price of each round is within a hunting
26 sales tax holiday price threshold.

1 (4) Rain checks. A rain check is a procedure that
2 allows a customer to purchase an item at a certain price at
3 a later time because the particular item was out of stock.
4 Eligible property that customers purchase during the
5 Hunting Sales Tax Holiday Period with the use of a rain
6 check will qualify for the 0% rate of tax regardless of
7 when the rain check was issued. Issuance of a rain check
8 during the Hunting Sales Tax Holiday Period will not
9 qualify eligible property for the exemption if the property
10 is actually purchased after the Hunting Sales Tax Holiday
11 Period.

12 (5) Exchanges. The procedure for an exchange in regards
13 to a sales tax holiday is as follows:

14 (A) If a customer purchases an item of eligible
15 property during the Hunting Sales Tax Holiday Period,
16 but later exchanges the item for a similar eligible
17 item, even if a different size, different color, or
18 other feature, no additional tax is due even if the
19 exchange is made after the Hunting Sales Tax Holiday
20 Period.

21 (B) If a customer purchases an item of eligible
22 property during the Hunting Sales Tax Holiday Period,
23 but after the Hunting Sales Tax Holiday Period has
24 ended, the customer returns the item and receives
25 credit on the purchase of a different item, the 6.25%
26 general merchandise sales tax rate is due on the sale

1 of the newly purchased item.

2 (C) If a customer purchases an item of eligible
3 property before the Hunting Sales Tax Holiday Period,
4 but during the Hunting Sales Tax Holiday Period the
5 customer returns the item and receives credit on the
6 purchase of a different item of eligible property, the
7 exemption shall be applied to the sale of the new item
8 if the new item is purchased during the Hunting Sales
9 Tax Holiday Period.

10 (6) Delivery charges. Delivery charges, including
11 shipping, handling and service charges, are part of the
12 sales price of eligible property.

13 (7) Order date and back orders. For the purpose of a
14 sales tax holiday, eligible property qualifies for the
15 exemption if: (i) the item is both delivered to and paid
16 for by the customer during the Hunting Sales Tax Holiday
17 Period or (ii) the customer orders and pays for the item
18 and the seller accepts the order during the Hunting Sales
19 Tax Holiday Period for immediate shipment, even if delivery
20 is made after the Hunting Sales Tax Holiday Period. The
21 seller accepts an order when the seller has taken action to
22 fill the order for immediate shipment. Actions to fill an
23 order include placement of an "in date" stamp on an order
24 or assignment of an "order number" to an order within the
25 Hunting Sales Tax Holiday Period. An order is for immediate
26 shipment when the customer does not request delayed

1 shipment. An order is for immediate shipment
2 notwithstanding that the shipment may be delayed because of
3 a backlog of orders or because stock is currently
4 unavailable to, or on back order by, the seller.

5 (8) Returns. For a 60-day period immediately after the
6 Hunting Sales Tax Holiday Period, if a customer returns an
7 item that would qualify for the 0% rate of tax, credit for
8 or refund of sales tax shall be given only at the 0% rate
9 unless the customer provides a receipt or invoice that
10 shows tax was paid at the 6.25% general merchandise rate,
11 or the seller has sufficient documentation to show that tax
12 was paid at the 6.25% general merchandise rate on the
13 specific item. This 60-day period is set solely for the
14 purpose of designating a time period during which the
15 customer must provide documentation that shows that the
16 appropriate sales tax rate was paid on returned
17 merchandise. The 60-day period is not intended to change a
18 seller's policy on the time period during which the seller
19 will accept returns.

20 (d) The Department may implement the provisions of this
21 Section through the use of emergency rules, along with
22 permanent rules filed concurrently with such emergency rules,
23 in accordance with the provisions of Section 5-45 of the
24 Illinois Administrative Procedure Act. For purposes of the
25 Illinois Administrative Procedure Act, the adoption of rules to
26 implement the provisions of this Section shall be deemed an

1 emergency and necessary for the public interest, safety, and
2 welfare.

3 Section 95. No acceleration or delay. Where this Act makes
4 changes in a statute that is represented in this Act by text
5 that is not yet or no longer in effect (for example, a Section
6 represented by multiple versions), the use of that text does
7 not accelerate or delay the taking effect of (i) the changes
8 made by this Act or (ii) provisions derived from any other
9 Public Act.

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