



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB5004

by Rep. Keith R. Wheeler

#### SYNOPSIS AS INTRODUCED:

705 ILCS 505/8	from Ch. 37, par. 439.8
740 ILCS 175/4	from Ch. 127, par. 4104
740 ILCS 175/4.5 new	

Amends the Illinois False Claims Act. Provides that no court has jurisdiction over a civil action relating to or involving a false claim regarding certain tax acts administered by the Department of Revenue unless the action is brought by the Attorney General. Provides that the Department of Revenue has the sole authority to bring an administrative action and that the Attorney General has the sole authority to bring a judicial action under the Act for a false claim, statement, or record pertaining to certain taxes administered by the Department of Revenue. Contains provisions concerning reporting, investigative, and enforcement procedures for allegations of false claims pertaining to certain taxes. Contains provisions governing the payment of rewards to persons who provide information that leads to recovery of funds under the new provisions. Provides that the appeal of a determination regarding an award may be appealed exclusively to the Court of Claims and must be filed within 30 days of the determination of the award. Makes other changes, including a corresponding change in the Court of Claims Act.

LRB100 16528 HEP 31660 b

1 AN ACT concerning civil law.

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

4 Section 5. The Court of Claims Act is amended by changing  
5 Section 8 as follows:

6 (705 ILCS 505/8) (from Ch. 37, par. 439.8)

7 Sec. 8. Court of Claims jurisdiction; deliberation  
8 periods. The court shall have exclusive jurisdiction to hear  
9 and determine the following matters:

10 (a) All claims against the State founded upon any law of  
11 the State of Illinois or upon any regulation adopted thereunder  
12 by an executive or administrative officer or agency; provided,  
13 however, the court shall not have jurisdiction (i) to hear or  
14 determine claims arising under the Workers' Compensation Act or  
15 the Workers' Occupational Diseases Act, or claims for expenses  
16 in civil litigation, or (ii) to review administrative decisions  
17 for which a statute provides that review shall be in the  
18 circuit or appellate court.

19 (b) All claims against the State founded upon any contract  
20 entered into with the State of Illinois.

21 (c) All claims against the State for time unjustly served  
22 in prisons of this State when the person imprisoned received a  
23 pardon from the governor stating that such pardon is issued on

1 the ground of innocence of the crime for which he or she was  
2 imprisoned or he or she received a certificate of innocence  
3 from the Circuit Court as provided in Section 2-702 of the Code  
4 of Civil Procedure; provided, the amount of the award is at the  
5 discretion of the court; and provided, the court shall make no  
6 award in excess of the following amounts: for imprisonment of 5  
7 years or less, not more than \$85,350; for imprisonment of 14  
8 years or less but over 5 years, not more than \$170,000; for  
9 imprisonment of over 14 years, not more than \$199,150; and  
10 provided further, the court shall fix attorney's fees not to  
11 exceed 25% of the award granted. On or after the effective date  
12 of this amendatory Act of the 95th General Assembly, the court  
13 shall annually adjust the maximum awards authorized by this  
14 subsection (c) to reflect the increase, if any, in the Consumer  
15 Price Index For All Urban Consumers for the previous calendar  
16 year, as determined by the United States Department of Labor,  
17 except that no annual increment may exceed 5%. For the annual  
18 adjustments, if the Consumer Price Index decreases during a  
19 calendar year, there shall be no adjustment for that calendar  
20 year. The transmission by the Prisoner Review Board or the  
21 clerk of the circuit court of the information described in  
22 Section 11(b) to the clerk of the Court of Claims is conclusive  
23 evidence of the validity of the claim. The changes made by this  
24 amendatory Act of the 95th General Assembly apply to all claims  
25 pending on or filed on or after the effective date.

26 (d) All claims against the State for damages in cases

1     sounding in tort, if a like cause of action would lie against a  
2     private person or corporation in a civil suit, and all like  
3     claims sounding in tort against the Medical Center Commission,  
4     the Board of Trustees of the University of Illinois, the Board  
5     of Trustees of Southern Illinois University, the Board of  
6     Trustees of Chicago State University, the Board of Trustees of  
7     Eastern Illinois University, the Board of Trustees of Governors  
8     State University, the Board of Trustees of Illinois State  
9     University, the Board of Trustees of Northeastern Illinois  
10    University, the Board of Trustees of Northern Illinois  
11    University, the Board of Trustees of Western Illinois  
12    University, or the Board of Trustees of the Illinois  
13    Mathematics and Science Academy; provided, that an award for  
14    damages in a case sounding in tort, other than certain cases  
15    involving the operation of a State vehicle described in this  
16    paragraph, shall not exceed the sum of \$100,000 to or for the  
17    benefit of any claimant. The \$100,000 limit prescribed by this  
18    Section does not apply to an award of damages in any case  
19    sounding in tort arising out of the operation by a State  
20    employee of a vehicle owned, leased or controlled by the State.  
21    The defense that the State or the Medical Center Commission or  
22    the Board of Trustees of the University of Illinois, the Board  
23    of Trustees of Southern Illinois University, the Board of  
24    Trustees of Chicago State University, the Board of Trustees of  
25    Eastern Illinois University, the Board of Trustees of Governors  
26    State University, the Board of Trustees of Illinois State

1 University, the Board of Trustees of Northeastern Illinois  
2 University, the Board of Trustees of Northern Illinois  
3 University, the Board of Trustees of Western Illinois  
4 University, or the Board of Trustees of the Illinois  
5 Mathematics and Science Academy is not liable for the  
6 negligence of its officers, agents, and employees in the course  
7 of their employment is not applicable to the hearing and  
8 determination of such claims.

9 (e) All claims for recoupment made by the State of Illinois  
10 against any claimant.

11 (f) All claims pursuant to the Line of Duty Compensation  
12 Act. A claim under that Act must be heard and determined within  
13 one year after the application for that claim is filed with the  
14 Court as provided in that Act.

15 (g) All claims filed pursuant to the Crime Victims  
16 Compensation Act.

17 (h) All claims pursuant to the Illinois National  
18 Guardsman's Compensation Act. A claim under that Act must be  
19 heard and determined within one year after the application for  
20 that claim is filed with the Court as provided in that Act.

21 (i) All claims authorized by subsection (a) of Section  
22 10-55 of the Illinois Administrative Procedure Act for the  
23 expenses incurred by a party in a contested case on the  
24 administrative level.

25 (j) All appeals of determinations by the Department of  
26 Revenue regarding awards under Section 4.5 of the Illinois

1 False Claims Act.

2 (Source: P.A. 95-970, eff. 9-22-08; 96-80, eff. 7-27-09.)

3 Section 10. The Illinois False Claims Act is amended by  
4 changing Section 4 and by adding Section 4.5 as follows:

5 (740 ILCS 175/4) (from Ch. 127, par. 4104)

6 Sec. 4. Civil actions for false claims.

7 (a) Responsibilities of the Attorney General and the  
8 Department of State Police. The Attorney General or the  
9 Department of State Police shall diligently investigate a civil  
10 violation under Section 3. If the Attorney General finds that a  
11 person violated or is violating Section 3, the Attorney General  
12 may bring a civil action under this Section against the person.

13 The State shall receive an amount for reasonable expenses  
14 that the court finds to have been necessarily incurred by the  
15 Attorney General, including reasonable attorneys' fees and  
16 costs. All such expenses, fees, and costs shall be awarded  
17 against the defendant. The court may award amounts from the  
18 proceeds of an action or settlement that it considers  
19 appropriate to any governmental entity or program that has been  
20 adversely affected by a defendant. The Attorney General, if  
21 necessary, shall direct the State Treasurer to make a  
22 disbursement of funds as provided in court orders or settlement  
23 agreements.

24 (b) Actions by private persons.

1           (1) A person may bring a civil action for a violation  
2 of Section 3 for the person and for the State. The action  
3 shall be brought in the name of the State. The action may  
4 be dismissed only if the court and the Attorney General  
5 give written consent to the dismissal and their reasons for  
6 consenting.

7           (2) A copy of the complaint and written disclosure of  
8 substantially all material evidence and information the  
9 person possesses shall be served on the State. The  
10 complaint shall be filed in camera, shall remain under seal  
11 for at least 60 days, and shall not be served on the  
12 defendant until the court so orders. The State may elect to  
13 intervene and proceed with the action within 60 days after  
14 it receives both the complaint and the material evidence  
15 and information.

16           (3) The State may, for good cause shown, move the court  
17 for extensions of the time during which the complaint  
18 remains under seal under paragraph (2). Any such motions  
19 may be supported by affidavits or other submissions in  
20 camera. The defendant shall not be required to respond to  
21 any complaint filed under this Section until 20 days after  
22 the complaint is unsealed and served upon the defendant.

23           (4) Before the expiration of the 60-day period or any  
24 extensions obtained under paragraph (3), the State shall:

25                   (A) proceed with the action, in which case the  
26                   action shall be conducted by the State; or

1 (B) notify the court that it declines to take over  
2 the action, in which case the person bringing the  
3 action shall have the right to conduct the action.

4 (5) When a person brings an action under this  
5 subsection (b), no person other than the State may  
6 intervene or bring a related action based on the facts  
7 underlying the pending action.

8 (c) Rights of the parties to Qui Tam actions.

9 (1) If the State proceeds with the action, it shall  
10 have the primary responsibility for prosecuting the  
11 action, and shall not be bound by an act of the person  
12 bringing the action. Such person shall have the right to  
13 continue as a party to the action, subject to the  
14 limitations set forth in paragraph (2).

15 (2) (A) The State may dismiss the action  
16 notwithstanding the objections of the person initiating  
17 the action if the person has been notified by the State of  
18 the filing of the motion and the court has provided the  
19 person with an opportunity for a hearing on the motion.

20 (B) The State may settle the action with the defendant  
21 notwithstanding the objections of the person initiating  
22 the action if the court determines, after a hearing, that  
23 the proposed settlement is fair, adequate, and reasonable  
24 under all the circumstances. Upon a showing of good cause,  
25 such hearing may be held in camera.

26 (C) Upon a showing by the State that unrestricted



1 participation during the course of the litigation by the  
2 person initiating the action would interfere with or unduly  
3 delay the State's prosecution of the case, or would be  
4 repetitious, irrelevant, or for purposes of harassment,  
5 the court may, in its discretion, impose limitations on the  
6 person's participation, such as:

7 (i) limiting the number of witnesses the person may  
8 call:

9 (ii) limiting the length of the testimony of such  
10 witnesses;

11 (iii) limiting the person's cross-examination of  
12 witnesses; or

13 (iv) otherwise limiting the participation by the  
14 person in the litigation.

15 (D) Upon a showing by the defendant that unrestricted  
16 participation during the course of the litigation by the  
17 person initiating the action would be for purposes of  
18 harassment or would cause the defendant undue burden or  
19 unnecessary expense, the court may limit the participation  
20 by the person in the litigation.

21 (3) If the State elects not to proceed with the action,  
22 the person who initiated the action shall have the right to  
23 conduct the action. If the State so requests, it shall be  
24 served with copies of all pleadings filed in the action and  
25 shall be supplied with copies of all deposition transcripts  
26 (at the State's expense). When a person proceeds with the

1           action, the court, without limiting the status and rights  
2           of the person initiating the action, may nevertheless  
3           permit the State to intervene at a later date upon a  
4           showing of good cause.

5           (4) Whether or not the State proceeds with the action,  
6           upon a showing by the State that certain actions of  
7           discovery by the person initiating the action would  
8           interfere with the State's investigation or prosecution of  
9           a criminal or civil matter arising out of the same facts,  
10          the court may stay such discovery for a period of not more  
11          than 60 days. Such a showing shall be conducted in camera.  
12          The court may extend the 60-day period upon a further  
13          showing in camera that the State has pursued the criminal  
14          or civil investigation or proceedings with reasonable  
15          diligence and any proposed discovery in the civil action  
16          will interfere with the ongoing criminal or civil  
17          investigation or proceedings.

18          (5) Notwithstanding subsection (b), the State may  
19          elect to pursue its claim through any alternate remedy  
20          available to the State, including any administrative  
21          proceeding to determine a civil money penalty. If any such  
22          alternate remedy is pursued in another proceeding, the  
23          person initiating the action shall have the same rights in  
24          such proceeding as such person would have had if the action  
25          had continued under this Section. Any finding of fact or  
26          conclusion of law made in such other proceeding that has

1           become final shall be conclusive on all parties to an  
2           action under this Section. For purposes of the preceding  
3           sentence, a finding or conclusion is final if it has been  
4           finally determined on appeal to the appropriate court, if  
5           all time for filing such an appeal with respect to the  
6           finding or conclusion has expired, or if the finding or  
7           conclusion is not subject to judicial review.

8           (d) Award to Qui Tam plaintiff.

9           (1) If the State proceeds with an action brought by a  
10          person under subsection (b), such person shall, subject to  
11          the second sentence of this paragraph, receive at least 15%  
12          but not more than 25% of the proceeds of the action or  
13          settlement of the claim, depending upon the extent to which  
14          the person substantially contributed to the prosecution of  
15          the action. Where the action is one which the court finds  
16          to be based primarily on disclosures of specific  
17          information (other than information provided by the person  
18          bringing the action) relating to allegations or  
19          transactions in a criminal, civil, or administrative  
20          hearing, in a legislative, administrative, or Auditor  
21          General's report, hearing, audit, or investigation, or  
22          from the news media, the court may award such sums as it  
23          considers appropriate, but in no case more than 10%, if  
24          any, of the proceeds, taking into account the significance  
25          of the information and the role of the person bringing the  
26          action in advancing the case to litigation. Any payment to

1 a person under the first or second sentence of this  
2 paragraph (1) shall be made from the proceeds. Any such  
3 person shall also receive an amount for reasonable expenses  
4 which the court finds to have been necessarily incurred,  
5 plus reasonable attorneys' fees and costs. The State shall  
6 also receive an amount for reasonable expenses which the  
7 court finds to have been necessarily incurred by the  
8 Attorney General, including reasonable attorneys' fees and  
9 costs. All such expenses, fees, and costs shall be awarded  
10 against the defendant. The court may award amounts from the  
11 proceeds of an action or settlement that it considers  
12 appropriate to any governmental entity or program that has  
13 been adversely affected by a defendant. The Attorney  
14 General, if necessary, shall direct the State Treasurer to  
15 make a disbursement of funds as provided in court orders or  
16 settlement agreements.

17 (2) If the State does not proceed with an action under  
18 this Section, the person bringing the action or settling  
19 the claim shall receive an amount which the court decides  
20 is reasonable for collecting the civil penalty and damages.  
21 The amount shall be not less than 25% and not more than 30%  
22 of the proceeds of the action or settlement and shall be  
23 paid out of such proceeds. Such person shall also receive  
24 an amount for reasonable expenses which the court finds to  
25 have been necessarily incurred, plus reasonable attorneys'  
26 fees and costs. All such expenses, fees, and costs shall be

1 awarded against the defendant. The court may award amounts  
2 from the proceeds of an action or settlement that it  
3 considers appropriate to any governmental entity or  
4 program that has been adversely affected by a defendant.  
5 The Attorney General, if necessary, shall direct the State  
6 Treasurer to make a disbursement of funds as provided in  
7 court orders or settlement agreements.

8 (3) Whether or not the State proceeds with the action,  
9 if the court finds that the action was brought by a person  
10 who planned and initiated the violation of Section 3 upon  
11 which the action was brought, then the court may, to the  
12 extent the court considers appropriate and without  
13 limitation, reduce the share of the proceeds of the action  
14 which the person would otherwise receive under paragraph  
15 (1) or (2) of this subsection (d), taking into account the  
16 role of that person in advancing the case to litigation and  
17 any relevant circumstances pertaining to the violation. If  
18 the person bringing the action is convicted of criminal  
19 conduct arising from his or her role in the violation of  
20 Section 3, that person shall be dismissed from the civil  
21 action and shall not receive any share of the proceeds of  
22 the action. Such dismissal shall not prejudice the right of  
23 the State to continue the action, represented by the  
24 Attorney General.

25 (4) If the State does not proceed with the action and  
26 the person bringing the action conducts the action, the

1 court may award to the defendant its reasonable attorneys'  
2 fees and expenses if the defendant prevails in the action  
3 and the court finds that the claim of the person bringing  
4 the action was clearly frivolous, clearly vexatious, or  
5 brought primarily for purposes of harassment.

6 (e) Certain actions barred.

7 (1) No court shall have jurisdiction over an action  
8 brought by a former or present member of the Guard under  
9 subsection (b) of this Section against a member of the  
10 Guard arising out of such person's service in the Guard.

11 (2) (A) No court shall have jurisdiction over an action  
12 brought under subsection (b) against a member of the  
13 General Assembly, a member of the judiciary, or an exempt  
14 official if the action is based on evidence or information  
15 known to the State when the action was brought.

16 (B) For purposes of this paragraph (2), "exempt  
17 official" means any of the following officials in State  
18 service: directors of departments established under the  
19 Civil Administrative Code of Illinois, the Adjutant  
20 General, the Assistant Adjutant General, the Director of  
21 the State Emergency Services and Disaster Agency, members  
22 of the boards and commissions, and all other positions  
23 appointed by the Governor by and with the consent of the  
24 Senate.

25 (3) In no event may a person bring an action under  
26 subsection (b) which is based upon allegations or

1 transactions which are the subject of a civil suit or an  
2 administrative civil money penalty proceeding in which the  
3 State is already a party.

4 (4) (A) The court shall dismiss an action or claim under  
5 this Section, unless opposed by the State, if substantially  
6 the same allegations or transactions as alleged in the  
7 action or claim were publicly disclosed:

8 (i) in a criminal, civil, or administrative  
9 hearing in which the State or its agent is a party;

10 (ii) in a State legislative, State Auditor  
11 General, or other State report, hearing, audit, or  
12 investigation; or

13 (iii) from the news media,

14 unless the action is brought by the Attorney General or the  
15 person bringing the action is an original source of the  
16 information.

17 (B) For purposes of this paragraph (4), "original  
18 source" means an individual who either (i) prior to a  
19 public disclosure under subparagraph (A) of this paragraph  
20 (4), has voluntarily disclosed to the State the information  
21 on which allegations or transactions in a claim are based,  
22 or (ii) has knowledge that is independent of and materially  
23 adds to the publicly disclosed allegations or  
24 transactions, and who has voluntarily provided the  
25 information to the State before filing an action under this  
26 Section.

1           (5) No court has jurisdiction over a civil action  
2           brought under subsection (b) that relates to or involves a  
3           false claim regarding a tax administered by the Department  
4           of Revenue under the Use Tax Act; the Service Use Tax Act;  
5           the Service Occupation Tax Act; the Retailers' Occupation  
6           Tax Act; the Cigarette Machine Operators' Occupation Tax  
7           Act; the Cigarette Tax Act; the Cigarette Use Tax Act; the  
8           Home Rule Cigarette Tax Restriction Act; the Tobacco  
9           Products Tax Act of 1995; the Hotel Operators' Occupation  
10           Tax Act; the Use and Occupation Tax Refund Act; the  
11           Automobile Renting Occupation and Use Tax Act; the Aircraft  
12           Use Tax Law; the Watercraft Use Tax Law; the Direct Pay  
13           Permit Implementation Act; the Governmental Tax Reform  
14           Validation Act; the Simplified Sales and Use Tax  
15           Administration Act; the Gas Use Tax Law; the Live Adult  
16           Entertainment Facility Surcharge Act; the Illinois Estate  
17           and Generation-Skipping Transfer Tax Act; the Motor Fuel  
18           Tax Law; the Coin-Operated Amusement Device and Redemption  
19           Machine Tax Act; the Mobile Home Local Services Tax Act;  
20           the Mobile Home Local Services Tax Enforcement Act; the  
21           Manufactured Home Installation Act; the Cannabis and  
22           Controlled Substances Tax Act; the Illinois Central  
23           Railroad Tax Act; the Messages Tax Act; the Gas Revenue Tax  
24           Act; the Public Utilities Revenue Act; the Water Company  
25           Invested Capital Tax Act; the Telecommunications Excise  
26           Tax Act; the Telecommunications Infrastructure Maintenance



1 Fee Act; the Simplified Municipal Telecommunications Tax  
2 Act; the Mobile Telecommunications Sourcing Conformity  
3 Act; the Electricity Excise Tax Law; the Electricity  
4 Infrastructure Maintenance Fee Law; Section 31 of the  
5 Innovation Development and Economy Act; Sections 5-1006,  
6 5-1006.5, 5-1006.7, 5-1007, 5-1008, 5-1008.5, and 5-1035.1  
7 of the Counties Code; Sections 8-11-1, 8-11-2, 8-11-3,  
8 8-11-4, 8-11-5, 8-11-6, 8-11-6b, 8-11-7, 8-11-8, 8-11-11,  
9 8-11-15, 8-11-16, 8-11-20, 8-11-21, and 11-74.3-3 of the  
10 Illinois Municipal Code; Section 13 of the Metropolitan  
11 Pier and Exposition Authority Act; Section 30 of the  
12 Metro-East Park and Recreation District Act; Section 5.01  
13 of the Local Mass Transit District Act; Section 4.03 of the  
14 Regional Transportation Authority Act; and Section 4 of the  
15 Water Commission Act of 1985, unless the action is brought  
16 by the Attorney General. Nothing in this Section affects  
17 the Illinois Income Tax Act exclusion in subsection (c) of  
18 Section 3 of this Act.

19 (f) State not liable for certain expenses. The State is not  
20 liable for expenses which a person incurs in bringing an action  
21 under this Section.

22 (g) Relief from retaliatory actions.

23 (1) In general, any employee, contractor, or agent  
24 shall be entitled to all relief necessary to make that  
25 employee, contractor, or agent whole, if that employee,  
26 contractor, or agent is discharged, demoted, suspended,

1 threatened, harassed, or in any other manner discriminated  
2 against in the terms and conditions of employment because  
3 of lawful acts done by the employee, contractor, agent, or  
4 associated others in furtherance of an action under this  
5 Section or other efforts to stop one or more violations of  
6 this Act.

7 (2) Relief under paragraph (1) shall include  
8 reinstatement with the same seniority status that the  
9 employee, contractor, or agent would have had but for the  
10 discrimination, 2 times the amount of back pay, interest on  
11 the back pay, and compensation for any special damages  
12 sustained as a result of the discrimination, including  
13 litigation costs and reasonable attorneys' fees. An action  
14 under this subsection (g) may be brought in the appropriate  
15 circuit court for the relief provided in this subsection  
16 (g).

17 (3) A civil action under this subsection may not be  
18 brought more than 3 years after the date when the  
19 retaliation occurred.

20 (Source: P.A. 96-1304, eff. 7-27-10; 97-978, eff. 8-17-12.)

21 (740 ILCS 175/4.5 new)

22 Sec. 4.5. Actions for false claims relating to certain tax  
23 Acts administered by the Department of Revenue.

24 (a) The Department of Revenue has the sole authority to  
25 bring an administrative action resulting from information

1 provided by any person alleging a false claim, statement, or  
2 record, as defined in Section 3 of this Act, pertaining to any  
3 tax administered by the Department of Revenue under a provision  
4 identified in subdivision (e) (5) of Section 4 of this Act. The  
5 Attorney General has the sole authority to bring a judicial  
6 action under this Act for a false claim, statement, or record,  
7 as defined in Section 3 of this Act, pertaining to any tax  
8 administered by the Department of Revenue under a provision  
9 identified in subdivision (e) (5) of Section 4 of this Act.

10 (b) A person may provide to the Department of Revenue any  
11 information alleging a false claim, statement, or record, as  
12 defined in Section 3 of this Act, pertaining to any tax  
13 administered by the Department of Revenue under a provision  
14 identified in subdivision (e) (5) of Section 4 of this Act. The  
15 Department of Revenue shall establish, by rule, a procedure for  
16 the reporting of any allegation of a false claim, statement, or  
17 record to the Department. The Department of Revenue shall  
18 notify the Attorney General within 60 days of receipt of a  
19 report under this subsection (b). The Department of Revenue  
20 shall investigate all allegations of a false claim, statement,  
21 or record and make a recommendation to the Attorney General as  
22 to whether or not the Attorney General should bring an action  
23 under this Act for all applicable tax and interest the  
24 Department of Revenue determines is due under the appropriate  
25 tax act. The Attorney General has the ultimate authority to  
26 accept or reject the Department of Revenue's recommendation.

1 Nothing in this Section limits the authority of the Attorney  
2 General to bring an action under this Act at any time, even in  
3 the absence of a recommendation from the Department of Revenue.  
4 A person found liable in an action under this Act is subject to  
5 the assessment of penalties and damages as specified in Section  
6 3 of this Act.

7 (c) In exercising its discretion in administering and  
8 enforcing the tax laws, the Department of Revenue may determine  
9 that a person's allegations of a false claim, statement, or  
10 record are best handled within the course of an audit conducted  
11 within the Department of Revenue's normal course of business.  
12 If the Department of Revenue exercises its audit functions and  
13 the audit results in a contested tax assessment, the person  
14 audited shall retain all of his or her legal rights to resolve  
15 the matter in any forum where jurisdiction is proper, including  
16 an administrative hearing before the Department of Revenue, the  
17 Illinois Independent Tax Tribunal, circuit court under the  
18 State Officers and Employees Money Disposition Act, or any  
19 other judicial proceeding. Under no circumstances may a person,  
20 other than the person audited and his or her attorney, have any  
21 right to participate in those proceedings, participate in  
22 settlement negotiations, challenge the validity of any  
23 settlement between the Department and any person, or review any  
24 materials subject to the confidentiality provisions of the  
25 underlying tax act. If the Attorney General files an action  
26 under this Act that relates to or involves a false claim

1 regarding a tax administered by the Department of Revenue under  
2 a provision identified in subdivision (e) (5) of Section 4 of  
3 this Act, any Department of Revenue administrative proceeding  
4 that seeks recovery for the same conduct alleged in the  
5 Attorney General's complaint shall be automatically stayed  
6 until resolution of the action brought by the Attorney General  
7 under this Act. However, a Department of Revenue audit or  
8 investigation may not be stayed under this subsection (c).

9 (d) If the Attorney General proceeds with a judicial action  
10 under this Act based on information brought to the Department  
11 of Revenue's attention by a person, the person shall, subject  
12 to subsection (e) of this Section, receive as an award an  
13 amount equal to at least 15% but not more than 30% of the  
14 collected proceeds (including penalties, interest, additions  
15 to tax, and additional amounts) resulting from the action and  
16 any related actions, or from any settlement in response to the  
17 action, taking into account the significance of the person's  
18 information and the role of the person and any legal  
19 representative of the person in contributing to the action. If  
20 the Department of Revenue proceeds with an administrative  
21 action based on information brought to its attention by a  
22 person, the person shall, subject to subsection (e) of this  
23 Section, receive as an award an amount equal to at least 10%  
24 but not more than 15% of the collected proceeds (including  
25 penalties, interest, additions to tax, and additional amounts)  
26 resulting from the action or from any settlement in response to

1 the action, taking into account the significance of the  
2 person's information and the role of the person and any legal  
3 representative of the person in contributing to the action. A  
4 person who brings to the Department's attention information  
5 alleging a false claim, statement, or record, as defined in  
6 Section 3 of this Act, pertaining to any tax administered by  
7 the Department of Revenue under a provision identified in  
8 subdivision (e) (5) of Section 4 of this Act, may not receive  
9 any amounts for expenses, attorney's fees, or costs.

10 (e) In the event the judicial or administrative action  
11 described in subsection (d) is one that the Department of  
12 Revenue determines to be based principally on disclosures of  
13 specific allegations (other than information provided by the  
14 person described in subsection (d)) resulting from a judicial  
15 or administrative hearing, from a governmental report,  
16 hearing, audit, or investigation, or from the news media, the  
17 Department of Revenue may award to the person a sum as the  
18 Department of Revenue considers appropriate, but in no case  
19 more than 10%, if any, of the collected proceeds (including  
20 penalties, interest, additions to tax, and additional amounts)  
21 resulting from the action (including any related actions) or  
22 from any settlement in response to the action, taking into  
23 account the significance of the person's information and the  
24 role of the person and any legal representative of the person  
25 in contributing to the action. This subsection (e) does not  
26 apply if the information resulting in the initiation of the

1 administrative or judicial action described in subsection (d)  
2 was originally provided by the person described in subsection  
3 (d).

4 (f) If the Department of Revenue determines that a claim  
5 for an award under subsection (d) or (e) is brought by a person  
6 who planned and initiated the actions that led to the false  
7 claim and any resulting underpayment of tax, the Department of  
8 Revenue may reduce the award to the extent it considers  
9 appropriate and without limitation. If the person is convicted  
10 of criminal conduct arising from conduct described in this  
11 subsection (f), the Department of Revenue may not pay any award  
12 to the person.

13 (g) A determination by the Department of Revenue regarding  
14 an award under this Section may be appealed exclusively to the  
15 Court of Claims. An appeal under this subsection (g) must be  
16 filed within 30 days of the Department of Revenue's  
17 determination of an award under this Section.