



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB5106

by Rep. Kathleen Willis

SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
55 ILCS 5/5-1006	from Ch. 34, par. 5-1006
55 ILCS 5/5-1006.5	
55 ILCS 5/5-1007	from Ch. 34, par. 5-1007
65 ILCS 5/8-11-1	from Ch. 24, par. 8-11-1
65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3
65 ILCS 5/8-11-1.4	from Ch. 24, par. 8-11-1.4
65 ILCS 5/8-11-1.6	
65 ILCS 5/8-11-1.7	
65 ILCS 5/8-11-5	from Ch. 24, par. 8-11-5
70 ILCS 1605/30	
70 ILCS 3610/5.01	from Ch. 111 2/3, par. 355.01
70 ILCS 3615/4.03	from Ch. 111 2/3, par. 704.03
70 ILCS 3720/4	from Ch. 111 2/3, par. 254

Amends the State Finance Act, the Counties Code, the Illinois Municipal Code, the Metro-East Park and Recreation District Act, the Local Mass Transit District Act, the Regional Transportation Authority Act, and the Water Commission Act of 1985. In provisions concerning disbursement of moneys collected for specified local taxes, removes provisions requiring 2% of those moneys be transferred into the Tax Compliance and Administration Fund.

LRB100 19694 AWJ 34968 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The State Finance Act is amended by changing
5 Section 6z-20 as follows:

6 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

7 Sec. 6z-20. County and Mass Transit District Fund. Of the
8 money received from the 6.25% general rate (and, beginning July
9 1, 2000 and through December 31, 2000, the 1.25% rate on motor
10 fuel and gasohol, and beginning on August 6, 2010 through
11 August 15, 2010, the 1.25% rate on sales tax holiday items) on
12 sales subject to taxation under the Retailers' Occupation Tax
13 Act and Service Occupation Tax Act and paid into the County and
14 Mass Transit District Fund, distribution to the Regional
15 Transportation Authority tax fund, created pursuant to Section
16 4.03 of the Regional Transportation Authority Act, for deposit
17 therein shall be made based upon the retail sales occurring in
18 a county having more than 3,000,000 inhabitants. The remainder
19 shall be distributed to each county having 3,000,000 or fewer
20 inhabitants based upon the retail sales occurring in each such
21 county.

22 For the purpose of determining allocation to the local
23 government unit, a retail sale by a producer of coal or other

1 mineral mined in Illinois is a sale at retail at the place
2 where the coal or other mineral mined in Illinois is extracted
3 from the earth. This paragraph does not apply to coal or other
4 mineral when it is delivered or shipped by the seller to the
5 purchaser at a point outside Illinois so that the sale is
6 exempt under the United States Constitution as a sale in
7 interstate or foreign commerce.

8 Of the money received from the 6.25% general use tax rate
9 on tangible personal property which is purchased outside
10 Illinois at retail from a retailer and which is titled or
11 registered by any agency of this State's government and paid
12 into the County and Mass Transit District Fund, the amount for
13 which Illinois addresses for titling or registration purposes
14 are given as being in each county having more than 3,000,000
15 inhabitants shall be distributed into the Regional
16 Transportation Authority tax fund, created pursuant to Section
17 4.03 of the Regional Transportation Authority Act. The
18 remainder of the money paid from such sales shall be
19 distributed to each county based on sales for which Illinois
20 addresses for titling or registration purposes are given as
21 being located in the county. Any money paid into the Regional
22 Transportation Authority Occupation and Use Tax Replacement
23 Fund from the County and Mass Transit District Fund prior to
24 January 14, 1991, which has not been paid to the Authority
25 prior to that date, shall be transferred to the Regional
26 Transportation Authority tax fund.

1 Whenever the Department determines that a refund of money
2 paid into the County and Mass Transit District Fund should be
3 made to a claimant instead of issuing a credit memorandum, the
4 Department shall notify the State Comptroller, who shall cause
5 the order to be drawn for the amount specified, and to the
6 person named, in such notification from the Department. Such
7 refund shall be paid by the State Treasurer out of the County
8 and Mass Transit District Fund.

9 As soon as possible after the first day of each month,
10 beginning January 1, 2011, upon certification of the Department
11 of Revenue, the Comptroller shall order transferred, and the
12 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
13 local sales tax increment, as defined in the Innovation
14 Development and Economy Act, collected during the second
15 preceding calendar month for sales within a STAR bond district
16 and deposited into the County and Mass Transit District Fund,
17 less 3% of that amount, which shall be transferred into the Tax
18 Compliance and Administration Fund and shall be used by the
19 Department, subject to appropriation, to cover the costs of the
20 Department in administering the Innovation Development and
21 Economy Act.

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

1 be those entitled to distribution, as hereinabove provided, of
2 taxes or penalties paid to the Department during the second
3 preceding calendar month. The amount to be paid to the Regional
4 Transportation Authority and each county having 3,000,000 or
5 fewer inhabitants shall be the amount (not including credit
6 memoranda) collected during the second preceding calendar
7 month by the Department and paid into the County and Mass
8 Transit District Fund, plus an amount the Department determines
9 is necessary to offset any amounts which were erroneously paid
10 to a different taxing body, and not including an amount equal
11 to the amount of refunds made during the second preceding
12 calendar month by the Department, and not including any amount
13 which the Department determines is necessary to offset any
14 amounts which were payable to a different taxing body but were
15 erroneously paid to the Regional Transportation Authority or
16 county, and not including any amounts that are transferred to
17 the STAR Bonds Revenue Fund, ~~less 2% of the amount to be paid~~
18 ~~to the Regional Transportation Authority, which shall be~~
19 ~~transferred into the Tax Compliance and Administration Fund.~~
20 The Department, at the time of each monthly disbursement to the
21 Regional Transportation Authority, shall prepare and certify
22 to the State Comptroller the amount to be transferred into the
23 Tax Compliance and Administration Fund under this Section.
24 Within 10 days after receipt, by the Comptroller, of the
25 disbursement certification to the Regional Transportation
26 Authority, counties, and the Tax Compliance and Administration

1 Fund provided for in this Section to be given to the
2 Comptroller by the Department, the Comptroller shall cause the
3 orders to be drawn for the respective amounts in accordance
4 with the directions contained in such certification.

5 When certifying the amount of a monthly disbursement to the
6 Regional Transportation Authority or to a county under this
7 Section, the Department shall increase or decrease that amount
8 by an amount necessary to offset any misallocation of previous
9 disbursements. The offset amount shall be the amount
10 erroneously disbursed within the 6 months preceding the time a
11 misallocation is discovered.

12 The provisions directing the distributions from the
13 special fund in the State Treasury provided for in this Section
14 and from the Regional Transportation Authority tax fund created
15 by Section 4.03 of the Regional Transportation Authority Act
16 shall constitute an irrevocable and continuing appropriation
17 of all amounts as provided herein. The State Treasurer and
18 State Comptroller are hereby authorized to make distributions
19 as provided in this Section.

20 In construing any development, redevelopment, annexation,
21 preannexation or other lawful agreement in effect prior to
22 September 1, 1990, which describes or refers to receipts from a
23 county or municipal retailers' occupation tax, use tax or
24 service occupation tax which now cannot be imposed, such
25 description or reference shall be deemed to include the
26 replacement revenue for such abolished taxes, distributed from

1 the County and Mass Transit District Fund or Local Government
2 Distributive Fund, as the case may be.

3 (Source: P.A. 100-23, eff. 7-6-17.)

4 Section 10. The Counties Code is amended by changing
5 Sections 5-1006, 5-1006.5, and 5-1007 as follows:

6 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

7 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
8 Law. Any county that is a home rule unit may impose a tax upon
9 all persons engaged in the business of selling tangible
10 personal property, other than an item of tangible personal
11 property titled or registered with an agency of this State's
12 government, at retail in the county on the gross receipts from
13 such sales made in the course of their business. If imposed,
14 this tax shall only be imposed in 1/4% increments. On and after
15 September 1, 1991, this additional tax may not be imposed on
16 the sales of food for human consumption which is to be consumed
17 off the premises where it is sold (other than alcoholic
18 beverages, soft drinks and food which has been prepared for
19 immediate consumption) and prescription and nonprescription
20 medicines, drugs, medical appliances and insulin, urine
21 testing materials, syringes and needles used by diabetics. The
22 tax imposed by a home rule county pursuant to this Section and
23 all civil penalties that may be assessed as an incident thereof
24 shall be collected and enforced by the State Department of

1 Revenue. The certificate of registration that is issued by the
2 Department to a retailer under the Retailers' Occupation Tax
3 Act shall permit the retailer to engage in a business that is
4 taxable under any ordinance or resolution enacted pursuant to
5 this Section without registering separately with the
6 Department under such ordinance or resolution or under this
7 Section. The Department shall have full power to administer and
8 enforce this Section; to collect all taxes and penalties due
9 hereunder; to dispose of taxes and penalties so collected in
10 the manner hereinafter provided; and to determine all rights to
11 credit memoranda arising on account of the erroneous payment of
12 tax or penalty hereunder. In the administration of, and
13 compliance with, this Section, the Department and persons who
14 are subject to this Section shall have the same rights,
15 remedies, privileges, immunities, powers and duties, and be
16 subject to the same conditions, restrictions, limitations,
17 penalties and definitions of terms, and employ the same modes
18 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
19 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
20 provisions therein other than the State rate of tax), 4, 5, 5a,
21 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
22 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
23 and Section 3-7 of the Uniform Penalty and Interest Act, as
24 fully as if those provisions were set forth herein.

25 No tax may be imposed by a home rule county pursuant to
26 this Section unless the county also imposes a tax at the same

1 rate pursuant to Section 5-1007.

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

9 Whenever the Department determines that a refund should be
10 made under this Section to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the order to be drawn for the
13 amount specified and to the person named in the notification
14 from the Department. The refund shall be paid by the State
15 Treasurer out of the home rule county retailers' occupation tax
16 fund.

17 The Department shall forthwith pay over to the State
18 Treasurer, ex officio, as trustee, all taxes and penalties
19 collected hereunder.

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

1 STAR bond district.

2 After the monthly transfer to the STAR Bonds Revenue Fund,
3 on or before the 25th day of each calendar month, the
4 Department shall prepare and certify to the Comptroller the
5 disbursement of stated sums of money to named counties, the
6 counties to be those from which retailers have paid taxes or
7 penalties hereunder to the Department during the second
8 preceding calendar month. The amount to be paid to each county
9 shall be the amount (not including credit memoranda) collected
10 hereunder during the second preceding calendar month by the
11 Department plus an amount the Department determines is
12 necessary to offset any amounts that were erroneously paid to a
13 different taxing body, and not including an amount equal to the
14 amount of refunds made during the second preceding calendar
15 month by the Department on behalf of such county, and not
16 including any amount which the Department determines is
17 necessary to offset any amounts which were payable to a
18 different taxing body but were erroneously paid to the county,
19 and not including any amounts that are transferred to the STAR
20 Bonds Revenue Fund, ~~less 2% of the remainder, which the~~
21 ~~Department shall transfer into the Tax Compliance and~~
22 ~~Administration Fund.~~ The Department, at the time of each
23 monthly disbursement to the counties, shall prepare and certify
24 to the State Comptroller the amount to be transferred into the
25 Tax Compliance and Administration Fund under this Section.
26 Within 10 days after receipt, by the Comptroller, of the

1 disbursement certification to the counties and the Tax
2 Compliance and Administration Fund provided for in this Section
3 to be given to the Comptroller by the Department, the
4 Comptroller shall cause the orders to be drawn for the
5 respective amounts in accordance with the directions contained
6 in the certification.

7 In addition to the disbursement required by the preceding
8 paragraph, an allocation shall be made in March of each year to
9 each county that received more than \$500,000 in disbursements
10 under the preceding paragraph in the preceding calendar year.
11 The allocation shall be in an amount equal to the average
12 monthly distribution made to each such county under the
13 preceding paragraph during the preceding calendar year
14 (excluding the 2 months of highest receipts). The distribution
15 made in March of each year subsequent to the year in which an
16 allocation was made pursuant to this paragraph and the
17 preceding paragraph shall be reduced by the amount allocated
18 and disbursed under this paragraph in the preceding calendar
19 year. The Department shall prepare and certify to the
20 Comptroller for disbursement the allocations made in
21 accordance with this paragraph.

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

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

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

9 An ordinance or resolution imposing or discontinuing a tax
10 hereunder or effecting a change in the rate thereof shall be
11 adopted and a certified copy thereof filed with the Department
12 on or before the first day of June, whereupon the Department
13 shall proceed to administer and enforce this Section as of the
14 first day of September next following such adoption and filing.
15 Beginning January 1, 1992, an ordinance or resolution imposing
16 or discontinuing the tax hereunder or effecting a change in the
17 rate thereof shall be adopted and a certified copy thereof
18 filed with the Department on or before the first day of July,
19 whereupon the Department shall proceed to administer and
20 enforce this Section as of the first day of October next
21 following such adoption and filing. Beginning January 1, 1993,
22 an ordinance or resolution imposing or discontinuing the tax
23 hereunder or effecting a change in the rate thereof shall be
24 adopted and a certified copy thereof filed with the Department
25 on or before the first day of October, whereupon the Department
26 shall proceed to administer and enforce this Section as of the

1 first day of January next following such adoption and filing.
2 Beginning April 1, 1998, an ordinance or resolution imposing or
3 discontinuing the tax hereunder or effecting a change in the
4 rate thereof shall either (i) be adopted and a certified copy
5 thereof filed with the Department on or before the first day of
6 April, whereupon the Department shall proceed to administer and
7 enforce this Section as of the first day of July next following
8 the adoption and filing; or (ii) be adopted and a certified
9 copy thereof filed with the Department on or before the first
10 day of October, whereupon the Department shall proceed to
11 administer and enforce this Section as of the first day of
12 January next following the adoption and filing.

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

19 This Section shall be known and may be cited as the Home
20 Rule County Retailers' Occupation Tax Law.

21 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

22 (55 ILCS 5/5-1006.5)

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

25 (a) The county board of any county may impose a tax upon

1 all persons engaged in the business of selling tangible
2 personal property, other than personal property titled or
3 registered with an agency of this State's government, at retail
4 in the county on the gross receipts from the sales made in the
5 course of business to provide revenue to be used exclusively
6 for public safety, public facility, or transportation purposes
7 in that county, if a proposition for the tax has been submitted
8 to the electors of that county and approved by a majority of
9 those voting on the question. If imposed, this tax shall be
10 imposed only in one-quarter percent increments. By resolution,
11 the county board may order the proposition to be submitted at
12 any election. If the tax is imposed for transportation purposes
13 for expenditures for public highways or as authorized under the
14 Illinois Highway Code, the county board must publish notice of
15 the existence of its long-range highway transportation plan as
16 required or described in Section 5-301 of the Illinois Highway
17 Code and must make the plan publicly available prior to
18 approval of the ordinance or resolution imposing the tax. If
19 the tax is imposed for transportation purposes for expenditures
20 for passenger rail transportation, the county board must
21 publish notice of the existence of its long-range passenger
22 rail transportation plan and must make the plan publicly
23 available prior to approval of the ordinance or resolution
24 imposing the tax.

25 If a tax is imposed for public facilities purposes, then
26 the name of the project may be included in the proposition at

1 the discretion of the county board as determined in the
2 enabling resolution. For example, the "XXX Nursing Home" or the
3 "YYY Museum".

4 The county clerk shall certify the question to the proper
5 election authority, who shall submit the proposition at an
6 election in accordance with the general election law.

7 (1) The proposition for public safety purposes shall be
8 in substantially the following form:

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

12 As additional information on the ballot below the
13 question shall appear the following:

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

17 The county board may also opt to establish a sunset
18 provision at which time the additional sales tax would
19 cease being collected, if not terminated earlier by a vote
20 of the county board. If the county board votes to include a
21 sunset provision, the proposition for public safety
22 purposes shall be in substantially the following form:

23 "To pay for public safety purposes, shall (name of
24 county) be authorized to impose an increase on its share of
25 local sales taxes by (insert rate) for a period not to
26 exceed (insert number of years)?"

1 As additional information on the ballot below the
2 question shall appear the following:

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

9 For the purposes of the paragraph, "public safety
10 purposes" means crime prevention, detention, fire
11 fighting, police, medical, ambulance, or other emergency
12 services.

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

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

23 (2) The proposition for transportation purposes shall
24 be in substantially the following form:

25 "To pay for improvements to roads and other
26 transportation purposes, shall (name of county) be

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

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

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

8 The county board may also opt to establish a sunset
9 provision at which time the additional sales tax would
10 cease being collected, if not terminated earlier by a vote
11 of the county board. If the county board votes to include a
12 sunset provision, the proposition for transportation
13 purposes shall be in substantially the following form:

14 "To pay for road improvements and other transportation
15 purposes, shall (name of county) be authorized to impose an
16 increase on its share of local sales taxes by (insert rate)
17 for a period not to exceed (insert number of years)?"

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

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

26 For the purposes of this paragraph, transportation

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

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

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

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

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

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

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

22 "To pay for public facilities purposes, shall (name of
23 county) be authorized to impose an increase on its share of
24 local sales taxes by (insert rate) for a period not to
25 exceed (insert number of years)?"

26 As additional information on the ballot below the

1 question shall appear the following:

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

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

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

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

24 This additional tax may not be imposed on the sales of food
25 for human consumption that is to be consumed off the premises
26 where it is sold (other than alcoholic beverages, soft drinks,

1 and food which has been prepared for immediate consumption) and
2 prescription and non-prescription medicines, drugs, medical
3 appliances and insulin, urine testing materials, syringes, and
4 needles used by diabetics. The tax imposed by a county under
5 this Section and all civil penalties that may be assessed as an
6 incident of the tax shall be collected and enforced by the
7 Illinois Department of Revenue and deposited into a special
8 fund created for that purpose. The certificate of registration
9 that is issued by the Department to a retailer under the
10 Retailers' Occupation Tax Act shall permit the retailer to
11 engage in a business that is taxable without registering
12 separately with the Department under an ordinance or resolution
13 under this Section. The Department has full power to administer
14 and enforce this Section, to collect all taxes and penalties
15 due under this Section, to dispose of taxes and penalties so
16 collected in the manner provided in this Section, and to
17 determine all rights to credit memoranda arising on account of
18 the erroneous payment of a tax or penalty under this Section.
19 In the administration of and compliance with this Section, the
20 Department and persons who are subject to this Section shall
21 (i) have the same rights, remedies, privileges, immunities,
22 powers, and duties, (ii) be subject to the same conditions,
23 restrictions, limitations, penalties, and definitions of
24 terms, and (iii) employ the same modes of procedure as are
25 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
26 1n, 2 through 2-70 (in respect to all provisions contained in

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

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

15 Whenever the Department determines that a refund should be
16 made under this Section to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the order to be drawn for the
19 amount specified and to the person named in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the County Public Safety or Transportation
22 Retailers' Occupation Tax Fund.

23 (b) If a tax has been imposed under subsection (a), a
24 service occupation tax shall also be imposed at the same rate
25 upon all persons engaged, in the county, in the business of
26 making sales of service, who, as an incident to making those

1 sales of service, transfer tangible personal property within
2 the county as an incident to a sale of service. This tax may
3 not be imposed on sales of food for human consumption that is
4 to be consumed off the premises where it is sold (other than
5 alcoholic beverages, soft drinks, and food prepared for
6 immediate consumption) and prescription and non-prescription
7 medicines, drugs, medical appliances and insulin, urine
8 testing materials, syringes, and needles used by diabetics. The
9 tax imposed under this subsection and all civil penalties that
10 may be assessed as an incident thereof shall be collected and
11 enforced by the Department of Revenue. The Department has full
12 power to administer and enforce this subsection; to collect all
13 taxes and penalties due hereunder; to dispose of taxes and
14 penalties so collected in the manner hereinafter provided; and
15 to determine all rights to credit memoranda arising on account
16 of the erroneous payment of tax or penalty hereunder. In the
17 administration of, and compliance with this subsection, the
18 Department and persons who are subject to this paragraph shall
19 (i) have the same rights, remedies, privileges, immunities,
20 powers, and duties, (ii) be subject to the same conditions,
21 restrictions, limitations, penalties, exclusions, exemptions,
22 and definitions of terms, and (iii) employ the same modes of
23 procedure as are prescribed in Sections 2 (except that the
24 reference to State in the definition of supplier maintaining a
25 place of business in this State shall mean the county), 2a, 2b,
26 2c, 3 through 3-50 (in respect to all provisions therein other

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

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

20 Whenever the Department determines that a refund should be
21 made under this subsection to a claimant instead of issuing a
22 credit memorandum, the Department shall notify the State
23 Comptroller, who shall cause the warrant to be drawn for the
24 amount specified, and to the person named, in the notification
25 from the Department. The refund shall be paid by the State
26 Treasurer out of the County Public Safety or Transportation

1 Retailers' Occupation Fund.

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

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

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

20 After the monthly transfer to the STAR Bonds Revenue Fund,
21 on or before the 25th day of each calendar month, the
22 Department shall prepare and certify to the Comptroller the
23 disbursement of stated sums of money to the counties from which
24 retailers have paid taxes or penalties to the Department during
25 the second preceding calendar month. The amount to be paid to
26 each county, and deposited by the county into its special fund

1 created for the purposes of this Section, shall be the amount
2 (not including credit memoranda) collected under this Section
3 during the second preceding calendar month by the Department
4 plus an amount the Department determines is necessary to offset
5 any amounts that were erroneously paid to a different taxing
6 body, and not including (i) an amount equal to the amount of
7 refunds made during the second preceding calendar month by the
8 Department on behalf of the county, (ii) any amount that the
9 Department determines is necessary to offset any amounts that
10 were payable to a different taxing body but were erroneously
11 paid to the county, and (iii) any amounts that are transferred
12 to the STAR Bonds Revenue Fund, ~~and (iv) 2% of the remainder,~~
13 ~~which shall be transferred into the Tax Compliance and~~
14 ~~Administration Fund.~~ The Department, at the time of each
15 monthly disbursement to the counties, shall prepare and certify
16 to the State Comptroller the amount to be transferred into the
17 Tax Compliance and Administration Fund under this subsection.
18 Within 10 days after receipt by the Comptroller of the
19 disbursement certification to the counties and the Tax
20 Compliance and Administration Fund provided for in this Section
21 to be given to the Comptroller by the Department, the
22 Comptroller shall cause the orders to be drawn for the
23 respective amounts in accordance with directions contained in
24 the certification.

25 In addition to the disbursement required by the preceding
26 paragraph, an allocation shall be made in March of each year to

1 each county that received more than \$500,000 in disbursements
2 under the preceding paragraph in the preceding calendar year.
3 The allocation shall be in an amount equal to the average
4 monthly distribution made to each such county under the
5 preceding paragraph during the preceding calendar year
6 (excluding the 2 months of highest receipts). The distribution
7 made in March of each year subsequent to the year in which an
8 allocation was made pursuant to this paragraph and the
9 preceding paragraph shall be reduced by the amount allocated
10 and disbursed under this paragraph in the preceding calendar
11 year. The Department shall prepare and certify to the
12 Comptroller for disbursement the allocations made in
13 accordance with this paragraph.

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

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

1 in interstate or foreign commerce.

2 (e) Nothing in this Section shall be construed to authorize
3 a county to impose a tax upon the privilege of engaging in any
4 business that under the Constitution of the United States may
5 not be made the subject of taxation by this State.

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

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

24 Beginning January 1, 2014, the results of any election
25 authorizing a proposition to impose a tax under this Section or
26 effecting an increase in the rate of tax, along with the

1 ordinance adopted to impose the tax or increase the rate of the
2 tax, or any ordinance adopted to lower the rate or discontinue
3 the tax, shall be certified by the county clerk and filed with
4 the Illinois Department of Revenue either (i) on or before the
5 first day of May, whereupon the Department shall proceed to
6 administer and enforce the tax as of the first day of July next
7 following the adoption and filing; or (ii) on or before the
8 first day of October, whereupon the Department shall proceed to
9 administer and enforce the tax as of the first day of January
10 next following the adoption and filing.

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

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

20 (i) For purposes of this Section, "public safety" includes,
21 but is not limited to, crime prevention, detention, fire
22 fighting, police, medical, ambulance, or other emergency
23 services. The county may share tax proceeds received under this
24 Section for public safety purposes, including proceeds
25 received before August 4, 2009 (the effective date of Public
26 Act 96-124), with any fire protection district located in the

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

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

21 (Source: P.A. 99-4, eff. 5-31-15; 99-217, eff. 7-31-15; 99-642,
22 eff. 7-28-16; 100-23, eff. 7-6-17.)

23 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

24 Sec. 5-1007. Home Rule County Service Occupation Tax Law.
25 The corporate authorities of a home rule county may impose a

1 tax upon all persons engaged, in such county, in the business
2 of making sales of service at the same rate of tax imposed
3 pursuant to Section 5-1006 of the selling price of all tangible
4 personal property transferred by such servicemen either in the
5 form of tangible personal property or in the form of real
6 estate as an incident to a sale of service. If imposed, such
7 tax shall only be imposed in 1/4% increments. On and after
8 September 1, 1991, this additional tax may not be imposed on
9 the sales of food for human consumption which is to be consumed
10 off the premises where it is sold (other than alcoholic
11 beverages, soft drinks and food which has been prepared for
12 immediate consumption) and prescription and nonprescription
13 medicines, drugs, medical appliances and insulin, urine
14 testing materials, syringes and needles used by diabetics. The
15 tax imposed by a home rule county pursuant to this Section and
16 all civil penalties that may be assessed as an incident thereof
17 shall be collected and enforced by the State Department of
18 Revenue. The certificate of registration which is issued by the
19 Department to a retailer under the Retailers' Occupation Tax
20 Act or under the Service Occupation Tax Act shall permit such
21 registrant to engage in a business which is taxable under any
22 ordinance or resolution enacted pursuant to this Section
23 without registering separately with the Department under such
24 ordinance or resolution or under this Section. The Department
25 shall have full power to administer and enforce this Section;
26 to collect all taxes and penalties due hereunder; to dispose of

1 taxes and penalties so collected in the manner hereinafter
2 provided; and to determine all rights to credit memoranda
3 arising on account of the erroneous payment of tax or penalty
4 hereunder. In the administration of, and compliance with, this
5 Section the Department and persons who are subject to this
6 Section shall have the same rights, remedies, privileges,
7 immunities, powers and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties and
9 definitions of terms, and employ the same modes of procedure,
10 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
11 respect to all provisions therein other than the State rate of
12 tax), 4 (except that the reference to the State shall be to the
13 taxing county), 5, 7, 8 (except that the jurisdiction to which
14 the tax shall be a debt to the extent indicated in that Section
15 8 shall be the taxing county), 9 (except as to the disposition
16 of taxes and penalties collected, and except that the returned
17 merchandise credit for this county tax may not be taken against
18 any State tax), 10, 11, 12 (except the reference therein to
19 Section 2b of the Retailers' Occupation Tax Act), 13 (except
20 that any reference to the State shall mean the taxing county),
21 the first paragraph of Section 15, 16, 17, 18, 19 and 20 of the
22 Service Occupation Tax Act and Section 3-7 of the Uniform
23 Penalty and Interest Act, as fully as if those provisions were
24 set forth herein.

25 No tax may be imposed by a home rule county pursuant to
26 this Section unless such county also imposes a tax at the same

1 rate pursuant to Section 5-1006.

2 Persons subject to any tax imposed pursuant to the
3 authority granted in this Section may reimburse themselves for
4 their serviceman's tax liability hereunder by separately
5 stating such tax as an additional charge, which charge may be
6 stated in combination, in a single amount, with State tax which
7 servicemen are authorized to collect under the Service Use Tax
8 Act, pursuant to such bracket schedules as the Department may
9 prescribe.

10 Whenever the Department determines that a refund should be
11 made under this Section to a claimant instead of issuing credit
12 memorandum, the Department shall notify the State Comptroller,
13 who shall cause the order to be drawn for the amount specified,
14 and to the person named, in such notification from the
15 Department. Such refund shall be paid by the State Treasurer
16 out of the home rule county retailers' occupation tax fund.

17 The Department shall forthwith pay over to the State
18 Treasurer, ex-officio, as trustee, all taxes and penalties
19 collected hereunder.

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

1 STAR bond district.

2 After the monthly transfer to the STAR Bonds Revenue Fund,
3 on or before the 25th day of each calendar month, the
4 Department shall prepare and certify to the Comptroller the
5 disbursement of stated sums of money to named counties, the
6 counties to be those from which suppliers and servicemen have
7 paid taxes or penalties hereunder to the Department during the
8 second preceding calendar month. The amount to be paid to each
9 county shall be the amount (not including credit memoranda)
10 collected hereunder during the second preceding calendar month
11 by the Department, and not including an amount equal to the
12 amount of refunds made during the second preceding calendar
13 month by the Department on behalf of such county, and not
14 including any amounts that are transferred to the STAR Bonds
15 Revenue Fund, ~~less 2% of the remainder, which the Department~~
16 ~~shall transfer into the Tax Compliance and Administration Fund.~~
17 The Department, at the time of each monthly disbursement to the
18 counties, shall prepare and certify to the State Comptroller
19 the amount to be transferred into the Tax Compliance and
20 Administration Fund under this Section. Within 10 days after
21 receipt, by the Comptroller, of the disbursement certification
22 to the counties and the Tax Compliance and Administration Fund
23 provided for in this Section to be given to the Comptroller by
24 the Department, the Comptroller shall cause the orders to be
25 drawn for the respective amounts in accordance with the
26 directions contained in such certification.

1 In addition to the disbursement required by the preceding
2 paragraph, an allocation shall be made in each year to each
3 county which received more than \$500,000 in disbursements under
4 the preceding paragraph in the preceding calendar year. The
5 allocation shall be in an amount equal to the average monthly
6 distribution made to each such county under the preceding
7 paragraph during the preceding calendar year (excluding the 2
8 months of highest receipts). The distribution made in March of
9 each year subsequent to the year in which an allocation was
10 made pursuant to this paragraph and the preceding paragraph
11 shall be reduced by the amount allocated and disbursed under
12 this paragraph in the preceding calendar year. The Department
13 shall prepare and certify to the Comptroller for disbursement
14 the allocations made in accordance with this paragraph.

15 Nothing in this Section shall be construed to authorize a
16 county to impose a tax upon the privilege of engaging in any
17 business which under the Constitution of the United States may
18 not be made the subject of taxation by this State.

19 An ordinance or resolution imposing or discontinuing a tax
20 hereunder or effecting a change in the rate thereof shall be
21 adopted and a certified copy thereof filed with the Department
22 on or before the first day of June, whereupon the Department
23 shall proceed to administer and enforce this Section as of the
24 first day of September next following such adoption and filing.
25 Beginning January 1, 1992, an ordinance or resolution imposing
26 or discontinuing the tax hereunder or effecting a change in the

1 rate thereof shall be adopted and a certified copy thereof
2 filed with the Department on or before the first day of July,
3 whereupon the Department shall proceed to administer and
4 enforce this Section as of the first day of October next
5 following such adoption and filing. Beginning January 1, 1993,
6 an ordinance or resolution imposing or discontinuing the tax
7 hereunder or effecting a change in the rate thereof shall be
8 adopted and a certified copy thereof filed with the Department
9 on or before the first day of October, whereupon the Department
10 shall proceed to administer and enforce this Section as of the
11 first day of January next following such adoption and filing.
12 Beginning April 1, 1998, an ordinance or resolution imposing or
13 discontinuing the tax hereunder or effecting a change in the
14 rate thereof shall either (i) be adopted and a certified copy
15 thereof filed with the Department on or before the first day of
16 April, whereupon the Department shall proceed to administer and
17 enforce this Section as of the first day of July next following
18 the adoption and filing; or (ii) be adopted and a certified
19 copy thereof filed with the Department on or before the first
20 day of October, whereupon the Department shall proceed to
21 administer and enforce this Section as of the first day of
22 January next following the adoption and filing.

23 This Section shall be known and may be cited as the Home
24 Rule County Service Occupation Tax Law.

25 (Source: P.A. 100-23, eff. 7-6-17.)

1 Section 15. The Illinois Municipal Code is amended by
2 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,
3 8-11-1.7, and 8-11-5 as follows:

4 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

5 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
6 Act. The corporate authorities of a home rule municipality may
7 impose a tax upon all persons engaged in the business of
8 selling tangible personal property, other than an item of
9 tangible personal property titled or registered with an agency
10 of this State's government, at retail in the municipality on
11 the gross receipts from these sales made in the course of such
12 business. If imposed, the tax shall only be imposed in 1/4%
13 increments. On and after September 1, 1991, this additional tax
14 may not be imposed on the sales of food for human consumption
15 that is to be consumed off the premises where it is sold (other
16 than alcoholic beverages, soft drinks and food that has been
17 prepared for immediate consumption) and prescription and
18 nonprescription medicines, drugs, medical appliances and
19 insulin, urine testing materials, syringes and needles used by
20 diabetics. The tax imposed by a home rule municipality under
21 this Section and all civil penalties that may be assessed as an
22 incident of the tax shall be collected and enforced by the
23 State Department of Revenue. The certificate of registration
24 that is issued by the Department to a retailer under the
25 Retailers' Occupation Tax Act shall permit the retailer to

1 engage in a business that is taxable under any ordinance or
2 resolution enacted pursuant to this Section without
3 registering separately with the Department under such
4 ordinance or resolution or under this Section. The Department
5 shall have full power to administer and enforce this Section;
6 to collect all taxes and penalties due hereunder; to dispose of
7 taxes and penalties so collected in the manner hereinafter
8 provided; and to determine all rights to credit memoranda
9 arising on account of the erroneous payment of tax or penalty
10 hereunder. In the administration of, and compliance with, this
11 Section the Department and persons who are subject to this
12 Section shall have the same rights, remedies, privileges,
13 immunities, powers and duties, and be subject to the same
14 conditions, restrictions, limitations, penalties and
15 definitions of terms, and employ the same modes of procedure,
16 as are prescribed in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k,
17 1m, 1n, 2 through 2-65 (in respect to all provisions therein
18 other than the State rate of tax), 2c, 3 (except as to the
19 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
20 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,
21 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
22 Section 3-7 of the Uniform Penalty and Interest Act, as fully
23 as if those provisions were set forth herein.

24 No tax may be imposed by a home rule municipality under
25 this Section unless the municipality also imposes a tax at the
26 same rate under Section 8-11-5 of this Act.

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

8 Whenever the Department determines that a refund should be
9 made under this Section to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order to be drawn for the
12 amount specified and to the person named in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of the home rule municipal retailers' occupation
15 tax fund.

16 The Department shall immediately pay over to the State
17 Treasurer, ex officio, as trustee, all taxes and penalties
18 collected hereunder.

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

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 on or before the 25th day of each calendar month, the
3 Department shall prepare and certify to the Comptroller the
4 disbursement of stated sums of money to named municipalities,
5 the municipalities to be those from which retailers have paid
6 taxes or penalties hereunder to the Department during the
7 second preceding calendar month. The amount to be paid to each
8 municipality shall be the amount (not including credit
9 memoranda) collected hereunder during the second preceding
10 calendar month by the Department plus an amount the Department
11 determines is necessary to offset any amounts that were
12 erroneously paid to a different taxing body, and not including
13 an amount equal to the amount of refunds made during the second
14 preceding calendar month by the Department on behalf of such
15 municipality, and not including any amount that the Department
16 determines is necessary to offset any amounts that were payable
17 to a different taxing body but were erroneously paid to the
18 municipality, and not including any amounts that are
19 transferred to the STAR Bonds Revenue Fund, ~~less 2% of the~~
20 ~~remainder, which the Department shall transfer into the Tax~~
21 ~~Compliance and Administration Fund.~~ The Department, at the time
22 of each monthly disbursement to the municipalities, shall
23 prepare and certify to the State Comptroller the amount to be
24 transferred into the Tax Compliance and Administration Fund
25 under this Section. Within 10 days after receipt by the
26 Comptroller of the disbursement certification to the

1 municipalities and the Tax Compliance and Administration Fund
2 provided for in this Section to be given to the Comptroller by
3 the Department, the Comptroller shall cause the orders to be
4 drawn for the respective amounts in accordance with the
5 directions contained in the certification.

6 In addition to the disbursement required by the preceding
7 paragraph and in order to mitigate delays caused by
8 distribution procedures, an allocation shall, if requested, be
9 made within 10 days after January 14, 1991, and in November of
10 1991 and each year thereafter, to each municipality that
11 received more than \$500,000 during the preceding fiscal year,
12 (July 1 through June 30) whether collected by the municipality
13 or disbursed by the Department as required by this Section.
14 Within 10 days after January 14, 1991, participating
15 municipalities shall notify the Department in writing of their
16 intent to participate. In addition, for the initial
17 distribution, participating municipalities shall certify to
18 the Department the amounts collected by the municipality for
19 each month under its home rule occupation and service
20 occupation tax during the period July 1, 1989 through June 30,
21 1990. The allocation within 10 days after January 14, 1991,
22 shall be in an amount equal to the monthly average of these
23 amounts, excluding the 2 months of highest receipts. The
24 monthly average for the period of July 1, 1990 through June 30,
25 1991 will be determined as follows: the amounts collected by
26 the municipality under its home rule occupation and service

1 occupation tax during the period of July 1, 1990 through
2 September 30, 1990, plus amounts collected by the Department
3 and paid to such municipality through June 30, 1991, excluding
4 the 2 months of highest receipts. The monthly average for each
5 subsequent period of July 1 through June 30 shall be an amount
6 equal to the monthly distribution made to each such
7 municipality under the preceding paragraph during this period,
8 excluding the 2 months of highest receipts. The distribution
9 made in November 1991 and each year thereafter under this
10 paragraph and the preceding paragraph shall be reduced by the
11 amount allocated and disbursed under this paragraph in the
12 preceding period of July 1 through June 30. The Department
13 shall prepare and certify to the Comptroller for disbursement
14 the allocations made in accordance with this paragraph.

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

24 Nothing in this Section shall be construed to authorize a
25 municipality to impose a tax upon the privilege of engaging in
26 any business which under the Constitution of the United States

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

2 An ordinance or resolution imposing or discontinuing a tax
3 hereunder or effecting a change in the rate thereof shall be
4 adopted and a certified copy thereof filed with the Department
5 on or before the first day of June, whereupon the Department
6 shall proceed to administer and enforce this Section as of the
7 first day of September next following the adoption and filing.
8 Beginning January 1, 1992, an ordinance or resolution imposing
9 or discontinuing the tax hereunder or effecting a change in the
10 rate thereof shall be adopted and a certified copy thereof
11 filed with the Department on or before the first day of July,
12 whereupon the Department shall proceed to administer and
13 enforce this Section as of the first day of October next
14 following such adoption and filing. Beginning January 1, 1993,
15 an ordinance or resolution imposing or discontinuing the tax
16 hereunder or effecting a change in the rate thereof shall be
17 adopted and a certified copy thereof filed with the Department
18 on or before the first day of October, whereupon the Department
19 shall proceed to administer and enforce this Section as of the
20 first day of January next following the adoption and filing.
21 However, a municipality located in a county with a population
22 in excess of 3,000,000 that elected to become a home rule unit
23 at the general primary election in 1994 may adopt an ordinance
24 or resolution imposing the tax under this Section and file a
25 certified copy of the ordinance or resolution with the
26 Department on or before July 1, 1994. The Department shall then

1 proceed to administer and enforce this Section as of October 1,
2 1994. Beginning April 1, 1998, an ordinance or resolution
3 imposing or discontinuing the tax hereunder or effecting a
4 change in the rate thereof shall either (i) be adopted and a
5 certified copy thereof filed with the Department on or before
6 the first day of April, whereupon the Department shall proceed
7 to administer and enforce this Section as of the first day of
8 July next following the adoption and filing; or (ii) be adopted
9 and a certified copy thereof filed with the Department on or
10 before the first day of October, whereupon the Department shall
11 proceed to administer and enforce this Section as of the first
12 day of January next following the adoption and filing.

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

19 Any unobligated balance remaining in the Municipal
20 Retailers' Occupation Tax Fund on December 31, 1989, which fund
21 was abolished by Public Act 85-1135, and all receipts of
22 municipal tax as a result of audits of liability periods prior
23 to January 1, 1990, shall be paid into the Local Government Tax
24 Fund for distribution as provided by this Section prior to the
25 enactment of Public Act 85-1135. All receipts of municipal tax
26 as a result of an assessment not arising from an audit, for

1 liability periods prior to January 1, 1990, shall be paid into
2 the Local Government Tax Fund for distribution before July 1,
3 1990, as provided by this Section prior to the enactment of
4 Public Act 85-1135; and on and after July 1, 1990, all such
5 receipts shall be distributed as provided in Section 6z-18 of
6 the State Finance Act.

7 As used in this Section, "municipal" and "municipality"
8 means a city, village or incorporated town, including an
9 incorporated town that has superseded a civil township.

10 This Section shall be known and may be cited as the Home
11 Rule Municipal Retailers' Occupation Tax Act.

12 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

13 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

14 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
15 Occupation Tax Act. The corporate authorities of a non-home
16 rule municipality may impose a tax upon all persons engaged in
17 the business of selling tangible personal property, other than
18 on an item of tangible personal property which is titled and
19 registered by an agency of this State's Government, at retail
20 in the municipality for expenditure on public infrastructure or
21 for property tax relief or both as defined in Section 8-11-1.2
22 if approved by referendum as provided in Section 8-11-1.1, of
23 the gross receipts from such sales made in the course of such
24 business. If the tax is approved by referendum on or after July
25 14, 2010 (the effective date of Public Act 96-1057), the

1 corporate authorities of a non-home rule municipality may,
2 until December 31, 2020, use the proceeds of the tax for
3 expenditure on municipal operations, in addition to or in lieu
4 of any expenditure on public infrastructure or for property tax
5 relief. The tax imposed may not be more than 1% and may be
6 imposed only in 1/4% increments. The tax may not be imposed on
7 the sale of food for human consumption that is to be consumed
8 off the premises where it is sold (other than alcoholic
9 beverages, soft drinks, and food that has been prepared for
10 immediate consumption) and prescription and nonprescription
11 medicines, drugs, medical appliances, and insulin, urine
12 testing materials, syringes, and needles used by diabetics. The
13 tax imposed by a municipality pursuant to this Section and all
14 civil penalties that may be assessed as an incident thereof
15 shall be collected and enforced by the State Department of
16 Revenue. The certificate of registration which is issued by the
17 Department to a retailer under the Retailers' Occupation Tax
18 Act shall permit such retailer to engage in a business which is
19 taxable under any ordinance or resolution enacted pursuant to
20 this Section without registering separately with the
21 Department under such ordinance or resolution or under this
22 Section. The Department shall have full power to administer and
23 enforce this Section; to collect all taxes and penalties due
24 hereunder; to dispose of taxes and penalties so collected in
25 the manner hereinafter provided, and to determine all rights to
26 credit memoranda, arising on account of the erroneous payment

1 of tax or penalty hereunder. In the administration of, and
2 compliance with, this Section, the Department and persons who
3 are subject to this Section shall have the same rights,
4 remedies, privileges, immunities, powers and duties, and be
5 subject to the same conditions, restrictions, limitations,
6 penalties and definitions of terms, and employ the same modes
7 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
8 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
9 therein other than the State rate of tax), 2c, 3 (except as to
10 the disposition of taxes and penalties collected), 4, 5, 5a,
11 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
12 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
13 and Section 3-7 of the Uniform Penalty and Interest Act as
14 fully as if those provisions were set forth herein.

15 No municipality may impose a tax under this Section unless
16 the municipality also imposes a tax at the same rate under
17 Section 8-11-1.4 of this Code.

18 Persons subject to any tax imposed pursuant to the
19 authority granted in this Section may reimburse themselves for
20 their seller's tax liability hereunder by separately stating
21 such tax as an additional charge, which charge may be stated in
22 combination, in a single amount, with State tax which sellers
23 are required to collect under the Use Tax Act, pursuant to such
24 bracket schedules as the Department may prescribe.

25 Whenever the Department determines that a refund should be
26 made under this Section to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified, and to the person named, in such notification
4 from the Department. Such refund shall be paid by the State
5 Treasurer out of the non-home rule municipal retailers'
6 occupation tax fund.

7 The Department shall forthwith pay over to the State
8 Treasurer, ex officio, as trustee, all taxes and penalties
9 collected hereunder.

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

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to named municipalities,
22 the municipalities to be those from which retailers have paid
23 taxes or penalties hereunder to the Department during the
24 second preceding calendar month. The amount to be paid to each
25 municipality shall be the amount (not including credit
26 memoranda) collected hereunder during the second preceding

1 calendar month by the Department plus an amount the Department
2 determines is necessary to offset any amounts which were
3 erroneously paid to a different taxing body, and not including
4 an amount equal to the amount of refunds made during the second
5 preceding calendar month by the Department on behalf of such
6 municipality, and not including any amount which the Department
7 determines is necessary to offset any amounts which were
8 payable to a different taxing body but were erroneously paid to
9 the municipality, and not including any amounts that are
10 transferred to the STAR Bonds Revenue Fund, ~~less 2% of the~~
11 ~~remainder, which the Department shall transfer into the Tax~~
12 ~~Compliance and Administration Fund.~~ The Department, at the time
13 of each monthly disbursement to the municipalities, shall
14 prepare and certify to the State Comptroller the amount to be
15 transferred into the Tax Compliance and Administration Fund
16 under this Section. Within 10 days after receipt, by the
17 Comptroller, of the disbursement certification to the
18 municipalities and the Tax Compliance and Administration Fund
19 provided for in this Section to be given to the Comptroller by
20 the Department, the Comptroller shall cause the orders to be
21 drawn for the respective amounts in accordance with the
22 directions contained in such certification.

23 For the purpose of determining the local governmental unit
24 whose tax is applicable, a retail sale, by a producer of coal
25 or other mineral mined in Illinois, is a sale at retail at the
26 place where the coal or other mineral mined in Illinois is

1 extracted from the earth. This paragraph does not apply to coal
2 or other mineral when it is delivered or shipped by the seller
3 to the purchaser at a point outside Illinois so that the sale
4 is exempt under the Federal Constitution as a sale in
5 interstate or foreign commerce.

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

10 When certifying the amount of a monthly disbursement to a
11 municipality under this Section, the Department shall increase
12 or decrease such amount by an amount necessary to offset any
13 misallocation of previous disbursements. The offset amount
14 shall be the amount erroneously disbursed within the previous 6
15 months from the time a misallocation is discovered.

16 The Department of Revenue shall implement this amendatory
17 Act of the 91st General Assembly so as to collect the tax on
18 and after January 1, 2002.

19 As used in this Section, "municipal" and "municipality"
20 means a city, village or incorporated town, including an
21 incorporated town which has superseded a civil township.

22 This Section shall be known and may be cited as the
23 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

24 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

25 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

1 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
2 Tax Act. The corporate authorities of a non-home rule
3 municipality may impose a tax upon all persons engaged, in such
4 municipality, in the business of making sales of service for
5 expenditure on public infrastructure or for property tax relief
6 or both as defined in Section 8-11-1.2 if approved by
7 referendum as provided in Section 8-11-1.1, of the selling
8 price of all tangible personal property transferred by such
9 servicemen either in the form of tangible personal property or
10 in the form of real estate as an incident to a sale of service.
11 If the tax is approved by referendum on or after July 14, 2010
12 (the effective date of Public Act 96-1057), the corporate
13 authorities of a non-home rule municipality may, until December
14 31, 2020, use the proceeds of the tax for expenditure on
15 municipal operations, in addition to or in lieu of any
16 expenditure on public infrastructure or for property tax
17 relief. The tax imposed may not be more than 1% and may be
18 imposed only in 1/4% increments. The tax may not be imposed on
19 the sale of food for human consumption that is to be consumed
20 off the premises where it is sold (other than alcoholic
21 beverages, soft drinks, and food that has been prepared for
22 immediate consumption) and prescription and nonprescription
23 medicines, drugs, medical appliances, and insulin, urine
24 testing materials, syringes, and needles used by diabetics. The
25 tax imposed by a municipality pursuant to this Section and all
26 civil penalties that may be assessed as an incident thereof

1 shall be collected and enforced by the State Department of
2 Revenue. The certificate of registration which is issued by the
3 Department to a retailer under the Retailers' Occupation Tax
4 Act or under the Service Occupation Tax Act shall permit such
5 registrant to engage in a business which is taxable under any
6 ordinance or resolution enacted pursuant to this Section
7 without registering separately with the Department under such
8 ordinance or resolution or under this Section. The Department
9 shall have full power to administer and enforce this Section;
10 to collect all taxes and penalties due hereunder; to dispose of
11 taxes and penalties so collected in the manner hereinafter
12 provided, and to determine all rights to credit memoranda
13 arising on account of the erroneous payment of tax or penalty
14 hereunder. In the administration of, and compliance with, this
15 Section the Department and persons who are subject to this
16 Section shall have the same rights, remedies, privileges,
17 immunities, powers and duties, and be subject to the same
18 conditions, restrictions, limitations, penalties and
19 definitions of terms, and employ the same modes of procedure,
20 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
21 respect to all provisions therein other than the State rate of
22 tax), 4 (except that the reference to the State shall be to the
23 taxing municipality), 5, 7, 8 (except that the jurisdiction to
24 which the tax shall be a debt to the extent indicated in that
25 Section 8 shall be the taxing municipality), 9 (except as to
26 the disposition of taxes and penalties collected, and except

1 that the returned merchandise credit for this municipal tax may
2 not be taken against any State tax), 10, 11, 12 (except the
3 reference therein to Section 2b of the Retailers' Occupation
4 Tax Act), 13 (except that any reference to the State shall mean
5 the taxing municipality), the first paragraph of Section 15,
6 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
7 Section 3-7 of the Uniform Penalty and Interest Act, as fully
8 as if those provisions were set forth herein.

9 No municipality may impose a tax under this Section unless
10 the municipality also imposes a tax at the same rate under
11 Section 8-11-1.3 of this Code.

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

20 Whenever the Department determines that a refund should be
21 made under this Section to a claimant instead of issuing credit
22 memorandum, the Department shall notify the State Comptroller,
23 who shall cause the order to be drawn for the amount specified,
24 and to the person named, in such notification from the
25 Department. Such refund shall be paid by the State Treasurer
26 out of the municipal retailers' occupation tax fund.

1 The Department shall forthwith pay over to the State
2 Treasurer, ex officio, as trustee, all taxes and penalties
3 collected hereunder.

4 As soon as possible after the first day of each month,
5 beginning January 1, 2011, upon certification of the Department
6 of Revenue, the Comptroller shall order transferred, and the
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
8 local sales tax increment, as defined in the Innovation
9 Development and Economy Act, collected under this Section
10 during the second preceding calendar month for sales within a
11 STAR bond district.

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on or before the 25th day of each calendar month, the
14 Department shall prepare and certify to the Comptroller the
15 disbursement of stated sums of money to named municipalities,
16 the municipalities to be those from which suppliers and
17 servicemen have paid taxes or penalties hereunder to the
18 Department during the second preceding calendar month. The
19 amount to be paid to each municipality shall be the amount (not
20 including credit memoranda) collected hereunder during the
21 second preceding calendar month by the Department, and not
22 including an amount equal to the amount of refunds made during
23 the second preceding calendar month by the Department on behalf
24 of such municipality, and not including any amounts that are
25 transferred to the STAR Bonds Revenue Fund, ~~less 2% of the~~
26 ~~remainder, which the Department shall transfer into the Tax~~

1 ~~Compliance and Administration Fund.~~ The Department, at the time
2 of each monthly disbursement to the municipalities, shall
3 prepare and certify to the State Comptroller the amount to be
4 transferred into the Tax Compliance and Administration Fund
5 under this Section. Within 10 days after receipt, by the
6 Comptroller, of the disbursement certification to the
7 municipalities, the General Revenue Fund, and the Tax
8 Compliance and Administration Fund provided for in this Section
9 to be given to the Comptroller by the Department, the
10 Comptroller shall cause the orders to be drawn for the
11 respective amounts in accordance with the directions contained
12 in such certification.

13 The Department of Revenue shall implement this amendatory
14 Act of the 91st General Assembly so as to collect the tax on
15 and after January 1, 2002.

16 Nothing in this Section shall be construed to authorize a
17 municipality to impose a tax upon the privilege of engaging in
18 any business which under the constitution of the United States
19 may not be made the subject of taxation by this State.

20 As used in this Section, "municipal" or "municipality"
21 means or refers to a city, village or incorporated town,
22 including an incorporated town which has superseded a civil
23 township.

24 This Section shall be known and may be cited as the
25 "Non-Home Rule Municipal Service Occupation Tax Act".

26 (Source: P.A. 100-23, eff. 7-6-17.)

1 (65 ILCS 5/8-11-1.6)

2 Sec. 8-11-1.6. Non-home rule municipal retailers
3 occupation tax; municipalities between 20,000 and 25,000. The
4 corporate authorities of a non-home rule municipality with a
5 population of more than 20,000 but less than 25,000 that has,
6 prior to January 1, 1987, established a Redevelopment Project
7 Area that has been certified as a State Sales Tax Boundary and
8 has issued bonds or otherwise incurred indebtedness to pay for
9 costs in excess of \$5,000,000, which is secured in part by a
10 tax increment allocation fund, in accordance with the
11 provisions of Division 11-74.4 of this Code may, by passage of
12 an ordinance, impose a tax upon all persons engaged in the
13 business of selling tangible personal property, other than on
14 an item of tangible personal property that is titled and
15 registered by an agency of this State's Government, at retail
16 in the municipality. This tax may not be imposed on the sales
17 of food for human consumption that is to be consumed off the
18 premises where it is sold (other than alcoholic beverages, soft
19 drinks, and food that has been prepared for immediate
20 consumption) and prescription and nonprescription medicines,
21 drugs, medical appliances and insulin, urine testing
22 materials, syringes, and needles used by diabetics. If imposed,
23 the tax shall only be imposed in .25% increments of the gross
24 receipts from such sales made in the course of business. Any
25 tax imposed by a municipality under this Section and all civil

1 penalties that may be assessed as an incident thereof shall be
2 collected and enforced by the State Department of Revenue. An
3 ordinance imposing a tax hereunder or effecting a change in the
4 rate thereof shall be adopted and a certified copy thereof
5 filed with the Department on or before the first day of
6 October, whereupon the Department shall proceed to administer
7 and enforce this Section as of the first day of January next
8 following such adoption and filing. The certificate of
9 registration that is issued by the Department to a retailer
10 under the Retailers' Occupation Tax Act shall permit the
11 retailer to engage in a business that is taxable under any
12 ordinance or resolution enacted under this Section without
13 registering separately with the Department under the ordinance
14 or resolution or under this Section. The Department shall have
15 full power to administer and enforce this Section, to collect
16 all taxes and penalties due hereunder, to dispose of taxes and
17 penalties so collected in the manner hereinafter provided, and
18 to determine all rights to credit memoranda, arising on account
19 of the erroneous payment of tax or penalty hereunder. In the
20 administration of, and compliance with this Section, the
21 Department and persons who are subject to this Section shall
22 have the same rights, remedies, privileges, immunities,
23 powers, and duties, and be subject to the same conditions,
24 restrictions, limitations, penalties, and definitions of
25 terms, and employ the same modes of procedure, as are
26 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2

1 through 2-65 (in respect to all provisions therein other than
2 the State rate of tax), 2c, 3 (except as to the disposition of
3 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
4 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
5 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
6 the Uniform Penalty and Interest Act as fully as if those
7 provisions were set forth herein.

8 A tax may not be imposed by a municipality under this
9 Section unless the municipality also imposes a tax at the same
10 rate under Section 8-11-1.7 of this Act.

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

18 Whenever the Department determines that a refund should be
19 made under this Section to a claimant, instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the order to be drawn for the
22 amount specified, and to the person named in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of the Non-Home Rule Municipal Retailers'
25 Occupation Tax Fund, which is hereby created.

26 The Department shall forthwith pay over to the State

1 Treasurer, ex officio, as trustee, all taxes and penalties
2 collected hereunder.

3 As soon as possible after the first day of each month,
4 beginning January 1, 2011, upon certification of the Department
5 of Revenue, the Comptroller shall order transferred, and the
6 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
7 local sales tax increment, as defined in the Innovation
8 Development and Economy Act, collected under this Section
9 during the second preceding calendar month for sales within a
10 STAR bond district.

11 After the monthly transfer to the STAR Bonds Revenue Fund,
12 on or before the 25th day of each calendar month, the
13 Department shall prepare and certify to the Comptroller the
14 disbursement of stated sums of money to named municipalities,
15 the municipalities to be those from which retailers have paid
16 taxes or penalties hereunder to the Department during the
17 second preceding calendar month. The amount to be paid to each
18 municipality shall be the amount (not including credit
19 memoranda) collected hereunder during the second preceding
20 calendar month by the Department plus an amount the Department
21 determines is necessary to offset any amounts that were
22 erroneously paid to a different taxing body, and not including
23 an amount equal to the amount of refunds made during the second
24 preceding calendar month by the Department on behalf of the
25 municipality, and not including any amount that the Department
26 determines is necessary to offset any amounts that were payable

1 to a different taxing body but were erroneously paid to the
2 municipality, and not including any amounts that are
3 transferred to the STAR Bonds Revenue Fund, ~~less 2% of the~~
4 ~~remainder, which the Department shall transfer into the Tax~~
5 ~~Compliance and Administration Fund.~~ The Department, at the time
6 of each monthly disbursement to the municipalities, shall
7 prepare and certify to the State Comptroller the amount to be
8 transferred into the Tax Compliance and Administration Fund
9 under this Section. Within 10 days after receipt by the
10 Comptroller of the disbursement certification to the
11 municipalities and the Tax Compliance and Administration Fund
12 provided for in this Section to be given to the Comptroller by
13 the Department, the Comptroller shall cause the orders to be
14 drawn for the respective amounts in accordance with the
15 directions contained in the certification.

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

25 Nothing in this Section shall be construed to authorize a
26 municipality to impose a tax upon the privilege of engaging in

1 any business which under the constitution of the United States
2 may not be made the subject of taxation by this State.

3 When certifying the amount of a monthly disbursement to a
4 municipality under this Section, the Department shall increase
5 or decrease the amount by an amount necessary to offset any
6 misallocation of previous disbursements. The offset amount
7 shall be the amount erroneously disbursed within the previous 6
8 months from the time a misallocation is discovered.

9 As used in this Section, "municipal" and "municipality"
10 means a city, village, or incorporated town, including an
11 incorporated town that has superseded a civil township.

12 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;
13 100-23, eff. 7-6-17; revised 10-3-17.)

14 (65 ILCS 5/8-11-1.7)

15 Sec. 8-11-1.7. Non-home rule municipal service occupation
16 tax; municipalities between 20,000 and 25,000. The corporate
17 authorities of a non-home rule municipality with a population
18 of more than 20,000 but less than 25,000 as determined by the
19 last preceding decennial census that has, prior to January 1,
20 1987, established a Redevelopment Project Area that has been
21 certified as a State Sales Tax Boundary and has issued bonds or
22 otherwise incurred indebtedness to pay for costs in excess of
23 \$5,000,000, which is secured in part by a tax increment
24 allocation fund, in accordance with the provisions of Division
25 11-74.4 of this Code may, by passage of an ordinance, impose a

1 tax upon all persons engaged in the municipality in the
2 business of making sales of service. If imposed, the tax shall
3 only be imposed in .25% increments of the selling price of all
4 tangible personal property transferred by such servicemen
5 either in the form of tangible personal property or in the form
6 of real estate as an incident to a sale of service. This tax
7 may not be imposed on the sales of food for human consumption
8 that is to be consumed off the premises where it is sold (other
9 than alcoholic beverages, soft drinks, and food that has been
10 prepared for immediate consumption) and prescription and
11 nonprescription medicines, drugs, medical appliances and
12 insulin, urine testing materials, syringes, and needles used by
13 diabetics. The tax imposed by a municipality under this Section
14 ~~Sec.~~ and all civil penalties that may be assessed as an
15 incident thereof shall be collected and enforced by the State
16 Department of Revenue. An ordinance imposing a tax hereunder or
17 effecting a change in the rate thereof shall be adopted and a
18 certified copy thereof filed with the Department on or before
19 the first day of October, whereupon the Department shall
20 proceed to administer and enforce this Section as of the first
21 day of January next following such adoption and filing. The
22 certificate of registration that is issued by the Department to
23 a retailer under the Retailers' Occupation Tax Act or under the
24 Service Occupation Tax Act shall permit the registrant to
25 engage in a business that is taxable under any ordinance or
26 resolution enacted under this Section without registering

1 separately with the Department under the ordinance or
2 resolution or under this Section. The Department shall have
3 full power to administer and enforce this Section, to collect
4 all taxes and penalties due hereunder, to dispose of taxes and
5 penalties so collected in a manner hereinafter provided, and to
6 determine all rights to credit memoranda arising on account of
7 the erroneous payment of tax or penalty hereunder. In the
8 administration of and compliance with this Section, the
9 Department and persons who are subject to this Section shall
10 have the same rights, remedies, privileges, immunities,
11 powers, and duties, and be subject to the same conditions,
12 restrictions, limitations, penalties and definitions of terms,
13 and employ the same modes of procedure, as are prescribed in
14 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all
15 provisions therein other than the State rate of tax), 4 (except
16 that the reference to the State shall be to the taxing
17 municipality), 5, 7, 8 (except that the jurisdiction to which
18 the tax shall be a debt to the extent indicated in that Section
19 8 shall be the taxing municipality), 9 (except as to the
20 disposition of taxes and penalties collected, and except that
21 the returned merchandise credit for this municipal tax may not
22 be taken against any State tax), 10, 11, 12, (except the
23 reference therein to Section 2b of the Retailers' Occupation
24 Tax Act), 13 (except that any reference to the State shall mean
25 the taxing municipality), the first paragraph of Sections 15,
26 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and

1 Section 3-7 of the Uniform Penalty and Interest Act, as fully
2 as if those provisions were set forth herein.

3 A tax may not be imposed by a municipality under this
4 Section unless the municipality also imposes a tax at the same
5 rate under Section 8-11-1.6 of this Act.

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

13 Whenever the Department determines that a refund should be
14 made under this Section to a claimant instead of issuing credit
15 memorandum, the Department shall notify the State Comptroller,
16 who shall cause the order to be drawn for the amount specified,
17 and to the person named, in such notification from the
18 Department. The refund shall be paid by the State Treasurer out
19 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

20 The Department shall forthwith pay over to the State
21 Treasurer, ex officio, as trustee, all taxes and penalties
22 collected hereunder.

23 As soon as possible after the first day of each month,
24 beginning January 1, 2011, upon certification of the Department
25 of Revenue, the Comptroller shall order transferred, and the
26 Treasurer shall transfer, to the STAR Bonds Revenue Fund the

1 local sales tax increment, as defined in the Innovation
2 Development and Economy Act, collected under this Section
3 during the second preceding calendar month for sales within a
4 STAR bond district.

5 After the monthly transfer to the STAR Bonds Revenue Fund,
6 on or before the 25th day of each calendar month, the
7 Department shall prepare and certify to the Comptroller the
8 disbursement of stated sums of money to named municipalities,
9 the municipalities to be those from which suppliers and
10 servicemen have paid taxes or penalties hereunder to the
11 Department during the second preceding calendar month. The
12 amount to be paid to each municipality shall be the amount (not
13 including credit memoranda) collected hereunder during the
14 second preceding calendar month by the Department, and not
15 including an amount equal to the amount of refunds made during
16 the second preceding calendar month by the Department on behalf
17 of such municipality, and not including any amounts that are
18 transferred to the STAR Bonds Revenue Fund, ~~less 2% of the~~
19 ~~remainder, which the Department shall transfer into the Tax~~
20 ~~Compliance and Administration Fund.~~ The Department, at the time
21 of each monthly disbursement to the municipalities, shall
22 prepare and certify to the State Comptroller the amount to be
23 transferred into the Tax Compliance and Administration Fund
24 under this Section. Within 10 days after receipt by the
25 Comptroller of the disbursement certification to the
26 municipalities, the Tax Compliance and Administration Fund,

1 and the General Revenue Fund, provided for in this Section to
2 be given to the Comptroller by the Department, the Comptroller
3 shall cause the orders to be drawn for the respective amounts
4 in accordance with the directions contained in the
5 certification.

6 When certifying the amount of a monthly disbursement to a
7 municipality under this Section, the Department shall increase
8 or decrease the amount by an amount necessary to offset any
9 misallocation of previous disbursements. The offset amount
10 shall be the amount erroneously disbursed within the previous 6
11 months from the time a misallocation is discovered.

12 Nothing in this Section shall be construed to authorize a
13 municipality to impose a tax upon the privilege of engaging in
14 any business which under the constitution of the United States
15 may not be made the subject of taxation by this State.

16 (Source: P.A. 100-23, eff. 7-6-17; revised 10-3-17.)

17 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

18 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
19 Act. The corporate authorities of a home rule municipality may
20 impose a tax upon all persons engaged, in such municipality, in
21 the business of making sales of service at the same rate of tax
22 imposed pursuant to Section 8-11-1, of the selling price of all
23 tangible personal property transferred by such servicemen
24 either in the form of tangible personal property or in the form
25 of real estate as an incident to a sale of service. If imposed,

1 such tax shall only be imposed in 1/4% increments. On and after
2 September 1, 1991, this additional tax may not be imposed on
3 the sales of food for human consumption which is to be consumed
4 off the premises where it is sold (other than alcoholic
5 beverages, soft drinks and food which has been prepared for
6 immediate consumption) and prescription and nonprescription
7 medicines, drugs, medical appliances and insulin, urine
8 testing materials, syringes and needles used by diabetics. The
9 tax imposed by a home rule municipality pursuant to this
10 Section and all civil penalties that may be assessed as an
11 incident thereof shall be collected and enforced by the State
12 Department of Revenue. The certificate of registration which is
13 issued by the Department to a retailer under the Retailers'
14 Occupation Tax Act or under the Service Occupation Tax Act
15 shall permit such registrant to engage in a business which is
16 taxable under any ordinance or resolution enacted pursuant to
17 this Section without registering separately with the
18 Department under such ordinance or resolution or under this
19 Section. The Department shall have full power to administer and
20 enforce this Section; to collect all taxes and penalties due
21 hereunder; to dispose of taxes and penalties so collected in
22 the manner hereinafter provided, and to determine all rights to
23 credit memoranda arising on account of the erroneous payment of
24 tax or penalty hereunder. In the administration of, and
25 compliance with, this Section the Department and persons who
26 are subject to this Section shall have the same rights,

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

21 No tax may be imposed by a home rule municipality pursuant
22 to this Section unless such municipality also imposes a tax at
23 the same rate pursuant to Section 8-11-1 of this Act.

24 Persons subject to any tax imposed pursuant to the
25 authority granted in this Section may reimburse themselves for
26 their serviceman's tax liability hereunder by separately

1 stating such tax as an additional charge, which charge may be
2 stated in combination, in a single amount, with State tax which
3 servicemen are authorized to collect under the Service Use Tax
4 Act, pursuant to such bracket schedules as the Department may
5 prescribe.

6 Whenever the Department determines that a refund should be
7 made under this Section to a claimant instead of issuing credit
8 memorandum, the Department shall notify the State Comptroller,
9 who shall cause the order to be drawn for the amount specified,
10 and to the person named, in such notification from the
11 Department. Such refund shall be paid by the State Treasurer
12 out of the home rule municipal retailers' occupation tax fund.

13 The Department shall forthwith pay over to the State
14 Treasurer, ex-officio, as trustee, all taxes and penalties
15 collected hereunder.

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

24 After the monthly transfer to the STAR Bonds Revenue Fund,
25 on or before the 25th day of each calendar month, the
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to named municipalities,
2 the municipalities to be those from which suppliers and
3 servicemen have paid taxes or penalties hereunder to the
4 Department during the second preceding calendar month. The
5 amount to be paid to each municipality shall be the amount (not
6 including credit memoranda) collected hereunder during the
7 second preceding calendar month by the Department, and not
8 including an amount equal to the amount of refunds made during
9 the second preceding calendar month by the Department on behalf
10 of such municipality, and not including any amounts that are
11 transferred to the STAR Bonds Revenue Fund, ~~less 2% of the~~
12 ~~remainder, which the Department shall transfer into the Tax~~
13 ~~Compliance and Administration Fund.~~ The Department, at the time
14 of each monthly disbursement to the municipalities, shall
15 prepare and certify to the State Comptroller the amount to be
16 transferred into the Tax Compliance and Administration Fund
17 under this Section. Within 10 days after receipt, by the
18 Comptroller, of the disbursement certification to the
19 municipalities and the Tax Compliance and Administration Fund
20 provided for in this Section to be given to the Comptroller by
21 the Department, the Comptroller shall cause the orders to be
22 drawn for the respective amounts in accordance with the
23 directions contained in such certification.

24 In addition to the disbursement required by the preceding
25 paragraph and in order to mitigate delays caused by
26 distribution procedures, an allocation shall, if requested, be

1 made within 10 days after January 14, 1991, and in November of
2 1991 and each year thereafter, to each municipality that
3 received more than \$500,000 during the preceding fiscal year,
4 (July 1 through June 30) whether collected by the municipality
5 or disbursed by the Department as required by this Section.
6 Within 10 days after January 14, 1991, participating
7 municipalities shall notify the Department in writing of their
8 intent to participate. In addition, for the initial
9 distribution, participating municipalities shall certify to
10 the Department the amounts collected by the municipality for
11 each month under its home rule occupation and service
12 occupation tax during the period July 1, 1989 through June 30,
13 1990. The allocation within 10 days after January 14, 1991,
14 shall be in an amount equal to the monthly average of these
15 amounts, excluding the 2 months of highest receipts. Monthly
16 average for the period of July 1, 1990 through June 30, 1991
17 will be determined as follows: the amounts collected by the
18 municipality under its home rule occupation and service
19 occupation tax during the period of July 1, 1990 through
20 September 30, 1990, plus amounts collected by the Department
21 and paid to such municipality through June 30, 1991, excluding
22 the 2 months of highest receipts. The monthly average for each
23 subsequent period of July 1 through June 30 shall be an amount
24 equal to the monthly distribution made to each such
25 municipality under the preceding paragraph during this period,
26 excluding the 2 months of highest receipts. The distribution

1 made in November 1991 and each year thereafter under this
2 paragraph and the preceding paragraph shall be reduced by the
3 amount allocated and disbursed under this paragraph in the
4 preceding period of July 1 through June 30. The Department
5 shall prepare and certify to the Comptroller for disbursement
6 the allocations made in accordance with this paragraph.

7 Nothing in this Section shall be construed to authorize a
8 municipality to impose a tax upon the privilege of engaging in
9 any business which under the constitution of the United States
10 may not be made the subject of taxation by this State.

11 An ordinance or resolution imposing or discontinuing a tax
12 hereunder or effecting a change in the rate thereof shall be
13 adopted and a certified copy thereof filed with the Department
14 on or before the first day of June, whereupon the Department
15 shall proceed to administer and enforce this Section as of the
16 first day of September next following such adoption and filing.
17 Beginning January 1, 1992, an ordinance or resolution imposing
18 or discontinuing the tax hereunder or effecting a change in the
19 rate thereof shall be adopted and a certified copy thereof
20 filed with the Department on or before the first day of July,
21 whereupon the Department shall proceed to administer and
22 enforce this Section as of the first day of October next
23 following such adoption and filing. Beginning January 1, 1993,
24 an ordinance or resolution imposing or discontinuing the tax
25 hereunder or effecting a change in the rate thereof shall be
26 adopted and a certified copy thereof filed with the Department

1 on or before the first day of October, whereupon the Department
2 shall proceed to administer and enforce this Section as of the
3 first day of January next following such adoption and filing.
4 However, a municipality located in a county with a population
5 in excess of 3,000,000 that elected to become a home rule unit
6 at the general primary election in 1994 may adopt an ordinance
7 or resolution imposing the tax under this Section and file a
8 certified copy of the ordinance or resolution with the
9 Department on or before July 1, 1994. The Department shall then
10 proceed to administer and enforce this Section as of October 1,
11 1994. Beginning April 1, 1998, an ordinance or resolution
12 imposing or discontinuing the tax hereunder or effecting a
13 change in the rate thereof shall either (i) be adopted and a
14 certified copy thereof filed with the Department on or before
15 the first day of April, whereupon the Department shall proceed
16 to administer and enforce this Section as of the first day of
17 July next following the adoption and filing; or (ii) be adopted
18 and a certified copy thereof filed with the Department on or
19 before the first day of October, whereupon the Department shall
20 proceed to administer and enforce this Section as of the first
21 day of January next following the adoption and filing.

22 Any unobligated balance remaining in the Municipal
23 Retailers' Occupation Tax Fund on December 31, 1989, which fund
24 was abolished by Public Act 85-1135, and all receipts of
25 municipal tax as a result of audits of liability periods prior
26 to January 1, 1990, shall be paid into the Local Government Tax

1 Fund, for distribution as provided by this Section prior to the
2 enactment of Public Act 85-1135. All receipts of municipal tax
3 as a result of an assessment not arising from an audit, for
4 liability periods prior to January 1, 1990, shall be paid into
5 the Local Government Tax Fund for distribution before July 1,
6 1990, as provided by this Section prior to the enactment of
7 Public Act 85-1135, and on and after July 1, 1990, all such
8 receipts shall be distributed as provided in Section 6z-18 of
9 the State Finance Act.

10 As used in this Section, "municipal" and "municipality"
11 means a city, village or incorporated town, including an
12 incorporated town which has superseded a civil township.

13 This Section shall be known and may be cited as the Home
14 Rule Municipal Service Occupation Tax Act.

15 (Source: P.A. 100-23, eff. 7-6-17.)

16 Section 20. The Metro-East Park and Recreation District Act
17 is amended by changing Section 30 as follows:

18 (70 ILCS 1605/30)

19 Sec. 30. Taxes.

20 (a) The board shall impose a tax upon all persons engaged
21 in the business of selling tangible personal property, other
22 than personal property titled or registered with an agency of
23 this State's government, at retail in the District on the gross
24 receipts from the sales made in the course of business. This

1 tax shall be imposed only at the rate of one-tenth of one per
2 cent.

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

1 restrictions, limitations, penalties, and definitions of
2 terms, and (iii) employ the same modes of procedure as are
3 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
4 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained
5 in those Sections other than the State rate of tax), 2-12, 2-15
6 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to
7 transaction returns and quarter monthly payments), 4, 5, 5a,
8 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
9 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
10 Tax Act and the Uniform Penalty and Interest Act as if those
11 provisions were set forth in this Section.

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

19 Whenever the Department determines that a refund should be
20 made under this Section to a claimant instead of issuing a
21 credit memorandum, the Department shall notify the State
22 Comptroller, who shall cause the order to be drawn for the
23 amount specified and to the person named in the notification
24 from the Department. The refund shall be paid by the State
25 Treasurer out of the State Metro-East Park and Recreation
26 District Fund.

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

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

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

24 Whenever the Department determines that a refund should be
25 made under this subsection to a claimant instead of issuing a
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the warrant to be drawn for the
2 amount specified, and to the person named, in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the State Metro-East Park and Recreation
5 District Fund.

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

10 (c) The Department shall immediately pay over to the State
11 Treasurer, ex officio, as trustee, all taxes and penalties
12 collected under this Section to be deposited into the State
13 Metro-East Park and Recreation District Fund, which shall be an
14 unappropriated trust fund held outside of the State treasury.

15 As soon as possible after the first day of each month,
16 beginning January 1, 2011, upon certification of the Department
17 of Revenue, the Comptroller shall order transferred, and the
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
19 local sales tax increment, as defined in the Innovation
20 Development and Economy Act, collected under this Section
21 during the second preceding calendar month for sales within a
22 STAR bond district. The Department shall make this
23 certification only if the Metro East Park and Recreation
24 District imposes a tax on real property as provided in the
25 definition of "local sales taxes" under the Innovation
26 Development and Economy Act.

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 on or before the 25th day of each calendar month, the
3 Department shall prepare and certify to the Comptroller the
4 disbursement of stated sums of money pursuant to Section 35 of
5 this Act to the District from which retailers have paid taxes
6 or penalties to the Department during the second preceding
7 calendar month. The amount to be paid to the District shall be
8 the amount (not including credit memoranda) collected under
9 this Section during the second preceding calendar month by the
10 Department plus an amount the Department determines is
11 necessary to offset any amounts that were erroneously paid to a
12 different taxing body, and not including (i) an amount equal to
13 the amount of refunds made during the second preceding calendar
14 month by the Department on behalf of the District, (ii) any
15 amount that the Department determines is necessary to offset
16 any amounts that were payable to a different taxing body but
17 were erroneously paid to the District, and (iii) any amounts
18 that are transferred to the STAR Bonds Revenue Fund, ~~and (iv)~~
19 ~~2% of the remainder, which the Department shall transfer into~~
20 ~~the Tax Compliance and Administration Fund.~~ The Department, at
21 the time of each monthly disbursement to the District, shall
22 prepare and certify to the State Comptroller the amount to be
23 transferred into the Tax Compliance and Administration Fund
24 under this subsection. Within 10 days after receipt by the
25 Comptroller of the disbursement certification to the District
26 and the Tax Compliance and Administration Fund provided for in

1 this Section to be given to the Comptroller by the Department,
2 the Comptroller shall cause the orders to be drawn for the
3 respective amounts in accordance with directions contained in
4 the certification.

5 (d) For the purpose of determining whether a tax authorized
6 under this Section is applicable, a retail sale by a producer
7 of coal or another mineral mined in Illinois is a sale at
8 retail at the place where the coal or other mineral mined in
9 Illinois is extracted from the earth. This paragraph does not
10 apply to coal or another mineral when it is delivered or
11 shipped by the seller to the purchaser at a point outside
12 Illinois so that the sale is exempt under the United States
13 Constitution as a sale in interstate or foreign commerce.

14 (e) Nothing in this Section shall be construed to authorize
15 the board to impose a tax upon the privilege of engaging in any
16 business that under the Constitution of the United States may
17 not be made the subject of taxation by this State.

18 (f) An ordinance imposing a tax under this Section or an
19 ordinance extending the imposition of a tax to an additional
20 county or counties shall be certified by the board and filed
21 with the Department of Revenue either (i) on or before the
22 first day of April, whereupon the Department shall proceed to
23 administer and enforce the tax as of the first day of July next
24 following the filing; or (ii) on or before the first day of
25 October, whereupon the Department shall proceed to administer
26 and enforce the tax as of the first day of January next

1 following the filing.

2 (g) When certifying the amount of a monthly disbursement to
3 the District under this Section, the Department shall increase
4 or decrease the amounts by an amount necessary to offset any
5 misallocation of previous disbursements. The offset amount
6 shall be the amount erroneously disbursed within the previous 6
7 months from the time a misallocation is discovered.

8 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

9 Section 25. The Local Mass Transit District Act is amended
10 by changing Section 5.01 as follows:

11 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

12 Sec. 5.01. Metro East Mass Transit District; use and
13 occupation taxes.

14 (a) The Board of Trustees of any Metro East Mass Transit
15 District may, by ordinance adopted with the concurrence of
16 two-thirds of the then trustees, impose throughout the District
17 any or all of the taxes and fees provided in this Section. All
18 taxes and fees imposed under this Section shall be used only
19 for public mass transportation systems, and the amount used to
20 provide mass transit service to unserved areas of the District
21 shall be in the same proportion to the total proceeds as the
22 number of persons residing in the unserved areas is to the
23 total population of the District. Except as otherwise provided
24 in this Act, taxes imposed under this Section and civil

1 penalties imposed incident thereto shall be collected and
2 enforced by the State Department of Revenue. The Department
3 shall have the power to administer and enforce the taxes and to
4 determine all rights for refunds for erroneous payments of the
5 taxes.

6 (b) The Board may impose a Metro East Mass Transit District
7 Retailers' Occupation Tax upon all persons engaged in the
8 business of selling tangible personal property at retail in the
9 district at a rate of 1/4 of 1%, or as authorized under
10 subsection (d-5) of this Section, of the gross receipts from
11 the sales made in the course of such business within the
12 district. The tax imposed under this Section and all civil
13 penalties that may be assessed as an incident thereof shall be
14 collected and enforced by the State Department of Revenue. The
15 Department shall have full power to administer and enforce this
16 Section; to collect all taxes and penalties so collected in the
17 manner hereinafter provided; and to determine all rights to
18 credit memoranda arising on account of the erroneous payment of
19 tax or penalty hereunder. In the administration of, and
20 compliance with, this Section, the Department and persons who
21 are subject to this Section shall have the same rights,
22 remedies, privileges, immunities, powers and duties, and be
23 subject to the same conditions, restrictions, limitations,
24 penalties, exclusions, exemptions and definitions of terms and
25 employ the same modes of procedure, as are prescribed in
26 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65

1 (in respect to all provisions therein other than the State rate
2 of tax), 2c, 3 (except as to the disposition of taxes and
3 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
4 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of
5 the Retailers' Occupation Tax Act and Section 3-7 of the
6 Uniform Penalty and Interest Act, as fully as if those
7 provisions were set forth herein.

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

15 Whenever the Department determines that a refund should be
16 made under this Section to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the warrant to be drawn for the
19 amount specified, and to the person named, in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the Metro East Mass Transit District tax fund
22 established under paragraph (h) of this Section.

23 If a tax is imposed under this subsection (b), a tax shall
24 also be imposed under subsections (c) and (d) of this Section.

25 For the purpose of determining whether a tax authorized
26 under this Section is applicable, a retail sale, by a producer

1 of coal or other mineral mined in Illinois, is a sale at retail
2 at the place where the coal or other mineral mined in Illinois
3 is extracted from the earth. This paragraph does not apply to
4 coal or other mineral when it is delivered or shipped by the
5 seller to the purchaser at a point outside Illinois so that the
6 sale is exempt under the Federal Constitution as a sale in
7 interstate or foreign commerce.

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

12 Nothing in this Section shall be construed to authorize the
13 Metro East Mass Transit District to impose a tax upon the
14 privilege of engaging in any business which under the
15 Constitution of the United States may not be made the subject
16 of taxation by this State.

17 (c) If a tax has been imposed under subsection (b), a Metro
18 East Mass Transit District Service Occupation Tax shall also be
19 imposed upon all persons engaged, in the district, in the
20 business of making sales of service, who, as an incident to
21 making those sales of service, transfer tangible personal
22 property within the District, either in the form of tangible
23 personal property or in the form of real estate as an incident
24 to a sale of service. The tax rate shall be 1/4%, or as
25 authorized under subsection (d-5) of this Section, of the
26 selling price of tangible personal property so transferred

1 within the district. The tax imposed under this paragraph and
2 all civil penalties that may be assessed as an incident thereof
3 shall be collected and enforced by the State Department of
4 Revenue. The Department shall have full power to administer and
5 enforce this paragraph; to collect all taxes and penalties due
6 hereunder; to dispose of taxes and penalties so collected in
7 the manner hereinafter provided; and to determine all rights to
8 credit memoranda arising on account of the erroneous payment of
9 tax or penalty hereunder. In the administration of, and
10 compliance with this paragraph, the Department and persons who
11 are subject to this paragraph shall have the same rights,
12 remedies, privileges, immunities, powers and duties, and be
13 subject to the same conditions, restrictions, limitations,
14 penalties, exclusions, exemptions and definitions of terms and
15 employ the same modes of procedure as are prescribed in
16 Sections 1a-1, 2 (except that the reference to State in the
17 definition of supplier maintaining a place of business in this
18 State shall mean the Authority), 2a, 3 through 3-50 (in respect
19 to all provisions therein other than the State rate of tax), 4
20 (except that the reference to the State shall be to the
21 Authority), 5, 7, 8 (except that the jurisdiction to which the
22 tax shall be a debt to the extent indicated in that Section 8
23 shall be the District), 9 (except as to the disposition of
24 taxes and penalties collected, and except that the returned
25 merchandise credit for this tax may not be taken against any
26 State tax), 10, 11, 12 (except the reference therein to Section

1 2b of the Retailers' Occupation Tax Act), 13 (except that any
2 reference to the State shall mean the District), the first
3 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service
4 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
5 Interest Act, as fully as if those provisions were set forth
6 herein.

7 Persons subject to any tax imposed under the authority
8 granted in this paragraph may reimburse themselves for their
9 serviceman's tax liability hereunder by separately stating the
10 tax as an additional charge, which charge may be stated in
11 combination, in a single amount, with State tax that servicemen
12 are authorized to collect under the Service Use Tax Act, in
13 accordance with such bracket schedules as the Department may
14 prescribe.

15 Whenever the Department determines that a refund should be
16 made under this paragraph to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the warrant to be drawn for the
19 amount specified, and to the person named, in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the Metro East Mass Transit District tax fund
22 established under paragraph (h) of this Section.

23 Nothing in this paragraph shall be construed to authorize
24 the District to impose a tax upon the privilege of engaging in
25 any business which under the Constitution of the United States
26 may not be made the subject of taxation by the State.

1 (d) If a tax has been imposed under subsection (b), a Metro
2 East Mass Transit District Use Tax shall also be imposed upon
3 the privilege of using, in the district, any item of tangible
4 personal property that is purchased outside the district at
5 retail from a retailer, and that is titled or registered with
6 an agency of this State's government, at a rate of 1/4%, or as
7 authorized under subsection (d-5) of this Section, of the
8 selling price of the tangible personal property within the
9 District, as "selling price" is defined in the Use Tax Act. The
10 tax shall be collected from persons whose Illinois address for
11 titling or registration purposes is given as being in the
12 District. The tax shall be collected by the Department of
13 Revenue for the Metro East Mass Transit District. The tax must
14 be paid to the State, or an exemption determination must be
15 obtained from the Department of Revenue, before the title or
16 certificate of registration for the property may be issued. The
17 tax or proof of exemption may be transmitted to the Department
18 by way of the State agency with which, or the State officer
19 with whom, the tangible personal property must be titled or
20 registered if the Department and the State agency or State
21 officer determine that this procedure will expedite the
22 processing of applications for title or registration.

23 The Department shall have full power to administer and
24 enforce this paragraph; to collect all taxes, penalties and
25 interest due hereunder; to dispose of taxes, penalties and
26 interest so collected in the manner hereinafter provided; and

1 to determine all rights to credit memoranda or refunds arising
2 on account of the erroneous payment of tax, penalty or interest
3 hereunder. In the administration of, and compliance with, this
4 paragraph, the Department and persons who are subject to this
5 paragraph shall have the same rights, remedies, privileges,
6 immunities, powers and duties, and be subject to the same
7 conditions, restrictions, limitations, penalties, exclusions,
8 exemptions and definitions of terms and employ the same modes
9 of procedure, as are prescribed in Sections 2 (except the
10 definition of "retailer maintaining a place of business in this
11 State"), 3 through 3-80 (except provisions pertaining to the
12 State rate of tax, and except provisions concerning collection
13 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
14 19 (except the portions pertaining to claims by retailers and
15 except the last paragraph concerning refunds), 20, 21 and 22 of
16 the Use Tax Act and Section 3-7 of the Uniform Penalty and
17 Interest Act, that are not inconsistent with this paragraph, as
18 fully as if those provisions were set forth herein.

19 Whenever the Department determines that a refund should be
20 made under this paragraph to a claimant instead of issuing a
21 credit memorandum, the Department shall notify the State
22 Comptroller, who shall cause the order to be drawn for the
23 amount specified, and to the person named, in the notification
24 from the Department. The refund shall be paid by the State
25 Treasurer out of the Metro East Mass Transit District tax fund
26 established under paragraph (h) of this Section.

1 (d-5) (A) The county board of any county participating in
2 the Metro East Mass Transit District may authorize, by
3 ordinance, a referendum on the question of whether the tax
4 rates for the Metro East Mass Transit District Retailers'
5 Occupation Tax, the Metro East Mass Transit District Service
6 Occupation Tax, and the Metro East Mass Transit District Use
7 Tax for the District should be increased from 0.25% to 0.75%.
8 Upon adopting the ordinance, the county board shall certify the
9 proposition to the proper election officials who shall submit
10 the proposition to the voters of the District at the next
11 election, in accordance with the general election law.

12 The proposition shall be in substantially the following
13 form:

14 Shall the tax rates for the Metro East Mass Transit
15 District Retailers' Occupation Tax, the Metro East Mass
16 Transit District Service Occupation Tax, and the Metro East
17 Mass Transit District Use Tax be increased from 0.25% to
18 0.75%?

19 (B) Two thousand five hundred electors of any Metro East
20 Mass Transit District may petition the Chief Judge of the
21 Circuit Court, or any judge of that Circuit designated by the
22 Chief Judge, in which that District is located to cause to be
23 submitted to a vote of the electors the question whether the
24 tax rates for the Metro East Mass Transit District Retailers'
25 Occupation Tax, the Metro East Mass Transit District Service
26 Occupation Tax, and the Metro East Mass Transit District Use

1 Tax for the District should be increased from 0.25% to 0.75%.

2 Upon submission of such petition the court shall set a date
3 not less than 10 nor more than 30 days thereafter for a hearing
4 on the sufficiency thereof. Notice of the filing of such
5 petition and of such date shall be given in writing to the
6 District and the County Clerk at least 7 days before the date
7 of such hearing.

8 If such petition is found sufficient, the court shall enter
9 an order to submit that proposition at the next election, in
10 accordance with general election law.

11 The form of the petition shall be in substantially the
12 following form: To the Circuit Court of the County of (name of
13 county):

14 We, the undersigned electors of the (name of transit
15 district), respectfully petition your honor to submit to a
16 vote of the electors of (name of transit district) the
17 following proposition:

18 Shall the tax rates for the Metro East Mass Transit
19 District Retailers' Occupation Tax, the Metro East Mass
20 Transit District Service Occupation Tax, and the Metro East
21 Mass Transit District Use Tax be increased from 0.25% to
22 0.75%?

23 Name Address, with Street and Number.

24

25

26 (C) The votes shall be recorded as "YES" or "NO". If a

1 majority of all votes cast on the proposition are for the
2 increase in the tax rates, the Metro East Mass Transit District
3 shall begin imposing the increased rates in the District, and
4 the Department of Revenue shall begin collecting the increased
5 amounts, as provided under this Section. An ordinance imposing
6 or discontinuing a tax hereunder or effecting a change in the
7 rate thereof shall be adopted and a certified copy thereof
8 filed with the Department on or before the first day of
9 October, whereupon the Department shall proceed to administer
10 and enforce this Section as of the first day of January next
11 following the adoption and filing, or on or before the first
12 day of April, whereupon the Department shall proceed to
13 administer and enforce this Section as of the first day of July
14 next following the adoption and filing.

15 (D) If the voters have approved a referendum under this
16 subsection, before November 1, 1994, to increase the tax rate
17 under this subsection, the Metro East Mass Transit District
18 Board of Trustees may adopt by a majority vote an ordinance at
19 any time before January 1, 1995 that excludes from the rate
20 increase tangible personal property that is titled or
21 registered with an agency of this State's government. The
22 ordinance excluding titled or registered tangible personal
23 property from the rate increase must be filed with the
24 Department at least 15 days before its effective date. At any
25 time after adopting an ordinance excluding from the rate
26 increase tangible personal property that is titled or

1 registered with an agency of this State's government, the Metro
2 East Mass Transit District Board of Trustees may adopt an
3 ordinance applying the rate increase to that tangible personal
4 property. The ordinance shall be adopted, and a certified copy
5 of that ordinance shall be filed with the Department, on or
6 before October 1, whereupon the Department shall proceed to
7 administer and enforce the rate increase against tangible
8 personal property titled or registered with an agency of this
9 State's government as of the following January 1. After
10 December 31, 1995, any reimposed rate increase in effect under
11 this subsection shall no longer apply to tangible personal
12 property titled or registered with an agency of this State's
13 government. Beginning January 1, 1996, the Board of Trustees of
14 any Metro East Mass Transit District may never reimpose a
15 previously excluded tax rate increase on tangible personal
16 property titled or registered with an agency of this State's
17 government. After July 1, 2004, if the voters have approved a
18 referendum under this subsection to increase the tax rate under
19 this subsection, the Metro East Mass Transit District Board of
20 Trustees may adopt by a majority vote an ordinance that
21 excludes from the rate increase tangible personal property that
22 is titled or registered with an agency of this State's
23 government. The ordinance excluding titled or registered
24 tangible personal property from the rate increase shall be
25 adopted, and a certified copy of that ordinance shall be filed
26 with the Department on or before October 1, whereupon the

1 Department shall administer and enforce this exclusion from the
2 rate increase as of the following January 1, or on or before
3 April 1, whereupon the Department shall administer and enforce
4 this exclusion from the rate increase as of the following July
5 1. The Board of Trustees of any Metro East Mass Transit
6 District may never reimpose a previously excluded tax rate
7 increase on tangible personal property titled or registered
8 with an agency of this State's government.

9 (d-6) If the Board of Trustees of any Metro East Mass
10 Transit District has imposed a rate increase under subsection
11 (d-5) and filed an ordinance with the Department of Revenue
12 excluding titled property from the higher rate, then that Board
13 may, by ordinance adopted with the concurrence of two-thirds of
14 the then trustees, impose throughout the District a fee. The
15 fee on the excluded property shall not exceed \$20 per retail
16 transaction or an amount equal to the amount of tax excluded,
17 whichever is less, on tangible personal property that is titled
18 or registered with an agency of this State's government.
19 Beginning July 1, 2004, the fee shall apply only to titled
20 property that is subject to either the Metro East Mass Transit
21 District Retailers' Occupation Tax or the Metro East Mass
22 Transit District Service Occupation Tax. No fee shall be
23 imposed or collected under this subsection on the sale of a
24 motor vehicle in this State to a resident of another state if
25 that motor vehicle will not be titled in this State.

26 (d-7) Until June 30, 2004, if a fee has been imposed under

1 subsection (d-6), a fee shall also be imposed upon the
2 privilege of using, in the district, any item of tangible
3 personal property that is titled or registered with any agency
4 of this State's government, in an amount equal to the amount of
5 the fee imposed under subsection (d-6).

6 (d-7.1) Beginning July 1, 2004, any fee imposed by the
7 Board of Trustees of any Metro East Mass Transit District under
8 subsection (d-6) and all civil penalties that may be assessed
9 as an incident of the fees shall be collected and enforced by
10 the State Department of Revenue. Reference to "taxes" in this
11 Section shall be construed to apply to the administration,
12 payment, and remittance of all fees under this Section. For
13 purposes of any fee imposed under subsection (d-6), 4% of the
14 fee, penalty, and interest received by the Department in the
15 first 12 months that the fee is collected and enforced by the
16 Department and 2% of the fee, penalty, and interest following
17 the first 12 months shall be deposited into the Tax Compliance
18 and Administration Fund and shall be used by the Department,
19 subject to appropriation, to cover the costs of the Department.
20 No retailers' discount shall apply to any fee imposed under
21 subsection (d-6).

22 (d-8) No item of titled property shall be subject to both
23 the higher rate approved by referendum, as authorized under
24 subsection (d-5), and any fee imposed under subsection (d-6) or
25 (d-7).

26 (d-9) (Blank).

1 (d-10) (Blank).

2 (e) A certificate of registration issued by the State
3 Department of Revenue to a retailer under the Retailers'
4 Occupation Tax Act or under the Service Occupation Tax Act
5 shall permit the registrant to engage in a business that is
6 taxed under the tax imposed under paragraphs (b), (c) or (d) of
7 this Section and no additional registration shall be required
8 under the tax. A certificate issued under the Use Tax Act or
9 the Service Use Tax Act shall be applicable with regard to any
10 tax imposed under paragraph (c) of this Section.

11 (f) (Blank).

12 (g) Any ordinance imposing or discontinuing any tax under
13 this Section shall be adopted and a certified copy thereof
14 filed with the Department on or before June 1, whereupon the
15 Department of Revenue shall proceed to administer and enforce
16 this Section on behalf of the Metro East Mass Transit District
17 as of September 1 next following such adoption and filing.
18 Beginning January 1, 1992, an ordinance or resolution imposing
19 or discontinuing the tax hereunder shall be adopted and a
20 certified copy thereof filed with the Department on or before
21 the first day of July, whereupon the Department shall proceed
22 to administer and enforce this Section as of the first day of
23 October next following such adoption and filing. Beginning
24 January 1, 1993, except as provided in subsection (d-5) of this
25 Section, an ordinance or resolution imposing or discontinuing
26 the tax hereunder shall be adopted and a certified copy thereof

1 filed with the Department on or before the first day of
2 October, whereupon the Department shall proceed to administer
3 and enforce this Section as of the first day of January next
4 following such adoption and filing, or, beginning January 1,
5 2004, on or before the first day of April, whereupon the
6 Department shall proceed to administer and enforce this Section
7 as of the first day of July next following the adoption and
8 filing.

9 (h) Except as provided in subsection (d-7.1), the State
10 Department of Revenue shall, upon collecting any taxes as
11 provided in this Section, pay the taxes over to the State
12 Treasurer as trustee for the District. The taxes shall be held
13 in a trust fund outside the State Treasury.

14 As soon as possible after the first day of each month,
15 beginning January 1, 2011, upon certification of the Department
16 of Revenue, the Comptroller shall order transferred, and the
17 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
18 local sales tax increment, as defined in the Innovation
19 Development and Economy Act, collected under this Section
20 during the second preceding calendar month for sales within a
21 STAR bond district. The Department shall make this
22 certification only if the local mass transit district imposes a
23 tax on real property as provided in the definition of "local
24 sales taxes" under the Innovation Development and Economy Act.

25 After the monthly transfer to the STAR Bonds Revenue Fund,
26 on or before the 25th day of each calendar month, the State

1 Department of Revenue shall prepare and certify to the
2 Comptroller of the State of Illinois the amount to be paid to
3 the District, which shall be the amount (not including credit
4 memoranda) collected under this Section during the second
5 preceding calendar month by the Department plus an amount the
6 Department determines is necessary to offset any amounts that
7 were erroneously paid to a different taxing body, and not
8 including any amount equal to the amount of refunds made during
9 the second preceding calendar month by the Department on behalf
10 of the District, and not including any amount that the
11 Department determines is necessary to offset any amounts that
12 were payable to a different taxing body but were erroneously
13 paid to the District, and less any amounts that are transferred
14 to the STAR Bonds Revenue Fund, ~~less 2% of the remainder, which~~
15 ~~the Department shall transfer into the Tax Compliance and~~
16 ~~Administration Fund.~~ The Department, at the time of each
17 monthly disbursement to the District, shall prepare and certify
18 to the State Comptroller the amount to be transferred into the
19 Tax Compliance and Administration Fund under this subsection.
20 Within 10 days after receipt by the Comptroller of the
21 certification of the amount to be paid to the District and the
22 Tax Compliance and Administration Fund, the Comptroller shall
23 cause an order to be drawn for payment for the amount in
24 accordance with the direction in the certification.

25 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

1 Section 30. The Regional Transportation Authority Act is
2 amended by changing Section 4.03 as follows:

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

4 Sec. 4.03. Taxes.

5 (a) In order to carry out any of the powers or purposes of
6 the Authority, the Board may by ordinance adopted with the
7 concurrence of 12 of the then Directors, impose throughout the
8 metropolitan region any or all of the taxes provided in this
9 Section. Except as otherwise provided in this Act, taxes
10 imposed under this Section and civil penalties imposed incident
11 thereto shall be collected and enforced by the State Department
12 of Revenue. The Department shall have the power to administer
13 and enforce the taxes and to determine all rights for refunds
14 for erroneous payments of the taxes. Nothing in Public Act
15 95-708 is intended to invalidate any taxes currently imposed by
16 the Authority. The increased vote requirements to impose a tax
17 shall only apply to actions taken after January 1, 2008 (the
18 effective date of Public Act 95-708).

19 (b) The Board may impose a public transportation tax upon
20 all persons engaged in the metropolitan region in the business
21 of selling at retail motor fuel for operation of motor vehicles
22 upon public highways. The tax shall be at a rate not to exceed
23 5% of the gross receipts from the sales of motor fuel in the
24 course of the business. As used in this Act, the term "motor
25 fuel" shall have the same meaning as in the Motor Fuel Tax Law.

1 The Board may provide for details of the tax. The provisions of
2 any tax shall conform, as closely as may be practicable, to the
3 provisions of the Municipal Retailers Occupation Tax Act,
4 including without limitation, conformity to penalties with
5 respect to the tax imposed and as to the powers of the State
6 Department of Revenue to promulgate and enforce rules and
7 regulations relating to the administration and enforcement of
8 the provisions of the tax imposed, except that reference in the
9 Act to any municipality shall refer to the Authority and the
10 tax shall be imposed only with regard to receipts from sales of
11 motor fuel in the metropolitan region, at rates as limited by
12 this Section.

13 (c) In connection with the tax imposed under paragraph (b)
14 of this Section the Board may impose a tax upon the privilege
15 of using in the metropolitan region motor fuel for the
16 operation of a motor vehicle upon public highways, the tax to
17 be at a rate not in excess of the rate of tax imposed under
18 paragraph (b) of this Section. The Board may provide for
19 details of the tax.

20 (d) The Board may impose a motor vehicle parking tax upon
21 the privilege of parking motor vehicles at off-street parking
22 facilities in the metropolitan region at which a fee is
23 charged, and may provide for reasonable classifications in and
24 exemptions to the tax, for administration and enforcement
25 thereof and for civil penalties and refunds thereunder and may
26 provide criminal penalties thereunder, the maximum penalties

1 not to exceed the maximum criminal penalties provided in the
2 Retailers' Occupation Tax Act. The Authority may collect and
3 enforce the tax itself or by contract with any unit of local
4 government. The State Department of Revenue shall have no
5 responsibility for the collection and enforcement unless the
6 Department agrees with the Authority to undertake the
7 collection and enforcement. As used in this paragraph, the term
8 "parking facility" means a parking area or structure having
9 parking spaces for more than 2 vehicles at which motor vehicles
10 are permitted to park in return for an hourly, daily, or other
11 periodic fee, whether publicly or privately owned, but does not
12 include parking spaces on a public street, the use of which is
13 regulated by parking meters.

14 (e) The Board may impose a Regional Transportation
15 Authority Retailers' Occupation Tax upon all persons engaged in
16 the business of selling tangible personal property at retail in
17 the metropolitan region. In Cook County the tax rate shall be
18 1.25% of the gross receipts from sales of food for human
19 consumption that is to be consumed off the premises where it is
20 sold (other than alcoholic beverages, soft drinks and food that
21 has been prepared for immediate consumption) and prescription
22 and nonprescription medicines, drugs, medical appliances and
23 insulin, urine testing materials, syringes and needles used by
24 diabetics, and 1% of the gross receipts from other taxable
25 sales made in the course of that business. In DuPage, Kane,
26 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%

1 of the gross receipts from all taxable sales made in the course
2 of that business. The tax imposed under this Section and all
3 civil penalties that may be assessed as an incident thereof
4 shall be collected and enforced by the State Department of
5 Revenue. The Department shall have full power to administer and
6 enforce this Section; to collect all taxes and penalties so
7 collected in the manner hereinafter provided; and to determine
8 all rights to credit memoranda arising on account of the
9 erroneous payment of tax or penalty hereunder. In the
10 administration of, and compliance with this Section, the
11 Department and persons who are subject to this Section shall
12 have the same rights, remedies, privileges, immunities, powers
13 and duties, and be subject to the same conditions,
14 restrictions, limitations, penalties, exclusions, exemptions
15 and definitions of terms, and employ the same modes of
16 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
17 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
18 therein other than the State rate of tax), 2c, 3 (except as to
19 the disposition of taxes and penalties collected), 4, 5, 5a,
20 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
21 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
22 and Section 3-7 of the Uniform Penalty and Interest Act, as
23 fully as if those provisions were set forth herein.

24 Persons subject to any tax imposed under the authority
25 granted in this Section may reimburse themselves for their
26 seller's tax liability hereunder by separately stating the tax

1 as an additional charge, which charge may be stated in
2 combination in a single amount with State taxes that sellers
3 are required to collect under the Use Tax Act, under any
4 bracket schedules the Department may prescribe.

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

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

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

24 No tax shall be imposed or collected under this subsection
25 on the sale of a motor vehicle in this State to a resident of
26 another state if that motor vehicle will not be titled in this

1 State.

2 Nothing in this Section shall be construed to authorize the
3 Regional Transportation Authority to impose a tax upon the
4 privilege of engaging in any business that under the
5 Constitution of the United States may not be made the subject
6 of taxation by this State.

7 (f) If a tax has been imposed under paragraph (e), a
8 Regional Transportation Authority Service Occupation Tax shall
9 also be imposed upon all persons engaged, in the metropolitan
10 region in the business of making sales of service, who as an
11 incident to making the sales of service, transfer tangible
12 personal property within the metropolitan region, either in the
13 form of tangible personal property or in the form of real
14 estate as an incident to a sale of service. In Cook County, the
15 tax rate shall be: (1) 1.25% of the serviceman's cost price of
16 food prepared for immediate consumption and transferred
17 incident to a sale of service subject to the service occupation
18 tax by an entity licensed under the Hospital Licensing Act, the
19 Nursing Home Care Act, the Specialized Mental Health
20 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
21 the MC/DD Act that is located in the metropolitan region; (2)
22 1.25% of the selling price of food for human consumption that
23 is to be consumed off the premises where it is sold (other than
24 alcoholic beverages, soft drinks and food that has been
25 prepared for immediate consumption) and prescription and
26 nonprescription medicines, drugs, medical appliances and

1 insulin, urine testing materials, syringes and needles used by
2 diabetics; and (3) 1% of the selling price from other taxable
3 sales of tangible personal property transferred. In DuPage,
4 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
5 of the selling price of all tangible personal property
6 transferred.

7 The tax imposed under this paragraph and all civil
8 penalties that may be assessed as an incident thereof shall be
9 collected and enforced by the State Department of Revenue. The
10 Department shall have full power to administer and enforce this
11 paragraph; to collect all taxes and penalties due hereunder; to
12 dispose of taxes and penalties collected in the manner
13 hereinafter provided; and to determine all rights to credit
14 memoranda arising on account of the erroneous payment of tax or
15 penalty hereunder. In the administration of and compliance with
16 this paragraph, the Department and persons who are subject to
17 this paragraph shall have the same rights, remedies,
18 privileges, immunities, powers and duties, and be subject to
19 the same conditions, restrictions, limitations, penalties,
20 exclusions, exemptions and definitions of terms, and employ the
21 same modes of procedure, as are prescribed in Sections 1a-1, 2,
22 2a, 3 through 3-50 (in respect to all provisions therein other
23 than the State rate of tax), 4 (except that the reference to
24 the State shall be to the Authority), 5, 7, 8 (except that the
25 jurisdiction to which the tax shall be a debt to the extent
26 indicated in that Section 8 shall be the Authority), 9 (except

1 as to the disposition of taxes and penalties collected, and
2 except that the returned merchandise credit for this tax may
3 not be taken against any State tax), 10, 11, 12 (except the
4 reference therein to Section 2b of the Retailers' Occupation
5 Tax Act), 13 (except that any reference to the State shall mean
6 the Authority), the first paragraph of Section 15, 16, 17, 18,
7 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
8 the Uniform Penalty and Interest Act, as fully as if those
9 provisions were set forth herein.

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

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

25 Nothing in this paragraph shall be construed to authorize
26 the Authority to impose a tax upon the privilege of engaging in

1 any business that under the Constitution of the United States
2 may not be made the subject of taxation by the State.

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

1 registration.

2 The Department shall have full power to administer and
3 enforce this paragraph; to collect all taxes, penalties and
4 interest due hereunder; to dispose of taxes, penalties and
5 interest collected in the manner hereinafter provided; and to
6 determine all rights to credit memoranda or refunds arising on
7 account of the erroneous payment of tax, penalty or interest
8 hereunder. In the administration of and compliance with this
9 paragraph, the Department and persons who are subject to this
10 paragraph shall have the same rights, remedies, privileges,
11 immunities, powers and duties, and be subject to the same
12 conditions, restrictions, limitations, penalties, exclusions,
13 exemptions and definitions of terms and employ the same modes
14 of procedure, as are prescribed in Sections 2 (except the
15 definition of "retailer maintaining a place of business in this
16 State"), 3 through 3-80 (except provisions pertaining to the
17 State rate of tax, and except provisions concerning collection
18 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
19 19 (except the portions pertaining to claims by retailers and
20 except the last paragraph concerning refunds), 20, 21 and 22 of
21 the Use Tax Act, and are not inconsistent with this paragraph,
22 as fully as if those provisions were set forth herein.

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

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

5 (h) The Authority may impose a replacement vehicle tax of
6 \$50 on any passenger car as defined in Section 1-157 of the
7 Illinois Vehicle Code purchased within the metropolitan region
8 by or on behalf of an insurance company to replace a passenger
9 car of an insured person in settlement of a total loss claim.
10 The tax imposed may not become effective before the first day
11 of the month following the passage of the ordinance imposing
12 the tax and receipt of a certified copy of the ordinance by the
13 Department of Revenue. The Department of Revenue shall collect
14 the tax for the Authority in accordance with Sections 3-2002
15 and 3-2003 of the Illinois Vehicle Code.

16 The Department shall immediately pay over to the State
17 Treasurer, ex officio, as trustee, all taxes collected
18 hereunder.

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

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

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

18 (j) A certificate of registration issued by the State
19 Department of Revenue to a retailer under the Retailers'
20 Occupation Tax Act or under the Service Occupation Tax Act
21 shall permit the registrant to engage in a business that is
22 taxed under the tax imposed under paragraphs (b), (e), (f) or
23 (g) of this Section and no additional registration shall be
24 required under the tax. A certificate issued under the Use Tax
25 Act or the Service Use Tax Act shall be applicable with regard
26 to any tax imposed under paragraph (c) of this Section.

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

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

24 (m) Any ordinance imposing or discontinuing any tax under
25 this Section shall be adopted and a certified copy thereof
26 filed with the Department on or before June 1, whereupon the

1 Department of Revenue shall proceed to administer and enforce
2 this Section on behalf of the Regional Transportation Authority
3 as of September 1 next following such adoption and filing.
4 Beginning January 1, 1992, an ordinance or resolution imposing
5 or discontinuing the tax hereunder shall be adopted and a
6 certified copy thereof filed with the Department on or before
7 the first day of July, whereupon the Department shall proceed
8 to administer and enforce this Section as of the first day of
9 October next following such adoption and filing. Beginning
10 January 1, 1993, an ordinance or resolution imposing,
11 increasing, decreasing, or discontinuing the tax hereunder
12 shall be adopted and a certified copy thereof filed with the
13 Department, whereupon the Department shall proceed to
14 administer and enforce this Section as of the first day of the
15 first month to occur not less than 60 days following such
16 adoption and filing. Any ordinance or resolution of the
17 Authority imposing a tax under this Section and in effect on
18 August 1, 2007 shall remain in full force and effect and shall
19 be administered by the Department of Revenue under the terms
20 and conditions and rates of tax established by such ordinance
21 or resolution until the Department begins administering and
22 enforcing an increased tax under this Section as authorized by
23 Public Act 95-708. The tax rates authorized by Public Act
24 95-708 are effective only if imposed by ordinance of the
25 Authority.

26 (n) Except as otherwise provided in this subsection (n),

1 the State Department of Revenue shall, upon collecting any
2 taxes as provided in this Section, pay the taxes over to the
3 State Treasurer as trustee for the Authority. The taxes shall
4 be held in a trust fund outside the State Treasury. On or
5 before the 25th day of each calendar month, the State
6 Department of Revenue shall prepare and certify to the
7 Comptroller of the State of Illinois and to the Authority (i)
8 the amount of taxes collected in each County other than Cook
9 County in the metropolitan region, (ii) the amount of taxes
10 collected within the City of Chicago, and (iii) the amount
11 collected in that portion of Cook County outside of Chicago,
12 each amount less the amount necessary for the payment of
13 refunds to taxpayers located in those areas described in items
14 (i), (ii), and (iii), ~~and less 2% of the remainder, which shall~~
15 ~~be transferred from the trust fund into the Tax Compliance and~~
16 ~~Administration Fund.~~ The Department, at the time of each
17 monthly disbursement to the Authority, shall prepare and
18 certify to the State Comptroller the amount to be transferred
19 into the Tax Compliance and Administration Fund under this
20 subsection. Within 10 days after receipt by the Comptroller of
21 the certification of the amounts, the Comptroller shall cause
22 an order to be drawn for the transfer of the amount certified
23 into the Tax Compliance and Administration Fund and the payment
24 of two-thirds of the amounts certified in item (i) of this
25 subsection to the Authority and one-third of the amounts
26 certified in item (i) of this subsection to the respective

1 counties other than Cook County and the amount certified in
2 items (ii) and (iii) of this subsection to the Authority.

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

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

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

1 authorized under paragraphs (e), (f) and (g) of this Section is
2 in effect.

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

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

18 (Source: P.A. 99-180, eff. 7-29-15; 99-217, eff. 7-31-15;
19 99-642, eff. 7-28-16; 100-23, eff. 7-6-17.)

20 Section 35. The Water Commission Act of 1985 is amended by
21 changing Section 4 as follows:

22 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

23 Sec. 4. Taxes.

24 (a) The board of commissioners of any county water

1 commission may, by ordinance, impose throughout the territory
 2 of the commission any or all of the taxes provided in this
 3 Section for its corporate purposes. However, no county water
 4 commission may impose any such tax unless the commission
 5 certifies the proposition of imposing the tax to the proper
 6 election officials, who shall submit the proposition to the
 7 voters residing in the territory at an election in accordance
 8 with the general election law, and the proposition has been
 9 approved by a majority of those voting on the proposition.

10 The proposition shall be in the form provided in Section 5
 11 or shall be substantially in the following form:

12 -----
 13 Shall the (insert corporate
 14 name of county water commission) YES
 15 impose (state type of tax or -----
 16 taxes to be imposed) at the NO
 17 rate of 1/4%?
 18 -----

19 Taxes imposed under this Section and civil penalties
 20 imposed incident thereto shall be collected and enforced by the
 21 State Department of Revenue. The Department shall have the
 22 power to administer and enforce the taxes and to determine all
 23 rights for refunds for erroneous payments of the taxes.

24 (b) The board of commissioners may impose a County Water
 25 Commission Retailers' Occupation Tax upon all persons engaged
 26 in the business of selling tangible personal property at retail

1 in the territory of the commission at a rate of 1/4% of the
2 gross receipts from the sales made in the course of such
3 business within the territory. The tax imposed under this
4 paragraph and all civil penalties that may be assessed as an
5 incident thereof shall be collected and enforced by the State
6 Department of Revenue. The Department shall have full power to
7 administer and enforce this paragraph; to collect all taxes and
8 penalties due hereunder; to dispose of taxes and penalties so
9 collected in the manner hereinafter provided; and to determine
10 all rights to credit memoranda arising on account of the
11 erroneous payment of tax or penalty hereunder. In the
12 administration of, and compliance with, this paragraph, the
13 Department and persons who are subject to this paragraph shall
14 have the same rights, remedies, privileges, immunities, powers
15 and duties, and be subject to the same conditions,
16 restrictions, limitations, penalties, exclusions, exemptions
17 and definitions of terms, and employ the same modes of
18 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
19 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
20 therein other than the State rate of tax except that food for
21 human consumption that is to be consumed off the premises where
22 it is sold (other than alcoholic beverages, soft drinks, and
23 food that has been prepared for immediate consumption) and
24 prescription and nonprescription medicine, drugs, medical
25 appliances and insulin, urine testing materials, syringes, and
26 needles used by diabetics, for human use, shall not be subject

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

7 Persons subject to any tax imposed under the authority
8 granted in this paragraph may reimburse themselves for their
9 seller's tax liability hereunder by separately stating the tax
10 as an additional charge, which charge may be stated in
11 combination, in a single amount, with State taxes that sellers
12 are required to collect under the Use Tax Act and under
13 subsection (e) of Section 4.03 of the Regional Transportation
14 Authority Act, in accordance with such bracket schedules as the
15 Department may prescribe.

16 Whenever the Department determines that a refund should be
17 made under this paragraph to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the warrant to be drawn for the
20 amount specified, and to the person named, in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of a county water commission tax fund established
23 under subsection ~~paragraph~~ (g) of this Section.

24 For the purpose of determining whether a tax authorized
25 under this paragraph is applicable, a retail sale by a producer
26 of coal or other mineral mined in Illinois is a sale at retail

1 at the place where the coal or other mineral mined in Illinois
2 is extracted from the earth. This paragraph does not apply to
3 coal or other mineral when it is delivered or shipped by the
4 seller to the purchaser at a point outside Illinois so that the
5 sale is exempt under the Federal Constitution as a sale in
6 interstate or foreign commerce.

7 If a tax is imposed under this subsection (b), a tax shall
8 also be imposed under subsections (c) and (d) of this Section.

9 No tax shall be imposed or collected under this subsection
10 on the sale of a motor vehicle in this State to a resident of
11 another state if that motor vehicle will not be titled in this
12 State.

13 Nothing in this paragraph shall be construed to authorize a
14 county water commission to impose a tax upon the privilege of
15 engaging in any business which under the Constitution of the
16 United States may not be made the subject of taxation by this
17 State.

18 (c) If a tax has been imposed under subsection (b), a
19 County Water Commission Service Occupation Tax shall also be
20 imposed upon all persons engaged, in the territory of the
21 commission, in the business of making sales of service, who, as
22 an incident to making the sales of service, transfer tangible
23 personal property within the territory. The tax rate shall be
24 1/4% of the selling price of tangible personal property so
25 transferred within the territory. The tax imposed under this
26 paragraph and all civil penalties that may be assessed as an

1 incident thereof shall be collected and enforced by the State
2 Department of Revenue. The Department shall have full power to
3 administer and enforce this paragraph; to collect all taxes and
4 penalties due hereunder; to dispose of taxes and penalties so
5 collected in the manner hereinafter provided; and to determine
6 all rights to credit memoranda arising on account of the
7 erroneous payment of tax or penalty hereunder. In the
8 administration of, and compliance with, this paragraph, the
9 Department and persons who are subject to this paragraph shall
10 have the same rights, remedies, privileges, immunities, powers
11 and duties, and be subject to the same conditions,
12 restrictions, limitations, penalties, exclusions, exemptions
13 and definitions of terms, and employ the same modes of
14 procedure, as are prescribed in Sections 1a-1, 2 (except that
15 the reference to State in the definition of supplier
16 maintaining a place of business in this State shall mean the
17 territory of the commission), 2a, 3 through 3-50 (in respect to
18 all provisions therein other than the State rate of tax except
19 that food for human consumption that is to be consumed off the
20 premises where it is sold (other than alcoholic beverages, soft
21 drinks, and food that has been prepared for immediate
22 consumption) and prescription and nonprescription medicines,
23 drugs, medical appliances and insulin, urine testing
24 materials, syringes, and needles used by diabetics, for human
25 use, shall not be subject to tax hereunder), 4 (except that the
26 reference to the State shall be to the territory of the

1 commission), 5, 7, 8 (except that the jurisdiction to which the
2 tax shall be a debt to the extent indicated in that Section 8
3 shall be the commission), 9 (except as to the disposition of
4 taxes and penalties collected and except that the returned
5 merchandise credit for this tax may not be taken against any
6 State tax), 10, 11, 12 (except the reference therein to Section
7 2b of the Retailers' Occupation Tax Act), 13 (except that any
8 reference to the State shall mean the territory of the
9 commission), the first paragraph of Section 15, 15.5, 16, 17,
10 18, 19, and 20 of the Service Occupation Tax Act as fully as if
11 those provisions were set forth herein.

12 Persons subject to any tax imposed under the authority
13 granted in this paragraph may reimburse themselves for their
14 serviceman's tax liability hereunder by separately stating the
15 tax as an additional charge, which charge may be stated in
16 combination, in a single amount, with State tax that servicemen
17 are authorized to collect under the Service Use Tax Act, and
18 any tax for which servicemen may be liable under subsection (f)
19 of Section 4.03 of the Regional Transportation Authority Act,
20 in accordance with such bracket schedules as the Department may
21 prescribe.

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

1 from the Department. The refund shall be paid by the State
2 Treasurer out of a county water commission tax fund established
3 under subsection ~~paragraph~~ (g) of this Section.

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

9 (d) If a tax has been imposed under subsection (b), a tax
10 shall also be imposed upon the privilege of using, in the
11 territory of the commission, any item of tangible personal
12 property that is purchased outside the territory at retail from
13 a retailer, and that is titled or registered with an agency of
14 this State's government, at a rate of 1/4% of the selling price
15 of the tangible personal property within the territory, as
16 "selling price" is defined in the Use Tax Act. The tax shall be
17 collected from persons whose Illinois address for titling or
18 registration purposes is given as being in the territory. The
19 tax shall be collected by the Department of Revenue for a
20 county water commission. The tax must be paid to the State, or
21 an exemption determination must be obtained from the Department
22 of Revenue, before the title or certificate of registration for
23 the property may be issued. The tax or proof of exemption may
24 be transmitted to the Department by way of the State agency
25 with which, or the State officer with whom, the tangible
26 personal property must be titled or registered if the

1 Department and the State agency or State officer determine that
2 this procedure will expedite the processing of applications for
3 title or registration.

4 The Department shall have full power to administer and
5 enforce this paragraph; to collect all taxes, penalties, and
6 interest due hereunder; to dispose of taxes, penalties, and
7 interest so collected in the manner hereinafter provided; and
8 to determine all rights to credit memoranda or refunds arising
9 on account of the erroneous payment of tax, penalty, or
10 interest hereunder. In the administration of ~~7~~ and compliance
11 with this paragraph, the Department and persons who are subject
12 to this paragraph shall have the same rights, remedies,
13 privileges, immunities, powers, and duties, and be subject to
14 the same conditions, restrictions, limitations, penalties,
15 exclusions, exemptions, and definitions of terms and employ the
16 same modes of procedure, as are prescribed in Sections 2
17 (except the definition of "retailer maintaining a place of
18 business in this State"), 3 through 3-80 (except provisions
19 pertaining to the State rate of tax, and except provisions
20 concerning collection or refunding of the tax by retailers, and
21 except that food for human consumption that is to be consumed
22 off the premises where it is sold (other than alcoholic
23 beverages, soft drinks, and food that has been prepared for
24 immediate consumption) and prescription and nonprescription
25 medicines, drugs, medical appliances and insulin, urine
26 testing materials, syringes, and needles used by diabetics, for

1 human use, shall not be subject to tax hereunder), 4, 11, 12,
2 12a, 14, 15, 19 (except the portions pertaining to claims by
3 retailers and except the last paragraph concerning refunds),
4 20, 21, and 22 of the Use Tax Act and Section 3-7 of the Uniform
5 Penalty and Interest Act that are not inconsistent with this
6 paragraph, as fully as if those provisions were set forth
7 herein.

8 Whenever the Department determines that a refund should be
9 made under this paragraph to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order to be drawn for the
12 amount specified, and to the person named, in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of a county water commission tax fund established
15 under subsection ~~paragraph~~ (g) of this Section.

16 (e) A certificate of registration issued by the State
17 Department of Revenue to a retailer under the Retailers'
18 Occupation Tax Act or under the Service Occupation Tax Act
19 shall permit the registrant to engage in a business that is
20 taxed under the tax imposed under subsection ~~paragraphs~~ (b),
21 (c), and (d) of this Section and no additional registration
22 shall be required under the tax. A certificate issued under the
23 Use Tax Act or the Service Use Tax Act shall be applicable with
24 regard to any tax imposed under subsection ~~paragraph~~ (c) of
25 this Section.

26 (f) Any ordinance imposing or discontinuing any tax under

1 this Section shall be adopted and a certified copy thereof
2 filed with the Department on or before June 1, whereupon the
3 Department of Revenue shall proceed to administer and enforce
4 this Section on behalf of the county water commission as of
5 September 1 next following the adoption and filing. Beginning
6 January 1, 1992, an ordinance or resolution imposing or
7 discontinuing the tax hereunder shall be adopted and a
8 certified copy thereof filed with the Department on or before
9 the first day of July, whereupon the Department shall proceed
10 to administer and enforce this Section as of the first day of
11 October next following such adoption and filing. Beginning
12 January 1, 1993, an ordinance or resolution imposing or
13 discontinuing the tax hereunder shall be adopted and a
14 certified copy thereof filed with the Department on or before
15 the first day of October, whereupon the Department shall
16 proceed to administer and enforce this Section as of the first
17 day of January next following such adoption and filing.

18 (g) The State Department of Revenue shall, upon collecting
19 any taxes as provided in this Section, pay the taxes over to
20 the State Treasurer as trustee for the commission. The taxes
21 shall be held in a trust fund outside the State Treasury.

22 As soon as possible after the first day of each month,
23 beginning January 1, 2011, upon certification of the Department
24 of Revenue, the Comptroller shall order transferred, and the
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
26 local sales tax increment, as defined in the Innovation

1 Development and Economy Act, collected under this Section
2 during the second preceding calendar month for sales within a
3 STAR bond district.

4 After the monthly transfer to the STAR Bonds Revenue Fund,
5 on or before the 25th day of each calendar month, the State
6 Department of Revenue shall prepare and certify to the
7 Comptroller of the State of Illinois the amount to be paid to
8 the commission, which shall be the amount (not including credit
9 memoranda) collected under this Section during the second
10 preceding calendar month by the Department plus an amount the
11 Department determines is necessary to offset any amounts that
12 were erroneously paid to a different taxing body, and not
13 including any amount equal to the amount of refunds made during
14 the second preceding calendar month by the Department on behalf
15 of the commission, and not including any amount that the
16 Department determines is necessary to offset any amounts that
17 were payable to a different taxing body but were erroneously
18 paid to the commission, and less any amounts that are
19 transferred to the STAR Bonds Revenue Fund, ~~less 2% of the~~
20 ~~remainder, which shall be transferred into the Tax Compliance~~
21 ~~and Administration Fund.~~ The Department, at the time of each
22 monthly disbursement to the commission, shall prepare and
23 certify to the State Comptroller the amount to be transferred
24 into the Tax Compliance and Administration Fund under this
25 subsection. Within 10 days after receipt by the Comptroller of
26 the certification of the amount to be paid to the commission

1 and the Tax Compliance and Administration Fund, the Comptroller
2 shall cause an order to be drawn for the payment for the amount
3 in accordance with the direction in the certification.

4 (h) Beginning June 1, 2016, any tax imposed pursuant to
5 this Section may no longer be imposed or collected, unless a
6 continuation of the tax is approved by the voters at a
7 referendum as set forth in this Section.

8 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;
9 100-23, eff. 7-6-17; revised 10-3-17.)