

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Sections  
5 3-55, 3-61, and 10 as follows:

6 (35 ILCS 105/3-55) (from Ch. 120, par. 439.3-55)

7 Sec. 3-55. Multistate exemption. To prevent actual or  
8 likely multistate taxation, the tax imposed by this Act does  
9 not apply to the use of tangible personal property in this  
10 State under the following circumstances:

11 (a) The use, in this State, of tangible personal property  
12 acquired outside this State by a nonresident individual and  
13 brought into this State by the individual for his or her own  
14 use while temporarily within this State or while passing  
15 through this State.

16 (b) (Blank). ~~The use, in this State, of tangible personal~~  
17 ~~property by an interstate carrier for hire as rolling stock~~  
18 ~~moving in interstate commerce or by lessors under a lease of~~  
19 ~~one year or longer executed or in effect at the time of~~  
20 ~~purchase of tangible personal property by interstate carriers~~  
21 ~~for hire for use as rolling stock moving in interstate commerce~~  
22 ~~as long as so used by the interstate carriers for hire, and~~  
23 ~~equipment operated by a telecommunications provider, licensed~~

1 ~~as a common carrier by the Federal Communications Commission,~~  
2 ~~which is permanently installed in or affixed to aircraft moving~~  
3 ~~in interstate commerce.~~

4 (c) The use, in this State, by owners, lessors, or shippers  
5 of tangible personal property that is utilized by interstate  
6 carriers for hire for use as rolling stock moving in interstate  
7 commerce as long as so used by the interstate carriers for  
8 hire, and equipment operated by a telecommunications provider,  
9 licensed as a common carrier by the Federal Communications  
10 Commission, which is permanently installed in or affixed to  
11 aircraft moving in interstate commerce.

12 (d) The use, in this State, of tangible personal property  
13 that is acquired outside this State and caused to be brought  
14 into this State by a person who has already paid a tax in  
15 another State in respect to the sale, purchase, or use of that  
16 property, to the extent of the amount of the tax properly due  
17 and paid in the other State.

18 (e) The temporary storage, in this State, of tangible  
19 personal property that is acquired outside this State and that,  
20 after being brought into this State and stored here  
21 temporarily, is used solely outside this State or is physically  
22 attached to or incorporated into other tangible personal  
23 property that is used solely outside this State, or is altered  
24 by converting, fabricating, manufacturing, printing,  
25 processing, or shaping, and, as altered, is used solely outside  
26 this State.

1           (f) The temporary storage in this State of building  
2 materials and fixtures that are acquired either in this State  
3 or outside this State by an Illinois registered combination  
4 retailer and construction contractor, and that the purchaser  
5 thereafter uses outside this State by incorporating that  
6 property into real estate located outside this State.

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

15           (h) Except as provided in subsection (h-1), the use, in  
16 this State, of a motor vehicle that was sold in this State to a  
17 nonresident, even though the motor vehicle is delivered to the  
18 nonresident in this State, if the motor vehicle is not to be  
19 titled in this State, and if a drive-away permit is issued to  
20 the motor vehicle as provided in Section 3-603 of the Illinois  
21 Vehicle Code or if the nonresident purchaser has vehicle  
22 registration plates to transfer to the motor vehicle upon  
23 returning to his or her home state. The issuance of the  
24 drive-away permit or having the out-of-state registration  
25 plates to be transferred shall be prima facie evidence that the  
26 motor vehicle will not be titled in this State.

1           (h-1) The exemption under subsection (h) does not apply if  
2 the state in which the motor vehicle will be titled does not  
3 allow a reciprocal exemption for the use in that state of a  
4 motor vehicle sold and delivered in that state to an Illinois  
5 resident but titled in Illinois. The tax collected under this  
6 Act on the sale of a motor vehicle in this State to a resident  
7 of another state that does not allow a reciprocal exemption  
8 shall be imposed at a rate equal to the state's rate of tax on  
9 taxable property in the state in which the purchaser is a  
10 resident, except that the tax shall not exceed the tax that  
11 would otherwise be imposed under this Act. At the time of the  
12 sale, the purchaser shall execute a statement, signed under  
13 penalty of perjury, of his or her intent to title the vehicle  
14 in the state in which the purchaser is a resident within 30  
15 days after the sale and of the fact of the payment to the State  
16 of Illinois of tax in an amount equivalent to the state's rate  
17 of tax on taxable property in his or her state of residence and  
18 shall submit the statement to the appropriate tax collection  
19 agency in his or her state of residence. In addition, the  
20 retailer must retain a signed copy of the statement in his or  
21 her records. Nothing in this subsection shall be construed to  
22 require the removal of the vehicle from this state following  
23 the filing of an intent to title the vehicle in the purchaser's  
24 state of residence if the purchaser titles the vehicle in his  
25 or her state of residence within 30 days after the date of  
26 sale. The tax collected under this Act in accordance with this

1 subsection (h-1) shall be proportionately distributed as if the  
2 tax were collected at the 6.25% general rate imposed under this  
3 Act.

4 (h-2) The following exemptions apply with respect to  
5 certain aircraft:

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

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

17 (B) the aircraft is not based or registered in this  
18 State after the purchase of the aircraft; and

19 (C) the purchaser provides the Department with a  
20 signed and dated certification, on a form prescribed by  
21 the Department, certifying that the requirements of  
22 this item (1) are met. The certificate must also  
23 include the name and address of the purchaser, the  
24 address of the location where the aircraft is to be  
25 titled or registered, the address of the primary  
26 physical location of the aircraft, and other

1 information that the Department may reasonably  
2 require.

3 (2) Beginning on July 1, 2007, no tax is imposed under  
4 this Act on the use of an aircraft, as defined in Section 3  
5 of the Illinois Aeronautics Act, that is temporarily  
6 located in this State for the purpose of a prepurchase  
7 evaluation if all of the following conditions are met:

8 (A) the aircraft is not based or registered in this  
9 State after the prepurchase evaluation; and

10 (B) the purchaser provides the Department with a  
11 signed and dated certification, on a form prescribed by  
12 the Department, certifying that the requirements of  
13 this item (2) are met. The certificate must also  
14 include the name and address of the purchaser, the  
15 address of the location where the aircraft is to be  
16 titled or registered, the address of the primary  
17 physical location of the aircraft, and other  
18 information that the Department may reasonably  
19 require.

20 (3) Beginning on July 1, 2007, no tax is imposed under  
21 this Act on the use of an aircraft, as defined in Section 3  
22 of the Illinois Aeronautics Act, that is temporarily  
23 located in this State for the purpose of a post-sale  
24 customization if all of the following conditions are met:

25 (A) the aircraft leaves this State within 15 days  
26 after the authorized approval for return to service,

1 completion of the maintenance record entry, and  
2 completion of the test flight and ground test for  
3 inspection, as required by 14 C.F.R. 91.407;

4 (B) the aircraft is not based or registered in this  
5 State either before or after the post-sale  
6 customization; and

7 (C) the purchaser provides the Department with a  
8 signed and dated certification, on a form prescribed by  
9 the Department, certifying that the requirements of  
10 this item (3) are met. The certificate must also  
11 include the name and address of the purchaser, the  
12 address of the location where the aircraft is to be  
13 titled or registered, the address of the primary  
14 physical location of the aircraft, and other  
15 information that the Department may reasonably  
16 require.

17 If tax becomes due under this subsection (h-2) because of  
18 the purchaser's use of the aircraft in this State, the  
19 purchaser shall file a return with the Department and pay the  
20 tax on the fair market value of the aircraft. This return and  
21 payment of the tax must be made no later than 30 days after the  
22 aircraft is used in a taxable manner in this State. The tax is  
23 based on the fair market value of the aircraft on the date that  
24 it is first used in a taxable manner in this State.

25 For purposes of this subsection (h-2):

26 "Based in this State" means hangared, stored, or otherwise

1 used, excluding post-sale customizations as defined in this  
2 Section, for 10 or more days in each 12-month period  
3 immediately following the date of the sale of the aircraft.

4 "Post-sale customization" means any improvement,  
5 maintenance, or repair that is performed on an aircraft  
6 following a transfer of ownership of the aircraft.

7 "Prepurchase evaluation" means an examination of an  
8 aircraft to provide a potential purchaser with information  
9 relevant to the potential purchase.

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

14 This subsection (h-2) is exempt from the provisions of  
15 Section 3-90.

16 (i) Beginning July 1, 1999, the use, in this State, of fuel  
17 acquired outside this State and brought into this State in the  
18 fuel supply tanks of locomotives engaged in freight hauling and  
19 passenger service for interstate commerce. This subsection is  
20 exempt from the provisions of Section 3-90.

21 (j) Beginning on January 1, 2002 and through June 30, 2016,  
22 the use of tangible personal property purchased from an  
23 Illinois retailer by a taxpayer engaged in centralized  
24 purchasing activities in Illinois who will, upon receipt of the  
25 property in Illinois, temporarily store the property in  
26 Illinois (i) for the purpose of subsequently transporting it



1 outside this State for use or consumption thereafter solely  
2 outside this State or (ii) for the purpose of being processed,  
3 fabricated, or manufactured into, attached to, or incorporated  
4 into other tangible personal property to be transported outside  
5 this State and thereafter used or consumed solely outside this  
6 State. The Director of Revenue shall, pursuant to rules adopted  
7 in accordance with the Illinois Administrative Procedure Act,  
8 issue a permit to any taxpayer in good standing with the  
9 Department who is eligible for the exemption under this  
10 subsection (j). The permit issued under this subsection (j)  
11 shall authorize the holder, to the extent and in the manner  
12 specified in the rules adopted under this Act, to purchase  
13 tangible personal property from a retailer exempt from the  
14 taxes imposed by this Act. Taxpayers shall maintain all  
15 necessary books and records to substantiate the use and  
16 consumption of all such tangible personal property outside of  
17 the State of Illinois.

18 (Source: P.A. 97-73, eff. 6-30-11.)

19 (35 ILCS 105/3-61)

20 Sec. 3-61. Motor vehicles; trailers; use as rolling stock  
21 definition.

22 (a) (Blank). ~~Through June 30, 2003, "use as rolling stock~~  
23 ~~moving in interstate commerce" in subsections (b) and (c) of~~  
24 ~~Section 3-55 means for motor vehicles, as defined in Section~~  
25 ~~1-146 of the Illinois Vehicle Code, and trailers, as defined in~~

1 ~~Section 1-209 of the Illinois Vehicle Code, when on 15 or more~~  
2 ~~occasions in a 12-month period the motor vehicle and trailer~~  
3 ~~has carried persons or property for hire in interstate~~  
4 ~~commerce, even just between points in Illinois, if the motor~~  
5 ~~vehicle and trailer transports persons whose journeys or~~  
6 ~~property whose shipments originate or terminate outside~~  
7 ~~Illinois. This definition applies to all property purchased for~~  
8 ~~the purpose of being attached to those motor vehicles or~~  
9 ~~trailers as a part thereof.~~

10 (b) (Blank). ~~On and after July 1, 2003 and through June 30,~~  
11 ~~2004, "use as rolling stock moving in interstate commerce" in~~  
12 ~~paragraphs (b) and (c) of Section 3-55 occurs for motor~~  
13 ~~vehicles, as defined in Section 1-146 of the Illinois Vehicle~~  
14 ~~Code, when during a 12-month period the rolling stock has~~  
15 ~~carried persons or property for hire in interstate commerce for~~  
16 ~~51% of its total trips and transports persons whose journeys or~~  
17 ~~property whose shipments originate or terminate outside~~  
18 ~~Illinois. Trips that are only between points in Illinois shall~~  
19 ~~not be counted as interstate trips when calculating whether the~~  
20 ~~tangible personal property qualifies for the exemption but such~~  
21 ~~trips shall be included in total trips taken.~~

22 (c) This subsection (c) applies to motor vehicles, other  
23 than limousines, purchased through June 30, 2017. For motor  
24 vehicles, other than limousines, purchased on or after July 1,  
25 2017, subsection (d-5) applies. This subsection (c) applies to  
26 limousines purchased before, on, or after July 1, 2017. "Use

1 ~~Beginning July 1, 2004, "use~~ as rolling stock moving in  
2 interstate commerce" in paragraph ~~paragraphs (b) and~~ (c) of  
3 Section 3-55 occurs for motor vehicles, as defined in Section  
4 1-146 of the Illinois Vehicle Code, when during a 12-month  
5 period the rolling stock has carried persons or property for  
6 hire in interstate commerce for greater than 50% of its total  
7 trips for that period or for greater than 50% of its total  
8 miles for that period. The person claiming the exemption shall  
9 make an election at the time of purchase to use either the  
10 trips or mileage method. Persons who purchased motor vehicles  
11 prior to July 1, 2004 shall make an election to use either the  
12 trips or mileage method and document that election in their  
13 books and records. If no election is made under this subsection  
14 to use the trips or mileage method, the person shall be deemed  
15 to have chosen the mileage method.

16 For purposes of determining qualifying trips or miles,  
17 motor vehicles that carry persons or property for hire, even  
18 just between points in Illinois, will be considered used for  
19 hire in interstate commerce if the motor vehicle transports  
20 persons whose journeys or property whose shipments originate or  
21 terminate outside Illinois. The exemption for motor vehicles  
22 used as rolling stock moving in interstate commerce may be  
23 claimed only for the following vehicles: (i) motor vehicles  
24 whose gross vehicle weight rating exceeds 16,000 pounds; and  
25 (ii) limousines, as defined in Section 1-139.1 of the Illinois  
26 Vehicle Code. Through June 30, 2017, this ~~This~~ definition

1 applies to all property purchased for the purpose of being  
2 attached to those motor vehicles as a part thereof. On and  
3 after July 1, 2017, this definition applies to property  
4 purchased for the purpose of being attached to limousines as a  
5 part thereof.

6 (d) For purchases made through June 30, 2017 ~~Beginning July~~  
7 ~~1, 2004,~~ "use as rolling stock moving in interstate commerce"  
8 in paragraph ~~paragraphs (b) and~~ (c) of Section 3-55 occurs for  
9 trailers, as defined in Section 1-209 of the Illinois Vehicle  
10 Code, semitrailers as defined in Section 1-187 of the Illinois  
11 Vehicle Code, and pole trailers as defined in Section 1-161 of  
12 the Illinois Vehicle Code, when during a 12-month period the  
13 rolling stock has carried persons or property for hire in  
14 interstate commerce for greater than 50% of its total trips for  
15 that period or for greater than 50% of its total miles for that  
16 period. The person claiming the exemption for a trailer or  
17 trailers that will not be dedicated to a motor vehicle or group  
18 of motor vehicles shall make an election at the time of  
19 purchase to use either the trips or mileage method. Persons who  
20 purchased trailers prior to July 1, 2004 that are not dedicated  
21 to a motor vehicle or group of motor vehicles shall make an  
22 election to use either the trips or mileage method and document  
23 that election in their books and records. If no election is  
24 made under this subsection to use the trips or mileage method,  
25 the person shall be deemed to have chosen the mileage method.

26 For purposes of determining qualifying trips or miles,

1 trailers, semitrailers, or pole trailers that carry property  
2 for hire, even just between points in Illinois, will be  
3 considered used for hire in interstate commerce if the  
4 trailers, semitrailers, or pole trailers transport property  
5 whose shipments originate or terminate outside Illinois. This  
6 definition applies to all property purchased for the purpose of  
7 being attached to those trailers, semitrailers, or pole  
8 trailers as a part thereof. In lieu of a person providing  
9 documentation regarding the qualifying use of each individual  
10 trailer, semitrailer, or pole trailer, that person may document  
11 such qualifying use by providing documentation of the  
12 following:

13 (1) If a trailer, semitrailer, or pole trailer is  
14 dedicated to a motor vehicle that qualifies as rolling  
15 stock moving in interstate commerce under subsection (c) of  
16 this Section, then that trailer, semitrailer, or pole  
17 trailer qualifies as rolling stock moving in interstate  
18 commerce under this subsection.

19 (2) If a trailer, semitrailer, or pole trailer is  
20 dedicated to a group of motor vehicles that all qualify as  
21 rolling stock moving in interstate commerce under  
22 subsection (c) of this Section, then that trailer,  
23 semitrailer, or pole trailer qualifies as rolling stock  
24 moving in interstate commerce under this subsection.

25 (3) If one or more trailers, semitrailers, or pole  
26 trailers are dedicated to a group of motor vehicles and not

1 all of those motor vehicles in that group qualify as  
2 rolling stock moving in interstate commerce under  
3 subsection (c) of this Section, then the percentage of  
4 those trailers, semitrailers, or pole trailers that  
5 qualifies as rolling stock moving in interstate commerce  
6 under this subsection is equal to the percentage of those  
7 motor vehicles in that group that qualify as rolling stock  
8 moving in interstate commerce under subsection (c) of this  
9 Section to which those trailers, semitrailers, or pole  
10 trailers are dedicated. However, to determine the  
11 qualification for the exemption provided under this item  
12 (3), the mathematical application of the qualifying  
13 percentage to one or more trailers, semitrailers, or pole  
14 trailers under this subpart shall not be allowed as to any  
15 fraction of a trailer, semitrailer, or pole trailer.

16 (d-5) For motor vehicles and trailers purchased on or after  
17 July 1, 2017, "use as rolling stock moving in interstate  
18 commerce" means that:

19 (1) the motor vehicle or trailer is used to transport  
20 persons or property for hire;

21 (2) for purposes of the exemption under subsection (c)  
22 of Section 3-55, the purchaser who is an owner, lessor, or  
23 shipper claiming the exemption certifies that the motor  
24 vehicle or trailer will be utilized, from the time of  
25 purchase and continuing through the statute of limitations  
26 for issuing a notice of tax liability under this Act, by an

1 interstate carrier or carriers for hire who hold, and are  
2 required by Federal Motor Carrier Safety Administration  
3 regulations to hold, an active USDOT Number with the  
4 Carrier Operation listed as "Interstate" and the Operation  
5 Classification listed as "authorized for hire", "exempt  
6 for hire", or both "authorized for hire" and "exempt for  
7 hire"; except that this paragraph (2) does not apply to a  
8 motor vehicle or trailer used at an airport to support the  
9 operation of an aircraft moving in interstate commerce, as  
10 long as (i) in the case of a motor vehicle, the motor  
11 vehicle meets paragraphs (1) and (3) of this subsection  
12 (d-5) or (ii) in the case of a trailer, the trailer meets  
13 paragraph (1) of this subsection (d-5); and

14 (3) for motor vehicles, the gross vehicle weight rating  
15 exceeds 16,000 pounds.

16 The definition of "use as rolling stock moving in  
17 interstate commerce" in this subsection (d-5) applies to all  
18 property purchased on or after July 1, 2017 for the purpose of  
19 being attached to a motor vehicle or trailer as a part thereof,  
20 regardless of whether the motor vehicle or trailer was  
21 purchased before, on, or after July 1, 2017.

22 If an item ceases to meet requirements (1) through (3)  
23 under this subsection (d-5), then the tax is imposed on the  
24 selling price, allowing for a reasonable depreciation for the  
25 period during which the item qualified for the exemption.

26 For purposes of this subsection (d-5):

1           "Motor vehicle" excludes limousines, but otherwise  
2           means that term as defined in Section 1-146 of the Illinois  
3           Vehicle Code.

4           "Trailer" means (i) "trailer", as defined in Section  
5           1-209 of the Illinois Vehicle Code, (ii) "semitrailer", as  
6           defined in Section 1-187 of the Illinois Vehicle Code, and  
7           (iii) "pole trailer", as defined in Section 1-161 of the  
8           Illinois Vehicle Code.

9           (e) For aircraft and watercraft purchased on or after  
10          January 1, 2014, "use as rolling stock moving in interstate  
11          commerce" in paragraph ~~paragraphs (b) and~~ (c) of Section 3-55  
12          occurs when, during a 12-month period, the rolling stock has  
13          carried persons or property for hire in interstate commerce for  
14          greater than 50% of its total trips for that period or for  
15          greater than 50% of its total miles for that period. The person  
16          claiming the exemption shall make an election at the time of  
17          purchase to use either the trips or mileage method and document  
18          that election in their books and records. If no election is  
19          made under this subsection to use the trips or mileage method,  
20          the person shall be deemed to have chosen the mileage method.  
21          For aircraft, flight hours may be used in lieu of recording  
22          miles in determining whether the aircraft meets the mileage  
23          test in this subsection. For watercraft, nautical miles or trip  
24          hours may be used in lieu of recording miles in determining  
25          whether the watercraft meets the mileage test in this  
26          subsection.



1           Notwithstanding any other provision of law to the contrary,  
2 property purchased on or after January 1, 2014 for the purpose  
3 of being attached to aircraft or watercraft as a part thereof  
4 qualifies as rolling stock moving in interstate commerce only  
5 if the aircraft or watercraft to which it will be attached  
6 qualifies as rolling stock moving in interstate commerce under  
7 the test set forth in this subsection (e), regardless of when  
8 the aircraft or watercraft was purchased. Persons who purchased  
9 aircraft or watercraft prior to January 1, 2014 shall make an  
10 election to use either the trips or mileage method and document  
11 that election in their books and records for the purpose of  
12 determining whether property purchased on or after January 1,  
13 2014 for the purpose of being attached to aircraft or  
14 watercraft as a part thereof qualifies as rolling stock moving  
15 in interstate commerce under this subsection (e).

16           (f) The election to use either the trips or mileage method  
17 made under the provisions of subsections (c), (d), or (e) of  
18 this Section will remain in effect for the duration of the  
19 purchaser's ownership of that item.

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

21           (35 ILCS 105/10) (from Ch. 120, par. 439.10)

22           Sec. 10. Except as to motor vehicles, aircraft, watercraft,  
23 and trailers, and except as to cigarettes as defined in the  
24 Cigarette Use Tax Act, when tangible personal property is  
25 purchased from a retailer for use in this State by a purchaser

1 who did not pay the tax imposed by this Act to the retailer,  
2 and who does not file returns with the Department as a retailer  
3 under Section 9 of this Act, such purchaser (by the last day of  
4 the month following the calendar month in which such purchaser  
5 makes any payment upon the selling price of such property)  
6 shall, except as otherwise provided in this Section, file a  
7 return with the Department and pay the tax upon that portion of  
8 the selling price so paid by the purchaser during the preceding  
9 calendar month. ~~When tangible personal property, including but  
10 not limited to motor vehicles and aircraft, is purchased by a  
11 lessor, under a lease for one year or longer, executed or in  
12 effect at the time of purchase to an interstate carrier for  
13 hire, who did not pay the tax imposed by this Act to the  
14 retailer, such lessor (by the last day of the month following  
15 the calendar month in which such property reverts to the use of  
16 such lessor) shall file a return with the Department and pay  
17 the tax upon the fair market value of such property on the date  
18 of such reversion. However, in determining the fair market  
19 value at the time of reversion, the fair market value of such  
20 property shall not exceed the original purchase price of the  
21 property that was paid by the lessor at the time of purchase.~~  
22 Such return shall be filed on a form prescribed by the  
23 Department and shall contain such information as the Department  
24 may reasonably require. Such return and payment from the  
25 purchaser shall be submitted to the Department sooner than the  
26 last day of the month after the month in which the purchase is

1 made to the extent that that may be necessary in order to  
2 secure the title to a motor vehicle or the certificate of  
3 registration for an aircraft. However, except as to motor  
4 vehicles and aircraft, and except as to cigarettes as defined  
5 in the Cigarette Use Tax Act, if the purchaser's annual use tax  
6 liability does not exceed \$600, the purchaser may file the  
7 return on an annual basis on or before April 15th of the year  
8 following the year use tax liability was incurred. Individual  
9 purchasers with an annual use tax liability that does not  
10 exceed \$600 may, in lieu of the filing and payment requirements  
11 in this Section, file and pay in compliance with Section 502.1  
12 of the Illinois Income Tax Act.

13 If cigarettes, as defined in the Cigarette Use Tax Act, are  
14 purchased from a retailer for use in this State by a purchaser  
15 who did not pay the tax imposed by this Act to the retailer,  
16 and who does not file returns with the Department as a retailer  
17 under Section 9 of this Act, such purchaser must, within 30  
18 days after acquiring the cigarettes, file a return with the  
19 Department and pay the tax upon that portion of the selling  
20 price so paid by the purchaser for the cigarettes.

21 In addition with respect to motor vehicles, aircraft,  
22 watercraft, and trailers, a purchaser of such tangible personal  
23 property for use in this State, who purchases such tangible  
24 personal property from an out-of-state retailer, shall file  
25 with the Department, upon a form to be prescribed and supplied  
26 by the Department, a return for each such item of tangible

1 personal property purchased, except that if, in the same  
2 transaction, (i) a purchaser of motor vehicles, aircraft,  
3 watercraft, or trailers who is a retailer of motor vehicles,  
4 aircraft, watercraft, or trailers purchases more than one motor  
5 vehicle, aircraft, watercraft, or trailer for the purpose of  
6 resale or (ii) a purchaser of motor vehicles, aircraft,  
7 watercraft, or trailers purchases more than one motor vehicle,  
8 aircraft, watercraft, or trailer for use as qualifying rolling  
9 stock as provided in Section 3-55 of this Act, then the  
10 purchaser may report the purchase of all motor vehicles,  
11 aircraft, watercraft, or trailers involved in that transaction  
12 to the Department on a single return prescribed by the  
13 Department. Such return in the case of motor vehicles and  
14 aircraft must show the name and address of the seller, the  
15 name, address of purchaser, the amount of the selling price  
16 including the amount allowed by the retailer for traded in  
17 property, if any; the amount allowed by the retailer for the  
18 traded-in tangible personal property, if any, to the extent to  
19 which Section 2 of this Act allows an exemption for the value  
20 of traded-in property; the balance payable after deducting such  
21 trade-in allowance from the total selling price; the amount of  
22 tax due from the purchaser with respect to such transaction;  
23 the amount of tax collected from the purchaser by the retailer  
24 on such transaction (or satisfactory evidence that such tax is  
25 not due in that particular instance if that is claimed to be  
26 the fact); the place and date of the sale, a sufficient

1 identification of the property sold, and such other information  
2 as the Department may reasonably require.

3 Such return shall be filed not later than 30 days after  
4 such motor vehicle or aircraft is brought into this State for  
5 use.

6 For purposes of this Section, "watercraft" means a Class 2,  
7 Class 3, or Class 4 watercraft as defined in Section 3-2 of the  
8 Boat Registration and Safety Act, a personal watercraft, or any  
9 boat equipped with an inboard motor.

10 The return and tax remittance or proof of exemption from  
11 the tax that is imposed by this Act may be transmitted to the  
12 Department by way of the State agency with which, or State  
13 officer with whom, the tangible personal property must be  
14 titled or registered (if titling or registration is required)  
15 if the Department and such agency or State officer determine  
16 that this procedure will expedite the processing of  
17 applications for title or registration.

18 With each such return, the purchaser shall remit the proper  
19 amount of tax due (or shall submit satisfactory evidence that  
20 the sale is not taxable if that is the case), to the Department  
21 or its agents, whereupon the Department shall issue, in the  
22 purchaser's name, a tax receipt (or a certificate of exemption  
23 if the Department is satisfied that the particular sale is tax  
24 exempt) which such purchaser may submit to the agency with  
25 which, or State officer with whom, he must title or register  
26 the tangible personal property that is involved (if titling or

1 registration is required) in support of such purchaser's  
2 application for an Illinois certificate or other evidence of  
3 title or registration to such tangible personal property.

4 When a purchaser pays a tax imposed by this Act directly to  
5 the Department, the Department (upon request therefor from such  
6 purchaser) shall issue an appropriate receipt to such purchaser  
7 showing that he has paid such tax to the Department. Such  
8 receipt shall be sufficient to relieve the purchaser from  
9 further liability for the tax to which such receipt may refer.

10 A user who is liable to pay use tax directly to the  
11 Department only occasionally and not on a frequently recurring  
12 basis, and who is not required to file returns with the  
13 Department as a retailer under Section 9 of this Act, or under  
14 the "Retailers' Occupation Tax Act", or as a registrant with  
15 the Department under the "Service Occupation Tax Act" or the  
16 "Service Use Tax Act", need not register with the Department.  
17 However, if such a user has a frequently recurring direct use  
18 tax liability to pay to the Department, such user shall be  
19 required to register with the Department on forms prescribed by  
20 the Department and to obtain and display a certificate of  
21 registration from the Department. In that event, all of the  
22 provisions of Section 9 of this Act concerning the filing of  
23 regular monthly, quarterly or annual tax returns and all of the  
24 provisions of Section 2a of the "Retailers' Occupation Tax Act"  
25 concerning the requirements for registrants to post bond or  
26 other security with the Department, as the provisions of such

1 sections now exist or may hereafter be amended, shall apply to  
2 such users to the same extent as if such provisions were  
3 included herein.

4 (Source: P.A. 96-520, eff. 8-14-09; 96-1000, eff. 7-2-10;  
5 96-1388, eff. 7-29-10.)

6 Section 10. The Service Use Tax Act is amended by changing  
7 Sections 2 and 3-51 as follows:

8 (35 ILCS 110/2) (from Ch. 120, par. 439.32)

9 Sec. 2. Definitions.

10 "Use" means the exercise by any person of any right or  
11 power over tangible personal property incident to the ownership  
12 of that property, but does not include the sale or use for  
13 demonstration by him of that property in any form as tangible  
14 personal property in the regular course of business. "Use" does  
15 not mean the interim use of tangible personal property nor the  
16 physical incorporation of tangible personal property, as an  
17 ingredient or constituent, into other tangible personal  
18 property, (a) which is sold in the regular course of business  
19 or (b) which the person incorporating such ingredient or  
20 constituent therein has undertaken at the time of such purchase  
21 to cause to be transported in interstate commerce to  
22 destinations outside the State of Illinois.

23 "Purchased from a serviceman" means the acquisition of the  
24 ownership of, or title to, tangible personal property through a

1 sale of service.

2 "Purchaser" means any person who, through a sale of  
3 service, acquires the ownership of, or title to, any tangible  
4 personal property.

5 "Cost price" means the consideration paid by the serviceman  
6 for a purchase valued in money, whether paid in money or  
7 otherwise, including cash, credits and services, and shall be  
8 determined without any deduction on account of the supplier's  
9 cost of the property sold or on account of any other expense  
10 incurred by the supplier. When a serviceman contracts out part  
11 or all of the services required in his sale of service, it  
12 shall be presumed that the cost price to the serviceman of the  
13 property transferred to him or her by his or her subcontractor  
14 is equal to 50% of the subcontractor's charges to the  
15 serviceman in the absence of proof of the consideration paid by  
16 the subcontractor for the purchase of such property.

17 "Selling price" means the consideration for a sale valued  
18 in money whether received in money or otherwise, including  
19 cash, credits and service, and shall be determined without any  
20 deduction on account of the serviceman's cost of the property  
21 sold, the cost of materials used, labor or service cost or any  
22 other expense whatsoever, but does not include interest or  
23 finance charges which appear as separate items on the bill of  
24 sale or sales contract nor charges that are added to prices by  
25 sellers on account of the seller's duty to collect, from the  
26 purchaser, the tax that is imposed by this Act.



1 "Department" means the Department of Revenue.

2 "Person" means any natural individual, firm, partnership,  
3 association, joint stock company, joint venture, public or  
4 private corporation, limited liability company, and any  
5 receiver, executor, trustee, guardian or other representative  
6 appointed by order of any court.

7 "Sale of service" means any transaction except:

8 (1) a retail sale of tangible personal property taxable  
9 under the Retailers' Occupation Tax Act or under the Use  
10 Tax Act.

11 (2) a sale of tangible personal property for the  
12 purpose of resale made in compliance with Section 2c of the  
13 Retailers' Occupation Tax Act.

14 (3) except as hereinafter provided, a sale or transfer  
15 of tangible personal property as an incident to the  
16 rendering of service for or by any governmental body, or  
17 for or by any corporation, society, association,  
18 foundation or institution organized and operated  
19 exclusively for charitable, religious or educational  
20 purposes or any not-for-profit corporation, society,  
21 association, foundation, institution or organization which  
22 has no compensated officers or employees and which is  
23 organized and operated primarily for the recreation of  
24 persons 55 years of age or older. A limited liability  
25 company may qualify for the exemption under this paragraph  
26 only if the limited liability company is organized and

1 operated exclusively for educational purposes.

2 (4) (blank). ~~a sale or transfer of tangible personal~~  
3 ~~property as an incident to the rendering of service for~~  
4 ~~interstate carriers for hire for use as rolling stock~~  
5 ~~moving in interstate commerce or by lessors under a lease~~  
6 ~~of one year or longer, executed or in effect at the time of~~  
7 ~~purchase of personal property, to interstate carriers for~~  
8 ~~hire for use as rolling stock moving in interstate commerce~~  
9 ~~so long as so used by such interstate carriers for hire,~~  
10 ~~and equipment operated by a telecommunications provider,~~  
11 ~~licensed as a common carrier by the Federal Communications~~  
12 ~~Commission, which is permanently installed in or affixed to~~  
13 ~~aircraft moving in interstate commerce.~~

14 (4a) a sale or transfer of tangible personal property  
15 as an incident to the rendering of service for owners,  
16 lessors, or shippers of tangible personal property which is  
17 utilized by interstate carriers for hire for use as rolling  
18 stock moving in interstate commerce so long as so used by  
19 interstate carriers for hire, and equipment operated by a  
20 telecommunications provider, licensed as a common carrier  
21 by the Federal Communications Commission, which is  
22 permanently installed in or affixed to aircraft moving in  
23 interstate commerce.

24 (4a-5) on and after July 1, 2003 and through June 30,  
25 2004, a sale or transfer of a motor vehicle of the second  
26 division with a gross vehicle weight in excess of 8,000

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

19 (5) a sale or transfer of machinery and equipment used  
20 primarily in the process of the manufacturing or  
21 assembling, either in an existing, an expanded or a new  
22 manufacturing facility, of tangible personal property for  
23 wholesale or retail sale or lease, whether such sale or  
24 lease is made directly by the manufacturer or by some other  
25 person, whether the materials used in the process are owned  
26 by the manufacturer or some other person, or whether such

1 sale or lease is made apart from or as an incident to the  
2 seller's engaging in a service occupation and the  
3 applicable tax is a Service Use Tax or Service Occupation  
4 Tax, rather than Use Tax or Retailers' Occupation Tax. The  
5 exemption provided by this paragraph (5) does not include  
6 machinery and equipment used in (i) the generation of  
7 electricity for wholesale or retail sale; (ii) the  
8 generation or treatment of natural or artificial gas for  
9 wholesale or retail sale that is delivered to customers  
10 through pipes, pipelines, or mains; or (iii) the treatment  
11 of water for wholesale or retail sale that is delivered to  
12 customers through pipes, pipelines, or mains. The  
13 provisions of this amendatory Act of the 98th General  
14 Assembly are declaratory of existing law as to the meaning  
15 and scope of this exemption.

16 (5a) the repairing, reconditioning or remodeling, for  
17 a common carrier by rail, of tangible personal property  
18 which belongs to such carrier for hire, and as to which  
19 such carrier receives the physical possession of the  
20 repaired, reconditioned or remodeled item of tangible  
21 personal property in Illinois, and which such carrier  
22 transports, or shares with another common carrier in the  
23 transportation of such property, out of Illinois on a  
24 standard uniform bill of lading showing the person who  
25 repaired, reconditioned or remodeled the property to a  
26 destination outside Illinois, for use outside Illinois.

1           (5b) a sale or transfer of tangible personal property  
2           which is produced by the seller thereof on special order in  
3           such a way as to have made the applicable tax the Service  
4           Occupation Tax or the Service Use Tax, rather than the  
5           Retailers' Occupation Tax or the Use Tax, for an interstate  
6           carrier by rail which receives the physical possession of  
7           such property in Illinois, and which transports such  
8           property, or shares with another common carrier in the  
9           transportation of such property, out of Illinois on a  
10          standard uniform bill of lading showing the seller of the  
11          property as the shipper or consignor of such property to a  
12          destination outside Illinois, for use outside Illinois.

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

21          (7) at the election of any serviceman not required to  
22          be otherwise registered as a retailer under Section 2a of  
23          the Retailers' Occupation Tax Act, made for each fiscal  
24          year sales of service in which the aggregate annual cost  
25          price of tangible personal property transferred as an  
26          incident to the sales of service is less than 35%, or 75%

1 in the case of servicemen transferring prescription drugs  
2 or servicemen engaged in graphic arts production, of the  
3 aggregate annual total gross receipts from all sales of  
4 service. The purchase of such tangible personal property by  
5 the serviceman shall be subject to tax under the Retailers'  
6 Occupation Tax Act and the Use Tax Act. However, if a  
7 primary serviceman who has made the election described in  
8 this paragraph subcontracts service work to a secondary  
9 serviceman who has also made the election described in this  
10 paragraph, the primary serviceman does not incur a Use Tax  
11 liability if the secondary serviceman (i) has paid or will  
12 pay Use Tax on his or her cost price of any tangible  
13 personal property transferred to the primary serviceman  
14 and (ii) certifies that fact in writing to the primary  
15 serviceman.

16 Tangible personal property transferred incident to the  
17 completion of a maintenance agreement is exempt from the tax  
18 imposed pursuant to this Act.

19 Exemption (5) also includes machinery and equipment used in  
20 the general maintenance or repair of such exempt machinery and  
21 equipment or for in-house manufacture of exempt machinery and  
22 equipment. The machinery and equipment exemption does not  
23 include machinery and equipment used in (i) the generation of  
24 electricity for wholesale or retail sale; (ii) the generation  
25 or treatment of natural or artificial gas for wholesale or  
26 retail sale that is delivered to customers through pipes,

1 pipelines, or mains; or (iii) the treatment of water for  
2 wholesale or retail sale that is delivered to customers through  
3 pipes, pipelines, or mains. The provisions of this amendatory  
4 Act of the 98th General Assembly are declaratory of existing  
5 law as to the meaning and scope of this exemption. For the  
6 purposes of exemption (5), each of these terms shall have the  
7 following meanings: (1) "manufacturing process" shall mean the  
8 production of any article of tangible personal property,  
9 whether such article is a finished product or an article for  
10 use in the process of manufacturing or assembling a different  
11 article of tangible personal property, by procedures commonly  
12 regarded as manufacturing, processing, fabricating, or  
13 refining which changes some existing material or materials into  
14 a material with a different form, use or name. In relation to a  
15 recognized integrated business composed of a series of  
16 operations which collectively constitute manufacturing, or  
17 individually constitute manufacturing operations, the  
18 manufacturing process shall be deemed to commence with the  
19 first operation or stage of production in the series, and shall  
20 not be deemed to end until the completion of the final product  
21 in the last operation or stage of production in the series; and  
22 further, for purposes of exemption (5), photoprocessing is  
23 deemed to be a manufacturing process of tangible personal  
24 property for wholesale or retail sale; (2) "assembling process"  
25 shall mean the production of any article of tangible personal  
26 property, whether such article is a finished product or an

1 article for use in the process of manufacturing or assembling a  
2 different article of tangible personal property, by the  
3 combination of existing materials in a manner commonly regarded  
4 as assembling which results in a material of a different form,  
5 use or name; (3) "machinery" shall mean major mechanical  
6 machines or major components of such machines contributing to a  
7 manufacturing or assembling process; and (4) "equipment" shall  
8 include any independent device or tool separate from any  
9 machinery but essential to an integrated manufacturing or  
10 assembly process; including computers used primarily in a  
11 manufacturer's computer assisted design, computer assisted  
12 manufacturing (CAD/CAM) system; or any subunit or assembly  
13 comprising a component of any machinery or auxiliary, adjunct  
14 or attachment parts of machinery, such as tools, dies, jigs,  
15 fixtures, patterns and molds; or any parts which require  
16 periodic replacement in the course of normal operation; but  
17 shall not include hand tools. Equipment includes chemicals or  
18 chemicals acting as catalysts but only if the chemicals or  
19 chemicals acting as catalysts effect a direct and immediate  
20 change upon a product being manufactured or assembled for  
21 wholesale or retail sale or lease. The purchaser of such  
22 machinery and equipment who has an active resale registration  
23 number shall furnish such number to the seller at the time of  
24 purchase. The user of such machinery and equipment and tools  
25 without an active resale registration number shall prepare a  
26 certificate of exemption for each transaction stating facts



1 establishing the exemption for that transaction, which  
2 certificate shall be available to the Department for inspection  
3 or audit. The Department shall prescribe the form of the  
4 certificate.

5 Any informal rulings, opinions or letters issued by the  
6 Department in response to an inquiry or request for any opinion  
7 from any person regarding the coverage and applicability of  
8 exemption (5) to specific devices shall be published,  
9 maintained as a public record, and made available for public  
10 inspection and copying. If the informal ruling, opinion or  
11 letter contains trade secrets or other confidential  
12 information, where possible the Department shall delete such  
13 information prior to publication. Whenever such informal  
14 rulings, opinions, or letters contain any policy of general  
15 applicability, the Department shall formulate and adopt such  
16 policy as a rule in accordance with the provisions of the  
17 Illinois Administrative Procedure Act.

18 On and after July 1, 1987, no entity otherwise eligible  
19 under exemption (3) of this Section shall make tax free  
20 purchases unless it has an active exemption identification  
21 number issued by the Department.

22 The purchase, employment and transfer of such tangible  
23 personal property as newsprint and ink for the primary purpose  
24 of conveying news (with or without other information) is not a  
25 purchase, use or sale of service or of tangible personal  
26 property within the meaning of this Act.

1 "Serviceman" means any person who is engaged in the  
2 occupation of making sales of service.

3 "Sale at retail" means "sale at retail" as defined in the  
4 Retailers' Occupation Tax Act.

5 "Supplier" means any person who makes sales of tangible  
6 personal property to servicemen for the purpose of resale as an  
7 incident to a sale of service.

8 "Serviceman maintaining a place of business in this State",  
9 or any like term, means and includes any serviceman:

10 1. having or maintaining within this State, directly or  
11 by a subsidiary, an office, distribution house, sales  
12 house, warehouse or other place of business, or any agent  
13 or other representative operating within this State under  
14 the authority of the serviceman or its subsidiary,  
15 irrespective of whether such place of business or agent or  
16 other representative is located here permanently or  
17 temporarily, or whether such serviceman or subsidiary is  
18 licensed to do business in this State;

19 1.1. having a contract with a person located in this  
20 State under which the person, for a commission or other  
21 consideration based on the sale of service by the  
22 serviceman, directly or indirectly refers potential  
23 customers to the serviceman by providing to the potential  
24 customers a promotional code or other mechanism that allows  
25 the serviceman to track purchases referred by such persons.  
26 Examples of mechanisms that allow the serviceman to track

1 purchases referred by such persons include but are not  
2 limited to the use of a link on the person's Internet  
3 website, promotional codes distributed through the  
4 person's hand-delivered or mailed material, and  
5 promotional codes distributed by the person through radio  
6 or other broadcast media. The provisions of this paragraph  
7 1.1 shall apply only if the cumulative gross receipts from  
8 sales of service by the serviceman to customers who are  
9 referred to the serviceman by all persons in this State  
10 under such contracts exceed \$10,000 during the preceding 4  
11 quarterly periods ending on the last day of March, June,  
12 September, and December; a serviceman meeting the  
13 requirements of this paragraph 1.1 shall be presumed to be  
14 maintaining a place of business in this State but may rebut  
15 this presumption by submitting proof that the referrals or  
16 other activities pursued within this State by such persons  
17 were not sufficient to meet the nexus standards of the  
18 United States Constitution during the preceding 4  
19 quarterly periods;

20 1.2. beginning July 1, 2011, having a contract with a  
21 person located in this State under which:

22 A. the serviceman sells the same or substantially  
23 similar line of services as the person located in this  
24 State and does so using an identical or substantially  
25 similar name, trade name, or trademark as the person  
26 located in this State; and

1           B. the serviceman provides a commission or other  
2           consideration to the person located in this State based  
3           upon the sale of services by the serviceman.

4           The provisions of this paragraph 1.2 shall apply only if  
5           the cumulative gross receipts from sales of service by the  
6           serviceman to customers in this State under all such  
7           contracts exceed \$10,000 during the preceding 4 quarterly  
8           periods ending on the last day of March, June, September,  
9           and December;

10          2. soliciting orders for tangible personal property by  
11          means of a telecommunication or television shopping system  
12          (which utilizes toll free numbers) which is intended by the  
13          retailer to be broadcast by cable television or other means  
14          of broadcasting, to consumers located in this State;

15          3. pursuant to a contract with a broadcaster or  
16          publisher located in this State, soliciting orders for  
17          tangible personal property by means of advertising which is  
18          disseminated primarily to consumers located in this State  
19          and only secondarily to bordering jurisdictions;

20          4. soliciting orders for tangible personal property by  
21          mail if the solicitations are substantial and recurring and  
22          if the retailer benefits from any banking, financing, debt  
23          collection, telecommunication, or marketing activities  
24          occurring in this State or benefits from the location in  
25          this State of authorized installation, servicing, or  
26          repair facilities;

1           5. being owned or controlled by the same interests  
2           which own or control any retailer engaging in business in  
3           the same or similar line of business in this State;

4           6. having a franchisee or licensee operating under its  
5           trade name if the franchisee or licensee is required to  
6           collect the tax under this Section;

7           7. pursuant to a contract with a cable television  
8           operator located in this State, soliciting orders for  
9           tangible personal property by means of advertising which is  
10          transmitted or distributed over a cable television system  
11          in this State; or

12          8. engaging in activities in Illinois, which  
13          activities in the state in which the supply business  
14          engaging in such activities is located would constitute  
15          maintaining a place of business in that state.

16          (Source: P.A. 98-583, eff. 1-1-14; 98-1089, eff. 1-1-15.)

17           (35 ILCS 110/3-51)

18           Sec. 3-51. Motor vehicles; trailers; use as rolling stock  
19           definition.

20           (a) (Blank). ~~Through June 30, 2003, "use as rolling stock~~  
21 ~~moving in interstate commerce" in subsection (b) of Section~~  
22 ~~3-45 means for motor vehicles, as defined in Section 1-46 of~~  
23 ~~the Illinois Vehicle Code, and trailers, as defined in Section~~  
24 ~~1-209 of the Illinois Vehicle Code, when on 15 or more~~  
25 ~~occasions in a 12 month period the motor vehicle and trailer~~

1 ~~has carried persons or property for hire in interstate~~  
2 ~~commerce, even just between points in Illinois, if the motor~~  
3 ~~vehicle and trailer transports persons whose journeys or~~  
4 ~~property whose shipments originate or terminate outside~~  
5 ~~Illinois. This definition applies to all property purchased for~~  
6 ~~the purpose of being attached to those motor vehicles or~~  
7 ~~trailers as a part thereof.~~

8 (b) (Blank). ~~On and after July 1, 2003 and through June 30,~~  
9 ~~2004, "use as rolling stock moving in interstate commerce" in~~  
10 ~~paragraphs (4) and (4a) of the definition of "sale of service"~~  
11 ~~in Section 2 and subsection (b) of Section 3-45 occurs for~~  
12 ~~motor vehicles, as defined in Section 1-146 of the Illinois~~  
13 ~~Vehicle Code, when during a 12-month period the rolling stock~~  
14 ~~has carried persons or property for hire in interstate commerce~~  
15 ~~for 51% of its total trips and transports persons whose~~  
16 ~~journeys or property whose shipments originate or terminate~~  
17 ~~outside Illinois. Trips that are only between points in~~  
18 ~~Illinois shall not be counted as interstate trips when~~  
19 ~~calculating whether the tangible personal property qualifies~~  
20 ~~for the exemption but such trips shall be included in total~~  
21 ~~trips taken.~~

22 (c) This subsection (c) applies to motor vehicles, other  
23 than limousines, purchased through June 30, 2017. For motor  
24 vehicles, other than limousines, purchased on or after July 1,  
25 2017, subsection (d-5) applies. This subsection (c) applies to  
26 limousines purchased before, on, or after July 1, 2017. "Use

1 ~~Beginning July 1, 2004, "use~~ as rolling stock moving in  
2 interstate commerce" in paragraph ~~paragraphs (4) and~~ (4a) of  
3 the definition of "sale of service" in Section 2 and subsection  
4 (b) of Section 3-45 occurs for motor vehicles, as defined in  
5 Section 1-146 of the Illinois Vehicle Code, when during a  
6 12-month period the rolling stock has carried persons or  
7 property for hire in interstate commerce for greater than 50%  
8 of its total trips for that period or for greater than 50% of  
9 its total miles for that period. The person claiming the  
10 exemption shall make an election at the time of purchase to use  
11 either the trips or mileage method. Persons who purchased motor  
12 vehicles prior to July 1, 2004 shall make an election to use  
13 either the trips or mileage method and document that election  
14 in their books and records. If no election is made under this  
15 subsection to use the trips or mileage method, the person shall  
16 be deemed to have chosen the mileage method.

17 For purposes of determining qualifying trips or miles,  
18 motor vehicles that carry persons or property for hire, even  
19 just between points in Illinois, will be considered used for  
20 hire in interstate commerce if the motor vehicle transports  
21 persons whose journeys or property whose shipments originate or  
22 terminate outside Illinois. The exemption for motor vehicles  
23 used as rolling stock moving in interstate commerce may be  
24 claimed only for the following vehicles: (i) motor vehicles  
25 whose gross vehicle weight rating exceeds 16,000 pounds; and  
26 (ii) limousines, as defined in Section 1-139.1 of the Illinois

1 Vehicle Code. Through June 30, 2017, this ~~This~~ definition  
2 applies to all property purchased for the purpose of being  
3 attached to those motor vehicles as a part thereof. On and  
4 after July 1, 2017, this definition applies to property  
5 purchased for the purpose of being attached to limousines as a  
6 part thereof.

7 (d) For purchases made through June 30, 2017 ~~Beginning July~~  
8 ~~1, 2004,~~ "use as rolling stock moving in interstate commerce"  
9 in paragraph ~~paragraphs (4) and~~ (4a) of the definition of "sale  
10 of service" in Section 2 and subsection (b) of Section 3-45  
11 occurs for trailers, as defined in Section 1-209 of the  
12 Illinois Vehicle Code, semitrailers as defined in Section 1-187  
13 of the Illinois Vehicle Code, and pole trailers as defined in  
14 Section 1-161 of the Illinois Vehicle Code, when during a  
15 12-month period the rolling stock has carried persons or  
16 property for hire in interstate commerce for greater than 50%  
17 of its total trips for that period or for greater than 50% of  
18 its total miles for that period. The person claiming the  
19 exemption for a trailer or trailers that will not be dedicated  
20 to a motor vehicle or group of motor vehicles shall make an  
21 election at the time of purchase to use either the trips or  
22 mileage method. Persons who purchased trailers prior to July 1,  
23 2004 that are not dedicated to a motor vehicle or group of  
24 motor vehicles shall make an election to use either the trips  
25 or mileage method and document that election in their books and  
26 records. If no election is made under this subsection to use



1 the trips or mileage method, the person shall be deemed to have  
2 chosen the mileage method.

3 For purposes of determining qualifying trips or miles,  
4 trailers, semitrailers, or pole trailers that carry property  
5 for hire, even just between points in Illinois, will be  
6 considered used for hire in interstate commerce if the  
7 trailers, semitrailers, or pole trailers transport property  
8 whose shipments originate or terminate outside Illinois. This  
9 definition applies to all property purchased for the purpose of  
10 being attached to those trailers, semitrailers, or pole  
11 trailers as a part thereof. In lieu of a person providing  
12 documentation regarding the qualifying use of each individual  
13 trailer, semitrailer, or pole trailer, that person may document  
14 such qualifying use by providing documentation of the  
15 following:

16 (1) If a trailer, semitrailer, or pole trailer is  
17 dedicated to a motor vehicle that qualifies as rolling  
18 stock moving in interstate commerce under subsection (c) of  
19 this Section, then that trailer, semitrailer, or pole  
20 trailer qualifies as rolling stock moving in interstate  
21 commerce under this subsection.

22 (2) If a trailer, semitrailer, or pole trailer is  
23 dedicated to a group of motor vehicles that all qualify as  
24 rolling stock moving in interstate commerce under  
25 subsection (c) of this Section, then that trailer,  
26 semitrailer, or pole trailer qualifies as rolling stock

1 moving in interstate commerce under this subsection.

2 (3) If one or more trailers, semitrailers, or pole  
3 trailers are dedicated to a group of motor vehicles and not  
4 all of those motor vehicles in that group qualify as  
5 rolling stock moving in interstate commerce under  
6 subsection (c) of this Section, then the percentage of  
7 those trailers, semitrailers, or pole trailers that  
8 qualifies as rolling stock moving in interstate commerce  
9 under this subsection is equal to the percentage of those  
10 motor vehicles in that group that qualify as rolling stock  
11 moving in interstate commerce under subsection (c) of this  
12 Section to which those trailers, semitrailers, or pole  
13 trailers are dedicated. However, to determine the  
14 qualification for the exemption provided under this item  
15 (3), the mathematical application of the qualifying  
16 percentage to one or more trailers, semitrailers, or pole  
17 trailers under this subpart shall not be allowed as to any  
18 fraction of a trailer, semitrailer, or pole trailer.

19 (d-5) For motor vehicles and trailers purchased on or after  
20 July 1, 2017, "use as rolling stock moving in interstate  
21 commerce" means that:

22 (1) the motor vehicle or trailer is used to transport  
23 persons or property for hire;

24 (2) for purposes of the exemption under paragraph (4a)  
25 of the definition of "sale of service" in Section 2, the  
26 purchaser who is an owner, lessor, or shipper claiming the

1 exemption certifies that the motor vehicle or trailer will  
2 be utilized, from the time of purchase and continuing  
3 through the statute of limitations for issuing a notice of  
4 tax liability under this Act, by an interstate carrier or  
5 carriers for hire who hold, and are required by Federal  
6 Motor Carrier Safety Administration regulations to hold,  
7 an active USDOT Number with the Carrier Operation listed as  
8 "Interstate" and the Operation Classification listed as  
9 "authorized for hire", "exempt for hire", or both  
10 "authorized for hire" and "exempt for hire"; except that  
11 this paragraph (2) does not apply to a motor vehicle or  
12 trailer used at an airport to support the operation of an  
13 aircraft moving in interstate commerce, as long as (i) in  
14 the case of a motor vehicle, the motor vehicle meets  
15 paragraphs (1) and (3) of this subsection (d-5) or (ii) in  
16 the case of a trailer, the trailer meets paragraph (1) of  
17 this subsection (d-5); and

18 (3) for motor vehicles, the gross vehicle weight rating  
19 exceeds 16,000 pounds.

20 The definition of "use as rolling stock moving in  
21 interstate commerce" in this subsection (d-5) applies to all  
22 property purchased on or after July 1, 2017 for the purpose of  
23 being attached to a motor vehicle or trailer as a part thereof,  
24 regardless of whether the motor vehicle or trailer was  
25 purchased before, on, or after July 1, 2017.

26 If an item ceases to meet requirements (1) through (3)

1 under this subsection (d-5), then the tax is imposed on the  
2 selling price, allowing for a reasonable depreciation for the  
3 period during which the item qualified for the exemption.

4 For purposes of this subsection (d-5):

5 "Motor vehicle" excludes limousines, but otherwise  
6 means that term as defined in Section 1-146 of the Illinois  
7 Vehicle Code.

8 "Trailer" means (i) "trailer", as defined in Section  
9 1-209 of the Illinois Vehicle Code, (ii) "semitrailer", as  
10 defined in Section 1-187 of the Illinois Vehicle Code, and  
11 (iii) "pole trailer", as defined in Section 1-161 of the  
12 Illinois Vehicle Code.

13 (e) For aircraft and watercraft purchased on or after  
14 January 1, 2014, "use as rolling stock moving in interstate  
15 commerce" in (i) ~~paragraph paragraphs (4) and~~ (4a) of the  
16 definition of "sale of service" in Section 2 and (ii)  
17 subsection (b) of Section 3-45 occurs when, during a 12-month  
18 period, the rolling stock has carried persons or property for  
19 hire in interstate commerce for greater than 50% of its total  
20 trips for that period or for greater than 50% of its total  
21 miles for that period. The person claiming the exemption shall  
22 make an election at the time of purchase to use either the  
23 trips or mileage method and document that election in their  
24 books and records. If no election is made under this subsection  
25 to use the trips or mileage method, the person shall be deemed  
26 to have chosen the mileage method. For aircraft, flight hours

1 may be used in lieu of recording miles in determining whether  
2 the aircraft meets the mileage test in this subsection. For  
3 watercraft, nautical miles or trip hours may be used in lieu of  
4 recording miles in determining whether the watercraft meets the  
5 mileage test in this subsection.

6 Notwithstanding any other provision of law to the contrary,  
7 property purchased on or after January 1, 2014 for the purpose  
8 of being attached to aircraft or watercraft as a part thereof  
9 qualifies as rolling stock moving in interstate commerce only  
10 if the aircraft or watercraft to which it will be attached  
11 qualifies as rolling stock moving in interstate commerce under  
12 the test set forth in this subsection (e), regardless of when  
13 the aircraft or watercraft was purchased. Persons who purchased  
14 aircraft or watercraft prior to January 1, 2014 shall make an  
15 election to use either the trips or mileage method and document  
16 that election in their books and records for the purpose of  
17 determining whether property purchased on or after January 1,  
18 2014 for the purpose of being attached to aircraft or  
19 watercraft as a part thereof qualifies as rolling stock moving  
20 in interstate commerce under this subsection (e).

21 (f) The election to use either the trips or mileage method  
22 made under the provisions of subsections (c), (d), or (e) of  
23 this Section will remain in effect for the duration of the  
24 purchaser's ownership of that item.

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

1           Section 15. The Service Occupation Tax Act is amended by  
2 changing Sections 2 and 2d as follows:

3           (35 ILCS 115/2) (from Ch. 120, par. 439.102)

4           Sec. 2. "Transfer" means any transfer of the title to  
5 property or of the ownership of property whether or not the  
6 transferor retains title as security for the payment of amounts  
7 due him from the transferee.

8           "Cost Price" means the consideration paid by the serviceman  
9 for a purchase valued in money, whether paid in money or  
10 otherwise, including cash, credits and services, and shall be  
11 determined without any deduction on account of the supplier's  
12 cost of the property sold or on account of any other expense  
13 incurred by the supplier. When a serviceman contracts out part  
14 or all of the services required in his sale of service, it  
15 shall be presumed that the cost price to the serviceman of the  
16 property transferred to him by his or her subcontractor is  
17 equal to 50% of the subcontractor's charges to the serviceman  
18 in the absence of proof of the consideration paid by the  
19 subcontractor for the purchase of such property.

20           "Department" means the Department of Revenue.

21           "Person" means any natural individual, firm, partnership,  
22 association, joint stock company, joint venture, public or  
23 private corporation, limited liability company, and any  
24 receiver, executor, trustee, guardian or other representative  
25 appointed by order of any court.

1 "Sale of Service" means any transaction except:

2 (a) A retail sale of tangible personal property taxable  
3 under the Retailers' Occupation Tax Act or under the Use Tax  
4 Act.

5 (b) A sale of tangible personal property for the purpose of  
6 resale made in compliance with Section 2c of the Retailers'  
7 Occupation Tax Act.

8 (c) Except as hereinafter provided, a sale or transfer of  
9 tangible personal property as an incident to the rendering of  
10 service for or by any governmental body or for or by any  
11 corporation, society, association, foundation or institution  
12 organized and operated exclusively for charitable, religious  
13 or educational purposes or any not-for-profit corporation,  
14 society, association, foundation, institution or organization  
15 which has no compensated officers or employees and which is  
16 organized and operated primarily for the recreation of persons  
17 55 years of age or older. A limited liability company may  
18 qualify for the exemption under this paragraph only if the  
19 limited liability company is organized and operated  
20 exclusively for educational purposes.

21 (d) (Blank). ~~A sale or transfer of tangible personal~~  
22 ~~property as an incident to the rendering of service for~~  
23 ~~interstate carriers for hire for use as rolling stock moving in~~  
24 ~~interstate commerce or lessors under leases of one year or~~  
25 ~~longer, executed or in effect at the time of purchase, to~~  
26 ~~interstate carriers for hire for use as rolling stock moving in~~

1 ~~interstate commerce, and equipment operated by a~~  
2 ~~telecommunications provider, licensed as a common carrier by~~  
3 ~~the Federal Communications Commission, which is permanently~~  
4 ~~installed in or affixed to aircraft moving in interstate~~  
5 ~~commerce.~~

6 (d-1) A sale or transfer of tangible personal property as  
7 an incident to the rendering of service for owners, lessors or  
8 shippers of tangible personal property which is utilized by  
9 interstate carriers for hire for use as rolling stock moving in  
10 interstate commerce, and equipment operated by a  
11 telecommunications provider, licensed as a common carrier by  
12 the Federal Communications Commission, which is permanently  
13 installed in or affixed to aircraft moving in interstate  
14 commerce.

15 (d-1.1) On and after July 1, 2003 and through June 30,  
16 2004, a sale or transfer of a motor vehicle of the second  
17 division with a gross vehicle weight in excess of 8,000 pounds  
18 as an incident to the rendering of service if that motor  
19 vehicle is subject to the commercial distribution fee imposed  
20 under Section 3-815.1 of the Illinois Vehicle Code. Beginning  
21 on July 1, 2004 and through June 30, 2005, the use in this  
22 State of motor vehicles of the second division: (i) with a  
23 gross vehicle weight rating in excess of 8,000 pounds; (ii)  
24 that are subject to the commercial distribution fee imposed  
25 under Section 3-815.1 of the Illinois Vehicle Code; and (iii)  
26 that are primarily used for commercial purposes. Through June



1 30, 2005, this exemption applies to repair and replacement  
2 parts added after the initial purchase of such a motor vehicle  
3 if that motor vehicle is used in a manner that would qualify  
4 for the rolling stock exemption otherwise provided for in this  
5 Act. For purposes of this paragraph, "used for commercial  
6 purposes" means the transportation of persons or property in  
7 furtherance of any commercial or industrial enterprise whether  
8 for-hire or not.

9 (d-2) The repairing, reconditioning or remodeling, for a  
10 common carrier by rail, of tangible personal property which  
11 belongs to such carrier for hire, and as to which such carrier  
12 receives the physical possession of the repaired,  
13 reconditioned or remodeled item of tangible personal property  
14 in Illinois, and which such carrier transports, or shares with  
15 another common carrier in the transportation of such property,  
16 out of Illinois on a standard uniform bill of lading showing  
17 the person who repaired, reconditioned or remodeled the  
18 property as the shipper or consignor of such property to a  
19 destination outside Illinois, for use outside Illinois.

20 (d-3) A sale or transfer of tangible personal property  
21 which is produced by the seller thereof on special order in  
22 such a way as to have made the applicable tax the Service  
23 Occupation Tax or the Service Use Tax, rather than the  
24 Retailers' Occupation Tax or the Use Tax, for an interstate  
25 carrier by rail which receives the physical possession of such  
26 property in Illinois, and which transports such property, or

1 shares with another common carrier in the transportation of  
2 such property, out of Illinois on a standard uniform bill of  
3 lading showing the seller of the property as the shipper or  
4 consignor of such property to a destination outside Illinois,  
5 for use outside Illinois.

6 (d-4) Until January 1, 1997, a sale, by a registered  
7 serviceman paying tax under this Act to the Department, of  
8 special order printed materials delivered outside Illinois and  
9 which are not returned to this State, if delivery is made by  
10 the seller or agent of the seller, including an agent who  
11 causes the product to be delivered outside Illinois by a common  
12 carrier or the U.S. postal service.

13 (e) A sale or transfer of machinery and equipment used  
14 primarily in the process of the manufacturing or assembling,  
15 either in an existing, an expanded or a new manufacturing  
16 facility, of tangible personal property for wholesale or retail  
17 sale or lease, whether such sale or lease is made directly by  
18 the manufacturer or by some other person, whether the materials  
19 used in the process are owned by the manufacturer or some other  
20 person, or whether such sale or lease is made apart from or as  
21 an incident to the seller's engaging in a service occupation  
22 and the applicable tax is a Service Occupation Tax or Service  
23 Use Tax, rather than Retailers' Occupation Tax or Use Tax. The  
24 exemption provided by this paragraph (e) does not include  
25 machinery and equipment used in (i) the generation of  
26 electricity for wholesale or retail sale; (ii) the generation

1 or treatment of natural or artificial gas for wholesale or  
2 retail sale that is delivered to customers through pipes,  
3 pipelines, or mains; or (iii) the treatment of water for  
4 wholesale or retail sale that is delivered to customers through  
5 pipes, pipelines, or mains. The provisions of this amendatory  
6 Act of the 98th General Assembly are declaratory of existing  
7 law as to the meaning and scope of this exemption.

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

15 (g) At the election of any serviceman not required to be  
16 otherwise registered as a retailer under Section 2a of the  
17 Retailers' Occupation Tax Act, made for each fiscal year sales  
18 of service in which the aggregate annual cost price of tangible  
19 personal property transferred as an incident to the sales of  
20 service is less than 35% (75% in the case of servicemen  
21 transferring prescription drugs or servicemen engaged in  
22 graphic arts production) of the aggregate annual total gross  
23 receipts from all sales of service. The purchase of such  
24 tangible personal property by the serviceman shall be subject  
25 to tax under the Retailers' Occupation Tax Act and the Use Tax  
26 Act. However, if a primary serviceman who has made the election

1 described in this paragraph subcontracts service work to a  
2 secondary serviceman who has also made the election described  
3 in this paragraph, the primary serviceman does not incur a Use  
4 Tax liability if the secondary serviceman (i) has paid or will  
5 pay Use Tax on his or her cost price of any tangible personal  
6 property transferred to the primary serviceman and (ii)  
7 certifies that fact in writing to the primary serviceman.

8 Tangible personal property transferred incident to the  
9 completion of a maintenance agreement is exempt from the tax  
10 imposed pursuant to this Act.

11 Exemption (e) also includes machinery and equipment used in  
12 the general maintenance or repair of such exempt machinery and  
13 equipment or for in-house manufacture of exempt machinery and  
14 equipment. The machinery and equipment exemption does not  
15 include machinery and equipment used in (i) the generation of  
16 electricity for wholesale or retail sale; (ii) the generation  
17 or treatment of natural or artificial gas for wholesale or  
18 retail sale that is delivered to customers through pipes,  
19 pipelines, or mains; or (iii) the treatment of water for  
20 wholesale or retail sale that is delivered to customers through  
21 pipes, pipelines, or mains. The provisions of this amendatory  
22 Act of the 98th General Assembly are declaratory of existing  
23 law as to the meaning and scope of this exemption. For the  
24 purposes of exemption (e), each of these terms shall have the  
25 following meanings: (1) "manufacturing process" shall mean the  
26 production of any article of tangible personal property,

1 whether such article is a finished product or an article for  
2 use in the process of manufacturing or assembling a different  
3 article of tangible personal property, by procedures commonly  
4 regarded as manufacturing, processing, fabricating, or  
5 refining which changes some existing material or materials into  
6 a material with a different form, use or name. In relation to a  
7 recognized integrated business composed of a series of  
8 operations which collectively constitute manufacturing, or  
9 individually constitute manufacturing operations, the  
10 manufacturing process shall be deemed to commence with the  
11 first operation or stage of production in the series, and shall  
12 not be deemed to end until the completion of the final product  
13 in the last operation or stage of production in the series; and  
14 further for purposes of exemption (e), photoprocessing is  
15 deemed to be a manufacturing process of tangible personal  
16 property for wholesale or retail sale; (2) "assembling process"  
17 shall mean the production of any article of tangible personal  
18 property, whether such article is a finished product or an  
19 article for use in the process of manufacturing or assembling a  
20 different article of tangible personal property, by the  
21 combination of existing materials in a manner commonly regarded  
22 as assembling which results in a material of a different form,  
23 use or name; (3) "machinery" shall mean major mechanical  
24 machines or major components of such machines contributing to a  
25 manufacturing or assembling process; and (4) "equipment" shall  
26 include any independent device or tool separate from any

1 machinery but essential to an integrated manufacturing or  
2 assembly process; including computers used primarily in a  
3 manufacturer's computer assisted design, computer assisted  
4 manufacturing (CAD/CAM) system; or any subunit or assembly  
5 comprising a component of any machinery or auxiliary, adjunct  
6 or attachment parts of machinery, such as tools, dies, jigs,  
7 fixtures, patterns and molds; or any parts which require  
8 periodic replacement in the course of normal operation; but  
9 shall not include hand tools. Equipment includes chemicals or  
10 chemicals acting as catalysts but only if the chemicals or  
11 chemicals acting as catalysts effect a direct and immediate  
12 change upon a product being manufactured or assembled for  
13 wholesale or retail sale or lease. The purchaser of such  
14 machinery and equipment who has an active resale registration  
15 number shall furnish such number to the seller at the time of  
16 purchase. The purchaser of such machinery and equipment and  
17 tools without an active resale registration number shall  
18 furnish to the seller a certificate of exemption for each  
19 transaction stating facts establishing the exemption for that  
20 transaction, which certificate shall be available to the  
21 Department for inspection or audit.

22       Except as provided in Section 2d of this Act, the rolling  
23 stock exemption applies to rolling stock used by an interstate  
24 carrier for hire, even just between points in Illinois, if such  
25 rolling stock transports, for hire, persons whose journeys or  
26 property whose shipments originate or terminate outside

1 Illinois.

2 Any informal rulings, opinions or letters issued by the  
3 Department in response to an inquiry or request for any opinion  
4 from any person regarding the coverage and applicability of  
5 exemption (e) to specific devices shall be published,  
6 maintained as a public record, and made available for public  
7 inspection and copying. If the informal ruling, opinion or  
8 letter contains trade secrets or other confidential  
9 information, where possible the Department shall delete such  
10 information prior to publication. Whenever such informal  
11 rulings, opinions, or letters contain any policy of general  
12 applicability, the Department shall formulate and adopt such  
13 policy as a rule in accordance with the provisions of the  
14 Illinois Administrative Procedure Act.

15 On and after July 1, 1987, no entity otherwise eligible  
16 under exemption (c) of this Section shall make tax free  
17 purchases unless it has an active exemption identification  
18 number issued by the Department.

19 "Serviceman" means any person who is engaged in the  
20 occupation of making sales of service.

21 "Sale at Retail" means "sale at retail" as defined in the  
22 Retailers' Occupation Tax Act.

23 "Supplier" means any person who makes sales of tangible  
24 personal property to servicemen for the purpose of resale as an  
25 incident to a sale of service.

26 (Source: P.A. 98-583, eff. 1-1-14.)

1 (35 ILCS 115/2d)

2 Sec. 2d. Motor vehicles; trailers; use as rolling stock  
3 definition.

4 (a) (Blank). ~~Through June 30, 2003, "use as rolling stock~~  
5 ~~moving in interstate commerce" in subsections (d) and (d-1) of~~  
6 ~~the definition of "sale of service" in Section 2 means for~~  
7 ~~motor vehicles, as defined in Section 1-146 of the Illinois~~  
8 ~~Vehicle Code, and trailers, as defined in Section 1-209 of the~~  
9 ~~Illinois Vehicle Code, when on 15 or more occasions in a~~  
10 ~~12-month period the motor vehicle and trailer has carried~~  
11 ~~persons or property for hire in interstate commerce, even just~~  
12 ~~between points in Illinois, if the motor vehicle and trailer~~  
13 ~~transports persons whose journeys or property whose shipments~~  
14 ~~originate or terminate outside Illinois. This definition~~  
15 ~~applies to all property purchased for the purpose of being~~  
16 ~~attached to those motor vehicles or trailers as a part thereof.~~

17 (b) (Blank). ~~On and after July 1, 2003 and through June 30,~~  
18 ~~2004, "use as rolling stock moving in interstate commerce" in~~  
19 ~~paragraphs (d) and (d-1) of the definition of "sale of service"~~  
20 ~~in Section 2 occurs for motor vehicles, as defined in Section~~  
21 ~~1-146 of the Illinois Vehicle Code, when during a 12-month~~  
22 ~~period the rolling stock has carried persons or property for~~  
23 ~~hire in interstate commerce for 51% of its total trips and~~  
24 ~~transports persons whose journeys or property whose shipments~~  
25 ~~originate or terminate outside Illinois. Trips that are only~~



1 ~~between points in Illinois will not be counted as interstate~~  
2 ~~trips when calculating whether the tangible personal property~~  
3 ~~qualifies for the exemption but such trips will be included in~~  
4 ~~total trips taken.~~

5 (c) This subsection (c) applies to motor vehicles, other  
6 than limousines, purchased through June 30, 2017. For motor  
7 vehicles, other than limousines, purchased on or after July 1,  
8 2017, subsection (d-5) applies. This subsection (c) applies to  
9 limousines purchased before, on, or after July 1, 2017. "Use  
10 ~~Beginning July 1, 2004, "use~~ as rolling stock moving in  
11 interstate commerce" in paragraph ~~paragraphs (d) and (d-1)~~ of  
12 the definition of "sale of service" in Section 2 occurs for  
13 motor vehicles, as defined in Section 1-146 of the Illinois  
14 Vehicle Code, when during a 12-month period the rolling stock  
15 has carried persons or property for hire in interstate commerce  
16 for greater than 50% of its total trips for that period or for  
17 greater than 50% of its total miles for that period. The person  
18 claiming the exemption shall make an election at the time of  
19 purchase to use either the trips or mileage method. Persons who  
20 purchased motor vehicles prior to July 1, 2004 shall make an  
21 election to use either the trips or mileage method and document  
22 that election in their books and records. If no election is  
23 made under this subsection to use the trips or mileage method,  
24 the person shall be deemed to have chosen the mileage method.

25 For purposes of determining qualifying trips or miles,  
26 motor vehicles that carry persons or property for hire, even

1 just between points in Illinois, will be considered used for  
2 hire in interstate commerce if the motor vehicle transports  
3 persons whose journeys or property whose shipments originate or  
4 terminate outside Illinois. The exemption for motor vehicles  
5 used as rolling stock moving in interstate commerce may be  
6 claimed only for the following vehicles: (i) motor vehicles  
7 whose gross vehicle weight rating exceeds 16,000 pounds; and  
8 (ii) limousines, as defined in Section 1-139.1 of the Illinois  
9 Vehicle Code. Through June 30, 2017, this ~~This~~ definition  
10 applies to all property purchased for the purpose of being  
11 attached to those motor vehicles as a part thereof. On and  
12 after July 1, 2017, this definition applies to property  
13 purchased for the purpose of being attached to limousines as a  
14 part thereof.

15 (d) For purchases made through June 30, 2017 ~~Beginning July~~  
16 ~~1, 2004,~~ "use as rolling stock moving in interstate commerce"  
17 in paragraph ~~paragraphs (d) and~~ (d-1) of the definition of  
18 "sale of service" in Section 2 occurs for trailers, as defined  
19 in Section 1-209 of the Illinois Vehicle Code, semitrailers as  
20 defined in Section 1-187 of the Illinois Vehicle Code, and pole  
21 trailers as defined in Section 1-161 of the Illinois Vehicle  
22 Code, when during a 12-month period the rolling stock has  
23 carried persons or property for hire in interstate commerce for  
24 greater than 50% of its total trips for that period or for  
25 greater than 50% of its total miles for that period. The person  
26 claiming the exemption for a trailer or trailers that will not

1 be dedicated to a motor vehicle or group of motor vehicles  
2 shall make an election at the time of purchase to use either  
3 the trips or mileage method. Persons who purchased trailers  
4 prior to July 1, 2004 that are not dedicated to a motor vehicle  
5 or group of motor vehicles shall make an election to use either  
6 the trips or mileage method and document that election in their  
7 books and records. If no election is made under this subsection  
8 to use the trips or mileage method, the person shall be deemed  
9 to have chosen the mileage method.

10 For purposes of determining qualifying trips or miles,  
11 trailers, semitrailers, or pole trailers that carry property  
12 for hire, even just between points in Illinois, will be  
13 considered used for hire in interstate commerce if the  
14 trailers, semitrailers, or pole trailers transport property  
15 whose shipments originate or terminate outside Illinois. This  
16 definition applies to all property purchased for the purpose of  
17 being attached to those trailers, semitrailers, or pole  
18 trailers as a part thereof. In lieu of a person providing  
19 documentation regarding the qualifying use of each individual  
20 trailer, semitrailer, or pole trailer, that person may document  
21 such qualifying use by providing documentation of the  
22 following:

23 (1) If a trailer, semitrailer, or pole trailer is  
24 dedicated to a motor vehicle that qualifies as rolling  
25 stock moving in interstate commerce under subsection (c) of  
26 this Section, then that trailer, semitrailer, or pole

1 trailer qualifies as rolling stock moving in interstate  
2 commerce under this subsection.

3 (2) If a trailer, semitrailer, or pole trailer is  
4 dedicated to a group of motor vehicles that all qualify as  
5 rolling stock moving in interstate commerce under  
6 subsection (c) of this Section, then that trailer,  
7 semitrailer, or pole trailer qualifies as rolling stock  
8 moving in interstate commerce under this subsection.

9 (3) If one or more trailers, semitrailers, or pole  
10 trailers are dedicated to a group of motor vehicles and not  
11 all of those motor vehicles in that group qualify as  
12 rolling stock moving in interstate commerce under  
13 subsection (c) of this Section, then the percentage of  
14 those trailers, semitrailers, or pole trailers that  
15 qualifies as rolling stock moving in interstate commerce  
16 under this subsection is equal to the percentage of those  
17 motor vehicles in that group that qualify as rolling stock  
18 moving in interstate commerce under subsection (c) of this  
19 Section to which those trailers, semitrailers, or pole  
20 trailers are dedicated. However, to determine the  
21 qualification for the exemption provided under this item  
22 (3), the mathematical application of the qualifying  
23 percentage to one or more trailers, semitrailers, or pole  
24 trailers under this subpart shall not be allowed as to any  
25 fraction of a trailer, semitrailer, or pole trailer.

26 (d-5) For motor vehicles and trailers purchased on or after

1 July 1, 2017, "use as rolling stock moving in interstate  
2 commerce" means that:

3 (1) the motor vehicle or trailer is used to transport  
4 persons or property for hire;

5 (2) for purposes of the exemption under paragraph (d-1)  
6 of the definition of "sale of service" in Section 2, the  
7 purchaser who is an owner, lessor, or shipper claiming the  
8 exemption certifies that the motor vehicle or trailer will  
9 be utilized, from the time of purchase and continuing  
10 through the statute of limitations for issuing a notice of  
11 tax liability under this Act, by an interstate carrier or  
12 carriers for hire who hold, and are required by Federal  
13 Motor Carrier Safety Administration regulations to hold,  
14 an active USDOT Number with the Carrier Operation listed as  
15 "Interstate" and the Operation Classification listed as  
16 "authorized for hire", "exempt for hire", or both  
17 "authorized for hire" and "exempt for hire"; except that  
18 this paragraph (2) does not apply to a motor vehicle or  
19 trailer used at an airport to support the operation of an  
20 aircraft moving in interstate commerce, as long as (i) in  
21 the case of a motor vehicle, the motor vehicle meets  
22 paragraphs (1) and (3) of this subsection (d-5) or (ii) in  
23 the case of a trailer, the trailer meets paragraph (1) of  
24 this subsection (d-5); and

25 (3) for motor vehicles, the gross vehicle weight rating  
26 exceeds 16,000 pounds.

1       The definition of "use as rolling stock moving in  
2 interstate commerce" in this subsection (d-5) applies to all  
3 property purchased on or after July 1, 2017 for the purpose of  
4 being attached to a motor vehicle or trailer as a part thereof,  
5 regardless of whether the motor vehicle or trailer was  
6 purchased before, on, or after July 1, 2017.

7       If an item ceases to meet requirements (1) through (3)  
8 under this subsection (d-5), then the tax is imposed on the  
9 selling price, allowing for a reasonable depreciation for the  
10 period during which the item qualified for the exemption.

11       For purposes of this subsection (d-5):

12       "Motor vehicle" excludes limousines, but otherwise  
13 means that term as defined in Section 1-146 of the Illinois  
14 Vehicle Code.

15       "Trailer" means (i) "trailer", as defined in Section  
16 1-209 of the Illinois Vehicle Code, (ii) "semitrailer", as  
17 defined in Section 1-187 of the Illinois Vehicle Code, and  
18 (iii) "pole trailer", as defined in Section 1-161 of the  
19 Illinois Vehicle Code.

20       (e) For aircraft and watercraft purchased on or after  
21 January 1 2014, "use as rolling stock moving in interstate  
22 commerce" in ~~paragraph paragraphs (d) and~~ (d-1) of the  
23 definition of "sale of service" in Section 2 occurs when,  
24 during a 12-month period, the rolling stock has carried persons  
25 or property for hire in interstate commerce for greater than  
26 50% of its total trips for that period or for greater than 50%

1 of its total miles for that period. The person claiming the  
2 exemption shall make an election at the time of purchase to use  
3 either the trips or mileage method and document that election  
4 in their books and records. If no election is made under this  
5 subsection to use the trips or mileage method, the person shall  
6 be deemed to have chosen the mileage method. For aircraft,  
7 flight hours may be used in lieu of recording miles in  
8 determining whether the aircraft meets the mileage test in this  
9 subsection. For watercraft, nautical miles or trip hours may be  
10 used in lieu of recording miles in determining whether the  
11 watercraft meets the mileage test in this subsection.

12 Notwithstanding any other provision of law to the contrary,  
13 property purchased on or after January 1, 2014 for the purpose  
14 of being attached to aircraft or watercraft as a part thereof  
15 qualifies as rolling stock moving in interstate commerce only  
16 if the aircraft or watercraft to which it will be attached  
17 qualifies as rolling stock moving in interstate commerce under  
18 the test set forth in this subsection (e), regardless of when  
19 the aircraft or watercraft was purchased. Persons who purchased  
20 aircraft or watercraft prior to January 1, 2014 shall make an  
21 election to use either the trips or mileage method and document  
22 that election in their books and records for the purpose of  
23 determining whether property purchased on or after January 1,  
24 2014 for the purpose of being attached to aircraft or  
25 watercraft as a part thereof qualifies as rolling stock moving  
26 in interstate commerce under this subsection (e).

1 (f) The election to use either the trips or mileage method  
2 made under the provisions of subsections (c), (d), or (e) of  
3 this Section will remain in effect for the duration of the  
4 purchaser's ownership of that item.

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

6 Section 20. The Retailers' Occupation Tax Act is amended by  
7 changing Sections 2-5 and 2-51 as follows:

8 (35 ILCS 120/2-5)

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

12 (1) Farm chemicals.

13 (2) Farm machinery and equipment, both new and used,  
14 including that manufactured on special order, certified by the  
15 purchaser to be used primarily for production agriculture or  
16 State or federal agricultural programs, including individual  
17 replacement parts for the machinery and equipment, including  
18 machinery and equipment purchased for lease, and including  
19 implements of husbandry defined in Section 1-130 of the  
20 Illinois Vehicle Code, farm machinery and agricultural  
21 chemical and fertilizer spreaders, and nurse wagons required to  
22 be registered under Section 3-809 of the Illinois Vehicle Code,  
23 but excluding other motor vehicles required to be registered  
24 under the Illinois Vehicle Code. Horticultural polyhouses or



1 hoop houses used for propagating, growing, or overwintering  
2 plants shall be considered farm machinery and equipment under  
3 this item (2). Agricultural chemical tender tanks and dry boxes  
4 shall include units sold separately from a motor vehicle  
5 required to be licensed and units sold mounted on a motor  
6 vehicle required to be licensed, if the selling price of the  
7 tender is separately stated.

8 Farm machinery and equipment shall include precision  
9 farming equipment that is installed or purchased to be  
10 installed on farm machinery and equipment including, but not  
11 limited to, tractors, harvesters, sprayers, planters, seeders,  
12 or spreaders. Precision farming equipment includes, but is not  
13 limited to, soil testing sensors, computers, monitors,  
14 software, global positioning and mapping systems, and other  
15 such equipment.

16 Farm machinery and equipment also includes computers,  
17 sensors, software, and related equipment used primarily in the  
18 computer-assisted operation of production agriculture  
19 facilities, equipment, and activities such as, but not limited  
20 to, the collection, monitoring, and correlation of animal and  
21 crop data for the purpose of formulating animal diets and  
22 agricultural chemicals. This item (2) is exempt from the  
23 provisions of Section 2-70.

24 (3) Until July 1, 2003, distillation machinery and  
25 equipment, sold as a unit or kit, assembled or installed by the  
26 retailer, certified by the user to be used only for the

1 production of ethyl alcohol that will be used for consumption  
2 as motor fuel or as a component of motor fuel for the personal  
3 use of the user, and not subject to sale or resale.

4 (4) Until July 1, 2003 and beginning again September 1,  
5 2004 through August 30, 2014, graphic arts machinery and  
6 equipment, including repair and replacement parts, both new and  
7 used, and including that manufactured on special order or  
8 purchased for lease, certified by the purchaser to be used  
9 primarily for graphic arts production. Equipment includes  
10 chemicals or chemicals acting as catalysts but only if the  
11 chemicals or chemicals acting as catalysts effect a direct and  
12 immediate change upon a graphic arts product.

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

16 (6) Personal property sold by a teacher-sponsored student  
17 organization affiliated with an elementary or secondary school  
18 located in Illinois.

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

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

25 (9) Personal property sold to a not-for-profit arts or  
26 cultural organization that establishes, by proof required by

1 the Department by rule, that it has received an exemption under  
2 Section 501(c)(3) of the Internal Revenue Code and that is  
3 organized and operated primarily for the presentation or  
4 support of arts or cultural programming, activities, or  
5 services. These organizations include, but are not limited to,  
6 music and dramatic arts organizations such as symphony  
7 orchestras and theatrical groups, arts and cultural service  
8 organizations, local arts councils, visual arts organizations,  
9 and media arts organizations. On and after the effective date  
10 of this amendatory Act of the 92nd General Assembly, however,  
11 an entity otherwise eligible for this exemption shall not make  
12 tax-free purchases unless it has an active identification  
13 number issued by the Department.

14 (10) Personal property sold by a corporation, society,  
15 association, foundation, institution, or organization, other  
16 than a limited liability company, that is organized and  
17 operated as a not-for-profit service enterprise for the benefit  
18 of persons 65 years of age or older if the personal property  
19 was not purchased by the enterprise for the purpose of resale  
20 by the enterprise.

21 (11) Personal property sold to a governmental body, to a  
22 corporation, society, association, foundation, or institution  
23 organized and operated exclusively for charitable, religious,  
24 or educational purposes, or to a not-for-profit corporation,  
25 society, association, foundation, institution, or organization  
26 that has no compensated officers or employees and that is

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

9 (12) (Blank). ~~Tangible personal property sold to~~  
10 ~~interstate carriers for hire for use as rolling stock moving in~~  
11 ~~interstate commerce or to lessors under leases of one year or~~  
12 ~~longer executed or in effect at the time of purchase by~~  
13 ~~interstate carriers for hire for use as rolling stock moving in~~  
14 ~~interstate commerce and equipment operated by a~~  
15 ~~telecommunications provider, licensed as a common carrier by~~  
16 ~~the Federal Communications Commission, which is permanently~~  
17 ~~installed in or affixed to aircraft moving in interstate~~  
18 ~~commerce.~~

19 (12-5) On and after July 1, 2003 and through June 30, 2004,  
20 motor vehicles of the second division with a gross vehicle  
21 weight in excess of 8,000 pounds that are subject to the  
22 commercial distribution fee imposed under Section 3-815.1 of  
23 the Illinois Vehicle Code. Beginning on July 1, 2004 and  
24 through June 30, 2005, the use in this State of motor vehicles  
25 of the second division: (i) with a gross vehicle weight rating  
26 in excess of 8,000 pounds; (ii) that are subject to the

1 commercial distribution fee imposed under Section 3-815.1 of  
2 the Illinois Vehicle Code; and (iii) that are primarily used  
3 for commercial purposes. Through June 30, 2005, this exemption  
4 applies to repair and replacement parts added after the initial  
5 purchase of such a motor vehicle if that motor vehicle is used  
6 in a manner that would qualify for the rolling stock exemption  
7 otherwise provided for in this Act. For purposes of this  
8 paragraph, "used for commercial purposes" means the  
9 transportation of persons or property in furtherance of any  
10 commercial or industrial enterprise whether for-hire or not.

11 (13) Proceeds from sales to owners, lessors, or shippers of  
12 tangible personal property that is utilized by interstate  
13 carriers for hire for use as rolling stock moving in interstate  
14 commerce and equipment operated by a telecommunications  
15 provider, licensed as a common carrier by the Federal  
16 Communications Commission, which is permanently installed in  
17 or affixed to aircraft moving in interstate commerce.

18 (14) Machinery and equipment that will be used by the  
19 purchaser, or a lessee of the purchaser, primarily in the  
20 process of manufacturing or assembling tangible personal  
21 property for wholesale or retail sale or lease, whether the  
22 sale or lease is made directly by the manufacturer or by some  
23 other person, whether the materials used in the process are  
24 owned by the manufacturer or some other person, or whether the  
25 sale or lease is made apart from or as an incident to the  
26 seller's engaging in the service occupation of producing

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

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

20 (16) Petroleum products sold to a purchaser if the seller  
21 is prohibited by federal law from charging tax to the  
22 purchaser.

23 (17) Tangible personal property sold to a common carrier by  
24 rail or motor that receives the physical possession of the  
25 property in Illinois and that transports the property, or  
26 shares with another common carrier in the transportation of the

1 property, out of Illinois on a standard uniform bill of lading  
2 showing the seller of the property as the shipper or consignor  
3 of the property to a destination outside Illinois, for use  
4 outside Illinois.

5 (18) Legal tender, currency, medallions, or gold or silver  
6 coinage issued by the State of Illinois, the government of the  
7 United States of America, or the government of any foreign  
8 country, and bullion.

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

18 (20) Photoprocessing machinery and equipment, including  
19 repair and replacement parts, both new and used, including that  
20 manufactured on special order, certified by the purchaser to be  
21 used primarily for photoprocessing, and including  
22 photoprocessing machinery and equipment purchased for lease.

23 (21) Coal and aggregate exploration, mining, off-highway  
24 hauling, processing, maintenance, and reclamation equipment,  
25 including replacement parts and equipment, and including  
26 equipment purchased for lease, but excluding motor vehicles

1 required to be registered under the Illinois Vehicle Code. The  
2 changes made to this Section by Public Act 97-767 apply on and  
3 after July 1, 2003, but no claim for credit or refund is  
4 allowed on or after August 16, 2013 (the effective date of  
5 Public Act 98-456) for such taxes paid during the period  
6 beginning July 1, 2003 and ending on August 16, 2013 (the  
7 effective date of Public Act 98-456).

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

15 Beginning July 1, 2013, fuel and petroleum products sold to  
16 or used by an air carrier, certified by the carrier to be used  
17 for consumption, shipment, or storage in the conduct of its  
18 business as an air common carrier, for a flight that (i) is  
19 engaged in foreign trade or is engaged in trade between the  
20 United States and any of its possessions and (ii) transports at  
21 least one individual or package for hire from the city of  
22 origination to the city of final destination on the same  
23 aircraft, without regard to a change in the flight number of  
24 that aircraft.

25 (23) A transaction in which the purchase order is received  
26 by a florist who is located outside Illinois, but who has a



1 florist located in Illinois deliver the property to the  
2 purchaser or the purchaser's donee in Illinois.

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

9 (25) Except as provided in item (25-5) of this Section, a  
10 motor vehicle sold in this State to a nonresident even though  
11 the motor vehicle is delivered to the nonresident in this  
12 State, if the motor vehicle is not to be titled in this State,  
13 and if a drive-away permit is issued to the motor vehicle as  
14 provided in Section 3-603 of the Illinois Vehicle Code or if  
15 the nonresident purchaser has vehicle registration plates to  
16 transfer to the motor vehicle upon returning to his or her home  
17 state. The issuance of the drive-away permit or having the  
18 out-of-state registration plates to be transferred is prima  
19 facie evidence that the motor vehicle will not be titled in  
20 this State.

21 (25-5) The exemption under item (25) does not apply if the  
22 state in which the motor vehicle will be titled does not allow  
23 a reciprocal exemption for a motor vehicle sold and delivered  
24 in that state to an Illinois resident but titled in Illinois.  
25 The tax collected under this Act on the sale of a motor vehicle  
26 in this State to a resident of another state that does not

1 allow a reciprocal exemption shall be imposed at a rate equal  
2 to the state's rate of tax on taxable property in the state in  
3 which the purchaser is a resident, except that the tax shall  
4 not exceed the tax that would otherwise be imposed under this  
5 Act. At the time of the sale, the purchaser shall execute a  
6 statement, signed under penalty of perjury, of his or her  
7 intent to title the vehicle in the state in which the purchaser  
8 is a resident within 30 days after the sale and of the fact of  
9 the payment to the State of Illinois of tax in an amount  
10 equivalent to the state's rate of tax on taxable property in  
11 his or her state of residence and shall submit the statement to  
12 the appropriate tax collection agency in his or her state of  
13 residence. In addition, the retailer must retain a signed copy  
14 of the statement in his or her records. Nothing in this item  
15 shall be construed to require the removal of the vehicle from  
16 this state following the filing of an intent to title the  
17 vehicle in the purchaser's state of residence if the purchaser  
18 titles the vehicle in his or her state of residence within 30  
19 days after the date of sale. The tax collected under this Act  
20 in accordance with this item (25-5) shall be proportionately  
21 distributed as if the tax were collected at the 6.25% general  
22 rate imposed under this Act.

23 (25-7) Beginning on July 1, 2007, no tax is imposed under  
24 this Act on the sale of an aircraft, as defined in Section 3 of  
25 the Illinois Aeronautics Act, if all of the following  
26 conditions are met:

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

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

9           (3) the seller retains in his or her books and records  
10          and provides to the Department a signed and dated  
11          certification from the purchaser, on a form prescribed by  
12          the Department, certifying that the requirements of this  
13          item (25-7) are met. The certificate must also include the  
14          name and address of the purchaser, the address of the  
15          location where the aircraft is to be titled or registered,  
16          the address of the primary physical location of the  
17          aircraft, and other information that the Department may  
18          reasonably require.

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

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

24          "Registered in this State" means an aircraft registered  
25          with the Department of Transportation, Aeronautics Division,  
26          or titled or registered with the Federal Aviation

1 Administration to an address located in this State.

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

4 (26) Semen used for artificial insemination of livestock  
5 for direct agricultural production.

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

18 (28) Computers and communications equipment utilized for  
19 any hospital purpose and equipment used in the diagnosis,  
20 analysis, or treatment of hospital patients sold to a lessor  
21 who leases the equipment, under a lease of one year or longer  
22 executed or in effect at the time of the purchase, to a  
23 hospital that has been issued an active tax exemption  
24 identification number by the Department under Section 1g of  
25 this Act.

26 (29) Personal property sold to a lessor who leases the

1 property, under a lease of one year or longer executed or in  
2 effect at the time of the purchase, to a governmental body that  
3 has been issued an active tax exemption identification number  
4 by the Department under Section 1g of this Act.

5 (30) Beginning with taxable years ending on or after  
6 December 31, 1995 and ending with taxable years ending on or  
7 before December 31, 2004, personal property that is donated for  
8 disaster relief to be used in a State or federally declared  
9 disaster area in Illinois or bordering Illinois by a  
10 manufacturer or retailer that is registered in this State to a  
11 corporation, society, association, foundation, or institution  
12 that has been issued a sales tax exemption identification  
13 number by the Department that assists victims of the disaster  
14 who reside within the declared disaster area.

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

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

5           (33) A motor vehicle, as that term is defined in Section  
6 1-146 of the Illinois Vehicle Code, that is donated to a  
7 corporation, limited liability company, society, association,  
8 foundation, or institution that is determined by the Department  
9 to be organized and operated exclusively for educational  
10 purposes. For purposes of this exemption, "a corporation,  
11 limited liability company, society, association, foundation,  
12 or institution organized and operated exclusively for  
13 educational purposes" means all tax-supported public schools,  
14 private schools that offer systematic instruction in useful  
15 branches of learning by methods common to public schools and  
16 that compare favorably in their scope and intensity with the  
17 course of study presented in tax-supported schools, and  
18 vocational or technical schools or institutes organized and  
19 operated exclusively to provide a course of study of not less  
20 than 6 weeks duration and designed to prepare individuals to  
21 follow a trade or to pursue a manual, technical, mechanical,  
22 industrial, business, or commercial occupation.

23           (34) Beginning January 1, 2000, personal property,  
24 including food, purchased through fundraising events for the  
25 benefit of a public or private elementary or secondary school,  
26 a group of those schools, or one or more school districts if

1 the events are sponsored by an entity recognized by the school  
2 district that consists primarily of volunteers and includes  
3 parents and teachers of the school children. This paragraph  
4 does not apply to fundraising events (i) for the benefit of  
5 private home instruction or (ii) for which the fundraising  
6 entity purchases the personal property sold at the events from  
7 another individual or entity that sold the property for the  
8 purpose of resale by the fundraising entity and that profits  
9 from the sale to the fundraising entity. This paragraph is  
10 exempt from the provisions of Section 2-70.

11 (35) Beginning January 1, 2000 and through December 31,  
12 2001, new or used automatic vending machines that prepare and  
13 serve hot food and beverages, including coffee, soup, and other  
14 items, and replacement parts for these machines. Beginning  
15 January 1, 2002 and through June 30, 2003, machines and parts  
16 for machines used in commercial, coin-operated amusement and  
17 vending business if a use or occupation tax is paid on the  
18 gross receipts derived from the use of the commercial,  
19 coin-operated amusement and vending machines. This paragraph  
20 is exempt from the provisions of Section 2-70.

21 (35-5) Beginning August 23, 2001 and through June 30, 2016,  
22 food for human consumption that is to be consumed off the  
23 premises where it is sold (other than alcoholic beverages, soft  
24 drinks, and food that has been prepared for immediate  
25 consumption) and prescription and nonprescription medicines,  
26 drugs, medical appliances, and insulin, urine testing

1 materials, syringes, and needles used by diabetics, for human  
2 use, when purchased for use by a person receiving medical  
3 assistance under Article V of the Illinois Public Aid Code who  
4 resides in a licensed long-term care facility, as defined in  
5 the Nursing Home Care Act, or a licensed facility as defined in  
6 the ID/DD Community Care Act, the MC/DD Act, or the Specialized  
7 Mental Health Rehabilitation Act of 2013.

8 (36) Beginning August 2, 2001, computers and  
9 communications equipment utilized for any hospital purpose and  
10 equipment used in the diagnosis, analysis, or treatment of  
11 hospital patients sold to a lessor who leases the equipment,  
12 under a lease of one year or longer executed or in effect at  
13 the time of the purchase, to a hospital that has been issued an  
14 active tax exemption identification number by the Department  
15 under Section 1g of this Act. This paragraph is exempt from the  
16 provisions of Section 2-70.

17 (37) Beginning August 2, 2001, personal property sold to a  
18 lessor who leases the property, under a lease of one year or  
19 longer executed or in effect at the time of the purchase, to a  
20 governmental body that has been issued an active tax exemption  
21 identification number by the Department under Section 1g of  
22 this Act. This paragraph is exempt from the provisions of  
23 Section 2-70.

24 (38) Beginning on January 1, 2002 and through June 30,  
25 2016, tangible personal property purchased from an Illinois  
26 retailer by a taxpayer engaged in centralized purchasing



1 activities in Illinois who will, upon receipt of the property  
2 in Illinois, temporarily store the property in Illinois (i) for  
3 the purpose of subsequently transporting it outside this State  
4 for use or consumption thereafter solely outside this State or  
5 (ii) for the purpose of being processed, fabricated, or  
6 manufactured into, attached to, or incorporated into other  
7 tangible personal property to be transported outside this State  
8 and thereafter used or consumed solely outside this State. The  
9 Director of Revenue shall, pursuant to rules adopted in  
10 accordance with the Illinois Administrative Procedure Act,  
11 issue a permit to any taxpayer in good standing with the  
12 Department who is eligible for the exemption under this  
13 paragraph (38). The permit issued under this paragraph (38)  
14 shall authorize the holder, to the extent and in the manner  
15 specified in the rules adopted under this Act, to purchase  
16 tangible personal property from a retailer exempt from the  
17 taxes imposed by this Act. Taxpayers shall maintain all  
18 necessary books and records to substantiate the use and  
19 consumption of all such tangible personal property outside of  
20 the State of Illinois.

21 (39) Beginning January 1, 2008, tangible personal property  
22 used in the construction or maintenance of a community water  
23 supply, as defined under Section 3.145 of the Environmental  
24 Protection Act, that is operated by a not-for-profit  
25 corporation that holds a valid water supply permit issued under  
26 Title IV of the Environmental Protection Act. This paragraph is

1 exempt from the provisions of Section 2-70.

2 (40) Beginning January 1, 2010, materials, parts,  
3 equipment, components, and furnishings incorporated into or  
4 upon an aircraft as part of the modification, refurbishment,  
5 completion, replacement, repair, or maintenance of the  
6 aircraft. This exemption includes consumable supplies used in  
7 the modification, refurbishment, completion, replacement,  
8 repair, and maintenance of aircraft, but excludes any  
9 materials, parts, equipment, components, and consumable  
10 supplies used in the modification, replacement, repair, and  
11 maintenance of aircraft engines or power plants, whether such  
12 engines or power plants are installed or uninstalled upon any  
13 such aircraft. "Consumable supplies" include, but are not  
14 limited to, adhesive, tape, sandpaper, general purpose  
15 lubricants, cleaning solution, latex gloves, and protective  
16 films. This exemption applies only to the sale of qualifying  
17 tangible personal property to persons who modify, refurbish,  
18 complete, replace, or maintain an aircraft and who (i) hold an  
19 Air Agency Certificate and are empowered to operate an approved  
20 repair station by the Federal Aviation Administration, (ii)  
21 have a Class IV Rating, and (iii) conduct operations in  
22 accordance with Part 145 of the Federal Aviation Regulations.  
23 The exemption does not include aircraft operated by a  
24 commercial air carrier providing scheduled passenger air  
25 service pursuant to authority issued under Part 121 or Part 129  
26 of the Federal Aviation Regulations. The changes made to this

1 paragraph (40) by Public Act 98-534 are declarative of existing  
2 law.

3 (41) Tangible personal property sold to a  
4 public-facilities corporation, as described in Section  
5 11-65-10 of the Illinois Municipal Code, for purposes of  
6 constructing or furnishing a municipal convention hall, but  
7 only if the legal title to the municipal convention hall is  
8 transferred to the municipality without any further  
9 consideration by or on behalf of the municipality at the time  
10 of the completion of the municipal convention hall or upon the  
11 retirement or redemption of any bonds or other debt instruments  
12 issued by the public-facilities corporation in connection with  
13 the development of the municipal convention hall. This  
14 exemption includes existing public-facilities corporations as  
15 provided in Section 11-65-25 of the Illinois Municipal Code.  
16 This paragraph is exempt from the provisions of Section 2-70.

17 (42) Beginning January 1, 2017, menstrual pads, tampons,  
18 and menstrual cups.

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

23 (35 ILCS 120/2-51)

24 Sec. 2-51. Motor vehicles; trailers; use as rolling stock  
25 definition.

1           (a) (Blank). ~~Through June 30, 2003, "use as rolling stock~~  
2 ~~moving in interstate commerce" in paragraphs (12) and (13) of~~  
3 ~~Section 2-5 means for motor vehicles, as defined in Section~~  
4 ~~1-146 of the Illinois Vehicle Code, and trailers, as defined in~~  
5 ~~Section 1-209 of the Illinois Vehicle Code, when on 15 or more~~  
6 ~~occasions in a 12 month period the motor vehicle and trailer~~  
7 ~~has carried persons or property for hire in interstate~~  
8 ~~commerce, even just between points in Illinois, if the motor~~  
9 ~~vehicle and trailer transports persons whose journeys or~~  
10 ~~property whose shipments originate or terminate outside~~  
11 ~~Illinois. This definition applies to all property purchased for~~  
12 ~~the purpose of being attached to those motor vehicles or~~  
13 ~~trailers as a part thereof.~~

14           (b) (Blank). ~~On and after July 1, 2003 and through June 30,~~  
15 ~~2004, "use as rolling stock moving in interstate commerce" in~~  
16 ~~paragraphs (12) and (13) of Section 2-5 occurs for motor~~  
17 ~~vehicles, as defined in Section 1-146 of the Illinois Vehicle~~  
18 ~~Code, when during a 12 month period the rolling stock has~~  
19 ~~carried persons or property for hire in interstate commerce for~~  
20 ~~51% of its total trips and transports persons whose journeys or~~  
21 ~~property whose shipments originate or terminate outside~~  
22 ~~Illinois. Trips that are only between points in Illinois shall~~  
23 ~~not be counted as interstate trips when calculating whether the~~  
24 ~~tangible personal property qualifies for the exemption but such~~  
25 ~~trips shall be included in total trips taken.~~

26           (c) This subsection (c) applies to motor vehicles, other

1 than limousines, purchased through June 30, 2017. For motor  
2 vehicles, other than limousines, purchased on or after July 1,  
3 2017, subsection (d-5) applies. This subsection (c) applies to  
4 limousines purchased before, on, or after July 1, 2017. "Use  
5 ~~Beginning July 1, 2004, "use~~ as rolling stock moving in  
6 interstate commerce" in ~~paragraph paragraphs (12) and~~ (13) of  
7 Section 2-5 occurs for motor vehicles, as defined in Section  
8 1-146 of the Illinois Vehicle Code, when during a 12-month  
9 period the rolling stock has carried persons or property for  
10 hire in interstate commerce for greater than 50% of its total  
11 trips for that period or for greater than 50% of its total  
12 miles for that period. The person claiming the exemption shall  
13 make an election at the time of purchase to use either the  
14 trips or mileage method. Persons who purchased motor vehicles  
15 prior to July 1, 2004 shall make an election to use either the  
16 trips or mileage method and document that election in their  
17 books and records. If no election is made under this subsection  
18 to use the trips or mileage method, the person shall be deemed  
19 to have chosen the mileage method.

20 For purposes of determining qualifying trips or miles,  
21 motor vehicles that carry persons or property for hire, even  
22 just between points in Illinois, will be considered used for  
23 hire in interstate commerce if the motor vehicle transports  
24 persons whose journeys or property whose shipments originate or  
25 terminate outside Illinois. The exemption for motor vehicles  
26 used as rolling stock moving in interstate commerce may be

1 claimed only for the following vehicles: (i) motor vehicles  
2 whose gross vehicle weight rating exceeds 16,000 pounds; and  
3 (ii) limousines, as defined in Section 1-139.1 of the Illinois  
4 Vehicle Code. Through June 30, 2017, this ~~This~~ definition  
5 applies to all property purchased for the purpose of being  
6 attached to those motor vehicles as a part thereof. On and  
7 after July 1, 2017, this definition applies to property  
8 purchased for the purpose of being attached to limousines as a  
9 part thereof.

10 (d) For purchases made through June 30, 2017 ~~Beginning July~~  
11 ~~1, 2004,~~ "use as rolling stock moving in interstate commerce"  
12 in paragraph ~~paragraphs (12) and~~ (13) of Section 2-5 occurs for  
13 trailers, as defined in Section 1-209 of the Illinois Vehicle  
14 Code, semitrailers as defined in Section 1-187 of the Illinois  
15 Vehicle Code, and pole trailers as defined in Section 1-161 of  
16 the Illinois Vehicle Code, when during a 12-month period the  
17 rolling stock has carried persons or property for hire in  
18 interstate commerce for greater than 50% of its total trips for  
19 that period or for greater than 50% of its total miles for that  
20 period. The person claiming the exemption for a trailer or  
21 trailers that will not be dedicated to a motor vehicle or group  
22 of motor vehicles shall make an election at the time of  
23 purchase to use either the trips or mileage method. Persons who  
24 purchased trailers prior to July 1, 2004 that are not dedicated  
25 to a motor vehicle or group of motor vehicles shall make an  
26 election to use either the trips or mileage method and document

1 that election in their books and records. If no election is  
2 made under this subsection to use the trips or mileage method,  
3 the person shall be deemed to have chosen the mileage method.

4 For purposes of determining qualifying trips or miles,  
5 trailers, semitrailers, or pole trailers that carry property  
6 for hire, even just between points in Illinois, will be  
7 considered used for hire in interstate commerce if the  
8 trailers, semitrailers, or pole trailers transport property  
9 whose shipments originate or terminate outside Illinois. This  
10 definition applies to all property purchased for the purpose of  
11 being attached to those trailers, semitrailers, or pole  
12 trailers as a part thereof. In lieu of a person providing  
13 documentation regarding the qualifying use of each individual  
14 trailer, semitrailer, or pole trailer, that person may document  
15 such qualifying use by providing documentation of the  
16 following:

17 (1) If a trailer, semitrailer, or pole trailer is  
18 dedicated to a motor vehicle that qualifies as rolling  
19 stock moving in interstate commerce under subsection (c) of  
20 this Section, then that trailer, semitrailer, or pole  
21 trailer qualifies as rolling stock moving in interstate  
22 commerce under this subsection.

23 (2) If a trailer, semitrailer, or pole trailer is  
24 dedicated to a group of motor vehicles that all qualify as  
25 rolling stock moving in interstate commerce under  
26 subsection (c) of this Section, then that trailer,

1 semitrailer, or pole trailer qualifies as rolling stock  
2 moving in interstate commerce under this subsection.

3 (3) If one or more trailers, semitrailers, or pole  
4 trailers are dedicated to a group of motor vehicles and not  
5 all of those motor vehicles in that group qualify as  
6 rolling stock moving in interstate commerce under  
7 subsection (c) of this Section, then the percentage of  
8 those trailers, semitrailers, or pole trailers that  
9 qualifies as rolling stock moving in interstate commerce  
10 under this subsection is equal to the percentage of those  
11 motor vehicles in that group that qualify as rolling stock  
12 moving in interstate commerce under subsection (c) of this  
13 Section to which those trailers, semitrailers, or pole  
14 trailers are dedicated. However, to determine the  
15 qualification for the exemption provided under this item  
16 (3), the mathematical application of the qualifying  
17 percentage to one or more trailers, semitrailers, or pole  
18 trailers under this subpart shall not be allowed as to any  
19 fraction of a trailer, semitrailer, or pole trailer.

20 (d-5) For motor vehicles and trailers purchased on or after  
21 July 1, 2017, "use as rolling stock moving in interstate  
22 commerce" means that:

23 (1) the motor vehicle or trailer is used to transport  
24 persons or property for hire;

25 (2) for purposes of the exemption under paragraph (13)  
26 of Section 2-5, the purchaser who is an owner, lessor, or



1 shipper claiming the exemption certifies that the motor  
2 vehicle or trailer will be utilized, from the time of  
3 purchase and continuing through the statute of limitations  
4 for issuing a notice of tax liability under this Act, by an  
5 interstate carrier or carriers for hire who hold, and are  
6 required by Federal Motor Carrier Safety Administration  
7 regulations to hold, an active USDOT Number with the  
8 Carrier Operation listed as "Interstate" and the Operation  
9 Classification listed as "authorized for hire", "exempt  
10 for hire", or both "authorized for hire" and "exempt for  
11 hire"; except that this paragraph (2) does not apply to a  
12 motor vehicle or trailer used at an airport to support the  
13 operation of an aircraft moving in interstate commerce, as  
14 long as (i) in the case of a motor vehicle, the motor  
15 vehicle meets paragraphs (1) and (3) of this subsection  
16 (d-5) or (ii) in the case of a trailer, the trailer meets  
17 paragraph (1) of this subsection (d-5); and

18 (3) for motor vehicles, the gross vehicle weight rating  
19 exceeds 16,000 pounds.

20 The definition of "use as rolling stock moving in  
21 interstate commerce" in this subsection (d-5) applies to all  
22 property purchased on or after July 1, 2017 for the purpose of  
23 being attached to a motor vehicle or trailer as a part thereof,  
24 regardless of whether the motor vehicle or trailer was  
25 purchased before, on, or after July 1, 2017.

26 If an item ceases to meet requirements (1) through (3)

1 under this subsection (d-5), then the tax is imposed on the  
2 selling price, allowing for a reasonable depreciation for the  
3 period during which the item qualified for the exemption.

4 For purposes of this subsection (d-5):

5 "Motor vehicle" excludes limousines, but otherwise  
6 means that term as defined in Section 1-146 of the Illinois  
7 Vehicle Code.

8 "Trailer" means (i) "trailer", as defined in Section  
9 1-209 of the Illinois Vehicle Code, (ii) "semitrailer", as  
10 defined in Section 1-187 of the Illinois Vehicle Code, and  
11 (iii) "pole trailer", as defined in Section 1-161 of the  
12 Illinois Vehicle Code.

13 (e) For aircraft and watercraft purchased on or after  
14 January 1, 2014, "use as rolling stock moving in interstate  
15 commerce" in ~~paragraph paragraphs (12) and~~ (13) of Section 2-5  
16 occurs when, during a 12-month period, the rolling stock has  
17 carried persons or property for hire in interstate commerce for  
18 greater than 50% of its total trips for that period or for  
19 greater than 50% of its total miles for that period. The person  
20 claiming the exemption shall make an election at the time of  
21 purchase to use either the trips or mileage method and document  
22 that election in their books and records. If no election is  
23 made under this subsection to use the trips or mileage method,  
24 the person shall be deemed to have chosen the mileage method.  
25 For aircraft, flight hours may be used in lieu of recording  
26 miles in determining whether the aircraft meets the mileage

1 test in this subsection. For watercraft, nautical miles or trip  
2 hours may be used in lieu of recording miles in determining  
3 whether the watercraft meets the mileage test in this  
4 subsection.

5 Notwithstanding any other provision of law to the contrary,  
6 property purchased on or after January 1, 2014 for the purpose  
7 of being attached to aircraft or watercraft as a part thereof  
8 qualifies as rolling stock moving in interstate commerce only  
9 if the aircraft or watercraft to which it will be attached  
10 qualifies as rolling stock moving in interstate commerce under  
11 the test set forth in this subsection (e), regardless of when  
12 the aircraft or watercraft was purchased. Persons who purchased  
13 aircraft or watercraft prior to January 1, 2014 shall make an  
14 election to use either the trips or mileage method and document  
15 that election in their books and records for the purpose of  
16 determining whether property purchased on or after January 1,  
17 2014 for the purpose of being attached to aircraft or  
18 watercraft as a part thereof qualifies as rolling stock moving  
19 in interstate commerce under this subsection (e).

20 (f) The election to use either the trips or mileage method  
21 made under the provisions of subsections (c), (d), or (e) of  
22 this Section will remain in effect for the duration of the  
23 purchaser's ownership of that item.

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

25 Section 99. Effective date. This Act takes effect July 1,  
26 2017.