



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2331

by Rep. Rita Mayfield

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.891 new	
30 ILCS 105/6z-107 new	
35 ILCS 105/3-10	
35 ILCS 105/9	from Ch. 120, par. 439.9
35 ILCS 110/3-10	from Ch. 120, par. 439.33-10
35 ILCS 110/9	from Ch. 120, par. 439.39
35 ILCS 115/3-10	from Ch. 120, par. 439.103-10
35 ILCS 115/9	from Ch. 120, par. 439.109
35 ILCS 120/2-10	
35 ILCS 120/3	from Ch. 120, par. 442

Amends the Use Tax Act, Service Use Tax Act, Service Occupation Tax Act, and Retailers' Occupation Tax Act. Imposes a 3.75% surcharge on firearms and firearm component parts. Amends the State Finance Act. Creates the Youthbuild Assistance Fund. Provides that the 3.75% surcharge shall be deposited into the Fund. Sets forth the purposes for which moneys in the Fund may be used. Effective immediately.

LRB101 04564 HLH 49572 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The State Finance Act is amended by adding
5 Sections 5.891 and 6z-107 as follows:

6 (30 ILCS 105/5.891 new)

7 Sec. 5.891. The Youthbuild Assistance Fund.

8 (30 ILCS 105/6z-107 new)

9 Sec. 6z-107. Youthbuild Assistance Fund; creation. The
10 Youthbuild Assistance Fund is hereby created as a special fund
11 in the State treasury. Moneys in the Fund may be used, subject
12 to appropriation, to provide grants related to youth
13 programming.

14 Section 10. The Use Tax Act is amended by changing Sections
15 3-10 and 9 as follows:

16 (35 ILCS 105/3-10)

17 Sec. 3-10. Rate of tax. Unless otherwise provided in this
18 Section, the tax imposed by this Act is at the rate of 6.25% of
19 either the selling price or the fair market value, if any, of
20 the tangible personal property. In all cases where property

1 functionally used or consumed is the same as the property that
2 was purchased at retail, then the tax is imposed on the selling
3 price of the property. In all cases where property functionally
4 used or consumed is a by-product or waste product that has been
5 refined, manufactured, or produced from property purchased at
6 retail, then the tax is imposed on the lower of the fair market
7 value, if any, of the specific property so used in this State
8 or on the selling price of the property purchased at retail.
9 For purposes of this Section "fair market value" means the
10 price at which property would change hands between a willing
11 buyer and a willing seller, neither being under any compulsion
12 to buy or sell and both having reasonable knowledge of the
13 relevant facts. The fair market value shall be established by
14 Illinois sales by the taxpayer of the same property as that
15 functionally used or consumed, or if there are no such sales by
16 the taxpayer, then comparable sales or purchases of property of
17 like kind and character in Illinois.

18 Beginning on July 1, 2000 and through December 31, 2000,
19 with respect to motor fuel, as defined in Section 1.1 of the
20 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
21 the Use Tax Act, the tax is imposed at the rate of 1.25%.

22 Beginning on August 6, 2010 through August 15, 2010, with
23 respect to sales tax holiday items as defined in Section 3-6 of
24 this Act, the tax is imposed at the rate of 1.25%.

25 With respect to gasohol, the tax imposed by this Act
26 applies to (i) 70% of the proceeds of sales made on or after

1 January 1, 1990, and before July 1, 2003, (ii) 80% of the
2 proceeds of sales made on or after July 1, 2003 and on or
3 before July 1, 2017, and (iii) 100% of the proceeds of sales
4 made thereafter. If, at any time, however, the tax under this
5 Act on sales of gasohol is imposed at the rate of 1.25%, then
6 the tax imposed by this Act applies to 100% of the proceeds of
7 sales of gasohol made during that time.

8 With respect to majority blended ethanol fuel, the tax
9 imposed by this Act does not apply to the proceeds of sales
10 made on or after July 1, 2003 and on or before December 31,
11 2023 but applies to 100% of the proceeds of sales made
12 thereafter.

13 With respect to biodiesel blends with no less than 1% and
14 no more than 10% biodiesel, the tax imposed by this Act applies
15 to (i) 80% of the proceeds of sales made on or after July 1,
16 2003 and on or before December 31, 2018 and (ii) 100% of the
17 proceeds of sales made thereafter. If, at any time, however,
18 the tax under this Act on sales of biodiesel blends with no
19 less than 1% and no more than 10% biodiesel is imposed at the
20 rate of 1.25%, then the tax imposed by this Act applies to 100%
21 of the proceeds of sales of biodiesel blends with no less than
22 1% and no more than 10% biodiesel made during that time.

23 With respect to 100% biodiesel and biodiesel blends with
24 more than 10% but no more than 99% biodiesel, the tax imposed
25 by this Act does not apply to the proceeds of sales made on or
26 after July 1, 2003 and on or before December 31, 2023 but

1 applies to 100% of the proceeds of sales made thereafter.

2 With respect to food for human consumption that is to be
3 consumed off the premises where it is sold (other than
4 alcoholic beverages, soft drinks, and food that has been
5 prepared for immediate consumption) and prescription and
6 nonprescription medicines, drugs, medical appliances, products
7 classified as Class III medical devices by the United States
8 Food and Drug Administration that are used for cancer treatment
9 pursuant to a prescription, as well as any accessories and
10 components related to those devices, modifications to a motor
11 vehicle for the purpose of rendering it usable by a person with
12 a disability, and insulin, urine testing materials, syringes,
13 and needles used by diabetics, for human use, the tax is
14 imposed at the rate of 1%. For the purposes of this Section,
15 until September 1, 2009: the term "soft drinks" means any
16 complete, finished, ready-to-use, non-alcoholic drink, whether
17 carbonated or not, including but not limited to soda water,
18 cola, fruit juice, vegetable juice, carbonated water, and all
19 other preparations commonly known as soft drinks of whatever
20 kind or description that are contained in any closed or sealed
21 bottle, can, carton, or container, regardless of size; but
22 "soft drinks" does not include coffee, tea, non-carbonated
23 water, infant formula, milk or milk products as defined in the
24 Grade A Pasteurized Milk and Milk Products Act, or drinks
25 containing 50% or more natural fruit or vegetable juice.

26 Notwithstanding any other provisions of this Act,

1 beginning September 1, 2009, "soft drinks" means non-alcoholic
2 beverages that contain natural or artificial sweeteners. "Soft
3 drinks" do not include beverages that contain milk or milk
4 products, soy, rice or similar milk substitutes, or greater
5 than 50% of vegetable or fruit juice by volume.

6 Until August 1, 2009, and notwithstanding any other
7 provisions of this Act, "food for human consumption that is to
8 be consumed off the premises where it is sold" includes all
9 food sold through a vending machine, except soft drinks and
10 food products that are dispensed hot from a vending machine,
11 regardless of the location of the vending machine. Beginning
12 August 1, 2009, and notwithstanding any other provisions of
13 this Act, "food for human consumption that is to be consumed
14 off the premises where it is sold" includes all food sold
15 through a vending machine, except soft drinks, candy, and food
16 products that are dispensed hot from a vending machine,
17 regardless of the location of the vending machine.

18 Notwithstanding any other provisions of this Act,
19 beginning September 1, 2009, "food for human consumption that
20 is to be consumed off the premises where it is sold" does not
21 include candy. For purposes of this Section, "candy" means a
22 preparation of sugar, honey, or other natural or artificial
23 sweeteners in combination with chocolate, fruits, nuts or other
24 ingredients or flavorings in the form of bars, drops, or
25 pieces. "Candy" does not include any preparation that contains
26 flour or requires refrigeration.

1 Notwithstanding any other provisions of this Act,
2 beginning September 1, 2009, "nonprescription medicines and
3 drugs" does not include grooming and hygiene products. For
4 purposes of this Section, "grooming and hygiene products"
5 includes, but is not limited to, soaps and cleaning solutions,
6 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
7 lotions and screens, unless those products are available by
8 prescription only, regardless of whether the products meet the
9 definition of "over-the-counter-drugs". For the purposes of
10 this paragraph, "over-the-counter-drug" means a drug for human
11 use that contains a label that identifies the product as a drug
12 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
13 label includes:

- 14 (A) A "Drug Facts" panel; or
15 (B) A statement of the "active ingredient(s)" with a
16 list of those ingredients contained in the compound,
17 substance or preparation.

18 Beginning on the effective date of this amendatory Act of
19 the 98th General Assembly, "prescription and nonprescription
20 medicines and drugs" includes medical cannabis purchased from a
21 registered dispensing organization under the Compassionate Use
22 of Medical Cannabis Pilot Program Act.

23 Beginning January 1, 2020, in addition to all other rates
24 of tax imposed under this Act, a surcharge of 3.75% is imposed
25 on the selling price of (i) each firearm purchased in the State
26 and (ii) each firearm component part that is purchased in the

1 State and sold separately from the firearm. "Firearm" has the
2 meaning ascribed to that term in Section 1.1 of the Firearm
3 Owners Identification Card Act.

4 If the property that is purchased at retail from a retailer
5 is acquired outside Illinois and used outside Illinois before
6 being brought to Illinois for use here and is taxable under
7 this Act, the "selling price" on which the tax is computed
8 shall be reduced by an amount that represents a reasonable
9 allowance for depreciation for the period of prior out-of-state
10 use.

11 (Source: P.A. 99-143, eff. 7-27-15; 99-858, eff. 8-19-16;
12 100-22, eff. 7-6-17.)

13 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

14 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
15 and trailers that are required to be registered with an agency
16 of this State, each retailer required or authorized to collect
17 the tax imposed by this Act shall pay to the Department the
18 amount of such tax (except as otherwise provided) at the time
19 when he is required to file his return for the period during
20 which such tax was collected, less a discount of 2.1% prior to
21 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
22 per calendar year, whichever is greater, which is allowed to
23 reimburse the retailer for expenses incurred in collecting the
24 tax, keeping records, preparing and filing returns, remitting
25 the tax and supplying data to the Department on request. In the

1 case of retailers who report and pay the tax on a transaction
2 by transaction basis, as provided in this Section, such
3 discount shall be taken with each such tax remittance instead
4 of when such retailer files his periodic return. The discount
5 allowed under this Section is allowed only for returns that are
6 filed in the manner required by this Act. The Department may
7 disallow the discount for retailers whose certificate of
8 registration is revoked at the time the return is filed, but
9 only if the Department's decision to revoke the certificate of
10 registration has become final. A retailer need not remit that
11 part of any tax collected by him to the extent that he is
12 required to remit and does remit the tax imposed by the
13 Retailers' Occupation Tax Act, with respect to the sale of the
14 same property.

15 Where such tangible personal property is sold under a
16 conditional sales contract, or under any other form of sale
17 wherein the payment of the principal sum, or a part thereof, is
18 extended beyond the close of the period for which the return is
19 filed, the retailer, in collecting the tax (except as to motor
20 vehicles, watercraft, aircraft, and trailers that are required
21 to be registered with an agency of this State), may collect for
22 each tax return period, only the tax applicable to that part of
23 the selling price actually received during such tax return
24 period.

25 Except as provided in this Section, on or before the
26 twentieth day of each calendar month, such retailer shall file

1 a return for the preceding calendar month. Such return shall be
2 filed on forms prescribed by the Department and shall furnish
3 such information as the Department may reasonably require. On
4 and after January 1, 2018, except for returns for motor
5 vehicles, watercraft, aircraft, and trailers that are required
6 to be registered with an agency of this State, with respect to
7 retailers whose annual gross receipts average \$20,000 or more,
8 all returns required to be filed pursuant to this Act shall be
9 filed electronically. Retailers who demonstrate that they do
10 not have access to the Internet or demonstrate hardship in
11 filing electronically may petition the Department to waive the
12 electronic filing requirement.

13 The Department may require returns to be filed on a
14 quarterly basis. If so required, a return for each calendar
15 quarter shall be filed on or before the twentieth day of the
16 calendar month following the end of such calendar quarter. The
17 taxpayer shall also file a return with the Department for each
18 of the first two months of each calendar quarter, on or before
19 the twentieth day of the following calendar month, stating:

- 20 1. The name of the seller;
- 21 2. The address of the principal place of business from
22 which he engages in the business of selling tangible
23 personal property at retail in this State;
- 24 3. The total amount of taxable receipts received by him
25 during the preceding calendar month from sales of tangible
26 personal property by him during such preceding calendar

1 month, including receipts from charge and time sales, but
2 less all deductions allowed by law;

3 4. The amount of credit provided in Section 2d of this
4 Act;

5 5. The amount of tax due;

6 5-5. The signature of the taxpayer; and

7 6. Such other reasonable information as the Department
8 may require.

9 If a taxpayer fails to sign a return within 30 days after
10 the proper notice and demand for signature by the Department,
11 the return shall be considered valid and any amount shown to be
12 due on the return shall be deemed assessed.

13 Beginning October 1, 1993, a taxpayer who has an average
14 monthly tax liability of \$150,000 or more shall make all
15 payments required by rules of the Department by electronic
16 funds transfer. Beginning October 1, 1994, a taxpayer who has
17 an average monthly tax liability of \$100,000 or more shall make
18 all payments required by rules of the Department by electronic
19 funds transfer. Beginning October 1, 1995, a taxpayer who has
20 an average monthly tax liability of \$50,000 or more shall make
21 all payments required by rules of the Department by electronic
22 funds transfer. Beginning October 1, 2000, a taxpayer who has
23 an annual tax liability of \$200,000 or more shall make all
24 payments required by rules of the Department by electronic
25 funds transfer. The term "annual tax liability" shall be the
26 sum of the taxpayer's liabilities under this Act, and under all

1 other State and local occupation and use tax laws administered
2 by the Department, for the immediately preceding calendar year.
3 The term "average monthly tax liability" means the sum of the
4 taxpayer's liabilities under this Act, and under all other
5 State and local occupation and use tax laws administered by the
6 Department, for the immediately preceding calendar year
7 divided by 12. Beginning on October 1, 2002, a taxpayer who has
8 a tax liability in the amount set forth in subsection (b) of
9 Section 2505-210 of the Department of Revenue Law shall make
10 all payments required by rules of the Department by electronic
11 funds transfer.

12 Before August 1 of each year beginning in 1993, the
13 Department shall notify all taxpayers required to make payments
14 by electronic funds transfer. All taxpayers required to make
15 payments by electronic funds transfer shall make those payments
16 for a minimum of one year beginning on October 1.

17 Any taxpayer not required to make payments by electronic
18 funds transfer may make payments by electronic funds transfer
19 with the permission of the Department.

20 All taxpayers required to make payment by electronic funds
21 transfer and any taxpayers authorized to voluntarily make
22 payments by electronic funds transfer shall make those payments
23 in the manner authorized by the Department.

24 The Department shall adopt such rules as are necessary to
25 effectuate a program of electronic funds transfer and the
26 requirements of this Section.

1 Before October 1, 2000, if the taxpayer's average monthly
2 tax liability to the Department under this Act, the Retailers'
3 Occupation Tax Act, the Service Occupation Tax Act, the Service
4 Use Tax Act was \$10,000 or more during the preceding 4 complete
5 calendar quarters, he shall file a return with the Department
6 each month by the 20th day of the month next following the
7 month during which such tax liability is incurred and shall
8 make payments to the Department on or before the 7th, 15th,
9 22nd and last day of the month during which such liability is
10 incurred. On and after October 1, 2000, if the taxpayer's
11 average monthly tax liability to the Department under this Act,
12 the Retailers' Occupation Tax Act, the Service Occupation Tax
13 Act, and the Service Use Tax Act was \$20,000 or more during the
14 preceding 4 complete calendar quarters, he shall file a return
15 with the Department each month by the 20th day of the month
16 next following the month during which such tax liability is
17 incurred and shall make payment to the Department on or before
18 the 7th, 15th, 22nd and last day of the month during which such
19 liability is incurred. If the month during which such tax
20 liability is incurred began prior to January 1, 1985, each
21 payment shall be in an amount equal to 1/4 of the taxpayer's
22 actual liability for the month or an amount set by the
23 Department not to exceed 1/4 of the average monthly liability
24 of the taxpayer to the Department for the preceding 4 complete
25 calendar quarters (excluding the month of highest liability and
26 the month of lowest liability in such 4 quarter period). If the

1 month during which such tax liability is incurred begins on or
2 after January 1, 1985, and prior to January 1, 1987, each
3 payment shall be in an amount equal to 22.5% of the taxpayer's
4 actual liability for the month or 27.5% of the taxpayer's
5 liability for the same calendar month of the preceding year. If
6 the month during which such tax liability is incurred begins on
7 or after January 1, 1987, and prior to January 1, 1988, each
8 payment shall be in an amount equal to 22.5% of the taxpayer's
9 actual liability for the month or 26.25% of the taxpayer's
10 liability for the same calendar month of the preceding year. If
11 the month during which such tax liability is incurred begins on
12 or after January 1, 1988, and prior to January 1, 1989, or
13 begins on or after January 1, 1996, each payment shall be in an
14 amount equal to 22.5% of the taxpayer's actual liability for
15 the month or 25% of the taxpayer's liability for the same
16 calendar month of the preceding year. If the month during which
17 such tax liability is incurred begins on or after January 1,
18 1989, and prior to January 1, 1996, each payment shall be in an
19 amount equal to 22.5% of the taxpayer's actual liability for
20 the month or 25% of the taxpayer's liability for the same
21 calendar month of the preceding year or 100% of the taxpayer's
22 actual liability for the quarter monthly reporting period. The
23 amount of such quarter monthly payments shall be credited
24 against the final tax liability of the taxpayer's return for
25 that month. Before October 1, 2000, once applicable, the
26 requirement of the making of quarter monthly payments to the

1 Department shall continue until such taxpayer's average
2 monthly liability to the Department during the preceding 4
3 complete calendar quarters (excluding the month of highest
4 liability and the month of lowest liability) is less than
5 \$9,000, or until such taxpayer's average monthly liability to
6 the Department as computed for each calendar quarter of the 4
7 preceding complete calendar quarter period is less than
8 \$10,000. However, if a taxpayer can show the Department that a
9 substantial change in the taxpayer's business has occurred
10 which causes the taxpayer to anticipate that his average
11 monthly tax liability for the reasonably foreseeable future
12 will fall below the \$10,000 threshold stated above, then such
13 taxpayer may petition the Department for change in such
14 taxpayer's reporting status. On and after October 1, 2000, once
15 applicable, the requirement of the making of quarter monthly
16 payments to the Department shall continue until such taxpayer's
17 average monthly liability to the Department during the
18 preceding 4 complete calendar quarters (excluding the month of
19 highest liability and the month of lowest liability) is less
20 than \$19,000 or until such taxpayer's average monthly liability
21 to the Department as computed for each calendar quarter of the
22 4 preceding complete calendar quarter period is less than
23 \$20,000. However, if a taxpayer can show the Department that a
24 substantial change in the taxpayer's business has occurred
25 which causes the taxpayer to anticipate that his average
26 monthly tax liability for the reasonably foreseeable future

1 will fall below the \$20,000 threshold stated above, then such
2 taxpayer may petition the Department for a change in such
3 taxpayer's reporting status. The Department shall change such
4 taxpayer's reporting status unless it finds that such change is
5 seasonal in nature and not likely to be long term. If any such
6 quarter monthly payment is not paid at the time or in the
7 amount required by this Section, then the taxpayer shall be
8 liable for penalties and interest on the difference between the
9 minimum amount due and the amount of such quarter monthly
10 payment actually and timely paid, except insofar as the
11 taxpayer has previously made payments for that month to the
12 Department in excess of the minimum payments previously due as
13 provided in this Section. The Department shall make reasonable
14 rules and regulations to govern the quarter monthly payment
15 amount and quarter monthly payment dates for taxpayers who file
16 on other than a calendar monthly basis.

17 If any such payment provided for in this Section exceeds
18 the taxpayer's liabilities under this Act, the Retailers'
19 Occupation Tax Act, the Service Occupation Tax Act and the
20 Service Use Tax Act, as shown by an original monthly return,
21 the Department shall issue to the taxpayer a credit memorandum
22 no later than 30 days after the date of payment, which
23 memorandum may be submitted by the taxpayer to the Department
24 in payment of tax liability subsequently to be remitted by the
25 taxpayer to the Department or be assigned by the taxpayer to a
26 similar taxpayer under this Act, the Retailers' Occupation Tax

1 Act, the Service Occupation Tax Act or the Service Use Tax Act,
2 in accordance with reasonable rules and regulations to be
3 prescribed by the Department, except that if such excess
4 payment is shown on an original monthly return and is made
5 after December 31, 1986, no credit memorandum shall be issued,
6 unless requested by the taxpayer. If no such request is made,
7 the taxpayer may credit such excess payment against tax
8 liability subsequently to be remitted by the taxpayer to the
9 Department under this Act, the Retailers' Occupation Tax Act,
10 the Service Occupation Tax Act or the Service Use Tax Act, in
11 accordance with reasonable rules and regulations prescribed by
12 the Department. If the Department subsequently determines that
13 all or any part of the credit taken was not actually due to the
14 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
15 be reduced by 2.1% or 1.75% of the difference between the
16 credit taken and that actually due, and the taxpayer shall be
17 liable for penalties and interest on such difference.

18 If the retailer is otherwise required to file a monthly
19 return and if the retailer's average monthly tax liability to
20 the Department does not exceed \$200, the Department may
21 authorize his returns to be filed on a quarter annual basis,
22 with the return for January, February, and March of a given
23 year being due by April 20 of such year; with the return for
24 April, May and June of a given year being due by July 20 of such
25 year; with the return for July, August and September of a given
26 year being due by October 20 of such year, and with the return

1 for October, November and December of a given year being due by
2 January 20 of the following year.

3 If the retailer is otherwise required to file a monthly or
4 quarterly return and if the retailer's average monthly tax
5 liability to the Department does not exceed \$50, the Department
6 may authorize his returns to be filed on an annual basis, with
7 the return for a given year being due by January 20 of the
8 following year.

9 Such quarter annual and annual returns, as to form and
10 substance, shall be subject to the same requirements as monthly
11 returns.

12 Notwithstanding any other provision in this Act concerning
13 the time within which a retailer may file his return, in the
14 case of any retailer who ceases to engage in a kind of business
15 which makes him responsible for filing returns under this Act,
16 such retailer shall file a final return under this Act with the
17 Department not more than one month after discontinuing such
18 business.

19 In addition, with respect to motor vehicles, watercraft,
20 aircraft, and trailers that are required to be registered with
21 an agency of this State, every retailer selling this kind of
22 tangible personal property shall file, with the Department,
23 upon a form to be prescribed and supplied by the Department, a
24 separate return for each such item of tangible personal
25 property which the retailer sells, except that if, in the same
26 transaction, (i) a retailer of aircraft, watercraft, motor

1 vehicles or trailers transfers more than one aircraft,
2 watercraft, motor vehicle or trailer to another aircraft,
3 watercraft, motor vehicle or trailer retailer for the purpose
4 of resale or (ii) a retailer of aircraft, watercraft, motor
5 vehicles, or trailers transfers more than one aircraft,
6 watercraft, motor vehicle, or trailer to a purchaser for use as
7 a qualifying rolling stock as provided in Section 3-55 of this
8 Act, then that seller may report the transfer of all the
9 aircraft, watercraft, motor vehicles or trailers involved in
10 that transaction to the Department on the same uniform
11 invoice-transaction reporting return form. For purposes of
12 this Section, "watercraft" means a Class 2, Class 3, or Class 4
13 watercraft as defined in Section 3-2 of the Boat Registration
14 and Safety Act, a personal watercraft, or any boat equipped
15 with an inboard motor.

16 The transaction reporting return in the case of motor
17 vehicles or trailers that are required to be registered with an
18 agency of this State, shall be the same document as the Uniform
19 Invoice referred to in Section 5-402 of the Illinois Vehicle
20 Code and must show the name and address of the seller; the name
21 and address of the purchaser; the amount of the selling price
22 including the amount allowed by the retailer for traded-in
23 property, if any; the amount allowed by the retailer for the
24 traded-in tangible personal property, if any, to the extent to
25 which Section 2 of this Act allows an exemption for the value
26 of traded-in property; the balance payable after deducting such

1 trade-in allowance from the total selling price; the amount of
2 tax due from the retailer with respect to such transaction; the
3 amount of tax collected from the purchaser by the retailer on
4 such transaction (or satisfactory evidence that such tax is not
5 due in that particular instance, if that is claimed to be the
6 fact); the place and date of the sale; a sufficient
7 identification of the property sold; such other information as
8 is required in Section 5-402 of the Illinois Vehicle Code, and
9 such other information as the Department may reasonably
10 require.

11 The transaction reporting return in the case of watercraft
12 and aircraft must show the name and address of the seller; the
13 name and address of the purchaser; the amount of the selling
14 price including the amount allowed by the retailer for
15 traded-in property, if any; the amount allowed by the retailer
16 for the traded-in tangible personal property, if any, to the
17 extent to which Section 2 of this Act allows an exemption for
18 the value of traded-in property; the balance payable after
19 deducting such trade-in allowance from the total selling price;
20 the amount of tax due from the retailer with respect to such
21 transaction; the amount of tax collected from the purchaser by
22 the retailer on such transaction (or satisfactory evidence that
23 such tax is not due in that particular instance, if that is
24 claimed to be the fact); the place and date of the sale, a
25 sufficient identification of the property sold, and such other
26 information as the Department may reasonably require.

1 Such transaction reporting return shall be filed not later
2 than 20 days after the date of delivery of the item that is
3 being sold, but may be filed by the retailer at any time sooner
4 than that if he chooses to do so. The transaction reporting
5 return and tax remittance or proof of exemption from the tax
6 that is imposed by this Act may be transmitted to the
7 Department by way of the State agency with which, or State
8 officer with whom, the tangible personal property must be
9 titled or registered (if titling or registration is required)
10 if the Department and such agency or State officer determine
11 that this procedure will expedite the processing of
12 applications for title or registration.

13 With each such transaction reporting return, the retailer
14 shall remit the proper amount of tax due (or shall submit
15 satisfactory evidence that the sale is not taxable if that is
16 the case), to the Department or its agents, whereupon the
17 Department shall issue, in the purchaser's name, a tax receipt
18 (or a certificate of exemption if the Department is satisfied
19 that the particular sale is tax exempt) which such purchaser
20 may submit to the agency with which, or State officer with
21 whom, he must title or register the tangible personal property
22 that is involved (if titling or registration is required) in
23 support of such purchaser's application for an Illinois
24 certificate or other evidence of title or registration to such
25 tangible personal property.

26 No retailer's failure or refusal to remit tax under this

1 Act precludes a user, who has paid the proper tax to the
2 retailer, from obtaining his certificate of title or other
3 evidence of title or registration (if titling or registration
4 is required) upon satisfying the Department that such user has
5 paid the proper tax (if tax is due) to the retailer. The
6 Department shall adopt appropriate rules to carry out the
7 mandate of this paragraph.

8 If the user who would otherwise pay tax to the retailer
9 wants the transaction reporting return filed and the payment of
10 tax or proof of exemption made to the Department before the
11 retailer is willing to take these actions and such user has not
12 paid the tax to the retailer, such user may certify to the fact
13 of such delay by the retailer, and may (upon the Department
14 being satisfied of the truth of such certification) transmit
15 the information required by the transaction reporting return
16 and the remittance for tax or proof of exemption directly to
17 the Department and obtain his tax receipt or exemption
18 determination, in which event the transaction reporting return
19 and tax remittance (if a tax payment was required) shall be
20 credited by the Department to the proper retailer's account
21 with the Department, but without the 2.1% or 1.75% discount
22 provided for in this Section being allowed. When the user pays
23 the tax directly to the Department, he shall pay the tax in the
24 same amount and in the same form in which it would be remitted
25 if the tax had been remitted to the Department by the retailer.

26 Where a retailer collects the tax with respect to the

1 selling price of tangible personal property which he sells and
2 the purchaser thereafter returns such tangible personal
3 property and the retailer refunds the selling price thereof to
4 the purchaser, such retailer shall also refund, to the
5 purchaser, the tax so collected from the purchaser. When filing
6 his return for the period in which he refunds such tax to the
7 purchaser, the retailer may deduct the amount of the tax so
8 refunded by him to the purchaser from any other use tax which
9 such retailer may be required to pay or remit to the
10 Department, as shown by such return, if the amount of the tax
11 to be deducted was previously remitted to the Department by
12 such retailer. If the retailer has not previously remitted the
13 amount of such tax to the Department, he is entitled to no
14 deduction under this Act upon refunding such tax to the
15 purchaser.

16 Any retailer filing a return under this Section shall also
17 include (for the purpose of paying tax thereon) the total tax
18 covered by such return upon the selling price of tangible
19 personal property purchased by him at retail from a retailer,
20 but as to which the tax imposed by this Act was not collected
21 from the retailer filing such return, and such retailer shall
22 remit the amount of such tax to the Department when filing such
23 return.

24 If experience indicates such action to be practicable, the
25 Department may prescribe and furnish a combination or joint
26 return which will enable retailers, who are required to file

1 returns hereunder and also under the Retailers' Occupation Tax
2 Act, to furnish all the return information required by both
3 Acts on the one form.

4 Where the retailer has more than one business registered
5 with the Department under separate registration under this Act,
6 such retailer may not file each return that is due as a single
7 return covering all such registered businesses, but shall file
8 separate returns for each such registered business.

9 Beginning January 1, 1990, each month the Department shall
10 pay into the State and Local Sales Tax Reform Fund, a special
11 fund in the State Treasury which is hereby created, the net
12 revenue realized for the preceding month from the 1% tax on
13 sales of food for human consumption which is to be consumed off
14 the premises where it is sold (other than alcoholic beverages,
15 soft drinks and food which has been prepared for immediate
16 consumption) and prescription and nonprescription medicines,
17 drugs, medical appliances, products classified as Class III
18 medical devices by the United States Food and Drug
19 Administration that are used for cancer treatment pursuant to a
20 prescription, as well as any accessories and components related
21 to those devices, and insulin, urine testing materials,
22 syringes and needles used by diabetics.

23 Beginning January 1, 1990, each month the Department shall
24 pay into the County and Mass Transit District Fund 4% of the
25 net revenue realized for the preceding month from the 6.25%
26 general rate on the selling price of tangible personal property

1 which is purchased outside Illinois at retail from a retailer
2 and which is titled or registered by an agency of this State's
3 government.

4 Beginning January 1, 1990, each month the Department shall
5 pay into the State and Local Sales Tax Reform Fund, a special
6 fund in the State Treasury, 20% of the net revenue realized for
7 the preceding month from the 6.25% general rate on the selling
8 price of tangible personal property, other than tangible
9 personal property which is purchased outside Illinois at retail
10 from a retailer and which is titled or registered by an agency
11 of this State's government.

12 Beginning August 1, 2000, each month the Department shall
13 pay into the State and Local Sales Tax Reform Fund 100% of the
14 net revenue realized for the preceding month from the 1.25%
15 rate on the selling price of motor fuel and gasohol. Beginning
16 September 1, 2010, each month the Department shall pay into the
17 State and Local Sales Tax Reform Fund 100% of the net revenue
18 realized for the preceding month from the 1.25% rate on the
19 selling price of sales tax holiday items.

20 Beginning January 1, 1990, each month the Department shall
21 pay into the Local Government Tax Fund 16% of the net revenue
22 realized for the preceding month from the 6.25% general rate on
23 the selling price of tangible personal property which is
24 purchased outside Illinois at retail from a retailer and which
25 is titled or registered by an agency of this State's
26 government.

1 Beginning October 1, 2009, each month the Department shall
2 pay into the Capital Projects Fund an amount that is equal to
3 an amount estimated by the Department to represent 80% of the
4 net revenue realized for the preceding month from the sale of
5 candy, grooming and hygiene products, and soft drinks that had
6 been taxed at a rate of 1% prior to September 1, 2009 but that
7 are now taxed at 6.25%.

8 Beginning July 1, 2011, each month the Department shall pay
9 into the Clean Air Act Permit Fund 80% of the net revenue
10 realized for the preceding month from the 6.25% general rate on
11 the selling price of sorbents used in Illinois in the process
12 of sorbent injection as used to comply with the Environmental
13 Protection Act or the federal Clean Air Act, but the total
14 payment into the Clean Air Act Permit Fund under this Act and
15 the Retailers' Occupation Tax Act shall not exceed \$2,000,000
16 in any fiscal year.

17 Beginning July 1, 2013, each month the Department shall pay
18 into the Underground Storage Tank Fund from the proceeds
19 collected under this Act, the Service Use Tax Act, the Service
20 Occupation Tax Act, and the Retailers' Occupation Tax Act an
21 amount equal to the average monthly deficit in the Underground
22 Storage Tank Fund during the prior year, as certified annually
23 by the Illinois Environmental Protection Agency, but the total
24 payment into the Underground Storage Tank Fund under this Act,
25 the Service Use Tax Act, the Service Occupation Tax Act, and
26 the Retailers' Occupation Tax Act shall not exceed \$18,000,000

1 in any State fiscal year. As used in this paragraph, the
2 "average monthly deficit" shall be equal to the difference
3 between the average monthly claims for payment by the fund and
4 the average monthly revenues deposited into the fund, excluding
5 payments made pursuant to this paragraph.

6 Beginning July 1, 2015, of the remainder of the moneys
7 received by the Department under this Act, the Service Use Tax
8 Act, the Service Occupation Tax Act, and the Retailers'
9 Occupation Tax Act, each month the Department shall deposit
10 \$500,000 into the State Crime Laboratory Fund.

11 Beginning January 1, 2020, the Department shall pay into
12 the Youthbuild Assistance Fund 100% of the net revenue realized
13 for the preceding month from the 3.75% surcharge on the selling
14 price of firearms and firearm component parts.

15 Of the remainder of the moneys received by the Department
16 pursuant to this Act, (a) 1.75% thereof shall be paid into the
17 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
18 and after July 1, 1989, 3.8% thereof shall be paid into the
19 Build Illinois Fund; provided, however, that if in any fiscal
20 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
21 may be, of the moneys received by the Department and required
22 to be paid into the Build Illinois Fund pursuant to Section 3
23 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
24 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
25 Service Occupation Tax Act, such Acts being hereinafter called
26 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case

1 may be, of moneys being hereinafter called the "Tax Act
2 Amount", and (2) the amount transferred to the Build Illinois
3 Fund from the State and Local Sales Tax Reform Fund shall be
4 less than the Annual Specified Amount (as defined in Section 3
5 of the Retailers' Occupation Tax Act), an amount equal to the
6 difference shall be immediately paid into the Build Illinois
7 Fund from other moneys received by the Department pursuant to
8 the Tax Acts; and further provided, that if on the last
9 business day of any month the sum of (1) the Tax Act Amount
10 required to be deposited into the Build Illinois Bond Account
11 in the Build Illinois Fund during such month and (2) the amount
12 transferred during such month to the Build Illinois Fund from
13 the State and Local Sales Tax Reform Fund shall have been less
14 than 1/12 of the Annual Specified Amount, an amount equal to
15 the difference shall be immediately paid into the Build
16 Illinois Fund from other moneys received by the Department
17 pursuant to the Tax Acts; and, further provided, that in no
18 event shall the payments required under the preceding proviso
19 result in aggregate payments into the Build Illinois Fund
20 pursuant to this clause (b) for any fiscal year in excess of
21 the greater of (i) the Tax Act Amount or (ii) the Annual
22 Specified Amount for such fiscal year; and, further provided,
23 that the amounts payable into the Build Illinois Fund under
24 this clause (b) shall be payable only until such time as the
25 aggregate amount on deposit under each trust indenture securing
26 Bonds issued and outstanding pursuant to the Build Illinois

1 Bond Act is sufficient, taking into account any future
2 investment income, to fully provide, in accordance with such
3 indenture, for the defeasance of or the payment of the
4 principal of, premium, if any, and interest on the Bonds
5 secured by such indenture and on any Bonds expected to be
6 issued thereafter and all fees and costs payable with respect
7 thereto, all as certified by the Director of the Bureau of the
8 Budget (now Governor's Office of Management and Budget). If on
9 the last business day of any month in which Bonds are
10 outstanding pursuant to the Build Illinois Bond Act, the
11 aggregate of the moneys deposited in the Build Illinois Bond
12 Account in the Build Illinois Fund in such month shall be less
13 than the amount required to be transferred in such month from
14 the Build Illinois Bond Account to the Build Illinois Bond
15 Retirement and Interest Fund pursuant to Section 13 of the
16 Build Illinois Bond Act, an amount equal to such deficiency
17 shall be immediately paid from other moneys received by the
18 Department pursuant to the Tax Acts to the Build Illinois Fund;
19 provided, however, that any amounts paid to the Build Illinois
20 Fund in any fiscal year pursuant to this sentence shall be
21 deemed to constitute payments pursuant to clause (b) of the
22 preceding sentence and shall reduce the amount otherwise
23 payable for such fiscal year pursuant to clause (b) of the
24 preceding sentence. The moneys received by the Department
25 pursuant to this Act and required to be deposited into the
26 Build Illinois Fund are subject to the pledge, claim and charge

1 set forth in Section 12 of the Build Illinois Bond Act.

2 Subject to payment of amounts into the Build Illinois Fund
3 as provided in the preceding paragraph or in any amendment
4 thereto hereafter enacted, the following specified monthly
5 installment of the amount requested in the certificate of the
6 Chairman of the Metropolitan Pier and Exposition Authority
7 provided under Section 8.25f of the State Finance Act, but not
8 in excess of the sums designated as "Total Deposit", shall be
9 deposited in the aggregate from collections under Section 9 of
10 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
11 9 of the Service Occupation Tax Act, and Section 3 of the
12 Retailers' Occupation Tax Act into the McCormick Place
13 Expansion Project Fund in the specified fiscal years.

14	Fiscal Year	Total Deposit
15	1993	\$0
16	1994	53,000,000
17	1995	58,000,000
18	1996	61,000,000
19	1997	64,000,000
20	1998	68,000,000
21	1999	71,000,000
22	2000	75,000,000
23	2001	80,000,000
24	2002	93,000,000
25	2003	99,000,000
26	2004	103,000,000

1	2005	108,000,000
2	2006	113,000,000
3	2007	119,000,000
4	2008	126,000,000
5	2009	132,000,000
6	2010	139,000,000
7	2011	146,000,000
8	2012	153,000,000
9	2013	161,000,000
10	2014	170,000,000
11	2015	179,000,000
12	2016	189,000,000
13	2017	199,000,000
14	2018	210,000,000
15	2019	221,000,000
16	2020	233,000,000
17	2021	246,000,000
18	2022	260,000,000
19	2023	275,000,000
20	2024	275,000,000
21	2025	275,000,000
22	2026	279,000,000
23	2027	292,000,000
24	2028	307,000,000
25	2029	322,000,000
26	2030	338,000,000

1 2031 350,000,000

2 2032 350,000,000

3 and

4 each fiscal year

5 thereafter that bonds

6 are outstanding under

7 Section 13.2 of the

8 Metropolitan Pier and

9 Exposition Authority Act,

10 but not after fiscal year 2060.

11 Beginning July 20, 1993 and in each month of each fiscal
12 year thereafter, one-eighth of the amount requested in the
13 certificate of the Chairman of the Metropolitan Pier and
14 Exposition Authority for that fiscal year, less the amount
15 deposited into the McCormick Place Expansion Project Fund by
16 the State Treasurer in the respective month under subsection
17 (g) of Section 13 of the Metropolitan Pier and Exposition
18 Authority Act, plus cumulative deficiencies in the deposits
19 required under this Section for previous months and years,
20 shall be deposited into the McCormick Place Expansion Project
21 Fund, until the full amount requested for the fiscal year, but
22 not in excess of the amount specified above as "Total Deposit",
23 has been deposited.

24 Subject to payment of amounts into the Build Illinois Fund
25 and the McCormick Place Expansion Project Fund pursuant to the
26 preceding paragraphs or in any amendments thereto hereafter

1 enacted, beginning July 1, 1993 and ending on September 30,
2 2013, the Department shall each month pay into the Illinois Tax
3 Increment Fund 0.27% of 80% of the net revenue realized for the
4 preceding month from the 6.25% general rate on the selling
5 price of tangible personal property.

6 Subject to payment of amounts into the Build Illinois Fund
7 and the McCormick Place Expansion Project Fund pursuant to the
8 preceding paragraphs or in any amendments thereto hereafter
9 enacted, beginning with the receipt of the first report of
10 taxes paid by an eligible business and continuing for a 25-year
11 period, the Department shall each month pay into the Energy
12 Infrastructure Fund 80% of the net revenue realized from the
13 6.25% general rate on the selling price of Illinois-mined coal
14 that was sold to an eligible business. For purposes of this
15 paragraph, the term "eligible business" means a new electric
16 generating facility certified pursuant to Section 605-332 of
17 the Department of Commerce and Economic Opportunity Law of the
18 Civil Administrative Code of Illinois.

19 Subject to payment of amounts into the Build Illinois Fund,
20 the McCormick Place Expansion Project Fund, the Illinois Tax
21 Increment Fund, and the Energy Infrastructure Fund pursuant to
22 the preceding paragraphs or in any amendments to this Section
23 hereafter enacted, beginning on the first day of the first
24 calendar month to occur on or after August 26, 2014 (the
25 effective date of Public Act 98-1098), each month, from the
26 collections made under Section 9 of the Use Tax Act, Section 9

1 of the Service Use Tax Act, Section 9 of the Service Occupation
2 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
3 the Department shall pay into the Tax Compliance and
4 Administration Fund, to be used, subject to appropriation, to
5 fund additional auditors and compliance personnel at the
6 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
7 the cash receipts collected during the preceding fiscal year by
8 the Audit Bureau of the Department under the Use Tax Act, the
9 Service Use Tax Act, the Service Occupation Tax Act, the
10 Retailers' Occupation Tax Act, and associated local occupation
11 and use taxes administered by the Department.

12 Subject to payments of amounts into the Build Illinois
13 Fund, the McCormick Place Expansion Project Fund, the Illinois
14 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax
15 Compliance and Administration Fund as provided in this Section,
16 beginning on July 1, 2018 the Department shall pay each month
17 into the Downstate Public Transportation Fund the moneys
18 required to be so paid under Section 2-3 of the Downstate
19 Public Transportation Act.

20 Of the remainder of the moneys received by the Department
21 pursuant to this Act, 75% thereof shall be paid into the State
22 Treasury and 25% shall be reserved in a special account and
23 used only for the transfer to the Common School Fund as part of
24 the monthly transfer from the General Revenue Fund in
25 accordance with Section 8a of the State Finance Act.

26 As soon as possible after the first day of each month, upon

1 certification of the Department of Revenue, the Comptroller
2 shall order transferred and the Treasurer shall transfer from
3 the General Revenue Fund to the Motor Fuel Tax Fund an amount
4 equal to 1.7% of 80% of the net revenue realized under this Act
5 for the second preceding month. Beginning April 1, 2000, this
6 transfer is no longer required and shall not be made.

7 Net revenue realized for a month shall be the revenue
8 collected by the State pursuant to this Act, less the amount
9 paid out during that month as refunds to taxpayers for
10 overpayment of liability.

11 For greater simplicity of administration, manufacturers,
12 importers and wholesalers whose products are sold at retail in
13 Illinois by numerous retailers, and who wish to do so, may
14 assume the responsibility for accounting and paying to the
15 Department all tax accruing under this Act with respect to such
16 sales, if the retailers who are affected do not make written
17 objection to the Department to this arrangement.

18 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
19 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.
20 7-1-18; 100-863, eff. 8-14-18.)

21 Section 15. The Service Use Tax Act is amended by changing
22 Sections 3-10 and 9 as follows:

23 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

24 Sec. 3-10. Rate of tax. Unless otherwise provided in this

1 Section, the tax imposed by this Act is at the rate of 6.25% of
2 the selling price of tangible personal property transferred as
3 an incident to the sale of service, but, for the purpose of
4 computing this tax, in no event shall the selling price be less
5 than the cost price of the property to the serviceman.

6 Beginning on July 1, 2000 and through December 31, 2000,
7 with respect to motor fuel, as defined in Section 1.1 of the
8 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
9 the Use Tax Act, the tax is imposed at the rate of 1.25%.

10 With respect to gasohol, as defined in the Use Tax Act, the
11 tax imposed by this Act applies to (i) 70% of the selling price
12 of property transferred as an incident to the sale of service
13 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
14 of the selling price of property transferred as an incident to
15 the sale of service on or after July 1, 2003 and on or before
16 July 1, 2017, and (iii) 100% of the selling price thereafter.
17 If, at any time, however, the tax under this Act on sales of
18 gasohol, as defined in the Use Tax Act, is imposed at the rate
19 of 1.25%, then the tax imposed by this Act applies to 100% of
20 the proceeds of sales of gasohol made during that time.

21 With respect to majority blended ethanol fuel, as defined
22 in the Use Tax Act, the tax imposed by this Act does not apply
23 to the selling price of property transferred as an incident to
24 the sale of service on or after July 1, 2003 and on or before
25 December 31, 2023 but applies to 100% of the selling price
26 thereafter.

1 With respect to biodiesel blends, as defined in the Use Tax
2 Act, with no less than 1% and no more than 10% biodiesel, the
3 tax imposed by this Act applies to (i) 80% of the selling price
4 of property transferred as an incident to the sale of service
5 on or after July 1, 2003 and on or before December 31, 2018 and
6 (ii) 100% of the proceeds of the selling price thereafter. If,
7 at any time, however, the tax under this Act on sales of
8 biodiesel blends, as defined in the Use Tax Act, with no less
9 than 1% and no more than 10% biodiesel is imposed at the rate
10 of 1.25%, then the tax imposed by this Act applies to 100% of
11 the proceeds of sales of biodiesel blends with no less than 1%
12 and no more than 10% biodiesel made during that time.

13 With respect to 100% biodiesel, as defined in the Use Tax
14 Act, and biodiesel blends, as defined in the Use Tax Act, with
15 more than 10% but no more than 99% biodiesel, the tax imposed
16 by this Act does not apply to the proceeds of the selling price
17 of property transferred as an incident to the sale of service
18 on or after July 1, 2003 and on or before December 31, 2023 but
19 applies to 100% of the selling price thereafter.

20 At the election of any registered serviceman made for each
21 fiscal year, sales of service in which the aggregate annual
22 cost price of tangible personal property transferred as an
23 incident to the sales of service is less than 35%, or 75% in
24 the case of servicemen transferring prescription drugs or
25 servicemen engaged in graphic arts production, of the aggregate
26 annual total gross receipts from all sales of service, the tax

1 imposed by this Act shall be based on the serviceman's cost
2 price of the tangible personal property transferred as an
3 incident to the sale of those services.

4 The tax shall be imposed at the rate of 1% on food prepared
5 for immediate consumption and transferred incident to a sale of
6 service subject to this Act or the Service Occupation Tax Act
7 by an entity licensed under the Hospital Licensing Act, the
8 Nursing Home Care Act, the ID/DD Community Care Act, the MC/DD
9 Act, the Specialized Mental Health Rehabilitation Act of 2013,
10 or the Child Care Act of 1969. The tax shall also be imposed at
11 the rate of 1% on food for human consumption that is to be
12 consumed off the premises where it is sold (other than
13 alcoholic beverages, soft drinks, and food that has been
14 prepared for immediate consumption and is not otherwise
15 included in this paragraph) and prescription and
16 nonprescription medicines, drugs, medical appliances, products
17 classified as Class III medical devices by the United States
18 Food and Drug Administration that are used for cancer treatment
19 pursuant to a prescription, as well as any accessories and
20 components related to those devices, modifications to a motor
21 vehicle for the purpose of rendering it usable by a person with
22 a disability, and insulin, urine testing materials, syringes,
23 and needles used by diabetics, for human use. For the purposes
24 of this Section, until September 1, 2009: the term "soft
25 drinks" means any complete, finished, ready-to-use,
26 non-alcoholic drink, whether carbonated or not, including but

1 not limited to soda water, cola, fruit juice, vegetable juice,
2 carbonated water, and all other preparations commonly known as
3 soft drinks of whatever kind or description that are contained
4 in any closed or sealed bottle, can, carton, or container,
5 regardless of size; but "soft drinks" does not include coffee,
6 tea, non-carbonated water, infant formula, milk or milk
7 products as defined in the Grade A Pasteurized Milk and Milk
8 Products Act, or drinks containing 50% or more natural fruit or
9 vegetable juice.

10 Notwithstanding any other provisions of this Act,
11 beginning September 1, 2009, "soft drinks" means non-alcoholic
12 beverages that contain natural or artificial sweeteners. "Soft
13 drinks" do not include beverages that contain milk or milk
14 products, soy, rice or similar milk substitutes, or greater
15 than 50% of vegetable or fruit juice by volume.

16 Until August 1, 2009, and notwithstanding any other
17 provisions of this Act, "food for human consumption that is to
18 be consumed off the premises where it is sold" includes all
19 food sold through a vending machine, except soft drinks and
20 food products that are dispensed hot from a vending machine,
21 regardless of the location of the vending machine. Beginning
22 August 1, 2009, and notwithstanding any other provisions of
23 this Act, "food for human consumption that is to be consumed
24 off the premises where it is sold" includes all food sold
25 through a vending machine, except soft drinks, candy, and food
26 products that are dispensed hot from a vending machine,

1 regardless of the location of the vending machine.

2 Notwithstanding any other provisions of this Act,
3 beginning September 1, 2009, "food for human consumption that
4 is to be consumed off the premises where it is sold" does not
5 include candy. For purposes of this Section, "candy" means a
6 preparation of sugar, honey, or other natural or artificial
7 sweeteners in combination with chocolate, fruits, nuts or other
8 ingredients or flavorings in the form of bars, drops, or
9 pieces. "Candy" does not include any preparation that contains
10 flour or requires refrigeration.

11 Notwithstanding any other provisions of this Act,
12 beginning September 1, 2009, "nonprescription medicines and
13 drugs" does not include grooming and hygiene products. For
14 purposes of this Section, "grooming and hygiene products"
15 includes, but is not limited to, soaps and cleaning solutions,
16 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
17 lotions and screens, unless those products are available by
18 prescription only, regardless of whether the products meet the
19 definition of "over-the-counter-drugs". For the purposes of
20 this paragraph, "over-the-counter-drug" means a drug for human
21 use that contains a label that identifies the product as a drug
22 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
23 label includes:

24 (A) A "Drug Facts" panel; or

25 (B) A statement of the "active ingredient(s)" with a
26 list of those ingredients contained in the compound,

1 substance or preparation.

2 Beginning on January 1, 2014 (the effective date of Public
3 Act 98-122), "prescription and nonprescription medicines and
4 drugs" includes medical cannabis purchased from a registered
5 dispensing organization under the Compassionate Use of Medical
6 Cannabis Pilot Program Act.

7 Beginning January 1, 2020, in addition to all other rates
8 of tax imposed under this Act, a surcharge of 3.75% is imposed
9 on the selling price of (i) each firearm purchased in the State
10 and (ii) each firearm component part that is purchased in the
11 State and sold separately from the firearm. "Firearm" has the
12 meaning ascribed to that term in Section 1.1 of the Firearm
13 Owners Identification Card Act.

14 If the property that is acquired from a serviceman is
15 acquired outside Illinois and used outside Illinois before
16 being brought to Illinois for use here and is taxable under
17 this Act, the "selling price" on which the tax is computed
18 shall be reduced by an amount that represents a reasonable
19 allowance for depreciation for the period of prior out-of-state
20 use.

21 (Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15;
22 99-642, eff. 7-28-16; 99-858, eff. 8-19-16; 100-22, eff.
23 7-6-17.)

24 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

25 Sec. 9. Each serviceman required or authorized to collect

1 the tax herein imposed shall pay to the Department the amount
2 of such tax (except as otherwise provided) at the time when he
3 is required to file his return for the period during which such
4 tax was collected, less a discount of 2.1% prior to January 1,
5 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
6 year, whichever is greater, which is allowed to reimburse the
7 serviceman for expenses incurred in collecting the tax, keeping
8 records, preparing and filing returns, remitting the tax and
9 supplying data to the Department on request. The discount
10 allowed under this Section is allowed only for returns that are
11 filed in the manner required by this Act. The Department may
12 disallow the discount for servicemen whose certificate of
13 registration is revoked at the time the return is filed, but
14 only if the Department's decision to revoke the certificate of
15 registration has become final. A serviceman need not remit that
16 part of any tax collected by him to the extent that he is
17 required to pay and does pay the tax imposed by the Service
18 Occupation Tax Act with respect to his sale of service
19 involving the incidental transfer by him of the same property.

20 Except as provided hereinafter in this Section, on or
21 before the twentieth day of each calendar month, such
22 serviceman shall file a return for the preceding calendar month
23 in accordance with reasonable Rules and Regulations to be
24 promulgated by the Department. Such return shall be filed on a
25 form prescribed by the Department and shall contain such
26 information as the Department may reasonably require. On and

1 after January 1, 2018, with respect to servicemen whose annual
2 gross receipts average \$20,000 or more, all returns required to
3 be filed pursuant to this Act shall be filed electronically.
4 Servicemen who demonstrate that they do not have access to the
5 Internet or demonstrate hardship in filing electronically may
6 petition the Department to waive the electronic filing
7 requirement.

8 The Department may require returns to be filed on a
9 quarterly basis. If so required, a return for each calendar
10 quarter shall be filed on or before the twentieth day of the
11 calendar month following the end of such calendar quarter. The
12 taxpayer shall also file a return with the Department for each
13 of the first two months of each calendar quarter, on or before
14 the twentieth day of the following calendar month, stating:

15 1. The name of the seller;

16 2. The address of the principal place of business from
17 which he engages in business as a serviceman in this State;

18 3. The total amount of taxable receipts received by him
19 during the preceding calendar month, including receipts
20 from charge and time sales, but less all deductions allowed
21 by law;

22 4. The amount of credit provided in Section 2d of this
23 Act;

24 5. The amount of tax due;

25 5-5. The signature of the taxpayer; and

26 6. Such other reasonable information as the Department

1 may require.

2 If a taxpayer fails to sign a return within 30 days after
3 the proper notice and demand for signature by the Department,
4 the return shall be considered valid and any amount shown to be
5 due on the return shall be deemed assessed.

6 Beginning October 1, 1993, a taxpayer who has an average
7 monthly tax liability of \$150,000 or more shall make all
8 payments required by rules of the Department by electronic
9 funds transfer. Beginning October 1, 1994, a taxpayer who has
10 an average monthly tax liability of \$100,000 or more shall make
11 all payments required by rules of the Department by electronic
12 funds transfer. Beginning October 1, 1995, a taxpayer who has
13 an average monthly tax liability of \$50,000 or more shall make
14 all payments required by rules of the Department by electronic
15 funds transfer. Beginning October 1, 2000, a taxpayer who has
16 an annual tax liability of \$200,000 or more shall make all
17 payments required by rules of the Department by electronic
18 funds transfer. The term "annual tax liability" shall be the
19 sum of the taxpayer's liabilities under this Act, and under all
20 other State and local occupation and use tax laws administered
21 by the Department, for the immediately preceding calendar year.
22 The term "average monthly tax liability" means the sum of the
23 taxpayer's liabilities under this Act, and under all other
24 State and local occupation and use tax laws administered by the
25 Department, for the immediately preceding calendar year
26 divided by 12. Beginning on October 1, 2002, a taxpayer who has

1 a tax liability in the amount set forth in subsection (b) of
2 Section 2505-210 of the Department of Revenue Law shall make
3 all payments required by rules of the Department by electronic
4 funds transfer.

5 Before August 1 of each year beginning in 1993, the
6 Department shall notify all taxpayers required to make payments
7 by electronic funds transfer. All taxpayers required to make
8 payments by electronic funds transfer shall make those payments
9 for a minimum of one year beginning on October 1.

10 Any taxpayer not required to make payments by electronic
11 funds transfer may make payments by electronic funds transfer
12 with the permission of the Department.

13 All taxpayers required to make payment by electronic funds
14 transfer and any taxpayers authorized to voluntarily make
15 payments by electronic funds transfer shall make those payments
16 in the manner authorized by the Department.

17 The Department shall adopt such rules as are necessary to
18 effectuate a program of electronic funds transfer and the
19 requirements of this Section.

20 If the serviceman is otherwise required to file a monthly
21 return and if the serviceman's average monthly tax liability to
22 the Department does not exceed \$200, the Department may
23 authorize his returns to be filed on a quarter annual basis,
24 with the return for January, February and March of a given year
25 being due by April 20 of such year; with the return for April,
26 May and June of a given year being due by July 20 of such year;

1 with the return for July, August and September of a given year
2 being due by October 20 of such year, and with the return for
3 October, November and December of a given year being due by
4 January 20 of the following year.

5 If the serviceman is otherwise required to file a monthly
6 or quarterly return and if the serviceman's average monthly tax
7 liability to the Department does not exceed \$50, the Department
8 may authorize his returns to be filed on an annual basis, with
9 the return for a given year being due by January 20 of the
10 following year.

11 Such quarter annual and annual returns, as to form and
12 substance, shall be subject to the same requirements as monthly
13 returns.

14 Notwithstanding any other provision in this Act concerning
15 the time within which a serviceman may file his return, in the
16 case of any serviceman who ceases to engage in a kind of
17 business which makes him responsible for filing returns under
18 this Act, such serviceman shall file a final return under this
19 Act with the Department not more than 1 month after
20 discontinuing such business.

21 Where a serviceman collects the tax with respect to the
22 selling price of property which he sells and the purchaser
23 thereafter returns such property and the serviceman refunds the
24 selling price thereof to the purchaser, such serviceman shall
25 also refund, to the purchaser, the tax so collected from the
26 purchaser. When filing his return for the period in which he

1 refunds such tax to the purchaser, the serviceman may deduct
2 the amount of the tax so refunded by him to the purchaser from
3 any other Service Use Tax, Service Occupation Tax, retailers'
4 occupation tax or use tax which such serviceman may be required
5 to pay or remit to the Department, as shown by such return,
6 provided that the amount of the tax to be deducted shall
7 previously have been remitted to the Department by such
8 serviceman. If the serviceman shall not previously have
9 remitted the amount of such tax to the Department, he shall be
10 entitled to no deduction hereunder upon refunding such tax to
11 the purchaser.

12 Any serviceman filing a return hereunder shall also include
13 the total tax upon the selling price of tangible personal
14 property purchased for use by him as an incident to a sale of
15 service, and such serviceman shall remit the amount of such tax
16 to the Department when filing such return.

17 If experience indicates such action to be practicable, the
18 Department may prescribe and furnish a combination or joint
19 return which will enable servicemen, who are required to file
20 returns hereunder and also under the Service Occupation Tax
21 Act, to furnish all the return information required by both
22 Acts on the one form.

23 Where the serviceman has more than one business registered
24 with the Department under separate registration hereunder,
25 such serviceman shall not file each return that is due as a
26 single return covering all such registered businesses, but

1 shall file separate returns for each such registered business.

2 Beginning January 1, 1990, each month the Department shall
3 pay into the State and Local Tax Reform Fund, a special fund in
4 the State Treasury, the net revenue realized for the preceding
5 month from the 1% tax on sales of food for human consumption
6 which is to be consumed off the premises where it is sold
7 (other than alcoholic beverages, soft drinks and food which has
8 been prepared for immediate consumption) and prescription and
9 nonprescription medicines, drugs, medical appliances, products
10 classified as Class III medical devices, by the United States
11 Food and Drug Administration that are used for cancer treatment
12 pursuant to a prescription, as well as any accessories and
13 components related to those devices, and insulin, urine testing
14 materials, syringes and needles used by diabetics.

15 Beginning January 1, 1990, each month the Department shall
16 pay into the State and Local Sales Tax Reform Fund 20% of the
17 net revenue realized for the preceding month from the 6.25%
18 general rate on transfers of tangible personal property, other
19 than tangible personal property which is purchased outside
20 Illinois at retail from a retailer and which is titled or
21 registered by an agency of this State's government.

22 Beginning August 1, 2000, each month the Department shall
23 pay into the State and Local Sales Tax Reform Fund 100% of the
24 net revenue realized for the preceding month from the 1.25%
25 rate on the selling price of motor fuel and gasohol.

26 Beginning October 1, 2009, each month the Department shall

1 pay into the Capital Projects Fund an amount that is equal to
2 an amount estimated by the Department to represent 80% of the
3 net revenue realized for the preceding month from the sale of
4 candy, grooming and hygiene products, and soft drinks that had
5 been taxed at a rate of 1% prior to September 1, 2009 but that
6 are now taxed at 6.25%.

7 Beginning July 1, 2013, each month the Department shall pay
8 into the Underground Storage Tank Fund from the proceeds
9 collected under this Act, the Use Tax Act, the Service
10 Occupation Tax Act, and the Retailers' Occupation Tax Act an
11 amount equal to the average monthly deficit in the Underground
12 Storage Tank Fund during the prior year, as certified annually
13 by the Illinois Environmental Protection Agency, but the total
14 payment into the Underground Storage Tank Fund under this Act,
15 the Use Tax Act, the Service Occupation Tax Act, and the
16 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in
17 any State fiscal year. As used in this paragraph, the "average
18 monthly deficit" shall be equal to the difference between the
19 average monthly claims for payment by the fund and the average
20 monthly revenues deposited into the fund, excluding payments
21 made pursuant to this paragraph.

22 Beginning July 1, 2015, of the remainder of the moneys
23 received by the Department under the Use Tax Act, this Act, the
24 Service Occupation Tax Act, and the Retailers' Occupation Tax
25 Act, each month the Department shall deposit \$500,000 into the
26 State Crime Laboratory Fund.

1 Beginning January 1, 2020, the Department shall pay into
2 the Youthbuild Assistance Fund 100% of the net revenue realized
3 for the preceding month from the 3.75% surcharge on the selling
4 price of firearms and firearm component parts.

5 Of the remainder of the moneys received by the Department
6 pursuant to this Act, (a) 1.75% thereof shall be paid into the
7 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
8 and after July 1, 1989, 3.8% thereof shall be paid into the
9 Build Illinois Fund; provided, however, that if in any fiscal
10 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
11 may be, of the moneys received by the Department and required
12 to be paid into the Build Illinois Fund pursuant to Section 3
13 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
14 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
15 Service Occupation Tax Act, such Acts being hereinafter called
16 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
17 may be, of moneys being hereinafter called the "Tax Act
18 Amount", and (2) the amount transferred to the Build Illinois
19 Fund from the State and Local Sales Tax Reform Fund shall be
20 less than the Annual Specified Amount (as defined in Section 3
21 of the Retailers' Occupation Tax Act), an amount equal to the
22 difference shall be immediately paid into the Build Illinois
23 Fund from other moneys received by the Department pursuant to
24 the Tax Acts; and further provided, that if on the last
25 business day of any month the sum of (1) the Tax Act Amount
26 required to be deposited into the Build Illinois Bond Account

1 in the Build Illinois Fund during such month and (2) the amount
2 transferred during such month to the Build Illinois Fund from
3 the State and Local Sales Tax Reform Fund shall have been less
4 than 1/12 of the Annual Specified Amount, an amount equal to
5 the difference shall be immediately paid into the Build
6 Illinois Fund from other moneys received by the Department
7 pursuant to the Tax Acts; and, further provided, that in no
8 event shall the payments required under the preceding proviso
9 result in aggregate payments into the Build Illinois Fund
10 pursuant to this clause (b) for any fiscal year in excess of
11 the greater of (i) the Tax Act Amount or (ii) the Annual
12 Specified Amount for such fiscal year; and, further provided,
13 that the amounts payable into the Build Illinois Fund under
14 this clause (b) shall be payable only until such time as the
15 aggregate amount on deposit under each trust indenture securing
16 Bonds issued and outstanding pursuant to the Build Illinois
17 Bond Act is sufficient, taking into account any future
18 investment income, to fully provide, in accordance with such
19 indenture, for the defeasance of or the payment of the
20 principal of, premium, if any, and interest on the Bonds
21 secured by such indenture and on any Bonds expected to be
22 issued thereafter and all fees and costs payable with respect
23 thereto, all as certified by the Director of the Bureau of the
24 Budget (now Governor's Office of Management and Budget). If on
25 the last business day of any month in which Bonds are
26 outstanding pursuant to the Build Illinois Bond Act, the

1 aggregate of the moneys deposited in the Build Illinois Bond
2 Account in the Build Illinois Fund in such month shall be less
3 than the amount required to be transferred in such month from
4 the Build Illinois Bond Account to the Build Illinois Bond
5 Retirement and Interest Fund pursuant to Section 13 of the
6 Build Illinois Bond Act, an amount equal to such deficiency
7 shall be immediately paid from other moneys received by the
8 Department pursuant to the Tax Acts to the Build Illinois Fund;
9 provided, however, that any amounts paid to the Build Illinois
10 Fund in any fiscal year pursuant to this sentence shall be
11 deemed to constitute payments pursuant to clause (b) of the
12 preceding sentence and shall reduce the amount otherwise
13 payable for such fiscal year pursuant to clause (b) of the
14 preceding sentence. The moneys received by the Department
15 pursuant to this Act and required to be deposited into the
16 Build Illinois Fund are subject to the pledge, claim and charge
17 set forth in Section 12 of the Build Illinois Bond Act.

18 Subject to payment of amounts into the Build Illinois Fund
19 as provided in the preceding paragraph or in any amendment
20 thereto hereafter enacted, the following specified monthly
21 installment of the amount requested in the certificate of the
22 Chairman of the Metropolitan Pier and Exposition Authority
23 provided under Section 8.25f of the State Finance Act, but not
24 in excess of the sums designated as "Total Deposit", shall be
25 deposited in the aggregate from collections under Section 9 of
26 the Use Tax Act, Section 9 of the Service Use Tax Act, Section

1 9 of the Service Occupation Tax Act, and Section 3 of the
 2 Retailers' Occupation Tax Act into the McCormick Place
 3 Expansion Project Fund in the specified fiscal years.

4	Fiscal Year	Total
		Deposit
5	1993	\$0
6	1994	53,000,000
7	1995	58,000,000
8	1996	61,000,000
9	1997	64,000,000
10	1998	68,000,000
11	1999	71,000,000
12	2000	75,000,000
13	2001	80,000,000
14	2002	93,000,000
15	2003	99,000,000
16	2004	103,000,000
17	2005	108,000,000
18	2006	113,000,000
19	2007	119,000,000
20	2008	126,000,000
21	2009	132,000,000
22	2010	139,000,000
23	2011	146,000,000
24	2012	153,000,000
25	2013	161,000,000

1	2014	170,000,000
2	2015	179,000,000
3	2016	189,000,000
4	2017	199,000,000
5	2018	210,000,000
6	2019	221,000,000
7	2020	233,000,000
8	2021	246,000,000
9	2022	260,000,000
10	2023	275,000,000
11	2024	275,000,000
12	2025	275,000,000
13	2026	279,000,000
14	2027	292,000,000
15	2028	307,000,000
16	2029	322,000,000
17	2030	338,000,000
18	2031	350,000,000
19	2032	350,000,000

20 and

21 each fiscal year
22 thereafter that bonds
23 are outstanding under
24 Section 13.2 of the
25 Metropolitan Pier and
26 Exposition Authority Act,

1 but not after fiscal year 2060.

2 Beginning July 20, 1993 and in each month of each fiscal
3 year thereafter, one-eighth of the amount requested in the
4 certificate of the Chairman of the Metropolitan Pier and
5 Exposition Authority for that fiscal year, less the amount
6 deposited into the McCormick Place Expansion Project Fund by
7 the State Treasurer in the respective month under subsection
8 (g) of Section 13 of the Metropolitan Pier and Exposition
9 Authority Act, plus cumulative deficiencies in the deposits
10 required under this Section for previous months and years,
11 shall be deposited into the McCormick Place Expansion Project
12 Fund, until the full amount requested for the fiscal year, but
13 not in excess of the amount specified above as "Total Deposit",
14 has been deposited.

15 Subject to payment of amounts into the Build Illinois Fund
16 and the McCormick Place Expansion Project Fund pursuant to the
17 preceding paragraphs or in any amendments thereto hereafter
18 enacted, beginning July 1, 1993 and ending on September 30,
19 2013, the Department shall each month pay into the Illinois Tax
20 Increment Fund 0.27% of 80% of the net revenue realized for the
21 preceding month from the 6.25% general rate on the selling
22 price of tangible personal property.

23 Subject to payment of amounts into the Build Illinois Fund
24 and the McCormick Place Expansion Project Fund pursuant to the
25 preceding paragraphs or in any amendments thereto hereafter
26 enacted, beginning with the receipt of the first report of

1 taxes paid by an eligible business and continuing for a 25-year
2 period, the Department shall each month pay into the Energy
3 Infrastructure Fund 80% of the net revenue realized from the
4 6.25% general rate on the selling price of Illinois-mined coal
5 that was sold to an eligible business. For purposes of this
6 paragraph, the term "eligible business" means a new electric
7 generating facility certified pursuant to Section 605-332 of
8 the Department of Commerce and Economic Opportunity Law of the
9 Civil Administrative Code of Illinois.

10 Subject to payment of amounts into the Build Illinois Fund,
11 the McCormick Place Expansion Project Fund, the Illinois Tax
12 Increment Fund, and the Energy Infrastructure Fund pursuant to
13 the preceding paragraphs or in any amendments to this Section
14 hereafter enacted, beginning on the first day of the first
15 calendar month to occur on or after August 26, 2014 (the
16 effective date of Public Act 98-1098), each month, from the
17 collections made under Section 9 of the Use Tax Act, Section 9
18 of the Service Use Tax Act, Section 9 of the Service Occupation
19 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
20 the Department shall pay into the Tax Compliance and
21 Administration Fund, to be used, subject to appropriation, to
22 fund additional auditors and compliance personnel at the
23 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
24 the cash receipts collected during the preceding fiscal year by
25 the Audit Bureau of the Department under the Use Tax Act, the
26 Service Use Tax Act, the Service Occupation Tax Act, the

1 Retailers' Occupation Tax Act, and associated local occupation
2 and use taxes administered by the Department.

3 Subject to payments of amounts into the Build Illinois
4 Fund, the McCormick Place Expansion Project Fund, the Illinois
5 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax
6 Compliance and Administration Fund as provided in this Section,
7 beginning on July 1, 2018 the Department shall pay each month
8 into the Downstate Public Transportation Fund the moneys
9 required to be so paid under Section 2-3 of the Downstate
10 Public Transportation Act.

11 Of the remainder of the moneys received by the Department
12 pursuant to this Act, 75% thereof shall be paid into the
13 General Revenue Fund of the State Treasury and 25% shall be
14 reserved in a special account and used only for the transfer to
15 the Common School Fund as part of the monthly transfer from the
16 General Revenue Fund in accordance with Section 8a of the State
17 Finance Act.

18 As soon as possible after the first day of each month, upon
19 certification of the Department of Revenue, the Comptroller
20 shall order transferred and the Treasurer shall transfer from
21 the General Revenue Fund to the Motor Fuel Tax Fund an amount
22 equal to 1.7% of 80% of the net revenue realized under this Act
23 for the second preceding month. Beginning April 1, 2000, this
24 transfer is no longer required and shall not be made.

25 Net revenue realized for a month shall be the revenue
26 collected by the State pursuant to this Act, less the amount

1 paid out during that month as refunds to taxpayers for
2 overpayment of liability.

3 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
4 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; 100-863, eff.
5 8-14-18.)

6 Section 20. The Service Occupation Tax Act is amended by
7 changing Sections 3-10 and 9 as follows:

8 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

9 Sec. 3-10. Rate of tax. Unless otherwise provided in this
10 Section, the tax imposed by this Act is at the rate of 6.25% of
11 the "selling price", as defined in Section 2 of the Service Use
12 Tax Act, of the tangible personal property. For the purpose of
13 computing this tax, in no event shall the "selling price" be
14 less than the cost price to the serviceman of the tangible
15 personal property transferred. The selling price of each item
16 of tangible personal property transferred as an incident of a
17 sale of service may be shown as a distinct and separate item on
18 the serviceman's billing to the service customer. If the
19 selling price is not so shown, the selling price of the
20 tangible personal property is deemed to be 50% of the
21 serviceman's entire billing to the service customer. When,
22 however, a serviceman contracts to design, develop, and produce
23 special order machinery or equipment, the tax imposed by this
24 Act shall be based on the serviceman's cost price of the

1 tangible personal property transferred incident to the
2 completion of the contract.

3 Beginning on July 1, 2000 and through December 31, 2000,
4 with respect to motor fuel, as defined in Section 1.1 of the
5 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
6 the Use Tax Act, the tax is imposed at the rate of 1.25%.

7 With respect to gasohol, as defined in the Use Tax Act, the
8 tax imposed by this Act shall apply to (i) 70% of the cost
9 price of property transferred as an incident to the sale of
10 service on or after January 1, 1990, and before July 1, 2003,
11 (ii) 80% of the selling price of property transferred as an
12 incident to the sale of service on or after July 1, 2003 and on
13 or before July 1, 2017, and (iii) 100% of the cost price
14 thereafter. If, at any time, however, the tax under this Act on
15 sales of gasohol, as defined in the Use Tax Act, is imposed at
16 the rate of 1.25%, then the tax imposed by this Act applies to
17 100% of the proceeds of sales of gasohol made during that time.

18 With respect to majority blended ethanol fuel, as defined
19 in the Use Tax Act, the tax imposed by this Act does not apply
20 to the selling price of property transferred as an incident to
21 the sale of service on or after July 1, 2003 and on or before
22 December 31, 2023 but applies to 100% of the selling price
23 thereafter.

24 With respect to biodiesel blends, as defined in the Use Tax
25 Act, with no less than 1% and no more than 10% biodiesel, the
26 tax imposed by this Act applies to (i) 80% of the selling price

1 of property transferred as an incident to the sale of service
2 on or after July 1, 2003 and on or before December 31, 2018 and
3 (ii) 100% of the proceeds of the selling price thereafter. If,
4 at any time, however, the tax under this Act on sales of
5 biodiesel blends, as defined in the Use Tax Act, with no less
6 than 1% and no more than 10% biodiesel is imposed at the rate
7 of 1.25%, then the tax imposed by this Act applies to 100% of
8 the proceeds of sales of biodiesel blends with no less than 1%
9 and no more than 10% biodiesel made during that time.

10 With respect to 100% biodiesel, as defined in the Use Tax
11 Act, and biodiesel blends, as defined in the Use Tax Act, with
12 more than 10% but no more than 99% biodiesel material, the tax
13 imposed by this Act does not apply to the proceeds of the
14 selling price of property transferred as an incident to the
15 sale of service on or after July 1, 2003 and on or before
16 December 31, 2023 but applies to 100% of the selling price
17 thereafter.

18 At the election of any registered serviceman made for each
19 fiscal year, sales of service in which the aggregate annual
20 cost price of tangible personal property transferred as an
21 incident to the sales of service is less than 35%, or 75% in
22 the case of servicemen transferring prescription drugs or
23 servicemen engaged in graphic arts production, of the aggregate
24 annual total gross receipts from all sales of service, the tax
25 imposed by this Act shall be based on the serviceman's cost
26 price of the tangible personal property transferred incident to

1 the sale of those services.

2 The tax shall be imposed at the rate of 1% on food prepared
3 for immediate consumption and transferred incident to a sale of
4 service subject to this Act or the Service Occupation Tax Act
5 by an entity licensed under the Hospital Licensing Act, the
6 Nursing Home Care Act, the ID/DD Community Care Act, the MC/DD
7 Act, the Specialized Mental Health Rehabilitation Act of 2013,
8 or the Child Care Act of 1969. The tax shall also be imposed at
9 the rate of 1% on food for human consumption that is to be
10 consumed off the premises where it is sold (other than
11 alcoholic beverages, soft drinks, and food that has been
12 prepared for immediate consumption and is not otherwise
13 included in this paragraph) and prescription and
14 nonprescription medicines, drugs, medical appliances, products
15 classified as Class III medical devices by the United States
16 Food and Drug Administration that are used for cancer treatment
17 pursuant to a prescription, as well as any accessories and
18 components related to those devices, modifications to a motor
19 vehicle for the purpose of rendering it usable by a person with
20 a disability, and insulin, urine testing materials, syringes,
21 and needles used by diabetics, for human use. For the purposes
22 of this Section, until September 1, 2009: the term "soft
23 drinks" means any complete, finished, ready-to-use,
24 non-alcoholic drink, whether carbonated or not, including but
25 not limited to soda water, cola, fruit juice, vegetable juice,
26 carbonated water, and all other preparations commonly known as

1 soft drinks of whatever kind or description that are contained
2 in any closed or sealed can, carton, or container, regardless
3 of size; but "soft drinks" does not include coffee, tea,
4 non-carbonated water, infant formula, milk or milk products as
5 defined in the Grade A Pasteurized Milk and Milk Products Act,
6 or drinks containing 50% or more natural fruit or vegetable
7 juice.

8 Notwithstanding any other provisions of this Act,
9 beginning September 1, 2009, "soft drinks" means non-alcoholic
10 beverages that contain natural or artificial sweeteners. "Soft
11 drinks" do not include beverages that contain milk or milk
12 products, soy, rice or similar milk substitutes, or greater
13 than 50% of vegetable or fruit juice by volume.

14 Until August 1, 2009, and notwithstanding any other
15 provisions of this Act, "food for human consumption that is to
16 be consumed off the premises where it is sold" includes all
17 food sold through a vending machine, except soft drinks and
18 food products that are dispensed hot from a vending machine,
19 regardless of the location of the vending machine. Beginning
20 August 1, 2009, and notwithstanding any other provisions of
21 this Act, "food for human consumption that is to be consumed
22 off the premises where it is sold" includes all food sold
23 through a vending machine, except soft drinks, candy, and food
24 products that are dispensed hot from a vending machine,
25 regardless of the location of the vending machine.

26 Notwithstanding any other provisions of this Act,

1 beginning September 1, 2009, "food for human consumption that
2 is to be consumed off the premises where it is sold" does not
3 include candy. For purposes of this Section, "candy" means a
4 preparation of sugar, honey, or other natural or artificial
5 sweeteners in combination with chocolate, fruits, nuts or other
6 ingredients or flavorings in the form of bars, drops, or
7 pieces. "Candy" does not include any preparation that contains
8 flour or requires refrigeration.

9 Notwithstanding any other provisions of this Act,
10 beginning September 1, 2009, "nonprescription medicines and
11 drugs" does not include grooming and hygiene products. For
12 purposes of this Section, "grooming and hygiene products"
13 includes, but is not limited to, soaps and cleaning solutions,
14 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
15 lotions and screens, unless those products are available by
16 prescription only, regardless of whether the products meet the
17 definition of "over-the-counter-drugs". For the purposes of
18 this paragraph, "over-the-counter-drug" means a drug for human
19 use that contains a label that identifies the product as a drug
20 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
21 label includes:

22 (A) A "Drug Facts" panel; or

23 (B) A statement of the "active ingredient(s)" with a
24 list of those ingredients contained in the compound,
25 substance or preparation.

26 Beginning on January 1, 2014 (the effective date of Public

1 Act 98-122), "prescription and nonprescription medicines and
2 drugs" includes medical cannabis purchased from a registered
3 dispensing organization under the Compassionate Use of Medical
4 Cannabis Pilot Program Act.

5 Beginning January 1, 2020, in addition to all other rates
6 of tax imposed under this Act, a surcharge of 3.75% is imposed
7 on the selling price of (i) each firearm purchased in the State
8 and (ii) each firearm component part that is purchased in the
9 State and sold separately from the firearm. "Firearm" has the
10 meaning ascribed to that term in Section 1.1 of the Firearm
11 Owners Identification Card Act.

12 (Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15;
13 99-642, eff. 7-28-16; 99-858, eff. 8-19-16; 100-22, eff.
14 7-6-17.)

15 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

16 Sec. 9. Each serviceman required or authorized to collect
17 the tax herein imposed shall pay to the Department the amount
18 of such tax at the time when he is required to file his return
19 for the period during which such tax was collectible, less a
20 discount of 2.1% prior to January 1, 1990, and 1.75% on and
21 after January 1, 1990, or \$5 per calendar year, whichever is
22 greater, which is allowed to reimburse the serviceman for
23 expenses incurred in collecting the tax, keeping records,
24 preparing and filing returns, remitting the tax and supplying
25 data to the Department on request. The discount allowed under

1 this Section is allowed only for returns that are filed in the
2 manner required by this Act. The Department may disallow the
3 discount for servicemen whose certificate of registration is
4 revoked at the time the return is filed, but only if the
5 Department's decision to revoke the certificate of
6 registration has become final.

7 Where such tangible personal property is sold under a
8 conditional sales contract, or under any other form of sale
9 wherein the payment of the principal sum, or a part thereof, is
10 extended beyond the close of the period for which the return is
11 filed, the serviceman, in collecting the tax may collect, for
12 each tax return period, only the tax applicable to the part of
13 the selling price actually received during such tax return
14 period.

15 Except as provided hereinafter in this Section, on or
16 before the twentieth day of each calendar month, such
17 serviceman shall file a return for the preceding calendar month
18 in accordance with reasonable rules and regulations to be
19 promulgated by the Department of Revenue. Such return shall be
20 filed on a form prescribed by the Department and shall contain
21 such information as the Department may reasonably require. On
22 and after January 1, 2018, with respect to servicemen whose
23 annual gross receipts average \$20,000 or more, all returns
24 required to be filed pursuant to this Act shall be filed
25 electronically. Servicemen who demonstrate that they do not
26 have access to the Internet or demonstrate hardship in filing

1 electronically may petition the Department to waive the
2 electronic filing requirement.

3 The Department may require returns to be filed on a
4 quarterly basis. If so required, a return for each calendar
5 quarter shall be filed on or before the twentieth day of the
6 calendar month following the end of such calendar quarter. The
7 taxpayer shall also file a return with the Department for each
8 of the first two months of each calendar quarter, on or before
9 the twentieth day of the following calendar month, stating:

- 10 1. The name of the seller;
- 11 2. The address of the principal place of business from
12 which he engages in business as a serviceman in this State;
- 13 3. The total amount of taxable receipts received by him
14 during the preceding calendar month, including receipts
15 from charge and time sales, but less all deductions allowed
16 by law;
- 17 4. The amount of credit provided in Section 2d of this
18 Act;
- 19 5. The amount of tax due;
- 20 5-5. The signature of the taxpayer; and
- 21 6. Such other reasonable information as the Department
22 may require.

23 If a taxpayer fails to sign a return within 30 days after
24 the proper notice and demand for signature by the Department,
25 the return shall be considered valid and any amount shown to be
26 due on the return shall be deemed assessed.

1 Prior to October 1, 2003, and on and after September 1,
2 2004 a serviceman may accept a Manufacturer's Purchase Credit
3 certification from a purchaser in satisfaction of Service Use
4 Tax as provided in Section 3-70 of the Service Use Tax Act if
5 the purchaser provides the appropriate documentation as
6 required by Section 3-70 of the Service Use Tax Act. A
7 Manufacturer's Purchase Credit certification, accepted prior
8 to October 1, 2003 or on or after September 1, 2004 by a
9 serviceman as provided in Section 3-70 of the Service Use Tax
10 Act, may be used by that serviceman to satisfy Service
11 Occupation Tax liability in the amount claimed in the
12 certification, not to exceed 6.25% of the receipts subject to
13 tax from a qualifying purchase. A Manufacturer's Purchase
14 Credit reported on any original or amended return filed under
15 this Act after October 20, 2003 for reporting periods prior to
16 September 1, 2004 shall be disallowed. Manufacturer's Purchase
17 Credit reported on annual returns due on or after January 1,
18 2005 will be disallowed for periods prior to September 1, 2004.
19 No Manufacturer's Purchase Credit may be used after September
20 30, 2003 through August 31, 2004 to satisfy any tax liability
21 imposed under this Act, including any audit liability.

22 If the serviceman's average monthly tax liability to the
23 Department does not exceed \$200, the Department may authorize
24 his returns to be filed on a quarter annual basis, with the
25 return for January, February and March of a given year being
26 due by April 20 of such year; with the return for April, May

1 and June of a given year being due by July 20 of such year; with
2 the return for July, August and September of a given year being
3 due by October 20 of such year, and with the return for
4 October, November and December of a given year being due by
5 January 20 of the following year.

6 If the serviceman's average monthly tax liability to the
7 Department does not exceed \$50, the Department may authorize
8 his returns to be filed on an annual basis, with the return for
9 a given year being due by January 20 of the following year.

10 Such quarter annual and annual returns, as to form and
11 substance, shall be subject to the same requirements as monthly
12 returns.

13 Notwithstanding any other provision in this Act concerning
14 the time within which a serviceman may file his return, in the
15 case of any serviceman who ceases to engage in a kind of
16 business which makes him responsible for filing returns under
17 this Act, such serviceman shall file a final return under this
18 Act with the Department not more than 1 month after
19 discontinuing such business.

20 Beginning October 1, 1993, a taxpayer who has an average
21 monthly tax liability of \$150,000 or more shall make all
22 payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 1994, a taxpayer who has
24 an average monthly tax liability of \$100,000 or more shall make
25 all payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 1995, a taxpayer who has

1 an average monthly tax liability of \$50,000 or more shall make
2 all payments required by rules of the Department by electronic
3 funds transfer. Beginning October 1, 2000, a taxpayer who has
4 an annual tax liability of \$200,000 or more shall make all
5 payments required by rules of the Department by electronic
6 funds transfer. The term "annual tax liability" shall be the
7 sum of the taxpayer's liabilities under this Act, and under all
8 other State and local occupation and use tax laws administered
9 by the Department, for the immediately preceding calendar year.
10 The term "average monthly tax liability" means the sum of the
11 taxpayer's liabilities under this Act, and under all other
12 State and local occupation and use tax laws administered by the
13 Department, for the immediately preceding calendar year
14 divided by 12. Beginning on October 1, 2002, a taxpayer who has
15 a tax liability in the amount set forth in subsection (b) of
16 Section 2505-210 of the Department of Revenue Law shall make
17 all payments required by rules of the Department by electronic
18 funds transfer.

19 Before August 1 of each year beginning in 1993, the
20 Department shall notify all taxpayers required to make payments
21 by electronic funds transfer. All taxpayers required to make
22 payments by electronic funds transfer shall make those payments
23 for a minimum of one year beginning on October 1.

24 Any taxpayer not required to make payments by electronic
25 funds transfer may make payments by electronic funds transfer
26 with the permission of the Department.

1 All taxpayers required to make payment by electronic funds
2 transfer and any taxpayers authorized to voluntarily make
3 payments by electronic funds transfer shall make those payments
4 in the manner authorized by the Department.

5 The Department shall adopt such rules as are necessary to
6 effectuate a program of electronic funds transfer and the
7 requirements of this Section.

8 Where a serviceman collects the tax with respect to the
9 selling price of tangible personal property which he sells and
10 the purchaser thereafter returns such tangible personal
11 property and the serviceman refunds the selling price thereof
12 to the purchaser, such serviceman shall also refund, to the
13 purchaser, the tax so collected from the purchaser. When filing
14 his return for the period in which he refunds such tax to the
15 purchaser, the serviceman may deduct the amount of the tax so
16 refunded by him to the purchaser from any other Service
17 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or
18 Use Tax which such serviceman may be required to pay or remit
19 to the Department, as shown by such return, provided that the
20 amount of the tax to be deducted shall previously have been
21 remitted to the Department by such serviceman. If the
22 serviceman shall not previously have remitted the amount of
23 such tax to the Department, he shall be entitled to no
24 deduction hereunder upon refunding such tax to the purchaser.

25 If experience indicates such action to be practicable, the
26 Department may prescribe and furnish a combination or joint

1 return which will enable servicemen, who are required to file
2 returns hereunder and also under the Retailers' Occupation Tax
3 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
4 the return information required by all said Acts on the one
5 form.

6 Where the serviceman has more than one business registered
7 with the Department under separate registrations hereunder,
8 such serviceman shall file separate returns for each registered
9 business.

10 Beginning January 1, 1990, each month the Department shall
11 pay into the Local Government Tax Fund the revenue realized for
12 the preceding month from the 1% tax on sales of food for human
13 consumption which is to be consumed off the premises where it
14 is sold (other than alcoholic beverages, soft drinks and food
15 which has been prepared for immediate consumption) and
16 prescription and nonprescription medicines, drugs, medical
17 appliances, products classified as Class III medical devices by
18 the United States Food and Drug Administration that are used
19 for cancer treatment pursuant to a prescription, as well as any
20 accessories and components related to those devices, and
21 insulin, urine testing materials, syringes and needles used by
22 diabetics.

23 Beginning January 1, 1990, each month the Department shall
24 pay into the County and Mass Transit District Fund 4% of the
25 revenue realized for the preceding month from the 6.25% general
26 rate.

1 Beginning August 1, 2000, each month the Department shall
2 pay into the County and Mass Transit District Fund 20% of the
3 net revenue realized for the preceding month from the 1.25%
4 rate on the selling price of motor fuel and gasohol.

5 Beginning January 1, 1990, each month the Department shall
6 pay into the Local Government Tax Fund 16% of the revenue
7 realized for the preceding month from the 6.25% general rate on
8 transfers of tangible personal property.

9 Beginning August 1, 2000, each month the Department shall
10 pay into the Local Government Tax Fund 80% of the net revenue
11 realized for the preceding month from the 1.25% rate on the
12 selling price of motor fuel and gasohol.

13 Beginning October 1, 2009, each month the Department shall
14 pay into the Capital Projects Fund an amount that is equal to
15 an amount estimated by the Department to represent 80% of the
16 net revenue realized for the preceding month from the sale of
17 candy, grooming and hygiene products, and soft drinks that had
18 been taxed at a rate of 1% prior to September 1, 2009 but that
19 are now taxed at 6.25%.

20 Beginning July 1, 2013, each month the Department shall pay
21 into the Underground Storage Tank Fund from the proceeds
22 collected under this Act, the Use Tax Act, the Service Use Tax
23 Act, and the Retailers' Occupation Tax Act an amount equal to
24 the average monthly deficit in the Underground Storage Tank
25 Fund during the prior year, as certified annually by the
26 Illinois Environmental Protection Agency, but the total

1 payment into the Underground Storage Tank Fund under this Act,
2 the Use Tax Act, the Service Use Tax Act, and the Retailers'
3 Occupation Tax Act shall not exceed \$18,000,000 in any State
4 fiscal year. As used in this paragraph, the "average monthly
5 deficit" shall be equal to the difference between the average
6 monthly claims for payment by the fund and the average monthly
7 revenues deposited into the fund, excluding payments made
8 pursuant to this paragraph.

9 Beginning July 1, 2015, of the remainder of the moneys
10 received by the Department under the Use Tax Act, the Service
11 Use Tax Act, this Act, and the Retailers' Occupation Tax Act,
12 each month the Department shall deposit \$500,000 into the State
13 Crime Laboratory Fund.

14 Beginning January 1, 2020, the Department shall pay into
15 the Youthbuild Assistance Fund 100% of the net revenue realized
16 for the preceding month from the 3.75% surcharge on the selling
17 price of firearms and firearm component parts.

18 Of the remainder of the moneys received by the Department
19 pursuant to this Act, (a) 1.75% thereof shall be paid into the
20 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
21 and after July 1, 1989, 3.8% thereof shall be paid into the
22 Build Illinois Fund; provided, however, that if in any fiscal
23 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
24 may be, of the moneys received by the Department and required
25 to be paid into the Build Illinois Fund pursuant to Section 3
26 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax

1 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
2 Service Occupation Tax Act, such Acts being hereinafter called
3 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
4 may be, of moneys being hereinafter called the "Tax Act
5 Amount", and (2) the amount transferred to the Build Illinois
6 Fund from the State and Local Sales Tax Reform Fund shall be
7 less than the Annual Specified Amount (as defined in Section 3
8 of the Retailers' Occupation Tax Act), an amount equal to the
9 difference shall be immediately paid into the Build Illinois
10 Fund from other moneys received by the Department pursuant to
11 the Tax Acts; and further provided, that if on the last
12 business day of any month the sum of (1) the Tax Act Amount
13 required to be deposited into the Build Illinois Account in the
14 Build Illinois Fund during such month and (2) the amount
15 transferred during such month to the Build Illinois Fund from
16 the State and Local Sales Tax Reform Fund shall have been less
17 than 1/12 of the Annual Specified Amount, an amount equal to
18 the difference shall be immediately paid into the Build
19 Illinois Fund from other moneys received by the Department
20 pursuant to the Tax Acts; and, further provided, that in no
21 event shall the payments required under the preceding proviso
22 result in aggregate payments into the Build Illinois Fund
23 pursuant to this clause (b) for any fiscal year in excess of
24 the greater of (i) the Tax Act Amount or (ii) the Annual
25 Specified Amount for such fiscal year; and, further provided,
26 that the amounts payable into the Build Illinois Fund under

1 this clause (b) shall be payable only until such time as the
2 aggregate amount on deposit under each trust indenture securing
3 Bonds issued and outstanding pursuant to the Build Illinois
4 Bond Act is sufficient, taking into account any future
5 investment income, to fully provide, in accordance with such
6 indenture, for the defeasance of or the payment of the
7 principal of, premium, if any, and interest on the Bonds
8 secured by such indenture and on any Bonds expected to be
9 issued thereafter and all fees and costs payable with respect
10 thereto, all as certified by the Director of the Bureau of the
11 Budget (now Governor's Office of Management and Budget). If on
12 the last business day of any month in which Bonds are
13 outstanding pursuant to the Build Illinois Bond Act, the
14 aggregate of the moneys deposited in the Build Illinois Bond
15 Account in the Build Illinois Fund in such month shall be less
16 than the amount required to be transferred in such month from
17 the Build Illinois Bond Account to the Build Illinois Bond
18 Retirement and Interest Fund pursuant to Section 13 of the
19 Build Illinois Bond Act, an amount equal to such deficiency
20 shall be immediately paid from other moneys received by the
21 Department pursuant to the Tax Acts to the Build Illinois Fund;
22 provided, however, that any amounts paid to the Build Illinois
23 Fund in any fiscal year pursuant to this sentence shall be
24 deemed to constitute payments pursuant to clause (b) of the
25 preceding sentence and shall reduce the amount otherwise
26 payable for such fiscal year pursuant to clause (b) of the

1 preceding sentence. The moneys received by the Department
 2 pursuant to this Act and required to be deposited into the
 3 Build Illinois Fund are subject to the pledge, claim and charge
 4 set forth in Section 12 of the Build Illinois Bond Act.

5 Subject to payment of amounts into the Build Illinois Fund
 6 as provided in the preceding paragraph or in any amendment
 7 thereto hereafter enacted, the following specified monthly
 8 installment of the amount requested in the certificate of the
 9 Chairman of the Metropolitan Pier and Exposition Authority
 10 provided under Section 8.25f of the State Finance Act, but not
 11 in excess of the sums designated as "Total Deposit", shall be
 12 deposited in the aggregate from collections under Section 9 of
 13 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 14 9 of the Service Occupation Tax Act, and Section 3 of the
 15 Retailers' Occupation Tax Act into the McCormick Place
 16 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	246,000,000
22	2022	260,000,000
23	2023	275,000,000
24	2024	275,000,000
25	2025	275,000,000
26	2026	279,000,000

1	2027	292,000,000
2	2028	307,000,000
3	2029	322,000,000
4	2030	338,000,000
5	2031	350,000,000
6	2032	350,000,000

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

15 Beginning July 20, 1993 and in each month of each fiscal
16 year thereafter, one-eighth of the amount requested in the
17 certificate of the Chairman of the Metropolitan Pier and
18 Exposition Authority for that fiscal year, less the amount
19 deposited into the McCormick Place Expansion Project Fund by
20 the State Treasurer in the respective month under subsection
21 (g) of Section 13 of the Metropolitan Pier and Exposition
22 Authority Act, plus cumulative deficiencies in the deposits
23 required under this Section for previous months and years,
24 shall be deposited into the McCormick Place Expansion Project
25 Fund, until the full amount requested for the fiscal year, but
26 not in excess of the amount specified above as "Total Deposit",

1 has been deposited.

2 Subject to payment of amounts into the Build Illinois Fund
3 and the McCormick Place Expansion Project Fund pursuant to the
4 preceding paragraphs or in any amendments thereto hereafter
5 enacted, beginning July 1, 1993 and ending on September 30,
6 2013, the Department shall each month pay into the Illinois Tax
7 Increment Fund 0.27% of 80% of the net revenue realized for the
8 preceding month from the 6.25% general rate on the selling
9 price of tangible personal property.

10 Subject to payment of amounts into the Build Illinois Fund
11 and the McCormick Place Expansion Project Fund pursuant to the
12 preceding paragraphs or in any amendments thereto hereafter
13 enacted, beginning with the receipt of the first report of
14 taxes paid by an eligible business and continuing for a 25-year
15 period, the Department shall each month pay into the Energy
16 Infrastructure Fund 80% of the net revenue realized from the
17 6.25% general rate on the selling price of Illinois-mined coal
18 that was sold to an eligible business. For purposes of this
19 paragraph, the term "eligible business" means a new electric
20 generating facility certified pursuant to Section 605-332 of
21 the Department of Commerce and Economic Opportunity Law of the
22 Civil Administrative Code of Illinois.

23 Subject to payment of amounts into the Build Illinois Fund,
24 the McCormick Place Expansion Project Fund, the Illinois Tax
25 Increment Fund, and the Energy Infrastructure Fund pursuant to
26 the preceding paragraphs or in any amendments to this Section

1 hereafter enacted, beginning on the first day of the first
2 calendar month to occur on or after August 26, 2014 (the
3 effective date of Public Act 98-1098), each month, from the
4 collections made under Section 9 of the Use Tax Act, Section 9
5 of the Service Use Tax Act, Section 9 of the Service Occupation
6 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
7 the Department shall pay into the Tax Compliance and
8 Administration Fund, to be used, subject to appropriation, to
9 fund additional auditors and compliance personnel at the
10 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
11 the cash receipts collected during the preceding fiscal year by
12 the Audit Bureau of the Department under the Use Tax Act, the
13 Service Use Tax Act, the Service Occupation Tax Act, the
14 Retailers' Occupation Tax Act, and associated local occupation
15 and use taxes administered by the Department.

16 Subject to payments of amounts into the Build Illinois
17 Fund, the McCormick Place Expansion Project Fund, the Illinois
18 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax
19 Compliance and Administration Fund as provided in this Section,
20 beginning on July 1, 2018 the Department shall pay each month
21 into the Downstate Public Transportation Fund the moneys
22 required to be so paid under Section 2-3 of the Downstate
23 Public Transportation Act.

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, 75% shall be paid into the General
26 Revenue Fund of the State Treasury and 25% shall be reserved in

1 a special account and used only for the transfer to the Common
2 School Fund as part of the monthly transfer from the General
3 Revenue Fund in accordance with Section 8a of the State Finance
4 Act.

5 The Department may, upon separate written notice to a
6 taxpayer, require the taxpayer to prepare and file with the
7 Department on a form prescribed by the Department within not
8 less than 60 days after receipt of the notice an annual
9 information return for the tax year specified in the notice.
10 Such annual return to the Department shall include a statement
11 of gross receipts as shown by the taxpayer's last Federal
12 income tax return. If the total receipts of the business as
13 reported in the Federal income tax return do not agree with the
14 gross receipts reported to the Department of Revenue for the
15 same period, the taxpayer shall attach to his annual return a
16 schedule showing a reconciliation of the 2 amounts and the
17 reasons for the difference. The taxpayer's annual return to the
18 Department shall also disclose the cost of goods sold by the
19 taxpayer during the year covered by such return, opening and
20 closing inventories of such goods for such year, cost of goods
21 used from stock or taken from stock and given away by the
22 taxpayer during such year, pay roll information of the
23 taxpayer's business during such year and any additional
24 reasonable information which the Department deems would be
25 helpful in determining the accuracy of the monthly, quarterly
26 or annual returns filed by such taxpayer as hereinbefore

1 provided for in this Section.

2 If the annual information return required by this Section
3 is not filed when and as required, the taxpayer shall be liable
4 as follows:

5 (i) Until January 1, 1994, the taxpayer shall be liable
6 for a penalty equal to 1/6 of 1% of the tax due from such
7 taxpayer under this Act during the period to be covered by
8 the annual return for each month or fraction of a month
9 until such return is filed as required, the penalty to be
10 assessed and collected in the same manner as any other
11 penalty provided for in this Act.

12 (ii) On and after January 1, 1994, the taxpayer shall
13 be liable for a penalty as described in Section 3-4 of the
14 Uniform Penalty and Interest Act.

15 The chief executive officer, proprietor, owner or highest
16 ranking manager shall sign the annual return to certify the
17 accuracy of the information contained therein. Any person who
18 willfully signs the annual return containing false or
19 inaccurate information shall be guilty of perjury and punished
20 accordingly. The annual return form prescribed by the
21 Department shall include a warning that the person signing the
22 return may be liable for perjury.

23 The foregoing portion of this Section concerning the filing
24 of an annual information return shall not apply to a serviceman
25 who is not required to file an income tax return with the
26 United States Government.

1 As soon as possible after the first day of each month, upon
2 certification of the Department of Revenue, the Comptroller
3 shall order transferred and the Treasurer shall transfer from
4 the General Revenue Fund to the Motor Fuel Tax Fund an amount
5 equal to 1.7% of 80% of the net revenue realized under this Act
6 for the second preceding month. Beginning April 1, 2000, this
7 transfer is no longer required and shall not be made.

8 Net revenue realized for a month shall be the revenue
9 collected by the State pursuant to this Act, less the amount
10 paid out during that month as refunds to taxpayers for
11 overpayment of liability.

12 For greater simplicity of administration, it shall be
13 permissible for manufacturers, importers and wholesalers whose
14 products are sold by numerous servicemen in Illinois, and who
15 wish to do so, to assume the responsibility for accounting and
16 paying to the Department all tax accruing under this Act with
17 respect to such sales, if the servicemen who are affected do
18 not make written objection to the Department to this
19 arrangement.

20 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
21 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; 100-863, eff.
22 8-14-18.)

23 Section 25. The Retailers' Occupation Tax Act is amended by
24 changing Sections 2-10 and 3 as follows:

1 (35 ILCS 120/2-10)

2 Sec. 2-10. Rate of tax. Unless otherwise provided in this
3 Section, the tax imposed by this Act is at the rate of 6.25% of
4 gross receipts from sales of tangible personal property made in
5 the course of business.

6 Beginning on July 1, 2000 and through December 31, 2000,
7 with respect to motor fuel, as defined in Section 1.1 of the
8 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
9 the Use Tax Act, the tax is imposed at the rate of 1.25%.

10 Beginning on August 6, 2010 through August 15, 2010, with
11 respect to sales tax holiday items as defined in Section 2-8 of
12 this Act, the tax is imposed at the rate of 1.25%.

13 Within 14 days after the effective date of this amendatory
14 Act of the 91st General Assembly, each retailer of motor fuel
15 and gasohol shall cause the following notice to be posted in a
16 prominently visible place on each retail dispensing device that
17 is used to dispense motor fuel or gasohol in the State of
18 Illinois: "As of July 1, 2000, the State of Illinois has
19 eliminated the State's share of sales tax on motor fuel and
20 gasohol through December 31, 2000. The price on this pump
21 should reflect the elimination of the tax." The notice shall be
22 printed in bold print on a sign that is no smaller than 4
23 inches by 8 inches. The sign shall be clearly visible to
24 customers. Any retailer who fails to post or maintain a
25 required sign through December 31, 2000 is guilty of a petty
26 offense for which the fine shall be \$500 per day per each

1 retail premises where a violation occurs.

2 With respect to gasohol, as defined in the Use Tax Act, the
3 tax imposed by this Act applies to (i) 70% of the proceeds of
4 sales made on or after January 1, 1990, and before July 1,
5 2003, (ii) 80% of the proceeds of sales made on or after July
6 1, 2003 and on or before July 1, 2017, and (iii) 100% of the
7 proceeds of sales made thereafter. If, at any time, however,
8 the tax under this Act on sales of gasohol, as defined in the
9 Use Tax Act, is imposed at the rate of 1.25%, then the tax
10 imposed by this Act applies to 100% of the proceeds of sales of
11 gasohol made during that time.

12 With respect to majority blended ethanol fuel, as defined
13 in the Use Tax Act, the tax imposed by this Act does not apply
14 to the proceeds of sales made on or after July 1, 2003 and on or
15 before December 31, 2023 but applies to 100% of the proceeds of
16 sales made thereafter.

17 With respect to biodiesel blends, as defined in the Use Tax
18 Act, with no less than 1% and no more than 10% biodiesel, the
19 tax imposed by this Act applies to (i) 80% of the proceeds of
20 sales made on or after July 1, 2003 and on or before December
21 31, 2018 and (ii) 100% of the proceeds of sales made
22 thereafter. If, at any time, however, the tax under this Act on
23 sales of biodiesel blends, as defined in the Use Tax Act, with
24 no less than 1% and no more than 10% biodiesel is imposed at
25 the rate of 1.25%, then the tax imposed by this Act applies to
26 100% of the proceeds of sales of biodiesel blends with no less

1 than 1% and no more than 10% biodiesel made during that time.

2 With respect to 100% biodiesel, as defined in the Use Tax
3 Act, and biodiesel blends, as defined in the Use Tax Act, with
4 more than 10% but no more than 99% biodiesel, the tax imposed
5 by this Act does not apply to the proceeds of sales made on or
6 after July 1, 2003 and on or before December 31, 2023 but
7 applies to 100% of the proceeds of sales made thereafter.

8 With respect to food for human consumption that is to be
9 consumed off the premises where it is sold (other than
10 alcoholic beverages, soft drinks, and food that has been
11 prepared for immediate consumption) and prescription and
12 nonprescription medicines, drugs, medical appliances, products
13 classified as Class III medical devices by the United States
14 Food and Drug Administration that are used for cancer treatment
15 pursuant to a prescription, as well as any accessories and
16 components related to those devices, modifications to a motor
17 vehicle for the purpose of rendering it usable by a person with
18 a disability, and insulin, urine testing materials, syringes,
19 and needles used by diabetics, for human use, the tax is
20 imposed at the rate of 1%. For the purposes of this Section,
21 until September 1, 2009: the term "soft drinks" means any
22 complete, finished, ready-to-use, non-alcoholic drink, whether
23 carbonated or not, including but not limited to soda water,
24 cola, fruit juice, vegetable juice, carbonated water, and all
25 other preparations commonly known as soft drinks of whatever
26 kind or description that are contained in any closed or sealed

1 bottle, can, carton, or container, regardless of size; but
2 "soft drinks" does not include coffee, tea, non-carbonated
3 water, infant formula, milk or milk products as defined in the
4 Grade A Pasteurized Milk and Milk Products Act, or drinks
5 containing 50% or more natural fruit or vegetable juice.

6 Notwithstanding any other provisions of this Act,
7 beginning September 1, 2009, "soft drinks" means non-alcoholic
8 beverages that contain natural or artificial sweeteners. "Soft
9 drinks" do not include beverages that contain milk or milk
10 products, soy, rice or similar milk substitutes, or greater
11 than 50% of vegetable or fruit juice by volume.

12 Until August 1, 2009, and notwithstanding any other
13 provisions of this Act, "food for human consumption that is to
14 be consumed off the premises where it is sold" includes all
15 food sold through a vending machine, except soft drinks and
16 food products that are dispensed hot from a vending machine,
17 regardless of the location of the vending machine. Beginning
18 August 1, 2009, and notwithstanding any other provisions of
19 this Act, "food for human consumption that is to be consumed
20 off the premises where it is sold" includes all food sold
21 through a vending machine, except soft drinks, candy, and food
22 products that are dispensed hot from a vending machine,
23 regardless of the location of the vending machine.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "food for human consumption that
26 is to be consumed off the premises where it is sold" does not

1 include candy. For purposes of this Section, "candy" means a
2 preparation of sugar, honey, or other natural or artificial
3 sweeteners in combination with chocolate, fruits, nuts or other
4 ingredients or flavorings in the form of bars, drops, or
5 pieces. "Candy" does not include any preparation that contains
6 flour or requires refrigeration.

7 Notwithstanding any other provisions of this Act,
8 beginning September 1, 2009, "nonprescription medicines and
9 drugs" does not include grooming and hygiene products. For
10 purposes of this Section, "grooming and hygiene products"
11 includes, but is not limited to, soaps and cleaning solutions,
12 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
13 lotions and screens, unless those products are available by
14 prescription only, regardless of whether the products meet the
15 definition of "over-the-counter-drugs". For the purposes of
16 this paragraph, "over-the-counter-drug" means a drug for human
17 use that contains a label that identifies the product as a drug
18 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
19 label includes:

20 (A) A "Drug Facts" panel; or

21 (B) A statement of the "active ingredient(s)" with a
22 list of those ingredients contained in the compound,
23 substance or preparation.

24 Beginning on the effective date of this amendatory Act of
25 the 98th General Assembly, "prescription and nonprescription
26 medicines and drugs" includes medical cannabis purchased from a

1 registered dispensing organization under the Compassionate Use
2 of Medical Cannabis Pilot Program Act.

3 Beginning January 1, 2020, in addition to all other rates
4 of tax imposed under this Act, a surcharge of 3.75% is imposed
5 on the selling price of (i) each firearm purchased in the State
6 and (ii) each firearm component part that is purchased in the
7 State and sold separately from the firearm. "Firearm" has the
8 meaning ascribed to that term in Section 1.1 of the Firearm
9 Owners Identification Card Act.

10 (Source: P.A. 99-143, eff. 7-27-15; 99-858, eff. 8-19-16;
11 100-22, eff. 7-6-17.)

12 (35 ILCS 120/3) (from Ch. 120, par. 442)

13 Sec. 3. Except as provided in this Section, on or before
14 the twentieth day of each calendar month, every person engaged
15 in the business of selling tangible personal property at retail
16 in this State during the preceding calendar month shall file a
17 return with the Department, stating:

18 1. The name of the seller;

19 2. His residence address and the address of his
20 principal place of business and the address of the
21 principal place of business (if that is a different
22 address) from which he engages in the business of selling
23 tangible personal property at retail in this State;

24 3. Total amount of receipts received by him during the
25 preceding calendar month or quarter, as the case may be,

1 from sales of tangible personal property, and from services
2 furnished, by him during such preceding calendar month or
3 quarter;

4 4. Total amount received by him during the preceding
5 calendar month or quarter on charge and time sales of
6 tangible personal property, and from services furnished,
7 by him prior to the month or quarter for which the return
8 is filed;

9 5. Deductions allowed by law;

10 6. Gross receipts which were received by him during the
11 preceding calendar month or quarter and upon the basis of
12 which the tax is imposed;

13 7. The amount of credit provided in Section 2d of this
14 Act;

15 8. The amount of tax due;

16 9. The signature of the taxpayer; and

17 10. Such other reasonable information as the
18 Department may require.

19 On and after January 1, 2018, except for returns for motor
20 vehicles, watercraft, aircraft, and trailers that are required
21 to be registered with an agency of this State, with respect to
22 retailers whose annual gross receipts average \$20,000 or more,
23 all returns required to be filed pursuant to this Act shall be
24 filed electronically. Retailers who demonstrate that they do
25 not have access to the Internet or demonstrate hardship in
26 filing electronically may petition the Department to waive the

1 electronic filing requirement.

2 If a taxpayer fails to sign a return within 30 days after
3 the proper notice and demand for signature by the Department,
4 the return shall be considered valid and any amount shown to be
5 due on the return shall be deemed assessed.

6 Each return shall be accompanied by the statement of
7 prepaid tax issued pursuant to Section 2e for which credit is
8 claimed.

9 Prior to October 1, 2003, and on and after September 1,
10 2004 a retailer may accept a Manufacturer's Purchase Credit
11 certification from a purchaser in satisfaction of Use Tax as
12 provided in Section 3-85 of the Use Tax Act if the purchaser
13 provides the appropriate documentation as required by Section
14 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
15 certification, accepted by a retailer prior to October 1, 2003
16 and on and after September 1, 2004 as provided in Section 3-85
17 of the Use Tax Act, may be used by that retailer to satisfy
18 Retailers' Occupation Tax liability in the amount claimed in
19 the certification, not to exceed 6.25% of the receipts subject
20 to tax from a qualifying purchase. A Manufacturer's Purchase
21 Credit reported on any original or amended return filed under
22 this Act after October 20, 2003 for reporting periods prior to
23 September 1, 2004 shall be disallowed. Manufacturer's
24 Purchaser Credit reported on annual returns due on or after
25 January 1, 2005 will be disallowed for periods prior to
26 September 1, 2004. No Manufacturer's Purchase Credit may be

1 used after September 30, 2003 through August 31, 2004 to
2 satisfy any tax liability imposed under this Act, including any
3 audit liability.

4 The Department may require returns to be filed on a
5 quarterly basis. If so required, a return for each calendar
6 quarter shall be filed on or before the twentieth day of the
7 calendar month following the end of such calendar quarter. The
8 taxpayer shall also file a return with the Department for each
9 of the first two months of each calendar quarter, on or before
10 the twentieth day of the following calendar month, stating:

- 11 1. The name of the seller;
- 12 2. The address of the principal place of business from
13 which he engages in the business of selling tangible
14 personal property at retail in this State;
- 15 3. The total amount of taxable receipts received by him
16 during the preceding calendar month from sales of tangible
17 personal property by him during such preceding calendar
18 month, including receipts from charge and time sales, but
19 less all deductions allowed by law;
- 20 4. The amount of credit provided in Section 2d of this
21 Act;
- 22 5. The amount of tax due; and
- 23 6. Such other reasonable information as the Department
24 may require.

25 Beginning on October 1, 2003, any person who is not a
26 licensed distributor, importing distributor, or manufacturer,

1 as defined in the Liquor Control Act of 1934, but is engaged in
2 the business of selling, at retail, alcoholic liquor shall file
3 a statement with the Department of Revenue, in a format and at
4 a time prescribed by the Department, showing the total amount
5 paid for alcoholic liquor purchased during the preceding month
6 and such other information as is reasonably required by the
7 Department. The Department may adopt rules to require that this
8 statement be filed in an electronic or telephonic format. Such
9 rules may provide for exceptions from the filing requirements
10 of this paragraph. For the purposes of this paragraph, the term
11 "alcoholic liquor" shall have the meaning prescribed in the
12 Liquor Control Act of 1934.

13 Beginning on October 1, 2003, every distributor, importing
14 distributor, and manufacturer of alcoholic liquor as defined in
15 the Liquor Control Act of 1934, shall file a statement with the
16 Department of Revenue, no later than the 10th day of the month
17 for the preceding month during which transactions occurred, by
18 electronic means, showing the total amount of gross receipts
19 from the sale of alcoholic liquor sold or distributed during
20 the preceding month to purchasers; identifying the purchaser to
21 whom it was sold or distributed; the purchaser's tax
22 registration number; and such other information reasonably
23 required by the Department. A distributor, importing
24 distributor, or manufacturer of alcoholic liquor must
25 personally deliver, mail, or provide by electronic means to
26 each retailer listed on the monthly statement a report

1 containing a cumulative total of that distributor's, importing
2 distributor's, or manufacturer's total sales of alcoholic
3 liquor to that retailer no later than the 10th day of the month
4 for the preceding month during which the transaction occurred.
5 The distributor, importing distributor, or manufacturer shall
6 notify the retailer as to the method by which the distributor,
7 importing distributor, or manufacturer will provide the sales
8 information. If the retailer is unable to receive the sales
9 information by electronic means, the distributor, importing
10 distributor, or manufacturer shall furnish the sales
11 information by personal delivery or by mail. For purposes of
12 this paragraph, the term "electronic means" includes, but is
13 not limited to, the use of a secure Internet website, e-mail,
14 or facsimile.

15 If a total amount of less than \$1 is payable, refundable or
16 creditable, such amount shall be disregarded if it is less than
17 50 cents and shall be increased to \$1 if it is 50 cents or more.

18 Beginning October 1, 1993, a taxpayer who has an average
19 monthly tax liability of \$150,000 or more shall make all
20 payments required by rules of the Department by electronic
21 funds transfer. Beginning October 1, 1994, a taxpayer who has
22 an average monthly tax liability of \$100,000 or more shall make
23 all payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 1995, a taxpayer who has
25 an average monthly tax liability of \$50,000 or more shall make
26 all payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 2000, a taxpayer who has
2 an annual tax liability of \$200,000 or more shall make all
3 payments required by rules of the Department by electronic
4 funds transfer. The term "annual tax liability" shall be the
5 sum of the taxpayer's liabilities under this Act, and under all
6 other State and local occupation and use tax laws administered
7 by the Department, for the immediately preceding calendar year.
8 The term "average monthly tax liability" shall be the sum of
9 the taxpayer's liabilities under this Act, and under all other
10 State and local occupation and use tax laws administered by the
11 Department, for the immediately preceding calendar year
12 divided by 12. Beginning on October 1, 2002, a taxpayer who has
13 a tax liability in the amount set forth in subsection (b) of
14 Section 2505-210 of the Department of Revenue Law shall make
15 all payments required by rules of the Department by electronic
16 funds transfer.

17 Before August 1 of each year beginning in 1993, the
18 Department shall notify all taxpayers required to make payments
19 by electronic funds transfer. All taxpayers required to make
20 payments by electronic funds transfer shall make those payments
21 for a minimum of one year beginning on October 1.

22 Any taxpayer not required to make payments by electronic
23 funds transfer may make payments by electronic funds transfer
24 with the permission of the Department.

25 All taxpayers required to make payment by electronic funds
26 transfer and any taxpayers authorized to voluntarily make

1 payments by electronic funds transfer shall make those payments
2 in the manner authorized by the Department.

3 The Department shall adopt such rules as are necessary to
4 effectuate a program of electronic funds transfer and the
5 requirements of this Section.

6 Any amount which is required to be shown or reported on any
7 return or other document under this Act shall, if such amount
8 is not a whole-dollar amount, be increased to the nearest
9 whole-dollar amount in any case where the fractional part of a
10 dollar is 50 cents or more, and decreased to the nearest
11 whole-dollar amount where the fractional part of a dollar is
12 less than 50 cents.

13 If the retailer is otherwise required to file a monthly
14 return and if the retailer's average monthly tax liability to
15 the Department does not exceed \$200, the Department may
16 authorize his returns to be filed on a quarter annual basis,
17 with the return for January, February and March of a given year
18 being due by April 20 of such year; with the return for April,
19 May and June of a given year being due by July 20 of such year;
20 with the return for July, August and September of a given year
21 being due by October 20 of such year, and with the return for
22 October, November and December of a given year being due by
23 January 20 of the following year.

24 If the retailer is otherwise required to file a monthly or
25 quarterly return and if the retailer's average monthly tax
26 liability with the Department does not exceed \$50, the

1 Department may authorize his returns to be filed on an annual
2 basis, with the return for a given year being due by January 20
3 of the following year.

4 Such quarter annual and annual returns, as to form and
5 substance, shall be subject to the same requirements as monthly
6 returns.

7 Notwithstanding any other provision in this Act concerning
8 the time within which a retailer may file his return, in the
9 case of any retailer who ceases to engage in a kind of business
10 which makes him responsible for filing returns under this Act,
11 such retailer shall file a final return under this Act with the
12 Department not more than one month after discontinuing such
13 business.

14 Where the same person has more than one business registered
15 with the Department under separate registrations under this
16 Act, such person may not file each return that is due as a
17 single return covering all such registered businesses, but
18 shall file separate returns for each such registered business.

19 In addition, with respect to motor vehicles, watercraft,
20 aircraft, and trailers that are required to be registered with
21 an agency of this State, every retailer selling this kind of
22 tangible personal property shall file, with the Department,
23 upon a form to be prescribed and supplied by the Department, a
24 separate return for each such item of tangible personal
25 property which the retailer sells, except that if, in the same
26 transaction, (i) a retailer of aircraft, watercraft, motor

1 vehicles or trailers transfers more than one aircraft,
2 watercraft, motor vehicle or trailer to another aircraft,
3 watercraft, motor vehicle retailer or trailer retailer for the
4 purpose of resale or (ii) a retailer of aircraft, watercraft,
5 motor vehicles, or trailers transfers more than one aircraft,
6 watercraft, motor vehicle, or trailer to a purchaser for use as
7 a qualifying rolling stock as provided in Section 2-5 of this
8 Act, then that seller may report the transfer of all aircraft,
9 watercraft, motor vehicles or trailers involved in that
10 transaction to the Department on the same uniform
11 invoice-transaction reporting return form. For purposes of
12 this Section, "watercraft" means a Class 2, Class 3, or Class 4
13 watercraft as defined in Section 3-2 of the Boat Registration
14 and Safety Act, a personal watercraft, or any boat equipped
15 with an inboard motor.

16 Any retailer who sells only motor vehicles, watercraft,
17 aircraft, or trailers that are required to be registered with
18 an agency of this State, so that all retailers' occupation tax
19 liability is required to be reported, and is reported, on such
20 transaction reporting returns and who is not otherwise required
21 to file monthly or quarterly returns, need not file monthly or
22 quarterly returns. However, those retailers shall be required
23 to file returns on an annual basis.

24 The transaction reporting return, in the case of motor
25 vehicles or trailers that are required to be registered with an
26 agency of this State, shall be the same document as the Uniform

1 Invoice referred to in Section 5-402 of The Illinois Vehicle
2 Code and must show the name and address of the seller; the name
3 and address of the purchaser; the amount of the selling price
4 including the amount allowed by the retailer for traded-in
5 property, if any; the amount allowed by the retailer for the
6 traded-in tangible personal property, if any, to the extent to
7 which Section 1 of this Act allows an exemption for the value
8 of traded-in property; the balance payable after deducting such
9 trade-in allowance from the total selling price; the amount of
10 tax due from the retailer with respect to such transaction; the
11 amount of tax collected from the purchaser by the retailer on
12 such transaction (or satisfactory evidence that such tax is not
13 due in that particular instance, if that is claimed to be the
14 fact); the place and date of the sale; a sufficient
15 identification of the property sold; such other information as
16 is required in Section 5-402 of The Illinois Vehicle Code, and
17 such other information as the Department may reasonably
18 require.

19 The transaction reporting return in the case of watercraft
20 or aircraft must show the name and address of the seller; the
21 name and address of the purchaser; the amount of the selling
22 price including the amount allowed by the retailer for
23 traded-in property, if any; the amount allowed by the retailer
24 for the traded-in tangible personal property, if any, to the
25 extent to which Section 1 of this Act allows an exemption for
26 the value of traded-in property; the balance payable after

1 deducting such trade-in allowance from the total selling price;
2 the amount of tax due from the retailer with respect to such
3 transaction; the amount of tax collected from the purchaser by
4 the retailer on such transaction (or satisfactory evidence that
5 such tax is not due in that particular instance, if that is
6 claimed to be the fact); the place and date of the sale, a
7 sufficient identification of the property sold, and such other
8 information as the Department may reasonably require.

9 Such transaction reporting return shall be filed not later
10 than 20 days after the day of delivery of the item that is
11 being sold, but may be filed by the retailer at any time sooner
12 than that if he chooses to do so. The transaction reporting
13 return and tax remittance or proof of exemption from the
14 Illinois use tax may be transmitted to the Department by way of
15 the State agency with which, or State officer with whom the
16 tangible personal property must be titled or registered (if
17 titling or registration is required) if the Department and such
18 agency or State officer determine that this procedure will
19 expedite the processing of applications for title or
20 registration.

21 With each such transaction reporting return, the retailer
22 shall remit the proper amount of tax due (or shall submit
23 satisfactory evidence that the sale is not taxable if that is
24 the case), to the Department or its agents, whereupon the
25 Department shall issue, in the purchaser's name, a use tax
26 receipt (or a certificate of exemption if the Department is

1 satisfied that the particular sale is tax exempt) which such
2 purchaser may submit to the agency with which, or State officer
3 with whom, he must title or register the tangible personal
4 property that is involved (if titling or registration is
5 required) in support of such purchaser's application for an
6 Illinois certificate or other evidence of title or registration
7 to such tangible personal property.

8 No retailer's failure or refusal to remit tax under this
9 Act precludes a user, who has paid the proper tax to the
10 retailer, from obtaining his certificate of title or other
11 evidence of title or registration (if titling or registration
12 is required) upon satisfying the Department that such user has
13 paid the proper tax (if tax is due) to the retailer. The
14 Department shall adopt appropriate rules to carry out the
15 mandate of this paragraph.

16 If the user who would otherwise pay tax to the retailer
17 wants the transaction reporting return filed and the payment of
18 the tax or proof of exemption made to the Department before the
19 retailer is willing to take these actions and such user has not
20 paid the tax to the retailer, such user may certify to the fact
21 of such delay by the retailer and may (upon the Department
22 being satisfied of the truth of such certification) transmit
23 the information required by the transaction reporting return
24 and the remittance for tax or proof of exemption directly to
25 the Department and obtain his tax receipt or exemption
26 determination, in which event the transaction reporting return

1 and tax remittance (if a tax payment was required) shall be
2 credited by the Department to the proper retailer's account
3 with the Department, but without the 2.1% or 1.75% discount
4 provided for in this Section being allowed. When the user pays
5 the tax directly to the Department, he shall pay the tax in the
6 same amount and in the same form in which it would be remitted
7 if the tax had been remitted to the Department by the retailer.

8 Refunds made by the seller during the preceding return
9 period to purchasers, on account of tangible personal property
10 returned to the seller, shall be allowed as a deduction under
11 subdivision 5 of his monthly or quarterly return, as the case
12 may be, in case the seller had theretofore included the
13 receipts from the sale of such tangible personal property in a
14 return filed by him and had paid the tax imposed by this Act
15 with respect to such receipts.

16 Where the seller is a corporation, the return filed on
17 behalf of such corporation shall be signed by the president,
18 vice-president, secretary or treasurer or by the properly
19 accredited agent of such corporation.

20 Where the seller is a limited liability company, the return
21 filed on behalf of the limited liability company shall be
22 signed by a manager, member, or properly accredited agent of
23 the limited liability company.

24 Except as provided in this Section, the retailer filing the
25 return under this Section shall, at the time of filing such
26 return, pay to the Department the amount of tax imposed by this

1 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
2 on and after January 1, 1990, or \$5 per calendar year,
3 whichever is greater, which is allowed to reimburse the
4 retailer for the expenses incurred in keeping records,
5 preparing and filing returns, remitting the tax and supplying
6 data to the Department on request. Any prepayment made pursuant
7 to Section 2d of this Act shall be included in the amount on
8 which such 2.1% or 1.75% discount is computed. In the case of
9 retailers who report and pay the tax on a transaction by
10 transaction basis, as provided in this Section, such discount
11 shall be taken with each such tax remittance instead of when
12 such retailer files his periodic return. The discount allowed
13 under this Section is allowed only for returns that are filed
14 in the manner required by this Act. The Department may disallow
15 the discount for retailers whose certificate of registration is
16 revoked at the time the return is filed, but only if the
17 Department's decision to revoke the certificate of
18 registration has become final.

19 Before October 1, 2000, if the taxpayer's average monthly
20 tax liability to the Department under this Act, the Use Tax
21 Act, the Service Occupation Tax Act, and the Service Use Tax
22 Act, excluding any liability for prepaid sales tax to be
23 remitted in accordance with Section 2d of this Act, was \$10,000
24 or more during the preceding 4 complete calendar quarters, he
25 shall file a return with the Department each month by the 20th
26 day of the month next following the month during which such tax

1 liability is incurred and shall make payments to the Department
2 on or before the 7th, 15th, 22nd and last day of the month
3 during which such liability is incurred. On and after October
4 1, 2000, if the taxpayer's average monthly tax liability to the
5 Department under this Act, the Use Tax Act, the Service
6 Occupation Tax Act, and the Service Use Tax Act, excluding any
7 liability for prepaid sales tax to be remitted in accordance
8 with Section 2d of this Act, was \$20,000 or more during the
9 preceding 4 complete calendar quarters, he shall file a return
10 with the Department each month by the 20th day of the month
11 next following the month during which such tax liability is
12 incurred and shall make payment to the Department on or before
13 the 7th, 15th, 22nd and last day of the month during which such
14 liability is incurred. If the month during which such tax
15 liability is incurred began prior to January 1, 1985, each
16 payment shall be in an amount equal to 1/4 of the taxpayer's
17 actual liability for the month or an amount set by the
18 Department not to exceed 1/4 of the average monthly liability
19 of the taxpayer to the Department for the preceding 4 complete
20 calendar quarters (excluding the month of highest liability and
21 the month of lowest liability in such 4 quarter period). If the
22 month during which such tax liability is incurred begins on or
23 after January 1, 1985 and prior to January 1, 1987, each
24 payment shall be in an amount equal to 22.5% of the taxpayer's
25 actual liability for the month or 27.5% of the taxpayer's
26 liability for the same calendar month of the preceding year. If

1 the month during which such tax liability is incurred begins on
2 or after January 1, 1987 and prior to January 1, 1988, each
3 payment shall be in an amount equal to 22.5% of the taxpayer's
4 actual liability for the month or 26.25% of the taxpayer's
5 liability for the same calendar month of the preceding year. If
6 the month during which such tax liability is incurred begins on
7 or after January 1, 1988, and prior to January 1, 1989, or
8 begins on or after January 1, 1996, each payment shall be in an
9 amount equal to 22.5% of the taxpayer's actual liability for
10 the month or 25% of the taxpayer's liability for the same
11 calendar month of the preceding year. If the month during which
12 such tax liability is incurred begins on or after January 1,
13 1989, and prior to January 1, 1996, each payment shall be in an
14 amount equal to 22.5% of the taxpayer's actual liability for
15 the month or 25% of the taxpayer's liability for the same
16 calendar month of the preceding year or 100% of the taxpayer's
17 actual liability for the quarter monthly reporting period. The
18 amount of such quarter monthly payments shall be credited
19 against the final tax liability of the taxpayer's return for
20 that month. Before October 1, 2000, once applicable, the
21 requirement of the making of quarter monthly payments to the
22 Department by taxpayers having an average monthly tax liability
23 of \$10,000 or more as determined in the manner provided above
24 shall continue until such taxpayer's average monthly liability
25 to the Department during the preceding 4 complete calendar
26 quarters (excluding the month of highest liability and the

1 month of lowest liability) is less than \$9,000, or until such
2 taxpayer's average monthly liability to the Department as
3 computed for each calendar quarter of the 4 preceding complete
4 calendar quarter period is less than \$10,000. However, if a
5 taxpayer can show the Department that a substantial change in
6 the taxpayer's business has occurred which causes the taxpayer
7 to anticipate that his average monthly tax liability for the
8 reasonably foreseeable future will fall below the \$10,000
9 threshold stated above, then such taxpayer may petition the
10 Department for a change in such taxpayer's reporting status. On
11 and after October 1, 2000, once applicable, the requirement of
12 the making of quarter monthly payments to the Department by
13 taxpayers having an average monthly tax liability of \$20,000 or
14 more as determined in the manner provided above shall continue
15 until such taxpayer's average monthly liability to the
16 Department during the preceding 4 complete calendar quarters
17 (excluding the month of highest liability and the month of
18 lowest liability) is less than \$19,000 or until such taxpayer's
19 average monthly liability to the Department as computed for
20 each calendar quarter of the 4 preceding complete calendar
21 quarter period is less than \$20,000. However, if a taxpayer can
22 show the Department that a substantial change in the taxpayer's
23 business has occurred which causes the taxpayer to anticipate
24 that his average monthly tax liability for the reasonably
25 foreseeable future will fall below the \$20,000 threshold stated
26 above, then such taxpayer may petition the Department for a

1 change in such taxpayer's reporting status. The Department
2 shall change such taxpayer's reporting status unless it finds
3 that such change is seasonal in nature and not likely to be
4 long term. If any such quarter monthly payment is not paid at
5 the time or in the amount required by this Section, then the
6 taxpayer shall be liable for penalties and interest on the
7 difference between the minimum amount due as a payment and the
8 amount of such quarter monthly payment actually and timely
9 paid, except insofar as the taxpayer has previously made
10 payments for that month to the Department in excess of the
11 minimum payments previously due as provided in this Section.
12 The Department shall make reasonable rules and regulations to
13 govern the quarter monthly payment amount and quarter monthly
14 payment dates for taxpayers who file on other than a calendar
15 monthly basis.

16 The provisions of this paragraph apply before October 1,
17 2001. Without regard to whether a taxpayer is required to make
18 quarter monthly payments as specified above, any taxpayer who
19 is required by Section 2d of this Act to collect and remit
20 prepaid taxes and has collected prepaid taxes which average in
21 excess of \$25,000 per month during the preceding 2 complete
22 calendar quarters, shall file a return with the Department as
23 required by Section 2f and shall make payments to the
24 Department on or before the 7th, 15th, 22nd and last day of the
25 month during which such liability is incurred. If the month
26 during which such tax liability is incurred began prior to

1 September 1, 1985 (the effective date of Public Act 84-221),
2 each payment shall be in an amount not less than 22.5% of the
3 taxpayer's actual liability under Section 2d. If the month
4 during which such tax liability is incurred begins on or after
5 January 1, 1986, each payment shall be in an amount equal to
6 22.5% of the taxpayer's actual liability for the month or 27.5%
7 of the taxpayer's liability for the same calendar month of the
8 preceding calendar year. If the month during which such tax
9 liability is incurred begins on or after January 1, 1987, each
10 payment shall be in an amount equal to 22.5% of the taxpayer's
11 actual liability for the month or 26.25% of the taxpayer's
12 liability for the same calendar month of the preceding year.
13 The amount of such quarter monthly payments shall be credited
14 against the final tax liability of the taxpayer's return for
15 that month filed under this Section or Section 2f, as the case
16 may be. Once applicable, the requirement of the making of
17 quarter monthly payments to the Department pursuant to this
18 paragraph shall continue until such taxpayer's average monthly
19 prepaid tax collections during the preceding 2 complete
20 calendar quarters is \$25,000 or less. If any such quarter
21 monthly payment is not paid at the time or in the amount
22 required, the taxpayer shall be liable for penalties and
23 interest on such difference, except insofar as the taxpayer has
24 previously made payments for that month in excess of the
25 minimum payments previously due.

26 The provisions of this paragraph apply on and after October

1 1, 2001. Without regard to whether a taxpayer is required to
2 make quarter monthly payments as specified above, any taxpayer
3 who is required by Section 2d of this Act to collect and remit
4 prepaid taxes and has collected prepaid taxes that average in
5 excess of \$20,000 per month during the preceding 4 complete
6 calendar quarters shall file a return with the Department as
7 required by Section 2f and shall make payments to the
8 Department on or before the 7th, 15th, 22nd and last day of the
9 month during which the liability is incurred. Each payment
10 shall be in an amount equal to 22.5% of the taxpayer's actual
11 liability for the month or 25% of the taxpayer's liability for
12 the same calendar month of the preceding year. The amount of
13 the quarter monthly payments shall be credited against the
14 final tax liability of the taxpayer's return for that month
15 filed under this Section or Section 2f, as the case may be.
16 Once applicable, the requirement of the making of quarter
17 monthly payments to the Department pursuant to this paragraph
18 shall continue until the taxpayer's average monthly prepaid tax
19 collections during the preceding 4 complete calendar quarters
20 (excluding the month of highest liability and the month of
21 lowest liability) is less than \$19,000 or until such taxpayer's
22 average monthly liability to the Department as computed for
23 each calendar quarter of the 4 preceding complete calendar
24 quarters is less than \$20,000. If any such quarter monthly
25 payment is not paid at the time or in the amount required, the
26 taxpayer shall be liable for penalties and interest on such

1 difference, except insofar as the taxpayer has previously made
2 payments for that month in excess of the minimum payments
3 previously due.

4 If any payment provided for in this Section exceeds the
5 taxpayer's liabilities under this Act, the Use Tax Act, the
6 Service Occupation Tax Act and the Service Use Tax Act, as
7 shown on an original monthly return, the Department shall, if
8 requested by the taxpayer, issue to the taxpayer a credit
9 memorandum no later than 30 days after the date of payment. The
10 credit evidenced by such credit memorandum may be assigned by
11 the taxpayer to a similar taxpayer under this Act, the Use Tax
12 Act, the Service Occupation Tax Act or the Service Use Tax Act,
13 in accordance with reasonable rules and regulations to be
14 prescribed by the Department. If no such request is made, the
15 taxpayer may credit such excess payment against tax liability
16 subsequently to be remitted to the Department under this Act,
17 the Use Tax Act, the Service Occupation Tax Act or the Service
18 Use Tax Act, in accordance with reasonable rules and
19 regulations prescribed by the Department. If the Department
20 subsequently determined that all or any part of the credit
21 taken was not actually due to the taxpayer, the taxpayer's 2.1%
22 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
23 of the difference between the credit taken and that actually
24 due, and that taxpayer shall be liable for penalties and
25 interest on such difference.

26 If a retailer of motor fuel is entitled to a credit under

1 Section 2d of this Act which exceeds the taxpayer's liability
2 to the Department under this Act for the month which the
3 taxpayer is filing a return, the Department shall issue the
4 taxpayer a credit memorandum for the excess.

5 Beginning January 1, 1990, each month the Department shall
6 pay into the Local Government Tax Fund, a special fund in the
7 State treasury which is hereby created, the net revenue
8 realized for the preceding month from the 1% tax on sales of
9 food for human consumption which is to be consumed off the
10 premises where it is sold (other than alcoholic beverages, soft
11 drinks and food which has been prepared for immediate
12 consumption) and prescription and nonprescription medicines,
13 drugs, medical appliances, products classified as Class III
14 medical devices by the United States Food and Drug
15 Administration that are used for cancer treatment pursuant to a
16 prescription, as well as any accessories and components related
17 to those devices, and insulin, urine testing materials,
18 syringes and needles used by diabetics.

19 Beginning January 1, 1990, each month the Department shall
20 pay into the County and Mass Transit District Fund, a special
21 fund in the State treasury which is hereby created, 4% of the
22 net revenue realized for the preceding month from the 6.25%
23 general rate.

24 Beginning August 1, 2000, each month the Department shall
25 pay into the County and Mass Transit District Fund 20% of the
26 net revenue realized for the preceding month from the 1.25%

1 rate on the selling price of motor fuel and gasohol. Beginning
2 September 1, 2010, each month the Department shall pay into the
3 County and Mass Transit District Fund 20% of the net revenue
4 realized for the preceding month from the 1.25% rate on the
5 selling price of sales tax holiday items.

6 Beginning January 1, 1990, each month the Department shall
7 pay into the Local Government Tax Fund 16% of the net revenue
8 realized for the preceding month from the 6.25% general rate on
9 the selling price of tangible personal property.

10 Beginning August 1, 2000, each month the Department shall
11 pay into the Local Government Tax Fund 80% of the net revenue
12 realized for the preceding month from the 1.25% rate on the
13 selling price of motor fuel and gasohol. Beginning September 1,
14 2010, each month the Department shall pay into the Local
15 Government Tax Fund 80% of the net revenue realized for the
16 preceding month from the 1.25% rate on the selling price of
17 sales tax holiday items.

18 Beginning October 1, 2009, each month the Department shall
19 pay into the Capital Projects Fund an amount that is equal to
20 an amount estimated by the Department to represent 80% of the
21 net revenue realized for the preceding month from the sale of
22 candy, grooming and hygiene products, and soft drinks that had
23 been taxed at a rate of 1% prior to September 1, 2009 but that
24 are now taxed at 6.25%.

25 Beginning July 1, 2011, each month the Department shall pay
26 into the Clean Air Act Permit Fund 80% of the net revenue

1 realized for the preceding month from the 6.25% general rate on
2 the selling price of sorbents used in Illinois in the process
3 of sorbent injection as used to comply with the Environmental
4 Protection Act or the federal Clean Air Act, but the total
5 payment into the Clean Air Act Permit Fund under this Act and
6 the Use Tax Act shall not exceed \$2,000,000 in any fiscal year.

7 Beginning July 1, 2013, each month the Department shall pay
8 into the Underground Storage Tank Fund from the proceeds
9 collected under this Act, the Use Tax Act, the Service Use Tax
10 Act, and the Service Occupation Tax Act an amount equal to the
11 average monthly deficit in the Underground Storage Tank Fund
12 during the prior year, as certified annually by the Illinois
13 Environmental Protection Agency, but the total payment into the
14 Underground Storage Tank Fund under this Act, the Use Tax Act,
15 the Service Use Tax Act, and the Service Occupation Tax Act
16 shall not exceed \$18,000,000 in any State fiscal year. As used
17 in this paragraph, the "average monthly deficit" shall be equal
18 to the difference between the average monthly claims for
19 payment by the fund and the average monthly revenues deposited
20 into the fund, excluding payments made pursuant to this
21 paragraph.

22 Beginning July 1, 2015, of the remainder of the moneys
23 received by the Department under the Use Tax Act, the Service
24 Use Tax Act, the Service Occupation Tax Act, and this Act, each
25 month the Department shall deposit \$500,000 into the State
26 Crime Laboratory Fund.

1 Beginning January 1, 2020, the Department shall pay into
2 the Youthbuild Assistance Fund 100% of the net revenue realized
3 for the preceding month from the 3.75% surcharge on the selling
4 price of firearms and firearm component parts.

5 Of the remainder of the moneys received by the Department
6 pursuant to this Act, (a) 1.75% thereof shall be paid into the
7 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
8 and after July 1, 1989, 3.8% thereof shall be paid into the
9 Build Illinois Fund; provided, however, that if in any fiscal
10 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
11 may be, of the moneys received by the Department and required
12 to be paid into the Build Illinois Fund pursuant to this Act,
13 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
14 Act, and Section 9 of the Service Occupation Tax Act, such Acts
15 being hereinafter called the "Tax Acts" and such aggregate of
16 2.2% or 3.8%, as the case may be, of moneys being hereinafter
17 called the "Tax Act Amount", and (2) the amount transferred to
18 the Build Illinois Fund from the State and Local Sales Tax
19 Reform Fund shall be less than the Annual Specified Amount (as
20 hereinafter defined), an amount equal to the difference shall
21 be immediately paid into the Build Illinois Fund from other
22 moneys received by the Department pursuant to the Tax Acts; the
23 "Annual Specified Amount" means the amounts specified below for
24 fiscal years 1986 through 1993:

Fiscal Year	Annual Specified Amount
1986	\$54,800,000

1	1987	\$76,650,000
2	1988	\$80,480,000
3	1989	\$88,510,000
4	1990	\$115,330,000
5	1991	\$145,470,000
6	1992	\$182,730,000
7	1993	\$206,520,000;

8 and means the Certified Annual Debt Service Requirement (as
9 defined in Section 13 of the Build Illinois Bond Act) or the
10 Tax Act Amount, whichever is greater, for fiscal year 1994 and
11 each fiscal year thereafter; and further provided, that if on
12 the last business day of any month the sum of (1) the Tax Act
13 Amount required to be deposited into the Build Illinois Bond
14 Account in the Build Illinois Fund during such month and (2)
15 the amount transferred to the Build Illinois Fund from the
16 State and Local Sales Tax Reform Fund shall have been less than
17 1/12 of the Annual Specified Amount, an amount equal to the
18 difference shall be immediately paid into the Build Illinois
19 Fund from other moneys received by the Department pursuant to
20 the Tax Acts; and, further provided, that in no event shall the
21 payments required under the preceding proviso result in
22 aggregate payments into the Build Illinois Fund pursuant to
23 this clause (b) for any fiscal year in excess of the greater of
24 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
25 such fiscal year. The amounts payable into the Build Illinois
26 Fund under clause (b) of the first sentence in this paragraph

1 shall be payable only until such time as the aggregate amount
2 on deposit under each trust indenture securing Bonds issued and
3 outstanding pursuant to the Build Illinois Bond Act is
4 sufficient, taking into account any future investment income,
5 to fully provide, in accordance with such indenture, for the
6 defeasance of or the payment of the principal of, premium, if
7 any, and interest on the Bonds secured by such indenture and on
8 any Bonds expected to be issued thereafter and all fees and
9 costs payable with respect thereto, all as certified by the
10 Director of the Bureau of the Budget (now Governor's Office of
11 Management and Budget). If on the last business day of any
12 month in which Bonds are outstanding pursuant to the Build
13 Illinois Bond Act, the aggregate of moneys deposited in the
14 Build Illinois Bond Account in the Build Illinois Fund in such
15 month shall be less than the amount required to be transferred
16 in such month from the Build Illinois Bond Account to the Build
17 Illinois Bond Retirement and Interest Fund pursuant to Section
18 13 of the Build Illinois Bond Act, an amount equal to such
19 deficiency shall be immediately paid from other moneys received
20 by the Department pursuant to the Tax Acts to the Build
21 Illinois Fund; provided, however, that any amounts paid to the
22 Build Illinois Fund in any fiscal year pursuant to this
23 sentence shall be deemed to constitute payments pursuant to
24 clause (b) of the first sentence of this paragraph and shall
25 reduce the amount otherwise payable for such fiscal year
26 pursuant to that clause (b). The moneys received by the

1 Department pursuant to this Act and required to be deposited
2 into the Build Illinois Fund are subject to the pledge, claim
3 and charge set forth in Section 12 of the Build Illinois Bond
4 Act.

5 Subject to payment of amounts into the Build Illinois Fund
6 as provided in the preceding paragraph or in any amendment
7 thereto hereafter enacted, the following specified monthly
8 installment of the amount requested in the certificate of the
9 Chairman of the Metropolitan Pier and Exposition Authority
10 provided under Section 8.25f of the State Finance Act, but not
11 in excess of sums designated as "Total Deposit", shall be
12 deposited in the aggregate from collections under Section 9 of
13 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
14 9 of the Service Occupation Tax Act, and Section 3 of the
15 Retailers' Occupation Tax Act into the McCormick Place
16 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	246,000,000
22	2022	260,000,000
23	2023	275,000,000
24	2024	275,000,000
25	2025	275,000,000
26	2026	279,000,000

1	2027	292,000,000
2	2028	307,000,000
3	2029	322,000,000
4	2030	338,000,000
5	2031	350,000,000
6	2032	350,000,000

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

15 Beginning July 20, 1993 and in each month of each fiscal
16 year thereafter, one-eighth of the amount requested in the
17 certificate of the Chairman of the Metropolitan Pier and
18 Exposition Authority for that fiscal year, less the amount
19 deposited into the McCormick Place Expansion Project Fund by
20 the State Treasurer in the respective month under subsection
21 (g) of Section 13 of the Metropolitan Pier and Exposition
22 Authority Act, plus cumulative deficiencies in the deposits
23 required under this Section for previous months and years,
24 shall be deposited into the McCormick Place Expansion Project
25 Fund, until the full amount requested for the fiscal year, but
26 not in excess of the amount specified above as "Total Deposit",

1 has been deposited.

2 Subject to payment of amounts into the Build Illinois Fund
3 and the McCormick Place Expansion Project Fund pursuant to the
4 preceding paragraphs or in any amendments thereto hereafter
5 enacted, beginning July 1, 1993 and ending on September 30,
6 2013, the Department shall each month pay into the Illinois Tax
7 Increment Fund 0.27% of 80% of the net revenue realized for the
8 preceding month from the 6.25% general rate on the selling
9 price of tangible personal property.

10 Subject to payment of amounts into the Build Illinois Fund
11 and the McCormick Place Expansion Project Fund pursuant to the
12 preceding paragraphs or in any amendments thereto hereafter
13 enacted, beginning with the receipt of the first report of
14 taxes paid by an eligible business and continuing for a 25-year
15 period, the Department shall each month pay into the Energy
16 Infrastructure Fund 80% of the net revenue realized from the
17 6.25% general rate on the selling price of Illinois-mined coal
18 that was sold to an eligible business. For purposes of this
19 paragraph, the term "eligible business" means a new electric
20 generating facility certified pursuant to Section 605-332 of
21 the Department of Commerce and Economic Opportunity Law of the
22 Civil Administrative Code of Illinois.

23 Subject to payment of amounts into the Build Illinois Fund,
24 the McCormick Place Expansion Project Fund, the Illinois Tax
25 Increment Fund, and the Energy Infrastructure Fund pursuant to
26 the preceding paragraphs or in any amendments to this Section

1 hereafter enacted, beginning on the first day of the first
2 calendar month to occur on or after August 26, 2014 (the
3 effective date of Public Act 98-1098), each month, from the
4 collections made under Section 9 of the Use Tax Act, Section 9
5 of the Service Use Tax Act, Section 9 of the Service Occupation
6 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
7 the Department shall pay into the Tax Compliance and
8 Administration Fund, to be used, subject to appropriation, to
9 fund additional auditors and compliance personnel at the
10 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
11 the cash receipts collected during the preceding fiscal year by
12 the Audit Bureau of the Department under the Use Tax Act, the
13 Service Use Tax Act, the Service Occupation Tax Act, the
14 Retailers' Occupation Tax Act, and associated local occupation
15 and use taxes administered by the Department.

16 Subject to payments of amounts into the Build Illinois
17 Fund, the McCormick Place Expansion Project Fund, the Illinois
18 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax
19 Compliance and Administration Fund as provided in this Section,
20 beginning on July 1, 2018 the Department shall pay each month
21 into the Downstate Public Transportation Fund the moneys
22 required to be so paid under Section 2-3 of the Downstate
23 Public Transportation Act.

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, 75% thereof shall be paid into the State
26 Treasury and 25% shall be reserved in a special account and

1 used only for the transfer to the Common School Fund as part of
2 the monthly transfer from the General Revenue Fund in
3 accordance with Section 8a of the State Finance Act.

4 The Department may, upon separate written notice to a
5 taxpayer, require the taxpayer to prepare and file with the
6 Department on a form prescribed by the Department within not
7 less than 60 days after receipt of the notice an annual
8 information return for the tax year specified in the notice.
9 Such annual return to the Department shall include a statement
10 of gross receipts as shown by the retailer's last Federal
11 income tax return. If the total receipts of the business as
12 reported in the Federal income tax return do not agree with the
13 gross receipts reported to the Department of Revenue for the
14 same period, the retailer shall attach to his annual return a
15 schedule showing a reconciliation of the 2 amounts and the
16 reasons for the difference. The retailer's annual return to the
17 Department shall also disclose the cost of goods sold by the
18 retailer during the year covered by such return, opening and
19 closing inventories of such goods for such year, costs of goods
20 used from stock or taken from stock and given away by the
21 retailer during such year, payroll information of the
22 retailer's business during such year and any additional
23 reasonable information which the Department deems would be
24 helpful in determining the accuracy of the monthly, quarterly
25 or annual returns filed by such retailer as provided for in
26 this Section.

1 If the annual information return required by this Section
2 is not filed when and as required, the taxpayer shall be liable
3 as follows:

4 (i) Until January 1, 1994, the taxpayer shall be liable
5 for a penalty equal to 1/6 of 1% of the tax due from such
6 taxpayer under this Act during the period to be covered by
7 the annual return for each month or fraction of a month
8 until such return is filed as required, the penalty to be
9 assessed and collected in the same manner as any other
10 penalty provided for in this Act.

11 (ii) On and after January 1, 1994, the taxpayer shall
12 be liable for a penalty as described in Section 3-4 of the
13 Uniform Penalty and Interest Act.

14 The chief executive officer, proprietor, owner or highest
15 ranking manager shall sign the annual return to certify the
16 accuracy of the information contained therein. Any person who
17 willfully signs the annual return containing false or
18 inaccurate information shall be guilty of perjury and punished
19 accordingly. The annual return form prescribed by the
20 Department shall include a warning that the person signing the
21 return may be liable for perjury.

22 The provisions of this Section concerning the filing of an
23 annual information return do not apply to a retailer who is not
24 required to file an income tax return with the United States
25 Government.

26 As soon as possible after the first day of each month, upon

1 certification of the Department of Revenue, the Comptroller
2 shall order transferred and the Treasurer shall transfer from
3 the General Revenue Fund to the Motor Fuel Tax Fund an amount
4 equal to 1.7% of 80% of the net revenue realized under this Act
5 for the second preceding month. Beginning April 1, 2000, this
6 transfer is no longer required and shall not be made.

7 Net revenue realized for a month shall be the revenue
8 collected by the State pursuant to this Act, less the amount
9 paid out during that month as refunds to taxpayers for
10 overpayment of liability.

11 For greater simplicity of administration, manufacturers,
12 importers and wholesalers whose products are sold at retail in
13 Illinois by numerous retailers, and who wish to do so, may
14 assume the responsibility for accounting and paying to the
15 Department all tax accruing under this Act with respect to such
16 sales, if the retailers who are affected do not make written
17 objection to the Department to this arrangement.

18 Any person who promotes, organizes, provides retail
19 selling space for concessionaires or other types of sellers at
20 the Illinois State Fair, DuQuoin State Fair, county fairs,
21 local fairs, art shows, flea markets and similar exhibitions or
22 events, including any transient merchant as defined by Section
23 2 of the Transient Merchant Act of 1987, is required to file a
24 report with the Department providing the name of the merchant's
25 business, the name of the person or persons engaged in
26 merchant's business, the permanent address and Illinois

1 Retailers Occupation Tax Registration Number of the merchant,
2 the dates and location of the event and other reasonable
3 information that the Department may require. The report must be
4 filed not later than the 20th day of the month next following
5 the month during which the event with retail sales was held.
6 Any person who fails to file a report required by this Section
7 commits a business offense and is subject to a fine not to
8 exceed \$250.

9 Any person engaged in the business of selling tangible
10 personal property at retail as a concessionaire or other type
11 of seller at the Illinois State Fair, county fairs, art shows,
12 flea markets and similar exhibitions or events, or any
13 transient merchants, as defined by Section 2 of the Transient
14 Merchant Act of 1987, may be required to make a daily report of
15 the amount of such sales to the Department and to make a daily
16 payment of the full amount of tax due. The Department shall
17 impose this requirement when it finds that there is a
18 significant risk of loss of revenue to the State at such an
19 exhibition or event. Such a finding shall be based on evidence
20 that a substantial number of concessionaires or other sellers
21 who are not residents of Illinois will be engaging in the
22 business of selling tangible personal property at retail at the
23 exhibition or event, or other evidence of a significant risk of
24 loss of revenue to the State. The Department shall notify
25 concessionaires and other sellers affected by the imposition of
26 this requirement. In the absence of notification by the

1 Department, the concessionaires and other sellers shall file
2 their returns as otherwise required in this Section.

3 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
4 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.
5 7-1-18; 100-863, eff. 8-14-18.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.