

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, 5.892, 5.893, 6z-20.1, 6z-20.2, and 6z-20.3 as
6 follows:

7 (30 ILCS 105/5.891 new)

8 Sec. 5.891. The State Aviation Program Fund.

9 (30 ILCS 105/5.892 new)

10 Sec. 5.892. The Local Government Aviation Trust Fund.

11 (30 ILCS 105/5.893 new)

12 Sec. 5.893. The Aviation Fuel Sales Tax Refund Fund.

13 (30 ILCS 105/6z-20.1 new)

14 Sec. 6z-20.1. The State Aviation Program Fund.

15 (a) The State Aviation Program Fund is created in the State
16 Treasury. Moneys in the Fund shall be used by the Department of
17 Transportation for the purposes of administering a State
18 Aviation Program. Subject to appropriation, the moneys shall be
19 used for the purpose of distributing grants to units of local
20 government to be used for airport-related purposes. Grants to

1 units of local government from the Fund shall be distributed
2 proportionately based on equal part enplanements, total cargo,
3 and airport operations. With regard to enplanements that occur
4 within a municipality with a population of over 500,000, grants
5 shall be distributed only to the municipality.

6 (b) For grants to a unit of government other than a
7 municipality with a population of more than 500,000,
8 "airport-related purposes" means the capital or operating
9 costs of: (1) an airport; (2) a local airport system; or (3)
10 any other local facility that is owned or operated by the
11 person or entity that owns or operates the airport that is
12 directly and substantially related to the air transportation of
13 passengers or property as provided in 49 U.S.C. 47133,
14 including (i) the replacement of sound-reducing windows and
15 doors installed under the Residential Sound Insulation Program
16 and (ii) in-home air quality testing in residences in which
17 windows or doors were installed under the Residential Sound
18 Insulation Program.

19 For grants to a municipality with a population of more than
20 500,000, "airport-related purposes" means the replacement of
21 sound-reducing windows and doors installed under the
22 Residential Sound Insulation Program.

23 (30 ILCS 105/6z-20.2 new)

24 Sec. 6z-20.2. The Local Government Aviation Trust Fund. The
25 Local Government Aviation Trust Fund is created as a trust fund

1 in the State Treasury. Moneys in the Trust Fund shall be used
2 by units of local government for airport-related purposes. For
3 purposes of this Section, "airport-related purposes" means the
4 capital or operating costs of: (1) an airport; (2) a local
5 airport system; or (3) any other local facility that is owned
6 or operated by the person or entity that owns or operates the
7 airport that is directly and substantially related to the air
8 transportation of passengers or property as provided in 49
9 U.S.C. 47133, including (i) the replacement of sound-reducing
10 windows and doors installed under the Residential Sound
11 Insulation Program and (ii) in-home air quality testing in
12 residences in which windows or doors were installed under the
13 Residential Sound Insulation Program.

14 Moneys in the Trust Fund are not subject to appropriation
15 and shall be used solely as provided in this Section. All
16 deposits into the Trust Fund shall be held in the Trust Fund by
17 the State Treasurer, ex officio, as trustee separate and apart
18 from all public moneys or funds of this State.

19 On or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to named units of local
22 government, the units of local government to be those from
23 which retailers or servicemen have paid tax or penalties to the
24 Department during the second preceding calendar month on sales
25 of aviation fuel. The amount to be paid to each unit of local
26 government shall be the amount (not including credit memoranda)

1 collected during the second preceding calendar month by the
2 Department and paid into the Local Government Aviation Trust
3 Fund, plus an amount the Department determines is necessary to
4 offset any amounts which were erroneously paid to a different
5 taxing body, and not including an amount equal to the amount of
6 refunds made during the second preceding calendar month by the
7 Department, and not including any amount which the Department
8 determines is necessary to offset any amounts which are payable
9 to a different taxing body but were erroneously paid to the
10 unit of local government. Within 10 days after receipt by the
11 Comptroller of the certification for disbursement to the units
12 of local government, provided for in this Section to be given
13 to the Comptroller by the Department, the Comptroller shall
14 cause the orders to be drawn for the respective amounts in
15 accordance with the directions contained in the certification.

16 When certifying the amount of the monthly disbursement to a
17 unit of local government under this Section, the Department
18 shall increase or decrease that amount by an amount necessary
19 to offset any misallocation of previous disbursements. The
20 offset amount shall be the amount erroneously disbursed within
21 the 6 months preceding the time a misallocation is discovered.

22 (30 ILCS 105/6z-20.3 new)

23 Sec. 6z-20.3. The Aviation Fuel Sales Tax Refund Fund.

24 (a) The Aviation Fuel Sales Tax Refund Fund is hereby
25 created as a special fund in the State Treasury. Moneys in the

1 Aviation Fuel Sales Tax Refund Fund shall be used by the
2 Department of Revenue to pay refunds of Use Tax, Service Use
3 Tax, Service Occupation Tax, and Retailers' Occupation Tax paid
4 on aviation fuel in the manner provided in Section 19 of the
5 Use Tax Act, Section 17 of the Service Use Tax Act, Section 17
6 of the Service Occupation Tax Act, and Section 6 of the
7 Retailers' Occupation Tax Act.

8 (b) Moneys in the Aviation Fuel Sales Tax Refund Fund shall
9 be expended exclusively for the purpose of paying refunds
10 pursuant to this Section.

11 (c) The Director of Revenue shall order payment of refunds
12 under this Section from the Aviation Fuel Sales Tax Refund Fund
13 only to the extent that amounts collected pursuant to Section 3
14 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
15 Act, Section 9 of the Service Occupation Tax Act, and Section 9
16 of the Service Use Tax Act on aviation fuel have been deposited
17 and retained in the Fund.

18 As soon as possible after the end of each fiscal year, the
19 Director of Revenue shall order transferred and the State
20 Treasurer and State Comptroller shall transfer from the
21 Aviation Fuel Sales Tax Refund Fund to the State Aviation
22 Program Fund 20% of any surplus remaining as of the end of such
23 fiscal year and shall transfer from the Aviation Fuel Sales Tax
24 Refund Fund to the General Revenue Fund 80% of any surplus
25 remaining as of the end of such fiscal year.

26 This Section shall constitute an irrevocable and

1 continuing appropriation from the Aviation Fuel Sales Tax
2 Refund Fund for the purpose of paying refunds in accordance
3 with the provisions of this Section.

4 Section 10. The Use Tax Act is amended by changing Sections
5 9 and 19 as follows:

6 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

7 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
8 and trailers that are required to be registered with an agency
9 of this State, each retailer required or authorized to collect
10 the tax imposed by this Act shall pay to the Department the
11 amount of such tax (except as otherwise provided) at the time
12 when he is required to file his return for the period during
13 which such tax was collected, less a discount of 2.1% prior to
14 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
15 per calendar year, whichever is greater, which is allowed to
16 reimburse the retailer for expenses incurred in collecting the
17 tax, keeping records, preparing and filing returns, remitting
18 the tax and supplying data to the Department on request. The
19 discount under this Section is not allowed for taxes paid on
20 aviation fuel that are deposited into the State Aviation
21 Program Fund under this Act. In the case of retailers who
22 report and pay the tax on a transaction by transaction basis,
23 as provided in this Section, such discount shall be taken with
24 each such tax remittance instead of when such retailer files

1 his periodic return. The discount allowed under this Section is
2 allowed only for returns that are filed in the manner required
3 by this Act. The Department may disallow the discount for
4 retailers whose certificate of registration is revoked at the
5 time the return is filed, but only if the Department's decision
6 to revoke the certificate of registration has become final. A
7 retailer need not remit that part of any tax collected by him
8 to the extent that he is required to remit and does remit the
9 tax imposed by the Retailers' Occupation Tax Act, with respect
10 to the sale of the same property.

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

21 Except as provided in this Section, on or before the
22 twentieth day of each calendar month, such retailer shall file
23 a return for the preceding calendar month. Such return shall be
24 filed on forms prescribed by the Department and shall furnish
25 such information as the Department may reasonably require. On
26 and after January 1, 2018, except for returns for motor

1 vehicles, watercraft, aircraft, and trailers that are required
2 to be registered with an agency of this State, with respect to
3 retailers whose annual gross receipts average \$20,000 or more,
4 all returns required to be filed pursuant to this Act shall be
5 filed electronically. Retailers who demonstrate that they do
6 not have access to the Internet or demonstrate hardship in
7 filing electronically may petition the Department to waive the
8 electronic filing requirement.

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

16 1. The name of the seller;

17 2. The address of the principal place of business from
18 which he engages in the business of selling tangible
19 personal property at retail in this State;

20 3. The total amount of taxable receipts received by him
21 during the preceding calendar month from sales of tangible
22 personal property by him during such preceding calendar
23 month, including receipts from charge and time sales, but
24 less all deductions allowed by law;

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

- 1 5. The amount of tax due;
- 2 5-5. The signature of the taxpayer; and
- 3 6. Such other reasonable information as the Department
- 4 may require.

5 Beginning on January 1, 2020, each retailer required or

6 authorized to collect the tax imposed by this Act on aviation

7 fuel sold at retail in this State during the preceding calendar

8 month shall, instead of reporting and paying tax on aviation

9 fuel as otherwise required by this Section, file and pay tax to

10 the Department on an aviation fuel tax return, on or before the

11 twentieth day of each calendar month. The requirements related

12 to the return shall be as otherwise provided in this Section.

13 Notwithstanding any other provisions of this Act to the

14 contrary, retailers collecting tax on aviation fuel shall file

15 all aviation fuel tax returns and shall make all aviation fuel

16 fee payments by electronic means in the manner and form

17 required by the Department. For purposes of this paragraph,

18 "aviation fuel" means a product that is intended for use or

19 offered for sale as fuel for an aircraft.

20 If a taxpayer fails to sign a return within 30 days after

21 the proper notice and demand for signature by the Department,

22 the return shall be considered valid and any amount shown to be

23 due on the return shall be deemed assessed.

24 Beginning October 1, 1993, a taxpayer who has an average

25 monthly tax liability of \$150,000 or more shall make all

26 payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 1994, a taxpayer who has
2 an average monthly tax liability of \$100,000 or more shall make
3 all payments required by rules of the Department by electronic
4 funds transfer. Beginning October 1, 1995, a taxpayer who has
5 an average monthly tax liability of \$50,000 or more shall make
6 all payments required by rules of the Department by electronic
7 funds transfer. Beginning October 1, 2000, a taxpayer who has
8 an annual tax liability of \$200,000 or more shall make all
9 payments required by rules of the Department by electronic
10 funds transfer. The term "annual tax liability" shall be the
11 sum of the taxpayer's liabilities under this Act, and under all
12 other State and local occupation and use tax laws administered
13 by the Department, for the immediately preceding calendar year.
14 The term "average monthly tax liability" means the sum of the
15 taxpayer's liabilities under this Act, and under all other
16 State and local occupation and use tax laws administered by the
17 Department, for the immediately preceding calendar year
18 divided by 12. Beginning on October 1, 2002, a taxpayer who has
19 a tax liability in the amount set forth in subsection (b) of
20 Section 2505-210 of the Department of Revenue Law shall make
21 all payments required by rules of the Department by electronic
22 funds transfer.

23 Before August 1 of each year beginning in 1993, the
24 Department shall notify all taxpayers required to make payments
25 by electronic funds transfer. All taxpayers required to make
26 payments by electronic funds transfer shall make those payments

1 for a minimum of one year beginning on October 1.

2 Any taxpayer not required to make payments by electronic
3 funds transfer may make payments by electronic funds transfer
4 with the permission of the Department.

5 All taxpayers required to make payment by electronic funds
6 transfer and any taxpayers authorized to voluntarily make
7 payments by electronic funds transfer shall make those payments
8 in the manner authorized by the Department.

9 The Department shall adopt such rules as are necessary to
10 effectuate a program of electronic funds transfer and the
11 requirements of this Section.

12 Before October 1, 2000, if the taxpayer's average monthly
13 tax liability to the Department under this Act, the Retailers'
14 Occupation Tax Act, the Service Occupation Tax Act, the Service
15 Use Tax Act was \$10,000 or more during the preceding 4 complete
16 calendar quarters, he shall file a return with the Department
17 each month by the 20th day of the month next following the
18 month during which such tax liability is incurred and shall
19 make payments to the Department on or before the 7th, 15th,
20 22nd and last day of the month during which such liability is
21 incurred. On and after October 1, 2000, if the taxpayer's
22 average monthly tax liability to the Department under this Act,
23 the Retailers' Occupation Tax Act, the Service Occupation Tax
24 Act, and the Service Use Tax Act was \$20,000 or more during the
25 preceding 4 complete calendar quarters, he shall file a return
26 with the Department each month by the 20th day of the month

1 next following the month during which such tax liability is
2 incurred and shall make payment to the Department on or before
3 the 7th, 15th, 22nd and last day of the month during which such
4 liability is incurred. If the month during which such tax
5 liability is incurred began prior to January 1, 1985, each
6 payment shall be in an amount equal to 1/4 of the taxpayer's
7 actual liability for the month or an amount set by the
8 Department not to exceed 1/4 of the average monthly liability
9 of the taxpayer to the Department for the preceding 4 complete
10 calendar quarters (excluding the month of highest liability and
11 the month of lowest liability in such 4 quarter period). If the
12 month during which such tax liability is incurred begins on or
13 after January 1, 1985, and prior to January 1, 1987, each
14 payment shall be in an amount equal to 22.5% of the taxpayer's
15 actual liability for the month or 27.5% of the taxpayer's
16 liability for the same calendar month of the preceding year. If
17 the month during which such tax liability is incurred begins on
18 or after January 1, 1987, and prior to January 1, 1988, each
19 payment shall be in an amount equal to 22.5% of the taxpayer's
20 actual liability for the month or 26.25% of the taxpayer's
21 liability for the same calendar month of the preceding year. If
22 the month during which such tax liability is incurred begins on
23 or after January 1, 1988, and prior to January 1, 1989, or
24 begins on or after January 1, 1996, each payment shall be in an
25 amount equal to 22.5% of the taxpayer's actual liability for
26 the month or 25% of the taxpayer's liability for the same

1 calendar month of the preceding year. If the month during which
2 such tax liability is incurred begins on or after January 1,
3 1989, and prior to January 1, 1996, each payment shall be in an
4 amount equal to 22.5% of the taxpayer's actual liability for
5 the month or 25% of the taxpayer's liability for the same
6 calendar month of the preceding year or 100% of the taxpayer's
7 actual liability for the quarter monthly reporting period. The
8 amount of such quarter monthly payments shall be credited
9 against the final tax liability of the taxpayer's return for
10 that month. Before October 1, 2000, once applicable, the
11 requirement of the making of quarter monthly payments to the
12 Department shall continue until such taxpayer's average
13 monthly liability to the Department during the preceding 4
14 complete calendar quarters (excluding the month of highest
15 liability and the month of lowest liability) is less than
16 \$9,000, or until such taxpayer's average monthly liability to
17 the Department as computed for each calendar quarter of the 4
18 preceding complete calendar quarter period is less than
19 \$10,000. However, if a taxpayer can show the Department that a
20 substantial change in the taxpayer's business has occurred
21 which causes the taxpayer to anticipate that his average
22 monthly tax liability for the reasonably foreseeable future
23 will fall below the \$10,000 threshold stated above, then such
24 taxpayer may petition the Department for change in such
25 taxpayer's reporting status. On and after October 1, 2000, once
26 applicable, the requirement of the making of quarter monthly

1 payments to the Department shall continue until such taxpayer's
2 average monthly liability to the Department during the
3 preceding 4 complete calendar quarters (excluding the month of
4 highest liability and the month of lowest liability) is less
5 than \$19,000 or until such taxpayer's average monthly liability
6 to the Department as computed for each calendar quarter of the
7 4 preceding complete calendar quarter period is less than
8 \$20,000. 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 \$20,000 threshold stated above, then such
13 taxpayer may petition the Department for a change in such
14 taxpayer's reporting status. The Department shall change such
15 taxpayer's reporting status unless it finds that such change is
16 seasonal in nature and not likely to be long term. If any such
17 quarter monthly payment is not paid at the time or in the
18 amount required by this Section, then the taxpayer shall be
19 liable for penalties and interest on the difference between the
20 minimum amount due and the amount of such quarter monthly
21 payment actually and timely paid, except insofar as the
22 taxpayer has previously made payments for that month to the
23 Department in excess of the minimum payments previously due as
24 provided in this Section. The Department shall make reasonable
25 rules and regulations to govern the quarter monthly payment
26 amount and quarter monthly payment dates for taxpayers who file

1 on other than a calendar monthly basis.

2 If any such payment provided for in this Section exceeds
3 the taxpayer's liabilities under this Act, the Retailers'
4 Occupation Tax Act, the Service Occupation Tax Act and the
5 Service Use Tax Act, as shown by an original monthly return,
6 the Department shall issue to the taxpayer a credit memorandum
7 no later than 30 days after the date of payment, which
8 memorandum may be submitted by the taxpayer to the Department
9 in payment of tax liability subsequently to be remitted by the
10 taxpayer to the Department or be assigned by the taxpayer to a
11 similar taxpayer under this Act, the Retailers' Occupation 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, except that if such excess
15 payment is shown on an original monthly return and is made
16 after December 31, 1986, no credit memorandum shall be issued,
17 unless requested by the taxpayer. If no such request is made,
18 the taxpayer may credit such excess payment against tax
19 liability subsequently to be remitted by the taxpayer to the
20 Department under this Act, the Retailers' Occupation Tax Act,
21 the Service Occupation Tax Act or the Service Use Tax Act, in
22 accordance with reasonable rules and regulations prescribed by
23 the Department. If the Department subsequently determines that
24 all or any part of the credit taken was not actually due to the
25 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
26 be reduced by 2.1% or 1.75% of the difference between the

1 credit taken and that actually due, and the taxpayer shall be
2 liable for penalties and interest on such difference.

3 If the retailer is otherwise required to file a monthly
4 return and if the retailer's average monthly tax liability to
5 the Department does not exceed \$200, the Department may
6 authorize his returns to be filed on a quarter annual basis,
7 with the return for January, February, and March of a given
8 year being due by April 20 of such year; with the return for
9 April, May and June of a given year being due by July 20 of such
10 year; with the return for July, August and September of a given
11 year being due by October 20 of such year, and with the return
12 for October, November and December of a given year being due by
13 January 20 of the following year.

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

20 Such quarter annual and annual returns, as to form and
21 substance, shall be subject to the same requirements as monthly
22 returns.

23 Notwithstanding any other provision in this Act concerning
24 the time within which a retailer may file his return, in the
25 case of any retailer who ceases to engage in a kind of business
26 which makes him responsible for filing returns under this Act,

1 such retailer shall file a final return under this Act with the
2 Department not more than one month after discontinuing such
3 business.

4 In addition, with respect to motor vehicles, watercraft,
5 aircraft, and trailers that are required to be registered with
6 an agency of this State, except as otherwise provided in this
7 Section, every retailer selling this kind of tangible personal
8 property shall file, with the Department, upon a form to be
9 prescribed and supplied by the Department, a separate return
10 for each such item of tangible personal property which the
11 retailer sells, except that if, in the same transaction, (i) a
12 retailer of aircraft, watercraft, motor vehicles or trailers
13 transfers more than one aircraft, watercraft, motor vehicle or
14 trailer to another aircraft, watercraft, motor vehicle or
15 trailer retailer for the purpose of resale or (ii) a retailer
16 of aircraft, watercraft, motor vehicles, or trailers transfers
17 more than one aircraft, watercraft, motor vehicle, or trailer
18 to a purchaser for use as a qualifying rolling stock as
19 provided in Section 3-55 of this Act, then that seller may
20 report the transfer of all the aircraft, watercraft, motor
21 vehicles or trailers involved in that transaction to the
22 Department on the same uniform invoice-transaction reporting
23 return form. For purposes of this Section, "watercraft" means a
24 Class 2, Class 3, or Class 4 watercraft as defined in Section
25 3-2 of the Boat Registration and Safety Act, a personal
26 watercraft, or any boat equipped with an inboard motor.

1 In addition, with respect to motor vehicles, watercraft,
2 aircraft, and trailers that are required to be registered with
3 an agency of this State, every person who is engaged in the
4 business of leasing or renting such items and who, in
5 connection with such business, sells any such item to a
6 retailer for the purpose of resale is, notwithstanding any
7 other provision of this Section to the contrary, authorized to
8 meet the return-filing requirement of this Act by reporting the
9 transfer of all the aircraft, watercraft, motor vehicles, or
10 trailers transferred for resale during a month to the
11 Department on the same uniform invoice-transaction reporting
12 return form on or before the 20th of the month following the
13 month in which the transfer takes place. Notwithstanding any
14 other provision of this Act to the contrary, all returns filed
15 under this paragraph must be filed by electronic means in the
16 manner and form as required by the Department.

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

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

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

1 information as the Department may reasonably require.

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

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

1 No retailer's failure or refusal to remit tax under this
2 Act precludes a user, who has paid the proper tax to the
3 retailer, from obtaining his certificate of title or other
4 evidence of title or registration (if titling or registration
5 is required) upon satisfying the Department that such user has
6 paid the proper tax (if tax is due) to the retailer. The
7 Department shall adopt appropriate rules to carry out the
8 mandate of this paragraph.

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

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

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

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

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

10 Beginning January 1, 1990, each month the Department shall
11 pay into the State and Local Sales Tax Reform Fund, a special
12 fund in the State Treasury which is hereby created, the net
13 revenue realized for the preceding month from the 1% tax
14 imposed under this Act.

15 Beginning January 1, 1990, each month the Department shall
16 pay into the County and Mass Transit District Fund 4% of the
17 net revenue realized for the preceding month from the 6.25%
18 general rate on the selling price of tangible personal property
19 which is purchased outside Illinois at retail from a retailer
20 and which is titled or registered by an agency of this State's
21 government.

22 Beginning January 1, 1990, each month the Department shall
23 pay into the State and Local Sales Tax Reform Fund, a special
24 fund in the State Treasury, 20% of the net revenue realized for
25 the preceding month from the 6.25% general rate on the selling
26 price of tangible personal property, other than (i) tangible

1 personal property which is purchased outside Illinois at retail
2 from a retailer and which is titled or registered by an agency
3 of this State's government and (ii) aviation fuel sold on or
4 after December 1, 2019. This exception for aviation fuel only
5 applies for so long as the revenue use requirements of 49
6 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

7 For aviation fuel sold on or after December 1, 2019, each
8 month the Department shall pay into the State Aviation Program
9 Fund 20% of the net revenue realized for the preceding month
10 from the 6.25% general rate on the selling price of aviation
11 fuel, less an amount estimated by the Department to be required
12 for refunds of the 20% portion of the tax on aviation fuel
13 under this Act, which amount shall be deposited into the
14 Aviation Fuel Sales Tax Refund Fund. The Department shall only
15 pay moneys into the State Aviation Program Fund and the
16 Aviation Fuels Sales Tax Refund Fund under this Act for so long
17 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
18 U.S.C. 47133 are binding on the State.

19 Beginning August 1, 2000, each month the Department shall
20 pay into the State and Local Sales Tax Reform Fund 100% of the
21 net revenue realized for the preceding month from the 1.25%
22 rate on the selling price of motor fuel and gasohol. Beginning
23 September 1, 2010, each month the Department shall pay into the
24 State and Local Sales Tax Reform Fund 100% of the net revenue
25 realized for the preceding month from the 1.25% rate on the
26 selling price of sales tax holiday items.

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

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

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

24 Beginning July 1, 2013, each month the Department shall pay
25 into the Underground Storage Tank Fund from the proceeds
26 collected under this Act, the Service Use Tax Act, the Service

1 Occupation Tax Act, and the Retailers' Occupation Tax Act an
2 amount equal to the average monthly deficit in the Underground
3 Storage Tank Fund during the prior year, as certified annually
4 by the Illinois Environmental Protection Agency, but the total
5 payment into the Underground Storage Tank Fund under this Act,
6 the Service Use Tax Act, the Service Occupation Tax Act, and
7 the Retailers' Occupation Tax Act shall not exceed \$18,000,000
8 in any State fiscal year. As used in this paragraph, the
9 "average monthly deficit" shall be equal to the difference
10 between the average monthly claims for payment by the fund and
11 the average monthly revenues deposited into the fund, excluding
12 payments made pursuant to this paragraph.

13 Beginning July 1, 2015, of the remainder of the moneys
14 received by the Department under this Act, the Service Use Tax
15 Act, the Service Occupation Tax Act, and the Retailers'
16 Occupation Tax Act, each month the Department shall deposit
17 \$500,000 into the State Crime Laboratory Fund.

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 Bond Account
14 in the 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.

17	Fiscal Year	Total 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
26	2001	80,000,000

1	2002	93,000,000
2	2003	99,000,000
3	2004	103,000,000
4	2005	108,000,000
5	2006	113,000,000
6	2007	119,000,000
7	2008	126,000,000
8	2009	132,000,000
9	2010	139,000,000
10	2011	146,000,000
11	2012	153,000,000
12	2013	161,000,000
13	2014	170,000,000
14	2015	179,000,000
15	2016	189,000,000
16	2017	199,000,000
17	2018	210,000,000
18	2019	221,000,000
19	2020	233,000,000
20	2021	246,000,000
21	2022	260,000,000
22	2023	275,000,000
23	2024	275,000,000
24	2025	275,000,000
25	2026	279,000,000
26	2027	292,000,000

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

6 and

7 each fiscal year

8 thereafter that bonds

9 are outstanding under

10 Section 13.2 of the

11 Metropolitan Pier and

12 Exposition Authority Act,

13 but not after fiscal year 2060.

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

1 Subject to payment of amounts into the Capital Projects
2 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois
3 Fund, and the McCormick Place Expansion Project Fund pursuant
4 to the preceding paragraphs or in any amendments thereto
5 hereafter enacted, the Department shall each month deposit into
6 the Aviation Fuel Sales Tax Refund Fund an amount estimated by
7 the Department to be required for refunds of the 80% portion of
8 the tax on aviation fuel under this Act.

9 Subject to payment of amounts into the Build Illinois Fund
10 and the McCormick Place Expansion Project Fund pursuant to the
11 preceding paragraphs or in any amendments thereto hereafter
12 enacted, beginning July 1, 1993 and ending on September 30,
13 2013, the Department shall each month pay into the Illinois Tax
14 Increment Fund 0.27% of 80% of the net revenue realized for the
15 preceding month from the 6.25% general rate on the selling
16 price of tangible personal property.

17 Subject to payment of amounts into the Build Illinois Fund
18 and the McCormick Place Expansion Project Fund pursuant to the
19 preceding paragraphs or in any amendments thereto hereafter
20 enacted, beginning with the receipt of the first report of
21 taxes paid by an eligible business and continuing for a 25-year
22 period, the Department shall each month pay into the Energy
23 Infrastructure Fund 80% of the net revenue realized from the
24 6.25% general rate on the selling price of Illinois-mined coal
25 that was sold to an eligible business. For purposes of this
26 paragraph, the term "eligible business" means a new electric

1 generating facility certified pursuant to Section 605-332 of
2 the Department of Commerce and Economic Opportunity Law of the
3 Civil Administrative Code of Illinois.

4 Subject to payment of amounts into the Build Illinois Fund,
5 the McCormick Place Expansion Project Fund, the Illinois Tax
6 Increment Fund, and the Energy Infrastructure Fund pursuant to
7 the preceding paragraphs or in any amendments to this Section
8 hereafter enacted, beginning on the first day of the first
9 calendar month to occur on or after August 26, 2014 (the
10 effective date of Public Act 98-1098), each month, from the
11 collections made under Section 9 of the Use Tax Act, Section 9
12 of the Service Use Tax Act, Section 9 of the Service Occupation
13 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
14 the Department shall pay into the Tax Compliance and
15 Administration Fund, to be used, subject to appropriation, to
16 fund additional auditors and compliance personnel at the
17 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
18 the cash receipts collected during the preceding fiscal year by
19 the Audit Bureau of the Department under the Use Tax Act, the
20 Service Use Tax Act, the Service Occupation Tax Act, the
21 Retailers' Occupation Tax Act, and associated local occupation
22 and use taxes administered by the Department (except the amount
23 collected on aviation fuel sold on or after December 1, 2019).

24 Subject to payments of amounts into the Build Illinois
25 Fund, the McCormick Place Expansion Project Fund, the Illinois
26 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax

1 Compliance and Administration Fund as provided in this Section,
2 beginning on July 1, 2018 the Department shall pay each month
3 into the Downstate Public Transportation Fund the moneys
4 required to be so paid under Section 2-3 of the Downstate
5 Public Transportation Act.

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

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

19 Net revenue realized for a month shall be the revenue
20 collected by the State pursuant to this Act, less the amount
21 paid out during that month as refunds to taxpayers for
22 overpayment of liability.

23 For greater simplicity of administration, manufacturers,
24 importers and wholesalers whose products are sold at retail in
25 Illinois by numerous retailers, and who wish to do so, may
26 assume the responsibility for accounting and paying to the

1 Department all tax accruing under this Act with respect to such
2 sales, if the retailers who are affected do not make written
3 objection to the Department to this arrangement.

4 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
5 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.
6 7-1-18; 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19.)

7 (35 ILCS 105/19) (from Ch. 120, par. 439.19)

8 Sec. 19. If it shall appear that an amount of tax or
9 penalty or interest has been paid in error hereunder to the
10 Department by a purchaser, as distinguished from the retailer,
11 whether such amount be paid through a mistake of fact or an
12 error of law, such purchaser may file a claim for credit or
13 refund with the Department in accordance with Sections 6, 6a,
14 6b, 6c, and 6d of the Retailers' Occupation Tax Act. If it
15 shall appear that an amount of tax or penalty or interest has
16 been paid in error to the Department hereunder by a retailer
17 who is required or authorized to collect and remit the use tax,
18 whether such amount be paid through a mistake of fact or an
19 error of law, such retailer may file a claim for credit or
20 refund with the Department in accordance with Sections 6, 6a,
21 6b, 6c, and 6d of the Retailers' Occupation Tax Act, provided
22 that no credit or refund shall be allowed for any amount paid
23 by any such retailer unless it shall appear that he bore the
24 burden of such amount and did not shift the burden thereof to
25 anyone else (as in the case of a duplicated tax payment which

1 the retailer made to the Department and did not collect from
2 anyone else), or unless it shall appear that he or she or his
3 or her legal representative has unconditionally repaid such
4 amount to his vendee (1) who bore the burden thereof and has
5 not shifted such burden directly or indirectly in any manner
6 whatsoever; (2) who, if he has shifted such burden, has repaid
7 unconditionally such amount to his or her own vendee, and (3)
8 who is not entitled to receive any reimbursement therefor from
9 any other source than from his vendor, nor to be relieved of
10 such burden in any other manner whatsoever. If it shall appear
11 that an amount of tax has been paid in error hereunder by the
12 purchaser to a retailer, who retained such tax as reimbursement
13 for his or her tax liability on the same sale under the
14 Retailers' Occupation Tax Act, and who remitted the amount
15 involved to the Department under the Retailers' Occupation Tax
16 Act, whether such amount be paid through a mistake of fact or
17 an error of law, the procedure for recovering such tax shall be
18 that prescribed in Sections 6, 6a, 6b and 6c of the Retailers'
19 Occupation Tax Act.

20 Any credit or refund that is allowed under this Section
21 shall bear interest at the rate and in the manner specified in
22 the Uniform Penalty and Interest Act.

23 Any claim filed hereunder shall be filed upon a form
24 prescribed and furnished by the Department. The claim shall be
25 signed by the claimant (or by the claimant's legal
26 representative if the claimant shall have died or become a

1 person under legal disability), or by a duly authorized agent
2 of the claimant or his or her legal representative.

3 A claim for credit or refund shall be considered to have
4 been filed with the Department on the date upon which it is
5 received by the Department. Upon receipt of any claim for
6 credit or refund filed under this Act, any officer or employee
7 of the Department, authorized in writing by the Director of
8 Revenue to acknowledge receipt of such claims on behalf of the
9 Department, shall execute on behalf of the Department, and
10 shall deliver or mail to the claimant or his duly authorized
11 agent, a written receipt, acknowledging that the claim has been
12 filed with the Department, describing the claim in sufficient
13 detail to identify it and stating the date upon which the claim
14 was received by the Department. Such written receipt shall be
15 prima facie evidence that the Department received the claim
16 described in such receipt and shall be prima facie evidence of
17 the date when such claim was received by the Department. In the
18 absence of such a written receipt, the records of the
19 Department as to when the claim was received by the Department,
20 or as to whether or not the claim was received at all by the
21 Department, shall be deemed to be prima facie correct upon
22 these questions in the event of any dispute between the
23 claimant (or his or her legal representative) and the
24 Department concerning these questions.

25 In case the Department determines that the claimant is
26 entitled to a refund, such refund shall be made only from the

1 Aviation Fuel Sales Tax Refund Fund or from such appropriation
2 as may be available for that purpose, as appropriate. If it
3 appears unlikely that the amount available ~~appropriated~~ would
4 permit everyone having a claim allowed during the period
5 covered by such appropriation or from the Aviation Fuel Sales
6 Tax Refund Fund, as appropriate, to elect to receive a cash
7 refund, the Department, by rule or regulation, shall provide
8 for the payment of refunds in hardship cases and shall define
9 what types of cases qualify as hardship cases.

10 If a retailer who has failed to pay use tax on gross
11 receipts from retail sales is required by the Department to pay
12 such tax, such retailer, without filing any formal claim with
13 the Department, shall be allowed to take credit against such
14 use tax liability to the extent, if any, to which such retailer
15 has paid an amount equivalent to retailers' occupation tax or
16 has paid use tax in error to his or her vendor or vendors of the
17 same tangible personal property which such retailer bought for
18 resale and did not first use before selling it, and no penalty
19 or interest shall be charged to such retailer on the amount of
20 such credit. However, when such credit is allowed to the
21 retailer by the Department, the vendor is precluded from
22 refunding any of that tax to the retailer and filing a claim
23 for credit or refund with respect thereto with the Department.
24 The provisions of this amendatory Act shall be applied
25 retroactively, regardless of the date of the transaction.

26 (Source: P.A. 99-217, eff. 7-31-15.)

1 Section 15. The Service Use Tax Act is amended by changing
2 Sections 9 and 17 as follows:

3 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

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

1 sale of service involving the incidental transfer by him of the
2 same property.

3 Except as provided hereinafter in this Section, on or
4 before the twentieth day of each calendar month, such
5 serviceman shall file a return for the preceding calendar month
6 in accordance with reasonable Rules and Regulations to be
7 promulgated by the Department. Such return shall be filed on a
8 form prescribed by the Department and shall contain such
9 information as the Department may reasonably require. On and
10 after January 1, 2018, with respect to servicemen whose annual
11 gross receipts average \$20,000 or more, all returns required to
12 be filed pursuant to this Act shall be filed electronically.
13 Servicemen who demonstrate that they do not have access to the
14 Internet or demonstrate hardship in filing electronically may
15 petition the Department to waive the electronic filing
16 requirement.

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

- 24 1. The name of the seller;
- 25 2. The address of the principal place of business from
26 which he engages in business as a serviceman in this State;

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

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

7 5. The amount of tax due;

8 5-5. The signature of the taxpayer; and

9 6. Such other reasonable information as the Department
10 may require.

11 Beginning on January 1, 2020, each serviceman required or
12 authorized to collect the tax imposed by this Act on aviation
13 fuel transferred as an incident of a sale of service in this
14 State during the preceding calendar month shall, instead of
15 reporting and paying tax on aviation fuel as otherwise required
16 by this Section, report and pay the tax by filing an aviation
17 fuel tax return with the Department on or before the twentieth
18 day of each calendar month. The requirements related to the
19 return shall be as otherwise provided in this Section.
20 Notwithstanding any other provisions of this Act to the
21 contrary, servicemen collecting tax on aviation fuel shall file
22 all aviation fuel tax returns and shall make all aviation fuel
23 tax payments by electronic means in the manner and form
24 required by the Department. For purposes of this paragraph,
25 "aviation fuel" means a product that is intended for use or
26 offered for sale as fuel for an aircraft.

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

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

1 Section 2505-210 of the Department of Revenue Law shall make
2 all payments required by rules of the Department by electronic
3 funds transfer.

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

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

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

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

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

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

4 If the serviceman is otherwise required to file a monthly
5 or quarterly return and if the serviceman's average monthly tax
6 liability to the Department does not exceed \$50, the Department
7 may authorize his returns to be filed on an annual basis, with
8 the return for a given year being due by January 20 of the
9 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 Where a serviceman collects the tax with respect to the
21 selling price of property which he sells and the purchaser
22 thereafter returns such property and the serviceman refunds the
23 selling price thereof to the purchaser, such serviceman shall
24 also refund, to the purchaser, the tax so collected from the
25 purchaser. When filing his return for the period in which he
26 refunds such tax to the purchaser, the serviceman may deduct

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

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

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

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

1 Beginning January 1, 1990, each month the Department shall
2 pay into the State and Local Tax Reform Fund, a special fund in
3 the State Treasury, the net revenue realized for the preceding
4 month from the 1% tax imposed under this Act.

5 Beginning January 1, 1990, each month the Department shall
6 pay into the State and Local Sales Tax Reform Fund 20% of the
7 net revenue realized for the preceding month from the 6.25%
8 general rate on transfers of tangible personal property, other
9 than (i) tangible personal property which is purchased outside
10 Illinois at retail from a retailer and which is titled or
11 registered by an agency of this State's government and (ii)
12 aviation fuel sold on or after December 1, 2019. This exception
13 for aviation fuel only applies for so long as the revenue use
14 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
15 binding on the State.

16 For aviation fuel sold on or after December 1, 2019, each
17 month the Department shall pay into the State Aviation Program
18 Fund 20% of the net revenue realized for the preceding month
19 from the 6.25% general rate on the selling price of aviation
20 fuel, less an amount estimated by the Department to be required
21 for refunds of the 20% portion of the tax on aviation fuel
22 under this Act, which amount shall be deposited into the
23 Aviation Fuel Sales Tax Refund Fund. The Department shall only
24 pay moneys into the State Aviation Program Fund and the
25 Aviation Fuel Sales Tax Refund Fund under this Act for so long
26 as the revenue use requirements of 49 U.S.C. 47107(b) and 49

1 U.S.C. 47133 are binding on the State.

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

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

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

1 made pursuant to this paragraph.

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

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

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

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

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

1 deposited in the aggregate from collections under Section 9 of
2 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
3 9 of the Service Occupation Tax Act, and Section 3 of the
4 Retailers' Occupation Tax Act into the McCormick Place
5 Expansion Project Fund in the specified fiscal years.

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

1	2012	153,000,000
2	2013	161,000,000
3	2014	170,000,000
4	2015	179,000,000
5	2016	189,000,000
6	2017	199,000,000
7	2018	210,000,000
8	2019	221,000,000
9	2020	233,000,000
10	2021	246,000,000
11	2022	260,000,000
12	2023	275,000,000
13	2024	275,000,000
14	2025	275,000,000
15	2026	279,000,000
16	2027	292,000,000
17	2028	307,000,000
18	2029	322,000,000
19	2030	338,000,000
20	2031	350,000,000
21	2032	350,000,000

22 and
23 each fiscal year
24 thereafter that bonds
25 are outstanding under
26 Section 13.2 of the

1 Metropolitan Pier and
2 Exposition Authority Act,
3 but not after fiscal year 2060.

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

17 Subject to payment of amounts into the Capital Projects
18 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois
19 Fund, and the McCormick Place Expansion Project Fund pursuant
20 to the preceding paragraphs or in any amendments thereto
21 hereafter enacted, the Department shall each month deposit into
22 the Aviation Fuel Sales Tax Refund Fund an amount estimated by
23 the Department to be required for refunds of the 80% portion of
24 the tax on aviation fuel under this Act.

25 Subject to payment of amounts into the Build Illinois Fund
26 and the McCormick Place Expansion Project Fund pursuant to the

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

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

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

1 collections made under Section 9 of the Use Tax Act, Section 9
2 of the Service Use Tax Act, Section 9 of the Service Occupation
3 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
4 the Department shall pay into the Tax Compliance and
5 Administration Fund, to be used, subject to appropriation, to
6 fund additional auditors and compliance personnel at the
7 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
8 the cash receipts collected during the preceding fiscal year by
9 the Audit Bureau of the Department under the Use Tax Act, the
10 Service Use Tax Act, the Service Occupation Tax Act, the
11 Retailers' Occupation Tax Act, and associated local occupation
12 and use taxes administered by the Department (except the amount
13 collected on aviation fuel sold on or after December 1, 2019).

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

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

1 General Revenue Fund in accordance with Section 8a of the State
2 Finance Act.

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

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

14 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
15 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; 100-863, eff.
16 8-14-18; 100-1171, eff. 1-4-19.)

17 (35 ILCS 110/17) (from Ch. 120, par. 439.47)

18 Sec. 17. If it shall appear that an amount of tax or
19 penalty or interest has been paid in error hereunder to the
20 Department by a purchaser, as distinguished from the
21 serviceman, whether such amount be paid through a mistake of
22 fact or an error of law, such purchaser may file a claim for
23 credit or refund with the Department. If it shall appear that
24 an amount of tax or penalty or interest has been paid in error
25 to the Department hereunder by a serviceman who is required or

1 authorized to collect and remit the Service Use Tax, whether
2 such amount be paid through a mistake of fact or an error of
3 law, such serviceman may file a claim for credit or refund with
4 the Department, provided that no credit shall be allowed or
5 refund made for any amount paid by any such serviceman unless
6 it shall appear that he bore the burden of such amount and did
7 not shift the burden thereof to anyone else (as in the case of
8 a duplicated tax payment which the serviceman made to the
9 Department and did not collect from anyone else), or unless it
10 shall appear that he or his legal representative has
11 unconditionally repaid such amount to his vendee (1) who bore
12 the burden thereof and has not shifted such burden directly or
13 indirectly in any manner whatsoever; (2) who, if he has shifted
14 such burden, has repaid unconditionally such amount to his own
15 vendee, and (3) who is not entitled to receive any
16 reimbursement therefor from any other source than from his
17 vendor, nor to be relieved of such burden in any other manner
18 whatsoever. If it shall appear that an amount of tax has been
19 paid in error hereunder by the purchaser to a serviceman, who
20 retained such tax as reimbursement for his tax liability on the
21 same sale of service under the Service Occupation Tax Act, and
22 who paid such tax as required by the Service Occupation Tax
23 Act, whether such amount be paid through a mistake of fact or
24 an error of law, the procedure for recovering such tax shall be
25 that prescribed in Sections 17, 18, 19 and 20 of the Service
26 Occupation Tax Act.

1 Any credit or refund that is allowed under this Section
2 shall bear interest at the rate and in the manner specified in
3 the Uniform Penalty and Interest Act.

4 Any claim filed hereunder shall be filed upon a form
5 prescribed and furnished by the Department. The claim shall be
6 signed by the claimant (or by the claimant's legal
7 representative if the claimant shall have died or become a
8 person under legal disability), or by a duly authorized agent
9 of the claimant or his or her legal representative.

10 A claim for credit or refund shall be considered to have
11 been filed with the Department on the date upon which it is
12 received by the Department. Upon receipt of any claim for
13 credit or refund filed under this Act, any officer or employee
14 of the Department, authorized in writing by the Director of
15 Revenue to acknowledge receipt of such claims on behalf of the
16 Department, shall execute on behalf of the Department, and
17 shall deliver or mail to the claimant or his duly authorized
18 agent, a written receipt, acknowledging that the claim has been
19 filed with the Department, describing the claim in sufficient
20 detail to identify it and stating the date upon which the claim
21 was received by the Department. Such written receipt shall be
22 prima facie evidence that the Department received the claim
23 described in such receipt and shall be prima facie evidence of
24 the date when such claim was received by the Department. In the
25 absence of such a written receipt, the records of the
26 Department as to when the claim was received by the Department,

1 or as to whether or not the claim was received at all by the
2 Department, shall be deemed to be prima facie correct upon
3 these questions in the event of any dispute between the
4 claimant (or his or her legal representative) and the
5 Department concerning these questions.

6 In case the Department determines that the claimant is
7 entitled to a refund, such refund shall be made only from the
8 Aviation Fuel Sales Tax Refund Fund or from such appropriation
9 as may be available for that purpose, as appropriate. If it
10 appears unlikely that the amount available ~~appropriated~~ would
11 permit everyone having a claim allowed during the period
12 covered by such appropriation or from the Aviation Fuel Sales
13 Tax Refund Fund, as appropriate, to elect to receive a cash
14 refund, the Department, by rule or regulation, shall provide
15 for the payment of refunds in hardship cases and shall define
16 what types of cases qualify as hardship cases.

17 (Source: P.A. 87-205.)

18 Section 20. The Service Occupation Tax Act is amended by
19 changing Sections 9 and 17 as follows:

20 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

21 Sec. 9. Each serviceman required or authorized to collect
22 the tax herein imposed shall pay to the Department the amount
23 of such tax at the time when he is required to file his return
24 for the period during which such tax was collectible, less a

1 discount of 2.1% prior to January 1, 1990, and 1.75% on and
2 after January 1, 1990, or \$5 per calendar year, whichever is
3 greater, which is allowed to reimburse the serviceman for
4 expenses incurred in collecting the tax, keeping records,
5 preparing and filing returns, remitting the tax and supplying
6 data to the Department on request. The discount under this
7 Section is not allowed for taxes paid on aviation fuel that are
8 deposited into the State Aviation Program Fund under this Act.

9 The discount allowed under this Section is allowed only for
10 returns that are filed in the manner required by this Act. The
11 Department may disallow the discount for servicemen whose
12 certificate of registration is revoked at the time the return
13 is filed, but only if the Department's decision to revoke the
14 certificate of registration has become final.

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 serviceman, in collecting the tax may collect, for
20 each tax return period, only the tax applicable to the part of
21 the selling price actually received during such tax return
22 period.

23 Except as provided hereinafter in this Section, on or
24 before the twentieth day of each calendar month, such
25 serviceman shall file a return for the preceding calendar month
26 in accordance with reasonable rules and regulations to be

1 promulgated by the Department of Revenue. Such return shall be
2 filed on a form prescribed by the Department and shall contain
3 such information as the Department may reasonably require. On
4 and after January 1, 2018, with respect to servicemen whose
5 annual gross receipts average \$20,000 or more, all returns
6 required to be filed pursuant to this Act shall be filed
7 electronically. Servicemen who demonstrate that they do not
8 have access to the Internet or demonstrate hardship in filing
9 electronically may petition the Department to waive the
10 electronic filing requirement.

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

18 1. The name of the seller;

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

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

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

- 1 5. The amount of tax due;
- 2 5-5. The signature of the taxpayer; and
- 3 6. Such other reasonable information as the Department
- 4 may require.

5 Beginning on January 1, 2020, each serviceman required or

6 authorized to collect the tax herein imposed on aviation fuel

7 acquired as an incident to the purchase of a service in this

8 State during the preceding calendar month shall, instead of

9 reporting and paying tax as otherwise required by this Section,

10 file an aviation fuel tax return with the Department on or

11 before the twentieth day of each calendar month. The

12 requirements related to the return shall be as otherwise

13 provided in this Section. Notwithstanding any other provisions

14 of this Act to the contrary, servicemen transferring aviation

15 fuel incident to sales of service shall file all aviation fuel

16 tax returns and shall make all aviation fuel tax payments by

17 electronic means in the manner and form required by the

18 Department. For purposes of this paragraph, "aviation fuel"

19 means a product that is intended for use or offered for sale as

20 fuel for an aircraft.

21 If a taxpayer fails to sign a return within 30 days after

22 the proper notice and demand for signature by the Department,

23 the return shall be considered valid and any amount shown to be

24 due on the return shall be deemed assessed.

25 Prior to October 1, 2003, and on and after September 1,

26 2004 a serviceman may accept a Manufacturer's Purchase Credit

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

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

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

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

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

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

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

23 If experience indicates such action to be practicable, the
24 Department may prescribe and furnish a combination or joint
25 return which will enable servicemen, who are required to file
26 returns hereunder and also under the Retailers' Occupation Tax

1 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
2 the return information required by all said Acts on the one
3 form.

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

8 Beginning January 1, 1990, each month the Department shall
9 pay into the Local Government Tax Fund the revenue realized for
10 the preceding month from the 1% tax imposed under this Act.

11 Beginning January 1, 1990, each month the Department shall
12 pay into the County and Mass Transit District Fund 4% of the
13 revenue realized for the preceding month from the 6.25% general
14 rate on sales of tangible personal property other than aviation
15 fuel sold on or after December 1, 2019. This exception for
16 aviation fuel only applies for so long as the revenue use
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
18 binding on the State.

19 For aviation fuel sold on or after December 1, 2019, each
20 month the Department shall pay into the State Aviation Program
21 Fund 4% of the net revenue realized for the preceding month
22 from the 6.25% general rate on the selling price of aviation
23 fuel, less an amount estimated by the Department to be required
24 for refunds of the 4% portion of the tax on aviation fuel under
25 this Act, which amount shall be deposited into the Aviation
26 Fuel Sales Tax Refund Fund. The Department shall only pay

1 moneys into the State Aviation Program Fund and the Aviation
2 Fuel Sales Tax Refund Fund under this Act for so long as the
3 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
4 47133 are binding on the State.

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

9 Beginning January 1, 1990, each month the Department shall
10 pay into the Local Government Tax Fund 16% of the revenue
11 realized for the preceding month from the 6.25% general rate on
12 transfers of tangible personal property other than aviation
13 fuel sold on or after December 1, 2019. This exception for
14 aviation fuel only applies for so long as the revenue use
15 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
16 binding on the State.

17 For aviation fuel sold on or after December 1, 2019, each
18 month the Department shall pay into the State Aviation Program
19 Fund 16% of the net revenue realized for the preceding month
20 from the 6.25% general rate on the selling price of aviation
21 fuel, less an amount estimated by the Department to be required
22 for refunds of the 16% portion of the tax on aviation fuel
23 under this Act, which amount shall be deposited into the
24 Aviation Fuel Sales Tax Refund Fund. The Department shall only
25 pay moneys into the State Aviation Program Fund and the
26 Aviation Fuel Sales Tax Refund Fund under this Act for so long

1 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
2 U.S.C. 47133 are binding on the State.

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

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

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

1 revenues deposited into the fund, excluding payments made
2 pursuant to this paragraph.

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

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

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

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

21 Subject to payment of amounts into the Build Illinois Fund
22 as provided in the preceding paragraph or in any amendment
23 thereto hereafter enacted, the following specified monthly
24 installment of the amount requested in the certificate of the
25 Chairman of the Metropolitan Pier and Exposition Authority
26 provided under Section 8.25f of the State Finance Act, but not

1 in excess of the sums designated as "Total Deposit", shall be
2 deposited in the aggregate from collections under Section 9 of
3 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
4 9 of the Service Occupation Tax Act, and Section 3 of the
5 Retailers' Occupation Tax Act into the McCormick Place
6 Expansion Project Fund in the specified fiscal years.

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

1	2011	146,000,000
2	2012	153,000,000
3	2013	161,000,000
4	2014	170,000,000
5	2015	179,000,000
6	2016	189,000,000
7	2017	199,000,000
8	2018	210,000,000
9	2019	221,000,000
10	2020	233,000,000
11	2021	246,000,000
12	2022	260,000,000
13	2023	275,000,000
14	2024	275,000,000
15	2025	275,000,000
16	2026	279,000,000
17	2027	292,000,000
18	2028	307,000,000
19	2029	322,000,000
20	2030	338,000,000
21	2031	350,000,000
22	2032	350,000,000

23 and
24 each fiscal year
25 thereafter that bonds
26 are outstanding under

1 Section 13.2 of the
2 Metropolitan Pier and
3 Exposition Authority Act,
4 but not after fiscal year 2060.

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

18 Subject to payment of amounts into the Capital Projects
19 Fund, the Build Illinois Fund, and the McCormick Place
20 Expansion Project Fund pursuant to the preceding paragraphs or
21 in any amendments thereto hereafter enacted, the Department
22 shall each month deposit into the Aviation Fuel Sales Tax
23 Refund Fund an amount estimated by the Department to be
24 required for refunds of the 80% portion of the tax on aviation
25 fuel under this Act.

26 Subject to payment of amounts into the Build Illinois Fund

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

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

21 Subject to payment of amounts into the Build Illinois Fund,
22 the McCormick Place Expansion Project Fund, the Illinois Tax
23 Increment Fund, and the Energy Infrastructure Fund pursuant to
24 the preceding paragraphs or in any amendments to this Section
25 hereafter enacted, beginning on the first day of the first
26 calendar month to occur on or after August 26, 2014 (the

1 effective date of Public Act 98-1098), each month, from the
2 collections made under Section 9 of the Use Tax Act, Section 9
3 of the Service Use Tax Act, Section 9 of the Service Occupation
4 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
5 the Department shall pay into the Tax Compliance and
6 Administration Fund, to be used, subject to appropriation, to
7 fund additional auditors and compliance personnel at the
8 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
9 the cash receipts collected during the preceding fiscal year by
10 the Audit Bureau of the Department under the Use Tax Act, the
11 Service Use Tax Act, the Service Occupation Tax Act, the
12 Retailers' Occupation Tax Act, and associated local occupation
13 and use taxes administered by the Department (except the amount
14 collected on aviation fuel sold on or after December 1, 2019).

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

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, 75% shall be paid into the General
25 Revenue Fund of the State Treasury and 25% shall be reserved in
26 a special account and used only for the transfer to the Common

1 School Fund as part of the monthly transfer from the General
2 Revenue Fund in accordance with Section 8a of the State Finance
3 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 taxpayer'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 taxpayer shall attach to his annual return a
15 schedule showing a reconciliation of the 2 amounts and the
16 reasons for the difference. The taxpayer's annual return to the
17 Department shall also disclose the cost of goods sold by the
18 taxpayer during the year covered by such return, opening and
19 closing inventories of such goods for such year, cost of goods
20 used from stock or taken from stock and given away by the
21 taxpayer during such year, pay roll information of the
22 taxpayer'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 taxpayer as hereinbefore
26 provided for in 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 foregoing portion of this Section concerning the filing
23 of an annual information return shall not apply to a serviceman
24 who is not required to file an income tax return with the
25 United States 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, it shall be
12 permissible for manufacturers, importers and wholesalers whose
13 products are sold by numerous servicemen in Illinois, and who
14 wish to do so, to assume the responsibility for accounting and
15 paying to the Department all tax accruing under this Act with
16 respect to such sales, if the servicemen who are affected do
17 not make written objection to the Department to this
18 arrangement.

19 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
20 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; 100-863, eff.
21 8-14-18; 100-1171, eff. 1-4-19.)

22 (35 ILCS 115/17) (from Ch. 120, par. 439.117)

23 Sec. 17. If it shall appear that an amount of tax or
24 penalty or interest has been paid in error hereunder directly
25 to the Department by a serviceman, whether such amount be paid

1 through a mistake of fact or an error of law, such serviceman
2 may file a claim for credit or refund with the Department. If
3 it shall appear that an amount of tax or penalty or interest
4 has been paid in error to the Department hereunder by a
5 supplier who is required or authorized to collect and remit the
6 Service Occupation Tax, whether such amount be paid through a
7 mistake of fact or an error of law, such supplier may file a
8 claim for credit or refund with the Department, provided that
9 no credit shall be allowed nor any refund made for any amount
10 paid by any such supplier unless it shall appear that he bore
11 the burden of such amount and did not shift the burden thereof
12 to anyone else (as in the case of a duplicated tax payment
13 which the supplier made to the Department and did not collect
14 from anyone else), or unless it shall appear that he or his
15 legal representative has unconditionally repaid such amount to
16 his vendee (1) who bore the burden thereof and has not shifted
17 such burden directly or indirectly in any manner whatsoever;
18 (2) who, if he has shifted such burden, has repaid
19 unconditionally such amount to his own vendee, and (3) who is
20 not entitled to receive any reimbursement therefor from any
21 other source than from his supplier, nor to be relieved of such
22 burden in any other manner whatsoever.

23 Any credit or refund that is allowed under this Section
24 shall bear interest at the rate and in the manner specified in
25 the Uniform Penalty and Interest Act.

26 Any claim filed hereunder shall be filed upon a form

1 prescribed and furnished by the Department. The claim shall be
2 signed by the claimant (or by the claimant's legal
3 representative if the claimant shall have died or become a
4 person under legal disability), or by a duly authorized agent
5 of the claimant or his or her legal representative.

6 A claim for credit or refund shall be considered to have
7 been filed with the Department on the date upon which it is
8 received by the Department. Upon receipt of any claim for
9 credit or refund filed under this Act, any officer or employee
10 of the Department, authorized in writing by the Director of
11 Revenue to acknowledge receipt of such claims on behalf of the
12 Department, shall execute on behalf of the Department, and
13 shall deliver or mail to the claimant or his or her duly
14 authorized agent, a written receipt, acknowledging that the
15 claim has been filed with the Department, describing the claim
16 in sufficient detail to identify it and stating the date upon
17 which the claim was received by the Department. Such written
18 receipt shall be prima facie evidence that the Department
19 received the claim described in such receipt and shall be prima
20 facie evidence of the date when such claim was received by the
21 Department. In the absence of such a written receipt, the
22 records of the Department as to when the claim was received by
23 the Department, or as to whether or not the claim was received
24 at all by the Department, shall be deemed to be prima facie
25 correct upon these questions in the event of any dispute
26 between the claimant (or his legal representative) and the

1 Department concerning these questions.

2 In case the Department determines that the claimant is
3 entitled to a refund, such refund shall be made only from the
4 Aviation Fuel Sales Tax Refund Fund or from such appropriation
5 as may be available for that purpose, as appropriate. If it
6 appears unlikely that the amount available ~~appropriated~~ would
7 permit everyone having a claim allowed during the period
8 covered by such appropriation or from the Aviation Fuel Sales
9 Tax Refund Fund, as appropriate, to elect to receive a cash
10 refund, the Department, by rule or regulation, shall provide
11 for the payment of refunds in hardship cases and shall define
12 what types of cases qualify as hardship cases.

13 (Source: P.A. 87-205.)

14 Section 25. The Retailers' Occupation Tax Act is amended by
15 changing Sections 3, 6, and 11 as follows:

16 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

22 1. The name of the seller;

23 2. His residence address and the address of his
24 principal place of business and the address of the

1 principal place of business (if that is a different
2 address) from which he engages in the business of selling
3 tangible personal property at retail in this State;

4 3. Total amount of receipts received by him during the
5 preceding calendar month or quarter, as the case may be,
6 from sales of tangible personal property, and from services
7 furnished, by him during such preceding calendar month or
8 quarter;

9 4. Total amount received by him during the preceding
10 calendar month or quarter on charge and time sales of
11 tangible personal property, and from services furnished,
12 by him prior to the month or quarter for which the return
13 is filed;

14 5. Deductions allowed by law;

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

18 7. The amount of credit provided in Section 2d of this
19 Act;

20 8. The amount of tax due;

21 9. The signature of the taxpayer; and

22 10. Such other reasonable information as the
23 Department may require.

24 On and after January 1, 2018, except for returns for motor
25 vehicles, watercraft, aircraft, and trailers that are required
26 to be registered with an agency of this State, with respect to

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

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

11 Each return shall be accompanied by the statement of
12 prepaid tax issued pursuant to Section 2e for which credit is
13 claimed.

14 Prior to October 1, 2003, and on and after September 1,
15 2004 a retailer may accept a Manufacturer's Purchase Credit
16 certification from a purchaser in satisfaction of Use Tax as
17 provided in Section 3-85 of the Use Tax Act if the purchaser
18 provides the appropriate documentation as required by Section
19 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
20 certification, accepted by a retailer prior to October 1, 2003
21 and on and after September 1, 2004 as provided in Section 3-85
22 of the Use Tax Act, may be used by that retailer to satisfy
23 Retailers' Occupation Tax liability in the amount claimed in
24 the certification, not to exceed 6.25% of the receipts subject
25 to tax from a qualifying purchase. A Manufacturer's Purchase
26 Credit reported on any original or amended return filed under

1 this Act after October 20, 2003 for reporting periods prior to
2 September 1, 2004 shall be disallowed. Manufacturer's
3 Purchaser Credit reported on annual returns due on or after
4 January 1, 2005 will be disallowed for periods prior to
5 September 1, 2004. No Manufacturer's Purchase Credit may be
6 used after September 30, 2003 through August 31, 2004 to
7 satisfy any tax liability imposed under this Act, including any
8 audit liability.

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

16 1. The name of the seller;

17 2. The address of the principal place of business from
18 which he engages in the business of selling tangible
19 personal property at retail in this State;

20 3. The total amount of taxable receipts received by him
21 during the preceding calendar month from sales of tangible
22 personal property by him during such preceding calendar
23 month, including receipts from charge and time sales, but
24 less all deductions allowed by law;

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

1 5. The amount of tax due; and

2 6. Such other reasonable information as the Department
3 may require.

4 Beginning on January 1, 2020, every person engaged in the
5 business of selling aviation fuel at retail in this State
6 during the preceding calendar month shall, instead of reporting
7 and paying tax as otherwise required by this Section, file an
8 aviation fuel tax return with the Department on or before the
9 twentieth day of each calendar month. The requirements related
10 to the return shall be as otherwise provided in this Section.
11 Notwithstanding any other provisions of this Act to the
12 contrary, retailers selling aviation fuel shall file all
13 aviation fuel tax returns and shall make all aviation fuel tax
14 payments by electronic means in the manner and form required by
15 the Department. For purposes of this paragraph, "aviation fuel"
16 means a product that is intended for use or offered for sale as
17 fuel for an aircraft.

18 Beginning on October 1, 2003, any person who is not a
19 licensed distributor, importing distributor, or manufacturer,
20 as defined in the Liquor Control Act of 1934, but is engaged in
21 the business of selling, at retail, alcoholic liquor shall file
22 a statement with the Department of Revenue, in a format and at
23 a time prescribed by the Department, showing the total amount
24 paid for alcoholic liquor purchased during the preceding month
25 and such other information as is reasonably required by the
26 Department. The Department may adopt rules to require that this

1 statement be filed in an electronic or telephonic format. Such
2 rules may provide for exceptions from the filing requirements
3 of this paragraph. For the purposes of this paragraph, the term
4 "alcoholic liquor" shall have the meaning prescribed in the
5 Liquor Control Act of 1934.

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

1 information. If the retailer is unable to receive the sales
2 information by electronic means, the distributor, importing
3 distributor, or manufacturer shall furnish the sales
4 information by personal delivery or by mail. For purposes of
5 this paragraph, the term "electronic means" includes, but is
6 not limited to, the use of a secure Internet website, e-mail,
7 or facsimile.

8 If a total amount of less than \$1 is payable, refundable or
9 creditable, such amount shall be disregarded if it is less than
10 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

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

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

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

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

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

25 Any amount which is required to be shown or reported on any
26 return or other document under this Act shall, if such amount

1 is not a whole-dollar amount, be increased to the nearest
2 whole-dollar amount in any case where the fractional part of a
3 dollar is 50 cents or more, and decreased to the nearest
4 whole-dollar amount where the fractional part of a dollar is
5 less than 50 cents.

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

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

23 Such quarter annual and annual returns, as to form and
24 substance, shall be subject to the same requirements as monthly
25 returns.

26 Notwithstanding any other provision in this Act concerning

1 the time within which a retailer may file his return, in the
2 case of any retailer who ceases to engage in a kind of business
3 which makes him responsible for filing returns under this Act,
4 such retailer shall file a final return under this Act with the
5 Department not more than one month after discontinuing such
6 business.

7 Where the same person has more than one business registered
8 with the Department under separate registrations under this
9 Act, such person may not file each return that is due as a
10 single return covering all such registered businesses, but
11 shall file separate returns for each such registered business.

12 In addition, with respect to motor vehicles, watercraft,
13 aircraft, and trailers that are required to be registered with
14 an agency of this State, except as otherwise provided in this
15 Section, every retailer selling this kind of tangible personal
16 property shall file, with the Department, upon a form to be
17 prescribed and supplied by the Department, a separate return
18 for each such item of tangible personal property which the
19 retailer sells, except that if, in the same transaction, (i) a
20 retailer of aircraft, watercraft, motor vehicles or trailers
21 transfers more than one aircraft, watercraft, motor vehicle or
22 trailer to another aircraft, watercraft, motor vehicle
23 retailer or trailer retailer for the purpose of resale or (ii)
24 a retailer of aircraft, watercraft, motor vehicles, or trailers
25 transfers more than one aircraft, watercraft, motor vehicle, or
26 trailer to a purchaser for use as a qualifying rolling stock as

1 provided in Section 2-5 of this Act, then that seller may
2 report the transfer of all aircraft, watercraft, motor vehicles
3 or trailers involved in that transaction to the Department on
4 the same uniform invoice-transaction reporting return form.
5 For purposes of this Section, "watercraft" means a Class 2,
6 Class 3, or Class 4 watercraft as defined in Section 3-2 of the
7 Boat Registration and Safety Act, a personal watercraft, or any
8 boat equipped with an inboard motor.

9 In addition, with respect to motor vehicles, watercraft,
10 aircraft, and trailers that are required to be registered with
11 an agency of this State, every person who is engaged in the
12 business of leasing or renting such items and who, in
13 connection with such business, sells any such item to a
14 retailer for the purpose of resale is, notwithstanding any
15 other provision of this Section to the contrary, authorized to
16 meet the return-filing requirement of this Act by reporting the
17 transfer of all the aircraft, watercraft, motor vehicles, or
18 trailers transferred for resale during a month to the
19 Department on the same uniform invoice-transaction reporting
20 return form on or before the 20th of the month following the
21 month in which the transfer takes place. Notwithstanding any
22 other provision of this Act to the contrary, all returns filed
23 under this paragraph must be filed by electronic means in the
24 manner and form as required by the Department.

25 Any retailer who sells only motor vehicles, watercraft,
26 aircraft, or trailers that are required to be registered with

1 an agency of this State, so that all retailers' occupation tax
2 liability is required to be reported, and is reported, on such
3 transaction reporting returns and who is not otherwise required
4 to file monthly or quarterly returns, need not file monthly or
5 quarterly returns. However, those retailers shall be required
6 to file returns on an annual basis.

7 The transaction reporting return, in the case of motor
8 vehicles or trailers that are required to be registered with an
9 agency of this State, shall be the same document as the Uniform
10 Invoice referred to in Section 5-402 of the Illinois Vehicle
11 Code and must show the name and address of the seller; the name
12 and address of the purchaser; the amount of the selling price
13 including the amount allowed by the retailer for traded-in
14 property, if any; the amount allowed by the retailer for the
15 traded-in tangible personal property, if any, to the extent to
16 which Section 1 of this Act allows an exemption for the value
17 of traded-in property; the balance payable after deducting such
18 trade-in allowance from the total selling price; the amount of
19 tax due from the retailer with respect to such transaction; the
20 amount of tax collected from the purchaser by the retailer on
21 such transaction (or satisfactory evidence that such tax is not
22 due in that particular instance, if that is claimed to be the
23 fact); the place and date of the sale; a sufficient
24 identification of the property sold; such other information as
25 is required in Section 5-402 of the Illinois Vehicle Code, and
26 such other information as the Department may reasonably

1 require.

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

18 Such transaction reporting return shall be filed not later
19 than 20 days after the day of delivery of the item that is
20 being sold, but may be filed by the retailer at any time sooner
21 than that if he chooses to do so. The transaction reporting
22 return and tax remittance or proof of exemption from the
23 Illinois use tax may be transmitted to the Department by way of
24 the State agency with which, or State officer with whom the
25 tangible personal property must be titled or registered (if
26 titling or registration is required) if the Department and such

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

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

17 No retailer's failure or refusal to remit tax under this
18 Act precludes a user, who has paid the proper tax to the
19 retailer, from obtaining his certificate of title or other
20 evidence of title or registration (if titling or registration
21 is required) upon satisfying the Department that such user has
22 paid the proper tax (if tax is due) to the retailer. The
23 Department shall adopt appropriate rules to carry out the
24 mandate of this paragraph.

25 If the user who would otherwise pay tax to the retailer
26 wants the transaction reporting return filed and the payment of

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

17 Refunds made by the seller during the preceding return
18 period to purchasers, on account of tangible personal property
19 returned to the seller, shall be allowed as a deduction under
20 subdivision 5 of his monthly or quarterly return, as the case
21 may be, in case the seller had theretofore included the
22 receipts from the sale of such tangible personal property in a
23 return filed by him and had paid the tax imposed by this Act
24 with respect to such receipts.

25 Where the seller is a corporation, the return filed on
26 behalf of such corporation shall be signed by the president,

1 vice-president, secretary or treasurer or by the properly
2 accredited agent of such corporation.

3 Where the seller is a limited liability company, the return
4 filed on behalf of the limited liability company shall be
5 signed by a manager, member, or properly accredited agent of
6 the limited liability company.

7 Except as provided in this Section, the retailer filing the
8 return under this Section shall, at the time of filing such
9 return, pay to the Department the amount of tax imposed by this
10 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
11 on and after January 1, 1990, or \$5 per calendar year,
12 whichever is greater, which is allowed to reimburse the
13 retailer for the expenses incurred in keeping records,
14 preparing and filing returns, remitting the tax and supplying
15 data to the Department on request. The discount under this
16 Section is not allowed for taxes paid on aviation fuel that are
17 deposited into the State Aviation Program Fund under this Act.

18 Any prepayment made pursuant to Section 2d of this Act shall be
19 included in the amount on which such 2.1% or 1.75% discount is
20 computed. In the case of retailers who report and pay the tax
21 on a transaction by transaction basis, as provided in this
22 Section, such discount shall be taken with each such tax
23 remittance instead of when such retailer files his periodic
24 return. The discount allowed under this Section is allowed only
25 for returns that are filed in the manner required by this Act.
26 The Department may disallow the discount for retailers whose

1 certificate of registration is revoked at the time the return
2 is filed, but only if the Department's decision to revoke the
3 certificate of registration has become final.

4 Before October 1, 2000, if the taxpayer's average monthly
5 tax liability to the Department under this Act, the Use Tax
6 Act, the Service Occupation Tax Act, and the Service Use Tax
7 Act, excluding any liability for prepaid sales tax to be
8 remitted in accordance with Section 2d of this Act, was \$10,000
9 or more during the preceding 4 complete calendar quarters, he
10 shall file a return with the Department each month by the 20th
11 day of the month next following the month during which such tax
12 liability is incurred and shall make payments to the Department
13 on or before the 7th, 15th, 22nd and last day of the month
14 during which such liability is incurred. On and after October
15 1, 2000, if the taxpayer's average monthly tax liability to the
16 Department under this Act, the Use Tax Act, the Service
17 Occupation Tax Act, and the Service Use Tax Act, excluding any
18 liability for prepaid sales tax to be remitted in accordance
19 with Section 2d of this Act, was \$20,000 or more during the
20 preceding 4 complete calendar quarters, he shall file a return
21 with the Department each month by the 20th day of the month
22 next following the month during which such tax liability is
23 incurred and shall make payment to the Department on or before
24 the 7th, 15th, 22nd and last day of the month during which such
25 liability is incurred. If the month during which such tax
26 liability is incurred began prior to January 1, 1985, each

1 payment shall be in an amount equal to 1/4 of the taxpayer's
2 actual liability for the month or an amount set by the
3 Department not to exceed 1/4 of the average monthly liability
4 of the taxpayer to the Department for the preceding 4 complete
5 calendar quarters (excluding the month of highest liability and
6 the month of lowest liability in such 4 quarter period). If the
7 month during which such tax liability is incurred begins on or
8 after January 1, 1985 and prior to January 1, 1987, each
9 payment shall be in an amount equal to 22.5% of the taxpayer's
10 actual liability for the month or 27.5% of the taxpayer's
11 liability for the same calendar month of the preceding year. If
12 the month during which such tax liability is incurred begins on
13 or after January 1, 1987 and prior to January 1, 1988, each
14 payment shall be in an amount equal to 22.5% of the taxpayer's
15 actual liability for the month or 26.25% of the taxpayer's
16 liability for the same calendar month of the preceding year. If
17 the month during which such tax liability is incurred begins on
18 or after January 1, 1988, and prior to January 1, 1989, or
19 begins on or after January 1, 1996, each payment shall be in an
20 amount equal to 22.5% of the taxpayer's actual liability for
21 the month or 25% of the taxpayer's liability for the same
22 calendar month of the preceding year. If the month during which
23 such tax liability is incurred begins on or after January 1,
24 1989, and prior to January 1, 1996, each payment shall be in an
25 amount equal to 22.5% of the taxpayer's actual liability for
26 the month or 25% of the taxpayer's liability for the same

1 calendar month of the preceding year or 100% of the taxpayer's
2 actual liability for the quarter monthly reporting period. The
3 amount of such quarter monthly payments shall be credited
4 against the final tax liability of the taxpayer's return for
5 that month. Before October 1, 2000, once applicable, the
6 requirement of the making of quarter monthly payments to the
7 Department by taxpayers having an average monthly tax liability
8 of \$10,000 or more as determined in the manner provided above
9 shall continue until such taxpayer's average monthly liability
10 to the Department during the preceding 4 complete calendar
11 quarters (excluding the month of highest liability and the
12 month of lowest liability) is less than \$9,000, or until such
13 taxpayer's average monthly liability to the Department as
14 computed for each calendar quarter of the 4 preceding complete
15 calendar quarter period is less than \$10,000. However, if a
16 taxpayer can show the Department that a substantial change in
17 the taxpayer's business has occurred which causes the taxpayer
18 to anticipate that his average monthly tax liability for the
19 reasonably foreseeable future will fall below the \$10,000
20 threshold stated above, then such taxpayer may petition the
21 Department for a change in such taxpayer's reporting status. On
22 and after October 1, 2000, once applicable, the requirement of
23 the making of quarter monthly payments to the Department by
24 taxpayers having an average monthly tax liability of \$20,000 or
25 more as determined in the manner provided above shall continue
26 until such taxpayer's average monthly liability to the

1 Department during the preceding 4 complete calendar quarters
2 (excluding the month of highest liability and the month of
3 lowest liability) is less than \$19,000 or until such taxpayer's
4 average monthly liability to the Department as computed for
5 each calendar quarter of the 4 preceding complete calendar
6 quarter period is less than \$20,000. However, if a taxpayer can
7 show the Department that a substantial change in the taxpayer's
8 business has occurred which causes the taxpayer to anticipate
9 that his average monthly tax liability for the reasonably
10 foreseeable future will fall below the \$20,000 threshold stated
11 above, then such taxpayer may petition the Department for a
12 change in such taxpayer's reporting status. The Department
13 shall change such taxpayer's reporting status unless it finds
14 that such change is seasonal in nature and not likely to be
15 long term. If any such quarter monthly payment is not paid at
16 the time or in the amount required by this Section, then the
17 taxpayer shall be liable for penalties and interest on the
18 difference between the minimum amount due as a payment and the
19 amount of such quarter monthly payment actually and timely
20 paid, except insofar as the taxpayer has previously made
21 payments for that month to the Department in excess of the
22 minimum payments previously due as provided in this Section.
23 The Department shall make reasonable rules and regulations to
24 govern the quarter monthly payment amount and quarter monthly
25 payment dates for taxpayers who file on other than a calendar
26 monthly basis.

1 The provisions of this paragraph apply before October 1,
2 2001. Without regard to whether a taxpayer is required to make
3 quarter monthly payments as specified above, any taxpayer who
4 is required by Section 2d of this Act to collect and remit
5 prepaid taxes and has collected prepaid taxes which average in
6 excess of \$25,000 per month during the preceding 2 complete
7 calendar quarters, shall file a return with the Department as
8 required by Section 2f and shall make payments to the
9 Department on or before the 7th, 15th, 22nd and last day of the
10 month during which such liability is incurred. If the month
11 during which such tax liability is incurred began prior to
12 September 1, 1985 (the effective date of Public Act 84-221),
13 each payment shall be in an amount not less than 22.5% of the
14 taxpayer's actual liability under Section 2d. If the month
15 during which such tax liability is incurred begins on or after
16 January 1, 1986, each payment shall be in an amount equal to
17 22.5% of the taxpayer's actual liability for the month or 27.5%
18 of the taxpayer's liability for the same calendar month of the
19 preceding calendar year. If the month during which such tax
20 liability is incurred begins on or after January 1, 1987, each
21 payment shall be in an amount equal to 22.5% of the taxpayer's
22 actual liability for the month or 26.25% of the taxpayer's
23 liability for the same calendar month of the preceding year.
24 The amount of such quarter monthly payments shall be credited
25 against the final tax liability of the taxpayer's return for
26 that month filed under this Section or Section 2f, as the case

1 may be. Once applicable, the requirement of the making of
2 quarter monthly payments to the Department pursuant to this
3 paragraph shall continue until such taxpayer's average monthly
4 prepaid tax collections during the preceding 2 complete
5 calendar quarters is \$25,000 or less. If any such quarter
6 monthly payment is not paid at the time or in the amount
7 required, the taxpayer shall be liable for penalties and
8 interest on such difference, except insofar as the taxpayer has
9 previously made payments for that month in excess of the
10 minimum payments previously due.

11 The provisions of this paragraph apply on and after October
12 1, 2001. Without regard to whether a taxpayer is required to
13 make quarter monthly payments as specified above, any taxpayer
14 who is required by Section 2d of this Act to collect and remit
15 prepaid taxes and has collected prepaid taxes that average in
16 excess of \$20,000 per month during the preceding 4 complete
17 calendar quarters shall file a return with the Department as
18 required by Section 2f and shall make payments to the
19 Department on or before the 7th, 15th, 22nd and last day of the
20 month during which the liability is incurred. Each payment
21 shall be in an amount equal to 22.5% of the taxpayer's actual
22 liability for the month or 25% of the taxpayer's liability for
23 the same calendar month of the preceding year. The amount of
24 the quarter monthly payments shall be credited against the
25 final tax liability of the taxpayer's return for that month
26 filed under this Section or Section 2f, as the case may be.

1 Once applicable, the requirement of the making of quarter
2 monthly payments to the Department pursuant to this paragraph
3 shall continue until the taxpayer's average monthly prepaid tax
4 collections during the preceding 4 complete calendar quarters
5 (excluding the month of highest liability and the month of
6 lowest liability) is less than \$19,000 or until such taxpayer's
7 average monthly liability to the Department as computed for
8 each calendar quarter of the 4 preceding complete calendar
9 quarters is less than \$20,000. If any such quarter monthly
10 payment is not paid at the time or in the amount required, the
11 taxpayer shall be liable for penalties and interest on such
12 difference, except insofar as the taxpayer has previously made
13 payments for that month in excess of the minimum payments
14 previously due.

15 If any payment provided for in this Section exceeds the
16 taxpayer's liabilities under this Act, the Use Tax Act, the
17 Service Occupation Tax Act and the Service Use Tax Act, as
18 shown on an original monthly return, the Department shall, if
19 requested by the taxpayer, issue to the taxpayer a credit
20 memorandum no later than 30 days after the date of payment. The
21 credit evidenced by such credit memorandum may be assigned by
22 the taxpayer to a similar taxpayer under this Act, the Use Tax
23 Act, the Service Occupation Tax Act or the Service Use Tax Act,
24 in accordance with reasonable rules and regulations to be
25 prescribed by the Department. If no such request is made, the
26 taxpayer may credit such excess payment against tax liability

1 subsequently to be remitted to the Department under this Act,
2 the Use Tax Act, the Service Occupation Tax Act or the Service
3 Use Tax Act, in accordance with reasonable rules and
4 regulations prescribed by the Department. If the Department
5 subsequently determined that all or any part of the credit
6 taken was not actually due to the taxpayer, the taxpayer's 2.1%
7 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
8 of the difference between the credit taken and that actually
9 due, and that taxpayer shall be liable for penalties and
10 interest on such difference.

11 If a retailer of motor fuel is entitled to a credit under
12 Section 2d of this Act which exceeds the taxpayer's liability
13 to the Department under this Act for the month which the
14 taxpayer is filing a return, the Department shall issue the
15 taxpayer a credit memorandum for the excess.

16 Beginning January 1, 1990, each month the Department shall
17 pay into the Local Government Tax Fund, a special fund in the
18 State treasury which is hereby created, the net revenue
19 realized for the preceding month from the 1% tax imposed under
20 this Act.

21 Beginning January 1, 1990, each month the Department shall
22 pay into the County and Mass Transit District Fund, a special
23 fund in the State treasury which is hereby created, 4% of the
24 net revenue realized for the preceding month from the 6.25%
25 general rate other than aviation fuel sold on or after December
26 1, 2019. This exception for aviation fuel only applies for so

1 long as the revenue use requirements of 49 U.S.C. 47107(b) and
2 49 U.S.C. 47133 are binding on the State.

3 For aviation fuel sold on or after December 1, 2019, each
4 month the Department shall pay into the State Aviation Program
5 Fund 4% of the net revenue realized for the preceding month
6 from the 6.25% general rate on the selling price of aviation
7 fuel, less an amount estimated by the Department to be required
8 for refunds of the 4% portion of the tax on aviation fuel under
9 this Act, which amount shall be deposited into the Aviation
10 Fuel Sales Tax Refund Fund. The Department shall only pay
11 moneys into the State Aviation Program Fund and the Aviation
12 Fuel Sales Tax Refund Fund under this Act for so long as the
13 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
14 47133 are binding on the State.

15 Beginning August 1, 2000, each month the Department shall
16 pay into the County and Mass Transit District Fund 20% of the
17 net revenue realized for the preceding month from the 1.25%
18 rate on the selling price of motor fuel and gasohol. Beginning
19 September 1, 2010, each month the Department shall pay into the
20 County and Mass Transit District Fund 20% of the net revenue
21 realized for the preceding month from the 1.25% rate on the
22 selling price of sales tax holiday items.

23 Beginning January 1, 1990, each month the Department shall
24 pay into the Local Government Tax Fund 16% of the net revenue
25 realized for the preceding month from the 6.25% general rate on
26 the selling price of tangible personal property other than

1 aviation fuel sold on or after December 1, 2019. This exception
2 for aviation fuel only applies for so long as the revenue use
3 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
4 binding on the State.

5 For aviation fuel sold on or after December 1, 2019, each
6 month the Department shall pay into the State Aviation Program
7 Fund 16% of the net revenue realized for the preceding month
8 from the 6.25% general rate on the selling price of aviation
9 fuel, less an amount estimated by the Department to be required
10 for refunds of the 16% portion of the tax on aviation fuel
11 under this Act, which amount shall be deposited into the
12 Aviation Fuel Sales Tax Refund Fund. The Department shall only
13 pay moneys into the State Aviation Program Fund and the
14 Aviation Fuel Sales Tax Refund Fund under this Act for so long
15 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
16 U.S.C. 47133 are binding on the State.

17 Beginning August 1, 2000, each month the Department shall
18 pay into the Local Government Tax Fund 80% of the net revenue
19 realized for the preceding month from the 1.25% rate on the
20 selling price of motor fuel and gasohol. Beginning September 1,
21 2010, each month the Department shall pay into the Local
22 Government Tax Fund 80% of the net revenue realized for the
23 preceding month from the 1.25% rate on the selling price of
24 sales tax holiday items.

25 Beginning October 1, 2009, each month the Department shall
26 pay into the Capital Projects Fund an amount that is equal to

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

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

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

1 into the fund, excluding payments made pursuant to this
2 paragraph.

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

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

1 fiscal years 1986 through 1993:

2	Fiscal Year	Annual Specified Amount
3	1986	\$54,800,000
4	1987	\$76,650,000
5	1988	\$80,480,000
6	1989	\$88,510,000
7	1990	\$115,330,000
8	1991	\$145,470,000
9	1992	\$182,730,000
10	1993	\$206,520,000;

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

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

1 clause (b) of the first sentence of this paragraph and shall
 2 reduce the amount otherwise payable for such fiscal year
 3 pursuant to that clause (b). The moneys received by the
 4 Department pursuant to this Act and required to be deposited
 5 into the Build Illinois Fund are subject to the pledge, claim
 6 and charge set forth in Section 12 of the Build Illinois Bond
 7 Act.

8 Subject to payment of amounts into the Build Illinois Fund
 9 as provided in the preceding paragraph or in any amendment
 10 thereto hereafter enacted, the following specified monthly
 11 installment of the amount requested in the certificate of the
 12 Chairman of the Metropolitan Pier and Exposition Authority
 13 provided under Section 8.25f of the State Finance Act, but not
 14 in excess of sums designated as "Total Deposit", shall be
 15 deposited in the aggregate from collections under Section 9 of
 16 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 17 9 of the Service Occupation Tax Act, and Section 3 of the
 18 Retailers' Occupation Tax Act into the McCormick Place
 19 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
21	1993	\$0
22	1994	53,000,000
23	1995	58,000,000
24	1996	61,000,000
25	1997	64,000,000

1	1998	68,000,000
2	1999	71,000,000
3	2000	75,000,000
4	2001	80,000,000
5	2002	93,000,000
6	2003	99,000,000
7	2004	103,000,000
8	2005	108,000,000
9	2006	113,000,000
10	2007	119,000,000
11	2008	126,000,000
12	2009	132,000,000
13	2010	139,000,000
14	2011	146,000,000
15	2012	153,000,000
16	2013	161,000,000
17	2014	170,000,000
18	2015	179,000,000
19	2016	189,000,000
20	2017	199,000,000
21	2018	210,000,000
22	2019	221,000,000
23	2020	233,000,000
24	2021	246,000,000
25	2022	260,000,000
26	2023	275,000,000

1	2024	275,000,000
2	2025	275,000,000
3	2026	279,000,000
4	2027	292,000,000
5	2028	307,000,000
6	2029	322,000,000
7	2030	338,000,000
8	2031	350,000,000
9	2032	350,000,000

10 and

11 each fiscal year

12 thereafter that bonds

13 are outstanding under

14 Section 13.2 of the

15 Metropolitan Pier and

16 Exposition Authority Act,

17 but not after fiscal year 2060.

18 Beginning July 20, 1993 and in each month of each fiscal
19 year thereafter, one-eighth of the amount requested in the
20 certificate of the Chairman of the Metropolitan Pier and
21 Exposition Authority for that fiscal year, less the amount
22 deposited into the McCormick Place Expansion Project Fund by
23 the State Treasurer in the respective month under subsection
24 (g) of Section 13 of the Metropolitan Pier and Exposition
25 Authority Act, plus cumulative deficiencies in the deposits
26 required under this Section for previous months and years,

1 shall be deposited into the McCormick Place Expansion Project
2 Fund, until the full amount requested for the fiscal year, but
3 not in excess of the amount specified above as "Total Deposit",
4 has been deposited.

5 Subject to payment of amounts into the Capital Projects
6 Fund, the Clean Air Act (CAA) Permit Fund, the Build Illinois
7 Fund, and the McCormick Place Expansion Project Fund pursuant
8 to the preceding paragraphs or in any amendments thereto
9 hereafter enacted, the Department shall each month deposit into
10 the Aviation Fuel Sales Tax Refund Fund an amount estimated by
11 the Department to be required for refunds of the 80% portion of
12 the tax on aviation fuel under this Act.

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

21 Subject to payment of amounts into the Build Illinois Fund
22 and the McCormick Place Expansion Project Fund pursuant to the
23 preceding paragraphs or in any amendments thereto hereafter
24 enacted, beginning with the receipt of the first report of
25 taxes paid by an eligible business and continuing for a 25-year
26 period, the Department shall each month pay into the Energy

1 Infrastructure Fund 80% of the net revenue realized from the
2 6.25% general rate on the selling price of Illinois-mined coal
3 that was sold to an eligible business. For purposes of this
4 paragraph, the term "eligible business" means a new electric
5 generating facility certified pursuant to Section 605-332 of
6 the Department of Commerce and Economic Opportunity Law of the
7 Civil Administrative Code of Illinois.

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

1 collected on aviation fuel sold on or after December 1, 2019).

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

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

16 The Department may, upon separate written notice to a
17 taxpayer, require the taxpayer to prepare and file with the
18 Department on a form prescribed by the Department within not
19 less than 60 days after receipt of the notice an annual
20 information return for the tax year specified in the notice.
21 Such annual return to the Department shall include a statement
22 of gross receipts as shown by the retailer's last Federal
23 income tax return. If the total receipts of the business as
24 reported in the Federal income tax return do not agree with the
25 gross receipts reported to the Department of Revenue for the
26 same period, the retailer shall attach to his annual return a

1 schedule showing a reconciliation of the 2 amounts and the
2 reasons for the difference. The retailer's annual return to the
3 Department shall also disclose the cost of goods sold by the
4 retailer during the year covered by such return, opening and
5 closing inventories of such goods for such year, costs of goods
6 used from stock or taken from stock and given away by the
7 retailer during such year, payroll information of the
8 retailer's business during such year and any additional
9 reasonable information which the Department deems would be
10 helpful in determining the accuracy of the monthly, quarterly
11 or annual returns filed by such retailer as provided for in
12 this Section.

13 If the annual information return required by this Section
14 is not filed when and as required, the taxpayer shall be liable
15 as follows:

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

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

26 The chief executive officer, proprietor, owner or highest

1 ranking manager shall sign the annual return to certify the
2 accuracy of the information contained therein. Any person who
3 willfully signs the annual return containing false or
4 inaccurate information shall be guilty of perjury and punished
5 accordingly. The annual return form prescribed by the
6 Department shall include a warning that the person signing the
7 return may be liable for perjury.

8 The provisions of this Section concerning the filing of an
9 annual information return do not apply to a retailer who is not
10 required to file an income tax return with the United States
11 Government.

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

19 Net revenue realized for a month shall be the revenue
20 collected by the State pursuant to this Act, less the amount
21 paid out during that month as refunds to taxpayers for
22 overpayment of liability.

23 For greater simplicity of administration, manufacturers,
24 importers and wholesalers whose products are sold at retail in
25 Illinois by numerous retailers, and who wish to do so, may
26 assume the responsibility for accounting and paying to the

1 Department all tax accruing under this Act with respect to such
2 sales, if the retailers who are affected do not make written
3 objection to the Department to this arrangement.

4 Any person who promotes, organizes, provides retail
5 selling space for concessionaires or other types of sellers at
6 the Illinois State Fair, DuQuoin State Fair, county fairs,
7 local fairs, art shows, flea markets and similar exhibitions or
8 events, including any transient merchant as defined by Section
9 2 of the Transient Merchant Act of 1987, is required to file a
10 report with the Department providing the name of the merchant's
11 business, the name of the person or persons engaged in
12 merchant's business, the permanent address and Illinois
13 Retailers Occupation Tax Registration Number of the merchant,
14 the dates and location of the event and other reasonable
15 information that the Department may require. The report must be
16 filed not later than the 20th day of the month next following
17 the month during which the event with retail sales was held.
18 Any person who fails to file a report required by this Section
19 commits a business offense and is subject to a fine not to
20 exceed \$250.

21 Any person engaged in the business of selling tangible
22 personal property at retail as a concessionaire or other type
23 of seller at the Illinois State Fair, county fairs, art shows,
24 flea markets and similar exhibitions or events, or any
25 transient merchants, as defined by Section 2 of the Transient
26 Merchant Act of 1987, may be required to make a daily report of

1 the amount of such sales to the Department and to make a daily
2 payment of the full amount of tax due. The Department shall
3 impose this requirement when it finds that there is a
4 significant risk of loss of revenue to the State at such an
5 exhibition or event. Such a finding shall be based on evidence
6 that a substantial number of concessionaires or other sellers
7 who are not residents of Illinois will be engaging in the
8 business of selling tangible personal property at retail at the
9 exhibition or event, or other evidence of a significant risk of
10 loss of revenue to the State. The Department shall notify
11 concessionaires and other sellers affected by the imposition of
12 this requirement. In the absence of notification by the
13 Department, the concessionaires and other sellers shall file
14 their returns as otherwise required in this Section.

15 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
16 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.
17 7-1-18; 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19.)

18 (35 ILCS 120/6) (from Ch. 120, par. 445)

19 Sec. 6. Credit memorandum or refund. If it appears, after
20 claim therefor filed with the Department, that an amount of tax
21 or penalty or interest has been paid which was not due under
22 this Act, whether as the result of a mistake of fact or an
23 error of law, except as hereinafter provided, then the
24 Department shall issue a credit memorandum or refund to the
25 person who made the erroneous payment or, if that person died

1 or became a person under legal disability, to his or her legal
2 representative, as such. For purposes of this Section, the tax
3 is deemed to be erroneously paid by a retailer when the
4 manufacturer of a motor vehicle sold by the retailer accepts
5 the return of that automobile and refunds to the purchaser the
6 selling price of that vehicle as provided in the New Vehicle
7 Buyer Protection Act. When a motor vehicle is returned for a
8 refund of the purchase price under the New Vehicle Buyer
9 Protection Act, the Department shall issue a credit memorandum
10 or a refund for the amount of tax paid by the retailer under
11 this Act attributable to the initial sale of that vehicle.
12 Claims submitted by the retailer are subject to the same
13 restrictions and procedures provided for in this Act. If it is
14 determined that the Department should issue a credit memorandum
15 or refund, the Department may first apply the amount thereof
16 against any tax or penalty or interest due or to become due
17 under this Act or under the Use Tax Act, the Service Occupation
18 Tax Act, the Service Use Tax Act, any local occupation or use
19 tax administered by the Department, Section 4 of the Water
20 Commission Act of 1985, subsections (b), (c) and (d) of Section
21 5.01 of the Local Mass Transit District Act, or subsections
22 (e), (f) and (g) of Section 4.03 of the Regional Transportation
23 Authority Act, from the person who made the erroneous payment.
24 If no tax or penalty or interest is due and no proceeding is
25 pending to determine whether such person is indebted to the
26 Department for tax or penalty or interest, the credit

1 memorandum or refund shall be issued to the claimant; or (in
2 the case of a credit memorandum) the credit memorandum may be
3 assigned and set over by the lawful holder thereof, subject to
4 reasonable rules of the Department, to any other person who is
5 subject to this Act, the Use Tax Act, the Service Occupation
6 Tax Act, the Service Use Tax Act, any local occupation or use
7 tax administered by the Department, Section 4 of the Water
8 Commission Act of 1985, subsections (b), (c) and (d) of Section
9 5.01 of the Local Mass Transit District Act, or subsections
10 (e), (f) and (g) of Section 4.03 of the Regional Transportation
11 Authority Act, and the amount thereof applied by the Department
12 against any tax or penalty or interest due or to become due
13 under this Act or under the Use Tax Act, the Service Occupation
14 Tax Act, the Service Use Tax Act, any local occupation or use
15 tax administered by the Department, Section 4 of the Water
16 Commission Act of 1985, subsections (b), (c) and (d) of Section
17 5.01 of the Local Mass Transit District Act, or subsections
18 (e), (f) and (g) of Section 4.03 of the Regional Transportation
19 Authority Act, from such assignee. However, as to any claim for
20 credit or refund filed with the Department on and after each
21 January 1 and July 1 no amount of tax or penalty or interest
22 erroneously paid (either in total or partial liquidation of a
23 tax or penalty or amount of interest under this Act) more than
24 3 years prior to such January 1 and July 1, respectively, shall
25 be credited or refunded, except that if both the Department and
26 the taxpayer have agreed to an extension of time to issue a

1 notice of tax liability as provided in Section 4 of this Act,
2 such claim may be filed at any time prior to the expiration of
3 the period agreed upon.

4 No claim may be allowed for any amount paid to the
5 Department, whether paid voluntarily or involuntarily, if paid
6 in total or partial liquidation of an assessment which had
7 become final before the claim for credit or refund to recover
8 the amount so paid is filed with the Department, or if paid in
9 total or partial liquidation of a judgment or order of court.
10 No credit may be allowed or refund made for any amount paid by
11 or collected from any claimant unless it appears (a) that the
12 claimant bore the burden of such amount and has not been
13 relieved thereof nor reimbursed therefor and has not shifted
14 such burden directly or indirectly through inclusion of such
15 amount in the price of the tangible personal property sold by
16 him or her or in any manner whatsoever; and that no
17 understanding or agreement, written or oral, exists whereby he
18 or she or his or her legal representative may be relieved of
19 the burden of such amount, be reimbursed therefor or may shift
20 the burden thereof; or (b) that he or she or his or her legal
21 representative has repaid unconditionally such amount to his or
22 her vendee (1) who bore the burden thereof and has not shifted
23 such burden directly or indirectly, in any manner whatsoever;
24 (2) who, if he or she has shifted such burden, has repaid
25 unconditionally such amount to his own vendee; and (3) who is
26 not entitled to receive any reimbursement therefor from any

1 other source than from his or her vendor, nor to be relieved of
2 such burden in any manner whatsoever. No credit may be allowed
3 or refund made for any amount paid by or collected from any
4 claimant unless it appears that the claimant has
5 unconditionally repaid, to the purchaser, any amount collected
6 from the purchaser and retained by the claimant with respect to
7 the same transaction under the Use Tax Act.

8 Any credit or refund that is allowed under this Section
9 shall bear interest at the rate and in the manner specified in
10 the Uniform Penalty and Interest Act.

11 In case the Department determines that the claimant is
12 entitled to a refund, such refund shall be made only from the
13 Aviation Fuel Sales Tax Refund Fund or from such appropriation
14 as may be available for that purpose, as appropriate. If it
15 appears unlikely that the amount available ~~appropriated~~ would
16 permit everyone having a claim allowed during the period
17 covered by such appropriation or from the Aviation Fuel Sales
18 Tax Refund Fund, as appropriate, to elect to receive a cash
19 refund, the Department, by rule or regulation, shall provide
20 for the payment of refunds in hardship cases and shall define
21 what types of cases qualify as hardship cases.

22 If a retailer who has failed to pay retailers' occupation
23 tax on gross receipts from retail sales is required by the
24 Department to pay such tax, such retailer, without filing any
25 formal claim with the Department, shall be allowed to take
26 credit against such retailers' occupation tax liability to the

1 extent, if any, to which such retailer has paid an amount
2 equivalent to retailers' occupation tax or has paid use tax in
3 error to his or her vendor or vendors of the same tangible
4 personal property which such retailer bought for resale and did
5 not first use before selling it, and no penalty or interest
6 shall be charged to such retailer on the amount of such credit.
7 However, when such credit is allowed to the retailer by the
8 Department, the vendor is precluded from refunding any of that
9 tax to the retailer and filing a claim for credit or refund
10 with respect thereto with the Department. The provisions of
11 this amendatory Act shall be applied retroactively, regardless
12 of the date of the transaction.

13 (Source: P.A. 91-901, eff. 1-1-01.)

14 (35 ILCS 120/11) (from Ch. 120, par. 450)

15 Sec. 11. All information received by the Department from
16 returns filed under this Act, or from any investigation
17 conducted under this Act, shall be confidential, except for
18 official purposes, and any person who divulges any such
19 information in any manner, except in accordance with a proper
20 judicial order or as otherwise provided by law, shall be guilty
21 of a Class B misdemeanor with a fine not to exceed \$7,500.

22 Nothing in this Act prevents the Director of Revenue from
23 publishing or making available to the public the names and
24 addresses of persons filing returns under this Act, or
25 reasonable statistics concerning the operation of the tax by

1 grouping the contents of returns so the information in any
2 individual return is not disclosed.

3 Nothing in this Act prevents the Director of Revenue from
4 divulging to the United States Government or the government of
5 any other state, or any officer or agency thereof, for
6 exclusively official purposes, information received by the
7 Department in administering this Act, provided that such other
8 governmental agency agrees to divulge requested tax
9 information to the Department.

10 The Department's furnishing of information derived from a
11 taxpayer's return or from an investigation conducted under this
12 Act to the surety on a taxpayer's bond that has been furnished
13 to the Department under this Act, either to provide notice to
14 such surety of its potential liability under the bond or, in
15 order to support the Department's demand for payment from such
16 surety under the bond, is an official purpose within the
17 meaning of this Section.

18 The furnishing upon request of information obtained by the
19 Department from returns filed under this Act or investigations
20 conducted under this Act to the Illinois Liquor Control
21 Commission for official use is deemed to be an official purpose
22 within the meaning of this Section.

23 Notice to a surety of potential liability shall not be
24 given unless the taxpayer has first been notified, not less
25 than 10 days prior thereto, of the Department's intent to so
26 notify the surety.

1 The furnishing upon request of the Auditor General, or his
2 authorized agents, for official use, of returns filed and
3 information related thereto under this Act is deemed to be an
4 official purpose within the meaning of this Section.

5 Where an appeal or a protest has been filed on behalf of a
6 taxpayer, the furnishing upon request of the attorney for the
7 taxpayer of returns filed by the taxpayer and information
8 related thereto under this Act is deemed to be an official
9 purpose within the meaning of this Section.

10 The furnishing of financial information to a municipality
11 or county, upon request of the chief executive officer thereof,
12 is an official purpose within the meaning of this Section,
13 provided the municipality or county agrees in writing to the
14 requirements of this Section. Information provided to
15 municipalities and counties under this paragraph shall be
16 limited to: (1) the business name; (2) the business address;
17 (3) the standard classification number assigned to the
18 business; (4) net revenue distributed to the requesting
19 municipality or county that is directly related to the
20 requesting municipality's or county's local share of the
21 proceeds under the Use Tax Act, the Service Use Tax Act, the
22 Service Occupation Tax Act, and the Retailers' Occupation Tax
23 Act distributed from the Local Government Tax Fund, and, if
24 applicable, any locally imposed retailers' occupation tax or
25 service occupation tax; and (5) a listing of all businesses
26 within the requesting municipality or county by account

1 identification number and address. On and after July 1, 2015,
2 the furnishing of financial information to municipalities and
3 counties under this paragraph may be by electronic means.

4 Information so provided shall be subject to all
5 confidentiality provisions of this Section. The written
6 agreement shall provide for reciprocity, limitations on
7 access, disclosure, and procedures for requesting information.

8 The Department may make available to the Board of Trustees
9 of any Metro East Mass Transit District information contained
10 on transaction reporting returns required to be filed under
11 Section 3 of this Act that report sales made within the
12 boundary of the taxing authority of that Metro East Mass
13 Transit District, as provided in Section 5.01 of the Local Mass
14 Transit District Act. The disclosure shall be made pursuant to
15 a written agreement between the Department and the Board of
16 Trustees of a Metro East Mass Transit District, which is an
17 official purpose within the meaning of this Section. The
18 written agreement between the Department and the Board of
19 Trustees of a Metro East Mass Transit District shall provide
20 for reciprocity, limitations on access, disclosure, and
21 procedures for requesting information. Information so provided
22 shall be subject to all confidentiality provisions of this
23 Section.

24 The Director may make available to any State agency,
25 including the Illinois Supreme Court, which licenses persons to
26 engage in any occupation, information that a person licensed by

1 such agency has failed to file returns under this Act or pay
2 the tax, penalty and interest shown therein, or has failed to
3 pay any final assessment of tax, penalty or interest due under
4 this Act. The Director may make available to any State agency,
5 including the Illinois Supreme Court, information regarding
6 whether a bidder, contractor, or an affiliate of a bidder or
7 contractor has failed to collect and remit Illinois Use tax on
8 sales into Illinois, or any tax under this Act or pay the tax,
9 penalty, and interest shown therein, or has failed to pay any
10 final assessment of tax, penalty, or interest due under this
11 Act, for the limited purpose of enforcing bidder and contractor
12 certifications. The Director may make available to units of
13 local government and school districts that require bidder and
14 contractor certifications, as set forth in Sections 50-11 and
15 50-12 of the Illinois Procurement Code, information regarding
16 whether a bidder, contractor, or an affiliate of a bidder or
17 contractor has failed to collect and remit Illinois Use tax on
18 sales into Illinois, file returns under this Act, or pay the
19 tax, penalty, and interest shown therein, or has failed to pay
20 any final assessment of tax, penalty, or interest due under
21 this Act, for the limited purpose of enforcing bidder and
22 contractor certifications. For purposes of this Section, the
23 term "affiliate" means any entity that (1) directly,
24 indirectly, or constructively controls another entity, (2) is
25 directly, indirectly, or constructively controlled by another
26 entity, or (3) is subject to the control of a common entity.

1 For purposes of this Section, an entity controls another entity
2 if it owns, directly or individually, more than 10% of the
3 voting securities of that entity. As used in this Section, the
4 term "voting security" means a security that (1) confers upon
5 the holder the right to vote for the election of members of the
6 board of directors or similar governing body of the business or
7 (2) is convertible into, or entitles the holder to receive upon
8 its exercise, a security that confers such a right to vote. A
9 general partnership interest is a voting security.

10 The Director may make available to any State agency,
11 including the Illinois Supreme Court, units of local
12 government, and school districts, information regarding
13 whether a bidder or contractor is an affiliate of a person who
14 is not collecting and remitting Illinois Use taxes for the
15 limited purpose of enforcing bidder and contractor
16 certifications.

17 The Director may also make available to the Secretary of
18 State information that a limited liability company, which has
19 filed articles of organization with the Secretary of State, or
20 corporation which has been issued a certificate of
21 incorporation by the Secretary of State has failed to file
22 returns under this Act or pay the tax, penalty and interest
23 shown therein, or has failed to pay any final assessment of
24 tax, penalty or interest due under this Act. An assessment is
25 final when all proceedings in court for review of such
26 assessment have terminated or the time for the taking thereof

1 has expired without such proceedings being instituted.

2 The Director shall make available for public inspection in
3 the Department's principal office and for publication, at cost,
4 administrative decisions issued on or after January 1, 1995.
5 These decisions are to be made available in a manner so that
6 the following taxpayer information is not disclosed:

7 (1) The names, addresses, and identification numbers
8 of the taxpayer, related entities, and employees.

9 (2) At the sole discretion of the Director, trade
10 secrets or other confidential information identified as
11 such by the taxpayer, no later than 30 days after receipt
12 of an administrative decision, by such means as the
13 Department shall provide by rule.

14 The Director shall determine the appropriate extent of the
15 deletions allowed in paragraph (2). In the event the taxpayer
16 does not submit deletions, the Director shall make only the
17 deletions specified in paragraph (1).

18 The Director shall make available for public inspection and
19 publication an administrative decision within 180 days after
20 the issuance of the administrative decision. The term
21 "administrative decision" has the same meaning as defined in
22 Section 3-101 of Article III of the Code of Civil Procedure.
23 Costs collected under this Section shall be paid into the Tax
24 Compliance and Administration Fund.

25 Nothing contained in this Act shall prevent the Director
26 from divulging information to any person pursuant to a request

1 or authorization made by the taxpayer or by an authorized
2 representative of the taxpayer.

3 The furnishing of information obtained by the Department
4 from returns filed under this amendatory Act of the 101st
5 General Assembly to the Department of Transportation for
6 purposes of compliance with this amendatory Act of the 101st
7 General Assembly regarding aviation fuel is deemed to be an
8 official purpose within the meaning of this Section.

9 (Source: P.A. 98-1058, eff. 1-1-15; 99-517, eff. 6-30-16.)

10 Section 30. The Motor Fuel Tax Law is amended by changing
11 Sections 2, 2b, and 8a as follows:

12 (35 ILCS 505/2) (from Ch. 120, par. 418)

13 Sec. 2. A tax is imposed on the privilege of operating
14 motor vehicles upon the public highways and recreational-type
15 watercraft upon the waters of this State.

16 (a) Prior to August 1, 1989, the tax is imposed at the rate
17 of 13 cents per gallon on all motor fuel used in motor vehicles
18 operating on the public highways and recreational type
19 watercraft operating upon the waters of this State. Beginning
20 on August 1, 1989 and until January 1, 1990, the rate of the
21 tax imposed in this paragraph shall be 16 cents per gallon.
22 Beginning January 1, 1990, the rate of tax imposed in this
23 paragraph, including the tax on compressed natural gas, shall
24 be 19 cents per gallon.

1 (b) The tax on the privilege of operating motor vehicles
2 which use diesel fuel, liquefied natural gas, or propane shall
3 be the rate according to paragraph (a) plus an additional 2 1/2
4 cents per gallon. "Diesel fuel" is defined as any product
5 intended for use or offered for sale as a fuel for engines in
6 which the fuel is injected into the combustion chamber and
7 ignited by pressure without electric spark.

8 (c) A tax is imposed upon the privilege of engaging in the
9 business of selling motor fuel as a retailer or reseller on all
10 motor fuel used in motor vehicles operating on the public
11 highways and recreational type watercraft operating upon the
12 waters of this State: (1) at the rate of 3 cents per gallon on
13 motor fuel owned or possessed by such retailer or reseller at
14 12:01 a.m. on August 1, 1989; and (2) at the rate of 3 cents per
15 gallon on motor fuel owned or possessed by such retailer or
16 reseller at 12:01 A.M. on January 1, 1990.

17 Retailers and resellers who are subject to this additional
18 tax shall be required to inventory such motor fuel and pay this
19 additional tax in a manner prescribed by the Department of
20 Revenue.

21 The tax imposed in this paragraph (c) shall be in addition
22 to all other taxes imposed by the State of Illinois or any unit
23 of local government in this State.

24 (d) Except as provided in Section 2a, the collection of a
25 tax based on gallonage of gasoline used for the propulsion of
26 any aircraft is prohibited on and after October 1, 1979, and

1 the collection of a tax based on gallonage of special fuel used
2 for the propulsion of any aircraft is prohibited on and after
3 December 1, 2019.

4 (e) The collection of a tax, based on gallonage of all
5 products commonly or commercially known or sold as 1-K
6 kerosene, regardless of its classification or uses, is
7 prohibited (i) on and after July 1, 1992 until December 31,
8 1999, except when the 1-K kerosene is either: (1) delivered
9 into bulk storage facilities of a bulk user, or (2) delivered
10 directly into the fuel supply tanks of motor vehicles and (ii)
11 on and after January 1, 2000. Beginning on January 1, 2000, the
12 collection of a tax, based on gallonage of all products
13 commonly or commercially known or sold as 1-K kerosene,
14 regardless of its classification or uses, is prohibited except
15 when the 1-K kerosene is delivered directly into a storage tank
16 that is located at a facility that has withdrawal facilities
17 that are readily accessible to and are capable of dispensing
18 1-K kerosene into the fuel supply tanks of motor vehicles. For
19 purposes of this subsection (e), a facility is considered to
20 have withdrawal facilities that are not "readily accessible to
21 and capable of dispensing 1-K kerosene into the fuel supply
22 tanks of motor vehicles" only if the 1-K kerosene is delivered
23 from: (i) a dispenser hose that is short enough so that it will
24 not reach the fuel supply tank of a motor vehicle or (ii) a
25 dispenser that is enclosed by a fence or other physical barrier
26 so that a vehicle cannot pull alongside the dispenser to permit

1 fueling.

2 Any person who sells or uses 1-K kerosene for use in motor
3 vehicles upon which the tax imposed by this Law has not been
4 paid shall be liable for any tax due on the sales or use of 1-K
5 kerosene.

6 (Source: P.A. 100-9, eff. 7-1-17.)

7 (35 ILCS 505/2b) (from Ch. 120, par. 418b)

8 Sec. 2b. Receiver's monthly return. In addition to the tax
9 collection and reporting responsibilities imposed elsewhere in
10 this Act, a person who is required to pay the tax imposed by
11 Section 2a of this Act shall pay the tax to the Department by
12 return showing all fuel purchased, acquired or received and
13 sold, distributed or used during the preceding calendar month
14 including losses of fuel as the result of evaporation or
15 shrinkage due to temperature variations, and such other
16 reasonable information as the Department may require. Losses of
17 fuel as the result of evaporation or shrinkage due to
18 temperature variations may not exceed 1% of the total gallons
19 in storage at the beginning of the month, plus the receipts of
20 gallonage during the month, minus the gallonage remaining in
21 storage at the end of the month. Any loss reported that is in
22 excess of this amount shall be subject to the tax imposed by
23 Section 2a of this Law. On and after July 1, 2001, for each
24 6-month period January through June, net losses of fuel (for
25 each category of fuel that is required to be reported on a

1 return) as the result of evaporation or shrinkage due to
2 temperature variations may not exceed 1% of the total gallons
3 in storage at the beginning of each January, plus the receipts
4 of gallonage each January through June, minus the gallonage
5 remaining in storage at the end of each June. On and after July
6 1, 2001, for each 6-month period July through December, net
7 losses of fuel (for each category of fuel that is required to
8 be reported on a return) as the result of evaporation or
9 shrinkage due to temperature variations may not exceed 1% of
10 the total gallons in storage at the beginning of each July,
11 plus the receipts of gallonage each July through December,
12 minus the gallonage remaining in storage at the end of each
13 December. Any net loss reported that is in excess of this
14 amount shall be subject to the tax imposed by Section 2a of
15 this Law. For purposes of this Section, "net loss" means the
16 number of gallons gained through temperature variations minus
17 the number of gallons lost through temperature variations or
18 evaporation for each of the respective 6-month periods.

19 The return shall be prescribed by the Department and shall
20 be filed between the 1st and 20th days of each calendar month.
21 The Department may, in its discretion, combine the returns
22 filed under this Section, Section 5, and Section 5a of this
23 Act. The return must be accompanied by appropriate
24 computer-generated magnetic media supporting schedule data in
25 the format required by the Department, unless, as provided by
26 rule, the Department grants an exception upon petition of a

1 taxpayer. If the return is filed timely, the seller shall take
2 a discount of 2% through June 30, 2003 and 1.75% thereafter
3 which is allowed to reimburse the seller for the expenses
4 incurred in keeping records, preparing and filing returns,
5 collecting and remitting the tax and supplying data to the
6 Department on request. The discount, however, shall be
7 applicable only to the amount of payment which accompanies a
8 return that is filed timely in accordance with this Section.
9 The discount under this Section is not allowed for taxes paid
10 on aviation fuel that are deposited into the State Aviation
11 Program Fund under this Act.

12 Beginning on January 1, 2020, each person who is required
13 to pay the tax imposed under Section 2a of this Act on aviation
14 fuel sold or used in this State during the preceding calendar
15 month shall, instead of reporting and paying tax on aviation
16 fuel as otherwise required by this Section, report and pay such
17 tax on a separate aviation fuel tax return, on or before the
18 twentieth day of each calendar month. The requirements related
19 to the return shall be as otherwise provided in this Section.
20 Notwithstanding any other provisions of this Act to the
21 contrary, a person required to pay the tax imposed by Section
22 2a of this Act on aviation fuel shall file all aviation fuel
23 tax returns and shall make all aviation fuel tax payments by
24 electronic means in the manner and form required by the
25 Department. For purposes of this paragraph, "aviation fuel"
26 means a product that is intended for use or offered for sale as

1 fuel for an aircraft.

2 If any payment provided for in this Section exceeds the
3 receiver's liabilities under this Act, as shown on an original
4 return, the Department may authorize the receiver to credit
5 such excess payment against liability subsequently to be
6 remitted to the Department under this Act, in accordance with
7 reasonable rules adopted by the Department. If the Department
8 subsequently determines that all or any part of the credit
9 taken was not actually due to the receiver, the receiver's
10 discount shall be reduced by an amount equal to the difference
11 between the discount as applied to the credit taken and that
12 actually due, and that receiver shall be liable for penalties
13 and interest on such difference.

14 (Source: P.A. 100-1171, eff. 1-4-19.)

15 (35 ILCS 505/8a) (from Ch. 120, par. 424a)

16 Sec. 8a. All money received by the Department under Section
17 2a of this Act, except money received from taxes on aviation
18 fuel sold or used on or after December 1, 2019, shall be
19 deposited in the Underground Storage Tank Fund created by
20 Section 57.11 of the Environmental Protection Act, as now or
21 hereafter amended. All money received by the Department under
22 Section 2a of this Act for aviation fuel sold or used on or
23 after December 1, 2019, shall be deposited into the State
24 Aviation Program Fund. This exception for aviation fuel only
25 applies for so long as the revenue use requirements of 49

1 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.
2 For purposes of this Section, "aviation fuel" means a product
3 that is intended for use or offered for sale as fuel for an
4 aircraft.

5 (Source: P.A. 88-496.)

6 Section 35. The Innovation Development and Economy Act is
7 amended by changing Sections 10 and 31 as follows:

8 (50 ILCS 470/10)

9 Sec. 10. Definitions. As used in this Act, the following
10 words and phrases shall have the following meanings unless a
11 different meaning clearly appears from the context:

12 "Base year" means the calendar year immediately prior to
13 the calendar year in which the STAR bond district is
14 established.

15 "Commence work" means the manifest commencement of actual
16 operations on the development site, such as, erecting a
17 building, general on-site and off-site grading and utility
18 installations, commencing design and construction
19 documentation, ordering lead-time materials, excavating the
20 ground to lay a foundation or a basement, or work of like
21 description which a reasonable person would recognize as being
22 done with the intention and purpose to continue work until the
23 project is completed.

24 "County" means the county in which a proposed STAR bond

1 district is located.

2 "De minimis" means an amount less than 15% of the land area
3 within a STAR bond district.

4 "Department of Revenue" means the Department of Revenue of
5 the State of Illinois.

6 "Destination user" means an owner, operator, licensee,
7 co-developer, subdeveloper, or tenant (i) that operates a
8 business within a STAR bond district that is a retail store
9 having at least 150,000 square feet of sales floor area; (ii)
10 that at the time of opening does not have another Illinois
11 location within a 70 mile radius; (iii) that has an annual
12 average of not less than 30% of customers who travel from at
13 least 75 miles away or from out-of-state, as demonstrated by
14 data from a comparable existing store or stores, or, if there
15 is no comparable existing store, as demonstrated by an economic
16 analysis that shows that the proposed retailer will have an
17 annual average of not less than 30% of customers who travel
18 from at least 75 miles away or from out-of-state; and (iv) that
19 makes an initial capital investment, including project costs
20 and other direct costs, of not less than \$30,000,000 for such
21 retail store.

22 "Destination hotel" means a hotel (as that term is defined
23 in Section 2 of the Hotel Operators' Occupation Tax Act)
24 complex having at least 150 guest rooms and which also includes
25 a venue for entertainment attractions, rides, or other
26 activities oriented toward the entertainment and amusement of

1 its guests and other patrons.

2 "Developer" means any individual, corporation, trust,
3 estate, partnership, limited liability partnership, limited
4 liability company, or other entity. The term does not include a
5 not-for-profit entity, political subdivision, or other agency
6 or instrumentality of the State.

7 "Director" means the Director of Revenue, who shall consult
8 with the Director of Commerce and Economic Opportunity in any
9 approvals or decisions required by the Director under this Act.

10 "Economic impact study" means a study conducted by an
11 independent economist to project the financial benefit of the
12 proposed STAR bond project to the local, regional, and State
13 economies, consider the proposed adverse impacts on similar
14 projects and businesses, as well as municipalities within the
15 projected market area, and draw conclusions about the net
16 effect of the proposed STAR bond project on the local,
17 regional, and State economies. A copy of the economic impact
18 study shall be provided to the Director for review.

19 "Eligible area" means any improved or vacant area that (i)
20 is contiguous and is not, in the aggregate, less than 250 acres
21 nor more than 500 acres which must include only parcels of real
22 property directly and substantially benefited by the proposed
23 STAR bond district plan, (ii) is adjacent to a federal
24 interstate highway, (iii) is within one mile of 2 State
25 highways, (iv) is within one mile of an entertainment user, or
26 a major or minor league sports stadium or other similar

1 entertainment venue that had an initial capital investment of
2 at least \$20,000,000, and (v) includes land that was previously
3 surface or strip mined. The area may be bisected by streets,
4 highways, roads, alleys, railways, bike paths, streams,
5 rivers, and other waterways and still be deemed contiguous. In
6 addition, in order to constitute an eligible area one of the
7 following requirements must be satisfied and all of which are
8 subject to the review and approval of the Director as provided
9 in subsection (d) of Section 15:

10 (a) the governing body of the political subdivision
11 shall have determined that the area meets the requirements
12 of a "blighted area" as defined under the Tax Increment
13 Allocation Redevelopment Act; or

14 (b) the governing body of the political subdivision
15 shall have determined that the area is a blighted area as
16 determined under the provisions of Section 11-74.3-5 of the
17 Illinois Municipal Code; or

18 (c) the governing body of the political subdivision
19 shall make the following findings:

20 (i) that the vacant portions of the area have
21 remained vacant for at least one year, or that any
22 building located on a vacant portion of the property
23 was demolished within the last year and that the
24 building would have qualified under item (ii) of this
25 subsection;

26 (ii) if portions of the area are currently

1 developed, that the use, condition, and character of
2 the buildings on the property are not consistent with
3 the purposes set forth in Section 5;

4 (iii) that the STAR bond district is expected to
5 create or retain job opportunities within the
6 political subdivision;

7 (iv) that the STAR bond district will serve to
8 further the development of adjacent areas;

9 (v) that without the availability of STAR bonds,
10 the projects described in the STAR bond district plan
11 would not be possible;

12 (vi) that the master developer meets high
13 standards of creditworthiness and financial strength
14 as demonstrated by one or more of the following: (i)
15 corporate debenture ratings of BBB or higher by
16 Standard & Poor's Corporation or Baa or higher by
17 Moody's Investors Service, Inc.; (ii) a letter from a
18 financial institution with assets of \$10,000,000 or
19 more attesting to the financial strength of the master
20 developer; or (iii) specific evidence of equity
21 financing for not less than 10% of the estimated total
22 STAR bond project costs;

23 (vii) that the STAR bond district will strengthen
24 the commercial sector of the political subdivision;

25 (viii) that the STAR bond district will enhance the
26 tax base of the political subdivision; and

1 (ix) that the formation of a STAR bond district is
2 in the best interest of the political subdivision.

3 "Entertainment user" means an owner, operator, licensee,
4 co-developer, subdeveloper, or tenant that operates a business
5 within a STAR bond district that has a primary use of providing
6 a venue for entertainment attractions, rides, or other
7 activities oriented toward the entertainment and amusement of
8 its patrons, occupies at least 20 acres of land in the STAR
9 bond district, and makes an initial capital investment,
10 including project costs and other direct and indirect costs, of
11 not less than \$25,000,000 for that venue.

12 "Feasibility study" means a feasibility study as defined in
13 subsection (b) of Section 20.

14 "Infrastructure" means the public improvements and private
15 improvements that serve the public purposes set forth in
16 Section 5 of this Act and that benefit the STAR bond district
17 or any STAR bond projects, including, but not limited to,
18 streets, drives and driveways, traffic and directional signs
19 and signals, parking lots and parking facilities,
20 interchanges, highways, sidewalks, bridges, underpasses and
21 overpasses, bike and walking trails, sanitary storm sewers and
22 lift stations, drainage conduits, channels, levees, canals,
23 storm water detention and retention facilities, utilities and
24 utility connections, water mains and extensions, and street and
25 parking lot lighting and connections.

26 "Local sales taxes" means any locally imposed taxes

1 received by a municipality, county, or other local governmental
2 entity arising from sales by retailers and servicemen within a
3 STAR bond district, including business district sales taxes and
4 STAR bond occupation taxes, and that portion of the net revenue
5 realized under the Retailers' Occupation Tax Act, the Use Tax
6 Act, the Service Use Tax Act, and the Service Occupation Tax
7 Act from transactions at places of business located within a
8 STAR bond district that is deposited into the Local Government
9 Tax Fund and the County and Mass Transit District Fund. For the
10 purpose of this Act, "local sales taxes" does not include (i)
11 any taxes authorized pursuant to the Local Mass Transit
12 District Act or the Metro-East Park and Recreation District Act
13 for so long as the applicable taxing district does not impose a
14 tax on real property, (ii) county school facility occupation
15 taxes imposed pursuant to Section 5-1006.7 of the Counties
16 Code, or (iii) any taxes authorized under the Flood Prevention
17 District Act.

18 "Local sales tax increment" means, except as otherwise
19 provided in this Section, with respect to local sales taxes
20 administered by the Illinois Department of Revenue, (i) all of
21 the local sales tax paid by destination users, destination
22 hotels, and entertainment users that is in excess of the local
23 sales tax paid by destination users, destination hotels, and
24 entertainment users for the same month in the base year, as
25 determined by the Illinois Department of Revenue, (ii) in the
26 case of a municipality forming a STAR bond district that is

1 wholly within the corporate boundaries of the municipality and
2 in the case of a municipality and county forming a STAR bond
3 district that is only partially within such municipality, that
4 portion of the local sales tax paid by taxpayers that are not
5 destination users, destination hotels, or entertainment users
6 that is in excess of the local sales tax paid by taxpayers that
7 are not destination users, destination hotels, or
8 entertainment users for the same month in the base year, as
9 determined by the Illinois Department of Revenue, and (iii) in
10 the case of a county in which a STAR bond district is formed
11 that is wholly within a municipality, that portion of the local
12 sales tax paid by taxpayers that are not destination users,
13 destination hotels, or entertainment users that is in excess of
14 the local sales tax paid by taxpayers that are not destination
15 users, destination hotels, or entertainment users for the same
16 month in the base year, as determined by the Illinois
17 Department of Revenue, but only if the corporate authorities of
18 the county adopts an ordinance, and files a copy with the
19 Department within the same time frames as required for STAR
20 bond occupation taxes under Section 31, that designates the
21 taxes referenced in this clause (iii) as part of the local
22 sales tax increment under this Act. "Local sales tax increment"
23 means, with respect to local sales taxes administered by a
24 municipality, county, or other unit of local government, that
25 portion of the local sales tax that is in excess of the local
26 sales tax for the same month in the base year, as determined by

1 the respective municipality, county, or other unit of local
2 government. If any portion of local sales taxes are, at the
3 time of formation of a STAR bond district, already subject to
4 tax increment financing under the Tax Increment Allocation
5 Redevelopment Act, then the local sales tax increment for such
6 portion shall be frozen at the base year established in
7 accordance with this Act, and all future incremental increases
8 shall be included in the "local sales tax increment" under this
9 Act. Any party otherwise entitled to receipt of incremental
10 local sales tax revenues through an existing tax increment
11 financing district shall be entitled to continue to receive
12 such revenues up to the amount frozen in the base year. Nothing
13 in this Act shall affect the prior qualification of existing
14 redevelopment project costs incurred that are eligible for
15 reimbursement under the Tax Increment Allocation Redevelopment
16 Act. In such event, prior to approving a STAR bond district,
17 the political subdivision forming the STAR bond district shall
18 take such action as is necessary, including amending the
19 existing tax increment financing district redevelopment plan,
20 to carry out the provisions of this Act. The Illinois
21 Department of Revenue shall allocate the local sales tax
22 increment only if the local sales tax is administered by the
23 Department. "Local sales tax increment" does not include taxes
24 and penalties collected on aviation fuel, as defined in Section
25 3 of the Retailers' Occupation Tax, sold on or after December
26 1, 2019.

1 "Market study" means a study to determine the ability of
2 the proposed STAR bond project to gain market share locally and
3 regionally and to remain profitable past the term of repayment
4 of STAR bonds.

5 "Master developer" means a developer cooperating with a
6 political subdivision to plan, develop, and implement a STAR
7 bond project plan for a STAR bond district. Subject to the
8 limitations of Section 25, the master developer may work with
9 and transfer certain development rights to other developers for
10 the purpose of implementing STAR bond project plans and
11 achieving the purposes of this Act. A master developer for a
12 STAR bond district shall be appointed by a political
13 subdivision in the resolution establishing the STAR bond
14 district, and the master developer must, at the time of
15 appointment, own or have control of, through purchase
16 agreements, option contracts, or other means, not less than 50%
17 of the acreage within the STAR bond district and the master
18 developer or its affiliate must have ownership or control on
19 June 1, 2010.

20 "Master development agreement" means an agreement between
21 the master developer and the political subdivision to govern a
22 STAR bond district and any STAR bond projects.

23 "Municipality" means the city, village, or incorporated
24 town in which a proposed STAR bond district is located.

25 "Pledged STAR revenues" means those sales tax and revenues
26 and other sources of funds pledged to pay debt service on STAR

1 bonds or to pay project costs pursuant to Section 30.
2 Notwithstanding any provision to the contrary, the following
3 revenues shall not constitute pledged STAR revenues or be
4 available to pay principal and interest on STAR bonds: any
5 State sales tax increment or local sales tax increment from a
6 retail entity initiating operations in a STAR bond district
7 while terminating operations at another Illinois location
8 within 25 miles of the STAR bond district. For purposes of this
9 paragraph, "terminating operations" means a closing of a retail
10 operation that is directly related to the opening of the same
11 operation or like retail entity owned or operated by more than
12 50% of the original ownership in a STAR bond district within
13 one year before or after initiating operations in the STAR bond
14 district, but it does not mean closing an operation for reasons
15 beyond the control of the retail entity, as documented by the
16 retail entity, subject to a reasonable finding by the
17 municipality (or county if such retail operation is not located
18 within a municipality) in which the terminated operations were
19 located that the closed location contained inadequate space,
20 had become economically obsolete, or was no longer a viable
21 location for the retailer or serviceman.

22 "Political subdivision" means a municipality or county
23 which undertakes to establish a STAR bond district pursuant to
24 the provisions of this Act.

25 "Project costs" means and includes the sum total of all
26 costs incurred or estimated to be incurred on or following the

1 date of establishment of a STAR bond district that are
2 reasonable or necessary to implement a STAR bond district plan
3 or any STAR bond project plans, or both, including costs
4 incurred for public improvements and private improvements that
5 serve the public purposes set forth in Section 5 of this Act.
6 Such costs include without limitation the following:

7 (a) costs of studies, surveys, development of plans and
8 specifications, formation, implementation, and
9 administration of a STAR bond district, STAR bond district
10 plan, any STAR bond projects, or any STAR bond project
11 plans, including, but not limited to, staff and
12 professional service costs for architectural, engineering,
13 legal, financial, planning, or other services, provided
14 however that no charges for professional services may be
15 based on a percentage of the tax increment collected and no
16 contracts for professional services, excluding
17 architectural and engineering services, may be entered
18 into if the terms of the contract extend beyond a period of
19 3 years;

20 (b) property assembly costs, including, but not
21 limited to, acquisition of land and other real property or
22 rights or interests therein, located within the boundaries
23 of a STAR bond district, demolition of buildings, site
24 preparation, site improvements that serve as an engineered
25 barrier addressing ground level or below ground
26 environmental contamination, including, but not limited

1 to, parking lots and other concrete or asphalt barriers,
2 the clearing and grading of land, and importing additional
3 soil and fill materials, or removal of soil and fill
4 materials from the site;

5 (c) subject to paragraph (d), costs of buildings and
6 other vertical improvements that are located within the
7 boundaries of a STAR bond district and owned by a political
8 subdivision or other public entity, including without
9 limitation police and fire stations, educational
10 facilities, and public restrooms and rest areas;

11 (c-1) costs of buildings and other vertical
12 improvements that are located within the boundaries of a
13 STAR bond district and owned by a destination user or
14 destination hotel; except that only 2 destination users in
15 a STAR bond district and one destination hotel are eligible
16 to include the cost of those vertical improvements as
17 project costs;

18 (c-5) costs of buildings; rides and attractions, which
19 include carousels, slides, roller coasters, displays,
20 models, towers, works of art, and similar theme and
21 amusement park improvements; and other vertical
22 improvements that are located within the boundaries of a
23 STAR bond district and owned by an entertainment user;
24 except that only one entertainment user in a STAR bond
25 district is eligible to include the cost of those vertical
26 improvements as project costs;

1 (d) costs of the design and construction of
2 infrastructure and public works located within the
3 boundaries of a STAR bond district that are reasonable or
4 necessary to implement a STAR bond district plan or any
5 STAR bond project plans, or both, except that project costs
6 shall not include the cost of constructing a new municipal
7 public building principally used to provide offices,
8 storage space, or conference facilities or vehicle
9 storage, maintenance, or repair for administrative, public
10 safety, or public works personnel and that is not intended
11 to replace an existing public building unless the political
12 subdivision makes a reasonable determination in a STAR bond
13 district plan or any STAR bond project plans, supported by
14 information that provides the basis for that
15 determination, that the new municipal building is required
16 to meet an increase in the need for public safety purposes
17 anticipated to result from the implementation of the STAR
18 bond district plan or any STAR bond project plans;

19 (e) costs of the design and construction of the
20 following improvements located outside the boundaries of a
21 STAR bond district, provided that the costs are essential
22 to further the purpose and development of a STAR bond
23 district plan and either (i) part of and connected to
24 sewer, water, or utility service lines that physically
25 connect to the STAR bond district or (ii) significant
26 improvements for adjacent offsite highways, streets,

1 roadways, and interchanges that are approved by the
2 Illinois Department of Transportation. No other cost of
3 infrastructure and public works improvements located
4 outside the boundaries of a STAR bond district may be
5 deemed project costs;

6 (f) costs of job training and retraining projects,
7 including the cost of "welfare to work" programs
8 implemented by businesses located within a STAR bond
9 district;

10 (g) financing costs, including, but not limited to, all
11 necessary and incidental expenses related to the issuance
12 of obligations and which may include payment of interest on
13 any obligations issued hereunder including interest
14 accruing during the estimated period of construction of any
15 improvements in a STAR bond district or any STAR bond
16 projects for which such obligations are issued and for not
17 exceeding 36 months thereafter and including reasonable
18 reserves related thereto;

19 (h) to the extent the political subdivision by written
20 agreement accepts and approves the same, all or a portion
21 of a taxing district's capital costs resulting from a STAR
22 bond district or STAR bond projects necessarily incurred or
23 to be incurred within a taxing district in furtherance of
24 the objectives of a STAR bond district plan or STAR bond
25 project plans;

26 (i) interest cost incurred by a developer for project

1 costs related to the acquisition, formation,
2 implementation, development, construction, and
3 administration of a STAR bond district, STAR bond district
4 plan, STAR bond projects, or any STAR bond project plans
5 provided that:

6 (i) payment of such costs in any one year may not
7 exceed 30% of the annual interest costs incurred by the
8 developer with regard to the STAR bond district or any
9 STAR bond projects during that year; and

10 (ii) the total of such interest payments paid
11 pursuant to this Act may not exceed 30% of the total
12 cost paid or incurred by the developer for a STAR bond
13 district or STAR bond projects, plus project costs,
14 excluding any property assembly costs incurred by a
15 political subdivision pursuant to this Act;

16 (j) costs of common areas located within the boundaries
17 of a STAR bond district;

18 (k) costs of landscaping and plantings, retaining
19 walls and fences, man-made lakes and ponds, shelters,
20 benches, lighting, and similar amenities located within
21 the boundaries of a STAR bond district;

22 (l) costs of mounted building signs, site monument, and
23 pylon signs located within the boundaries of a STAR bond
24 district; or

25 (m) if included in the STAR bond district plan and
26 approved in writing by the Director, salaries or a portion

1 of salaries for local government employees to the extent
2 the same are directly attributable to the work of such
3 employees on the establishment and management of a STAR
4 bond district or any STAR bond projects.

5 Except as specified in items (a) through (m), "project
6 costs" shall not include:

7 (i) the cost of construction of buildings that are
8 privately owned or owned by a municipality and leased to a
9 developer or retail user for non-entertainment retail
10 uses;

11 (ii) moving expenses for employees of the businesses
12 locating within the STAR bond district;

13 (iii) property taxes for property located in the STAR
14 bond district;

15 (iv) lobbying costs; and

16 (v) general overhead or administrative costs of the
17 political subdivision that would still have been incurred
18 by the political subdivision if the political subdivision
19 had not established a STAR bond district.

20 "Project development agreement" means any one or more
21 agreements, including any amendments thereto, between a master
22 developer and any co-developer or subdeveloper in connection
23 with a STAR bond project, which project development agreement
24 may include the political subdivision as a party.

25 "Projected market area" means any area within the State in
26 which a STAR bond district or STAR bond project is projected to

1 have a significant fiscal or market impact as determined by the
2 Director.

3 "Resolution" means a resolution, order, ordinance, or
4 other appropriate form of legislative action of a political
5 subdivision or other applicable public entity approved by a
6 vote of a majority of a quorum at a meeting of the governing
7 body of the political subdivision or applicable public entity.

8 "STAR bond" means a sales tax and revenue bond, note, or
9 other obligation payable from pledged STAR revenues and issued
10 by a political subdivision, the proceeds of which shall be used
11 only to pay project costs as defined in this Act.

12 "STAR bond district" means the specific area declared to be
13 an eligible area as determined by the political subdivision,
14 and approved by the Director, in which the political
15 subdivision may develop one or more STAR bond projects.

16 "STAR bond district plan" means the preliminary or
17 conceptual plan that generally identifies the proposed STAR
18 bond project areas and identifies in a general manner the
19 buildings, facilities, and improvements to be constructed or
20 improved in each STAR bond project area.

21 "STAR bond project" means a project within a STAR bond
22 district which is approved pursuant to Section 20.

23 "STAR bond project area" means the geographic area within a
24 STAR bond district in which there may be one or more STAR bond
25 projects.

26 "STAR bond project plan" means the written plan adopted by

1 a political subdivision for the development of a STAR bond
2 project in a STAR bond district; the plan may include, but is
3 not limited to, (i) project costs incurred prior to the date of
4 the STAR bond project plan and estimated future STAR bond
5 project costs, (ii) proposed sources of funds to pay those
6 costs, (iii) the nature and estimated term of any obligations
7 to be issued by the political subdivision to pay those costs,
8 (iv) the most recent equalized assessed valuation of the STAR
9 bond project area, (v) an estimate of the equalized assessed
10 valuation of the STAR bond district or applicable project area
11 after completion of a STAR bond project, (vi) a general
12 description of the types of any known or proposed developers,
13 users, or tenants of the STAR bond project or projects included
14 in the plan, (vii) a general description of the type,
15 structure, and character of the property or facilities to be
16 developed or improved, (viii) a description of the general land
17 uses to apply to the STAR bond project, and (ix) a general
18 description or an estimate of the type, class, and number of
19 employees to be employed in the operation of the STAR bond
20 project.

21 "State sales tax" means all of the net revenue realized
22 under the Retailers' Occupation Tax Act, the Use Tax Act, the
23 Service Use Tax Act, and the Service Occupation Tax Act from
24 transactions at places of business located within a STAR bond
25 district, excluding that portion of the net revenue realized
26 under the Retailers' Occupation Tax Act, the Use Tax Act, the

1 Service Use Tax Act, and the Service Occupation Tax Act from
2 transactions at places of business located within a STAR bond
3 district that is deposited into the Local Government Tax Fund
4 and the County and Mass Transit District Fund.

5 "State sales tax increment" means (i) 100% of that portion
6 of the State sales tax that is in excess of the State sales tax
7 for the same month in the base year, as determined by the
8 Department of Revenue, from transactions at up to 2 destination
9 users, one destination hotel, and one entertainment user
10 located within a STAR bond district, which destination users,
11 destination hotel, and entertainment user shall be designated
12 by the master developer and approved by the political
13 subdivision and the Director in conjunction with the applicable
14 STAR bond project approval, and (ii) 25% of that portion of the
15 State sales tax that is in excess of the State sales tax for
16 the same month in the base year, as determined by the
17 Department of Revenue, from all other transactions within a
18 STAR bond district. If any portion of State sales taxes are, at
19 the time of formation of a STAR bond district, already subject
20 to tax increment financing under the Tax Increment Allocation
21 Redevelopment Act, then the State sales tax increment for such
22 portion shall be frozen at the base year established in
23 accordance with this Act, and all future incremental increases
24 shall be included in the State sales tax increment under this
25 Act. Any party otherwise entitled to receipt of incremental
26 State sales tax revenues through an existing tax increment

1 financing district shall be entitled to continue to receive
2 such revenues up to the amount frozen in the base year. Nothing
3 in this Act shall affect the prior qualification of existing
4 redevelopment project costs incurred that are eligible for
5 reimbursement under the Tax Increment Allocation Redevelopment
6 Act. In such event, prior to approving a STAR bond district,
7 the political subdivision forming the STAR bond district shall
8 take such action as is necessary, including amending the
9 existing tax increment financing district redevelopment plan,
10 to carry out the provisions of this Act.

11 "Substantial change" means a change wherein the proposed
12 STAR bond project plan differs substantially in size, scope, or
13 use from the approved STAR bond district plan or STAR bond
14 project plan.

15 "Taxpayer" means an individual, partnership, corporation,
16 limited liability company, trust, estate, or other entity that
17 is subject to the Illinois Income Tax Act.

18 "Total development costs" means the aggregate public and
19 private investment in a STAR bond district, including project
20 costs and other direct and indirect costs related to the
21 development of the STAR bond district.

22 "Traditional retail use" means the operation of a business
23 that derives at least 90% of its annual gross revenue from
24 sales at retail, as that phrase is defined by Section 1 of the
25 Retailers' Occupation Tax Act, but does not include the
26 operations of destination users, entertainment users,

1 restaurants, hotels, retail uses within hotels, or any other
2 non-retail uses.

3 "Vacant" means that portion of the land in a proposed STAR
4 bond district that is not occupied by a building, facility, or
5 other vertical improvement.

6 (Source: P.A. 99-642, eff. 7-28-16.)

7 (50 ILCS 470/31)

8 Sec. 31. STAR bond occupation taxes.

9 (a) If the corporate authorities of a political subdivision
10 have established a STAR bond district and have elected to
11 impose a tax by ordinance pursuant to subsection (b) or (c) of
12 this Section, each year after the date of the adoption of the
13 ordinance and until all STAR bond project costs and all
14 political subdivision obligations financing the STAR bond
15 project costs, if any, have been paid in accordance with the
16 STAR bond project plans, but in no event longer than the
17 maximum maturity date of the last of the STAR bonds issued for
18 projects in the STAR bond district, all amounts generated by
19 the retailers' occupation tax and service occupation tax shall
20 be collected and the tax shall be enforced by the Department of
21 Revenue in the same manner as all retailers' occupation taxes
22 and service occupation taxes imposed in the political
23 subdivision imposing the tax. The corporate authorities of the
24 political subdivision shall deposit the proceeds of the taxes
25 imposed under subsections (b) and (c) into either (i) a special

1 fund held by the corporate authorities of the political
2 subdivision called the STAR Bonds Tax Allocation Fund for the
3 purpose of paying STAR bond project costs and obligations
4 incurred in the payment of those costs if such taxes are
5 designated as pledged STAR revenues by resolution or ordinance
6 of the political subdivision or (ii) the political
7 subdivision's general corporate fund if such taxes are not
8 designated as pledged STAR revenues by resolution or ordinance.

9 The tax imposed under this Section by a municipality may be
10 imposed only on the portion of a STAR bond district that is
11 within the boundaries of the municipality. For any part of a
12 STAR bond district that lies outside of the boundaries of that
13 municipality, the municipality in which the other part of the
14 STAR bond district lies (or the county, in cases where a
15 portion of the STAR bond district lies in the unincorporated
16 area of a county) is authorized to impose the tax under this
17 Section on that part of the STAR bond district.

18 (b) The corporate authorities of a political subdivision
19 that has established a STAR bond district under this Act may,
20 by ordinance or resolution, impose a STAR Bond Retailers'
21 Occupation Tax upon all persons engaged in the business of
22 selling tangible personal property, other than an item of
23 tangible personal property titled or registered with an agency
24 of this State's government, at retail in the STAR bond district
25 at a rate not to exceed 1% of the gross receipts from the sales
26 made in the course of that business, to be imposed only in

1 0.25% increments. The tax may not be imposed on tangible
2 personal property taxed at the 1% rate under the Retailers'
3 Occupation Tax Act. Beginning December 1, 2019, this tax is not
4 imposed on sales of aviation fuel unless the tax revenue is
5 expended for airport-related purposes. If the District does not
6 have an airport-related purpose to which aviation fuel tax
7 revenue is dedicated, then aviation fuel is excluded from the
8 tax. The municipality must comply with the certification
9 requirements for airport-related purposes under Section
10 8-11-22 of the Illinois Municipal Code. For purposes of this
11 Act, "airport-related purposes" has the meaning ascribed in
12 Section 6z-20.2 of the State Finance Act. This exclusion for
13 aviation fuel only applies for so long as the revenue use
14 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
15 binding on the District.

16 The tax imposed under this subsection and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the Department of Revenue. The
19 certificate of registration that is issued by the Department to
20 a retailer under the Retailers' Occupation Tax Act shall permit
21 the retailer to engage in a business that is taxable under any
22 ordinance or resolution enacted pursuant to this subsection
23 without registering separately with the Department under such
24 ordinance or resolution or under this subsection. The
25 Department of Revenue shall have full power to administer and
26 enforce this subsection, to collect all taxes and penalties due

1 under this subsection in the manner hereinafter provided, and
2 to determine all rights to credit memoranda arising on account
3 of the erroneous payment of tax or penalty under this
4 subsection. In the administration of, and compliance with, this
5 subsection, the Department and persons who are subject to this
6 subsection shall have the same rights, remedies, privileges,
7 immunities, powers, and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties, exclusions,
9 exemptions, and definitions of terms and employ the same modes
10 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
11 through 2-65 (in respect to all provisions therein other than
12 the State rate of tax), 2c through 2h, 3 (except as to the
13 disposition of taxes and penalties collected, and except that
14 the retailer's discount is not allowed for taxes paid on
15 aviation fuel that are deposited into the Local Government
16 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j,
17 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
18 Retailers' Occupation Tax Act and all provisions of the Uniform
19 Penalty and Interest Act, as fully as if those provisions were
20 set forth herein.

21 If a tax is imposed under this subsection (b), a tax shall
22 also be imposed under subsection (c) of this Section.

23 (c) If a tax has been imposed under subsection (b), a STAR
24 Bond Service Occupation Tax shall also be imposed upon all
25 persons engaged, in the STAR bond district, in the business of
26 making sales of service, who, as an incident to making those

1 sales of service, transfer tangible personal property within
2 the STAR bond district, either in the form of tangible personal
3 property or in the form of real estate as an incident to a sale
4 of service. The tax shall be imposed at the same rate as the
5 tax imposed in subsection (b) and shall not exceed 1% of the
6 selling price of tangible personal property so transferred
7 within the STAR bond district, to be imposed only in 0.25%
8 increments. The tax may not be imposed on tangible personal
9 property taxed at the 1% rate under the Service Occupation Tax
10 Act. Beginning December 1, 2019, this tax is not imposed on
11 sales of aviation fuel unless the tax revenue is expended for
12 airport-related purposes. If the District does not have an
13 airport-related purpose to which aviation fuel tax revenue is
14 dedicated, then aviation fuel is excluded from the tax. The
15 municipality must comply with the certification requirements
16 for airport-related purposes under Section 8-11-22 of the
17 Illinois Municipal Code. For purposes of this Act,
18 "airport-related purposes" has the meaning ascribed in Section
19 6z-20.2 of the State Finance Act. This exclusion for aviation
20 fuel only applies for so long as the revenue use requirements
21 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
22 District.

23 The tax imposed under this subsection and all civil
24 penalties that may be assessed as an incident thereof shall be
25 collected and enforced by the Department of Revenue. The
26 certificate of registration that is issued by the Department to

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

1 not be taken against any State tax, and except that the
2 retailer's discount is not allowed for taxes paid on aviation
3 fuel that are deposited into the Local Government Aviation
4 Trust Fund), 10, 11, 12 (except the reference therein to
5 Section 2b of the Retailers' Occupation Tax Act), 13 (except
6 that any reference to the State shall mean the political
7 subdivision), the first paragraph of Section 15, and Sections
8 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all
9 provisions of the Uniform Penalty and Interest Act, as fully as
10 if those provisions were set forth herein.

11 If a tax is imposed under this subsection (c), a tax shall
12 also be imposed under subsection (b) of this Section.

13 (d) Persons subject to any tax imposed under this Section
14 may reimburse themselves for their seller's tax liability under
15 this Section by separately stating the tax as an additional
16 charge, which charge may be stated in combination, in a single
17 amount, with State taxes that sellers are required to collect
18 under the Use Tax Act, in accordance with such bracket
19 schedules as the Department may prescribe.

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

1 Except as otherwise provided in this paragraph, the ~~The~~
2 Department shall immediately pay over to the State Treasurer,
3 ex officio, as trustee, all taxes, penalties, and interest
4 collected under this Section for deposit into the STAR Bond
5 Retailers' Occupation Tax Fund. Taxes and penalties collected
6 on aviation fuel sold on or after December 1, 2019, shall be
7 immediately paid over by the Department to the State Treasurer,
8 ex officio, as trustee, for deposit into the Local Government
9 Aviation Trust Fund. The Department shall only pay moneys into
10 the State Aviation Program Fund under this Act for so long as
11 the revenue use requirements of 49 U.S.C. 47107(b) and 49
12 U.S.C. 47133 are binding on the District. On or before the 25th
13 day of each calendar month, the Department shall prepare and
14 certify to the Comptroller the disbursement of stated sums of
15 money to named political subdivisions from the STAR Bond
16 Retailers' Occupation Tax Fund, the political subdivisions to
17 be those from which retailers have paid taxes or penalties
18 under this Section to the Department during the second
19 preceding calendar month. The amount to be paid to each
20 political subdivision shall be the amount (not including credit
21 memoranda and not including taxes and penalties collected on
22 aviation fuel sold on or after December 1, 2019) collected
23 under this Section during the second preceding calendar month
24 by the Department plus an amount the Department determines is
25 necessary to offset any amounts that were erroneously paid to a
26 different taxing body, and not including an amount equal to the

1 amount of refunds made during the second preceding calendar
2 month by the Department, less 3% of that amount, which shall be
3 deposited into the Tax Compliance and Administration Fund and
4 shall be used by the Department, subject to appropriation, to
5 cover the costs of the Department in administering and
6 enforcing the provisions of this Section, on behalf of such
7 political subdivision, and not including any amount that the
8 Department determines is necessary to offset any amounts that
9 were payable to a different taxing body but were erroneously
10 paid to the political subdivision. Within 10 days after receipt
11 by the Comptroller of the disbursement certification to the
12 political subdivisions provided for in this Section to be given
13 to the Comptroller by the Department, the Comptroller shall
14 cause the orders to be drawn for the respective amounts in
15 accordance with the directions contained in the certification.
16 The proceeds of the tax paid to political subdivisions under
17 this Section shall be deposited into either (i) the STAR Bonds
18 Tax Allocation Fund by the political subdivision if the
19 political subdivision has designated them as pledged STAR
20 revenues by resolution or ordinance or (ii) the political
21 subdivision's general corporate fund if the political
22 subdivision has not designated them as pledged STAR revenues.

23 An ordinance or resolution imposing or discontinuing the
24 tax under this Section or effecting a change in the rate
25 thereof shall either (i) be adopted and a certified copy
26 thereof filed with the Department on or before the first day of

1 April, whereupon the Department, if all other requirements of
2 this Section are met, shall proceed to administer and enforce
3 this Section as of the first day of July next following the
4 adoption and filing; or (ii) be adopted and a certified copy
5 thereof filed with the Department on or before the first day of
6 October, whereupon, if all other requirements of this Section
7 are met, the Department shall proceed to administer and enforce
8 this Section as of the first day of January next following the
9 adoption and filing.

10 The Department of Revenue shall not administer or enforce
11 an ordinance imposing, discontinuing, or changing the rate of
12 the tax under this Section until the political subdivision also
13 provides, in the manner prescribed by the Department, the
14 boundaries of the STAR bond district and each address in the
15 STAR bond district in such a way that the Department can
16 determine by its address whether a business is located in the
17 STAR bond district. The political subdivision must provide this
18 boundary and address information to the Department on or before
19 April 1 for administration and enforcement of the tax under
20 this Section by the Department beginning on the following July
21 1 and on or before October 1 for administration and enforcement
22 of the tax under this Section by the Department beginning on
23 the following January 1. The Department of Revenue shall not
24 administer or enforce any change made to the boundaries of a
25 STAR bond district or any address change, addition, or deletion
26 until the political subdivision reports the boundary change or

1 address change, addition, or deletion to the Department in the
2 manner prescribed by the Department. The political subdivision
3 must provide this boundary change or address change, addition,
4 or deletion information to the Department on or before April 1
5 for administration and enforcement by the Department of the
6 change, addition, or deletion beginning on the following July 1
7 and on or before October 1 for administration and enforcement
8 by the Department of the change, addition, or deletion
9 beginning on the following January 1. The retailers in the STAR
10 bond district shall be responsible for charging the tax imposed
11 under this Section. If a retailer is incorrectly included or
12 excluded from the list of those required to collect the tax
13 under this Section, both the Department of Revenue and the
14 retailer shall be held harmless if they reasonably relied on
15 information provided by the political subdivision.

16 A political subdivision that imposes the tax under this
17 Section must submit to the Department of Revenue any other
18 information as the Department may require that is necessary for
19 the administration and enforcement of the tax.

20 When certifying the amount of a monthly disbursement to a
21 political subdivision under this Section, the Department shall
22 increase or decrease the amount by an amount necessary to
23 offset any misallocation of previous disbursements. The offset
24 amount shall be the amount erroneously disbursed within the
25 previous 6 months from the time a misallocation is discovered.

26 Nothing in this Section shall be construed to authorize the

1 political subdivision to impose a tax upon the privilege of
2 engaging in any business which under the Constitution of the
3 United States may not be made the subject of taxation by this
4 State.

5 (e) When STAR bond project costs, including, without
6 limitation, all political subdivision obligations financing
7 STAR bond project costs, have been paid, any surplus funds then
8 remaining in the STAR Bonds Tax Allocation Fund shall be
9 distributed to the treasurer of the political subdivision for
10 deposit into the political subdivision's general corporate
11 fund. Upon payment of all STAR bond project costs and
12 retirement of obligations, but in no event later than the
13 maximum maturity date of the last of the STAR bonds issued in
14 the STAR bond district, the political subdivision shall adopt
15 an ordinance immediately rescinding the taxes imposed pursuant
16 to this Section and file a certified copy of the ordinance with
17 the Department in the form and manner as described in this
18 Section.

19 (Source: P.A. 99-143, eff. 7-27-15; 100-1171, eff. 1-4-19.)

20 Section 40. The Counties Code is amended by changing
21 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, 5-1008.5, 5-1009,
22 and 5-1035.1 and by adding Section 5-1184 as follows:

23 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

24 Sec. 5-1006. Home Rule County Retailers' Occupation Tax

1 Law. Any county that is a home rule unit may impose a tax upon
2 all persons engaged in the business of selling tangible
3 personal property, other than an item of tangible personal
4 property titled or registered with an agency of this State's
5 government, at retail in the county on the gross receipts from
6 such sales made in the course of their business. If imposed,
7 this tax shall only be imposed in 1/4% increments. On and after
8 September 1, 1991, this additional tax may not be imposed on
9 tangible personal property taxed at the 1% rate under the
10 Retailers' Occupation Tax Act. Beginning December 1, 2019, this
11 tax is not imposed on sales of aviation fuel unless the tax
12 revenue is expended for airport-related purposes. If the county
13 does not have an airport-related purpose to which it dedicates
14 aviation fuel tax revenue, then aviation fuel is excluded from
15 the tax. The county must comply with the certification
16 requirements for airport-related purposes under Section
17 5-1184. For purposes of this Act, "airport-related purposes"
18 has the meaning ascribed in Section 6z-20.2 of the State
19 Finance Act. This exclusion for aviation fuel only applies for
20 so long as the revenue use requirements of 49 U.S.C. 47107(b)
21 and 49 U.S.C. 47133 are binding on the county. The changes made
22 to this Section by this amendatory Act of the 101st General
23 Assembly are a denial and limitation of home rule powers and
24 functions under subsection (g) of Section 6 of Article VII of
25 the Illinois Constitution. The tax imposed by a home rule
26 county pursuant to this Section and all civil penalties that

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

1 No tax may be imposed by a home rule county pursuant to
2 this Section unless the county also imposes a tax at the same
3 rate pursuant to Section 5-1007.

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

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

19 Except as otherwise provided in this paragraph, the ~~The~~
20 Department shall forthwith pay over to the State Treasurer, ex
21 officio, as trustee, all taxes and penalties collected
22 hereunder for deposit into the Home Rule County Retailers'
23 Occupation Tax Fund. Taxes and penalties collected on aviation
24 fuel sold on or after December 1, 2019, shall be immediately
25 paid over by the Department to the State Treasurer, ex officio,
26 as trustee, for deposit into the Local Government Aviation

1 Trust Fund. The Department shall only pay moneys into the Local
2 Government Aviation Trust Fund under this Act for so long as
3 the revenue use requirements of 49 U.S.C. 47107(b) and 49
4 U.S.C. 47133 are binding on the county.

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

13 After the monthly transfer to the STAR Bonds Revenue Fund,
14 on or before the 25th day of each calendar month, the
15 Department shall prepare and certify to the Comptroller the
16 disbursement of stated sums of money to named counties, the
17 counties to be those from which retailers have paid taxes or
18 penalties hereunder to the Department during the second
19 preceding calendar month. The amount to be paid to each county
20 shall be the amount (not including credit memoranda and not
21 including taxes and penalties collected on aviation fuel sold
22 on or after December 1, 2019) collected hereunder during the
23 second preceding calendar month by the Department plus an
24 amount the Department determines is necessary to offset any
25 amounts that were erroneously paid to a different taxing body,
26 and not including an amount equal to the amount of refunds made

1 during the second preceding calendar month by the Department on
2 behalf of such county, and not including any amount which the
3 Department determines is necessary to offset any amounts which
4 were payable to a different taxing body but were erroneously
5 paid to the county, and not including any amounts that are
6 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
7 remainder, which the Department shall transfer into the Tax
8 Compliance and Administration Fund. The Department, at the time
9 of each monthly disbursement to the counties, shall prepare and
10 certify to the State Comptroller the amount to be transferred
11 into the Tax Compliance and Administration Fund under this
12 Section. Within 10 days after receipt, by the Comptroller, of
13 the disbursement certification to the counties and the Tax
14 Compliance and Administration Fund provided for in this Section
15 to be given to the Comptroller by the Department, the
16 Comptroller shall cause the orders to be drawn for the
17 respective amounts in accordance with the directions contained
18 in the certification.

19 In addition to the disbursement required by the preceding
20 paragraph, an allocation shall be made in March of each year to
21 each county that received more than \$500,000 in disbursements
22 under the preceding paragraph in the preceding calendar year.
23 The allocation shall be in an amount equal to the average
24 monthly distribution made to each such county under the
25 preceding paragraph during the preceding calendar year
26 (excluding the 2 months of highest receipts). The distribution

1 made in March of each year subsequent to the year in which an
2 allocation was made pursuant to this paragraph and the
3 preceding paragraph shall be reduced by the amount allocated
4 and disbursed under this paragraph in the preceding calendar
5 year. The Department shall prepare and certify to the
6 Comptroller for disbursement the allocations made in
7 accordance with this paragraph.

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

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

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

1 Beginning January 1, 1992, an ordinance or resolution imposing
2 or discontinuing the tax hereunder or effecting a change in the
3 rate thereof shall be adopted and a certified copy thereof
4 filed with the Department on or before the first day of July,
5 whereupon the Department shall proceed to administer and
6 enforce this Section as of the first day of October next
7 following such adoption and filing. Beginning January 1, 1993,
8 an ordinance or resolution imposing or discontinuing the tax
9 hereunder or effecting a change in the rate thereof shall be
10 adopted and a certified copy thereof filed with the Department
11 on or before the first day of October, whereupon the Department
12 shall proceed to administer and enforce this Section as of the
13 first day of January next following such adoption and filing.
14 Beginning April 1, 1998, an ordinance or resolution imposing or
15 discontinuing the tax hereunder or effecting a change in the
16 rate thereof shall either (i) be adopted and a certified copy
17 thereof filed with the Department on or before the first day of
18 April, whereupon the Department shall proceed to administer and
19 enforce this Section as of the first day of July next following
20 the adoption and filing; or (ii) be adopted and a certified
21 copy thereof filed with the Department on or before the first
22 day of October, whereupon the Department shall proceed to
23 administer and enforce this Section as of the first day of
24 January next following the adoption and filing.

25 When certifying the amount of a monthly disbursement to a
26 county under this Section, the Department shall increase or

1 decrease such amount by an amount necessary to offset any
2 misallocation of previous disbursements. The offset amount
3 shall be the amount erroneously disbursed within the previous 6
4 months from the time a misallocation is discovered.

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

7 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;
8 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

9 (55 ILCS 5/5-1006.5)

10 Sec. 5-1006.5. Special County Retailers' Occupation Tax
11 For Public Safety, Public Facilities, Mental Health, Substance
12 Abuse, or Transportation.

13 (a) The county board of any county may impose a tax upon
14 all persons engaged in the business of selling tangible
15 personal property, other than personal property titled or
16 registered with an agency of this State's government, at retail
17 in the county on the gross receipts from the sales made in the
18 course of business to provide revenue to be used exclusively
19 for public safety, public facility, mental health, substance
20 abuse, or transportation purposes in that county (except as
21 otherwise provided in this Section), if a proposition for the
22 tax has been submitted to the electors of that county and
23 approved by a majority of those voting on the question. If
24 imposed, this tax shall be imposed only in one-quarter percent
25 increments. By resolution, the county board may order the

1 proposition to be submitted at any election. If the tax is
2 imposed for transportation purposes for expenditures for
3 public highways or as authorized under the Illinois Highway
4 Code, the county board must publish notice of the existence of
5 its long-range highway transportation plan as required or
6 described in Section 5-301 of the Illinois Highway Code and
7 must make the plan publicly available prior to approval of the
8 ordinance or resolution imposing the tax. If the tax is imposed
9 for transportation purposes for expenditures for passenger
10 rail transportation, the county board must publish notice of
11 the existence of its long-range passenger rail transportation
12 plan and must make the plan publicly available prior to
13 approval of the ordinance or resolution imposing the tax.

14 If a tax is imposed for public facilities purposes, then
15 the name of the project may be included in the proposition at
16 the discretion of the county board as determined in the
17 enabling resolution. For example, the "XXX Nursing Home" or the
18 "YYY Museum".

19 The county clerk shall certify the question to the proper
20 election authority, who shall submit the proposition at an
21 election in accordance with the general election law.

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

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

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

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

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

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

16 As additional information on the ballot below the
17 question shall appear the following:

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

24 For the purposes of the paragraph, "public safety
25 purposes" means crime prevention, detention, fire
26 fighting, police, medical, ambulance, or other emergency

1 services.

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

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

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

14 "To pay for improvements to roads and other
15 transportation purposes, shall (name of county) be
16 authorized to impose an increase on its share of local
17 sales taxes by (insert rate)?"

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

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

23 The county board may also opt to establish a sunset
24 provision at which time the additional sales tax would
25 cease being collected, if not terminated earlier by a vote
26 of the county board. If the county board votes to include a

1 sunset provision, the proposition for transportation
2 purposes shall be in substantially the following form:

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

7 As additional information on the ballot below the
8 question shall appear the following:

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

15 For the purposes of this paragraph, transportation
16 purposes means construction, maintenance, operation, and
17 improvement of public highways, any other purpose for which
18 a county may expend funds under the Illinois Highway Code,
19 and passenger rail transportation.

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

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

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

26 As additional information on the ballot below the

1 question shall appear the following:

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

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

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

15 As additional information on the ballot below the
16 question shall appear the following:

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

23 For purposes of this Section, "public facilities
24 purposes" means the acquisition, development,
25 construction, reconstruction, rehabilitation, improvement,
26 financing, architectural planning, and installation of

1 capital facilities consisting of buildings, structures,
2 and durable equipment and for the acquisition and
3 improvement of real property and interest in real property
4 required, or expected to be required, in connection with
5 the public facilities, for use by the county for the
6 furnishing of governmental services to its citizens,
7 including but not limited to museums and nursing homes.

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

9 (4) The proposition for mental health purposes shall be
10 in substantially the following form:

11 "To pay for mental health purposes, shall (name of
12 county) be authorized to impose an increase on its share of
13 local sales taxes by (insert rate)?"

14 As additional information on the ballot below the
15 question shall appear the following:

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

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

25 "To pay for mental health purposes, shall (name of
26 county) be authorized to impose an increase on its share of

1 local sales taxes by (insert rate) for a period not to
2 exceed (insert number of years)?"

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

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

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

12 (5) The proposition for substance abuse purposes shall
13 be in substantially the following form:

14 "To pay for substance abuse purposes, shall (name of
15 county) be authorized to impose an increase on its share of
16 local sales taxes by (insert rate)?"

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

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

22 The county board may also opt to establish a sunset
23 provision at which time the additional sales tax would
24 cease being collected, if not terminated earlier by a vote
25 of the county board. If the county board votes to include a
26 sunset provision, the proposition for public facilities

1 purposes shall be in substantially the following form:

2 "To pay for substance abuse purposes, shall (name of
3 county) be authorized to impose an increase on its share of
4 local sales taxes by (insert rate) for a period not to
5 exceed (insert number of years)?"

6 As additional information on the ballot below the
7 question shall appear the following:

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

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

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

19 This additional tax may not be imposed on tangible personal
20 property taxed at the 1% rate under the Retailers' Occupation
21 Tax Act. Beginning December 1, 2019, this tax is not imposed on
22 sales of aviation fuel unless the tax revenue is expended for
23 airport-related purposes. If the county does not have an
24 airport-related purpose to which it dedicates aviation fuel tax
25 revenue, then aviation fuel is excluded from the tax. The
26 county must comply with the certification requirements for

1 airport-related purposes under Section 5-1184. For purposes of
2 this Act, "airport-related purposes" has the meaning ascribed
3 in Section 6z-20.2 of the State Finance Act. This exclusion for
4 aviation fuel only applies for so long as the revenue use
5 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
6 binding on the county. The tax imposed by a county under this
7 Section and all civil penalties that may be assessed as an
8 incident of the tax shall be collected and enforced by the
9 Illinois Department of Revenue and deposited into a special
10 fund created for that purpose. The certificate of registration
11 that is issued by the Department to a retailer under the
12 Retailers' Occupation Tax Act shall permit the retailer to
13 engage in a business that is taxable without registering
14 separately with the Department under an ordinance or resolution
15 under this Section. The Department has full power to administer
16 and enforce this Section, to collect all taxes and penalties
17 due under this Section, to dispose of taxes and penalties so
18 collected in the manner provided in this Section, and to
19 determine all rights to credit memoranda arising on account of
20 the erroneous payment of a tax or penalty under this Section.
21 In the administration of and compliance with this Section, the
22 Department and persons who are subject to this Section shall
23 (i) have the same rights, remedies, privileges, immunities,
24 powers, and duties, (ii) be subject to the same conditions,
25 restrictions, limitations, penalties, and definitions of
26 terms, and (iii) employ the same modes of procedure as are

1 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
2 1n, 2 through 2-70 (in respect to all provisions contained in
3 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
4 (except provisions relating to transaction returns and quarter
5 monthly payments, and except that the retailer's discount is
6 not allowed for taxes paid on aviation fuel that are deposited
7 into the Local Government Aviation Trust Fund), 4, 5, 5a, 5b,
8 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,
9 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
10 and Section 3-7 of the Uniform Penalty and Interest Act as if
11 those provisions were set forth in this Section.

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

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

1 Occupation Tax Fund.

2 (b) If a tax has been imposed under subsection (a), a
3 service occupation tax shall also be imposed at the same rate
4 upon all persons engaged, in the county, in the business of
5 making sales of service, who, as an incident to making those
6 sales of service, transfer tangible personal property within
7 the county as an incident to a sale of service. This tax may
8 not be imposed on tangible personal property taxed at the 1%
9 rate under the Service Occupation Tax Act. Beginning December
10 1, 2019, this tax is not imposed on sales of aviation fuel
11 unless the tax revenue is expended for airport-related
12 purposes. If the county does not have an airport-related
13 purpose to which it dedicates aviation fuel tax revenue, then
14 aviation fuel is excluded from the tax. The county must comply
15 with the certification requirements for airport-related
16 purposes under Section 5-1184. For purposes of this Act,
17 "airport-related purposes" has the meaning ascribed in Section
18 6z-20.2 of the State Finance Act. This exclusion for aviation
19 fuel only applies for so long as the revenue use requirements
20 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
21 county. The tax imposed under this subsection and all civil
22 penalties that may be assessed as an incident thereof shall be
23 collected and enforced by the Department of Revenue. The
24 Department has full power to administer and enforce this
25 subsection; to collect all taxes and penalties due hereunder;
26 to dispose of taxes and penalties so collected in the manner

1 hereinafter provided; and to determine all rights to credit
2 memoranda arising on account of the erroneous payment of tax or
3 penalty hereunder. In the administration of, and compliance
4 with this subsection, the Department and persons who are
5 subject to this paragraph shall (i) have the same rights,
6 remedies, privileges, immunities, powers, and duties, (ii) be
7 subject to the same conditions, restrictions, limitations,
8 penalties, exclusions, exemptions, and definitions of terms,
9 and (iii) employ the same modes of procedure as are prescribed
10 in Sections 2 (except that the reference to State in the
11 definition of supplier maintaining a place of business in this
12 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in
13 respect to all provisions therein other than the State rate of
14 tax), 4 (except that the reference to the State shall be to the
15 county), 5, 7, 8 (except that the jurisdiction to which the tax
16 shall be a debt to the extent indicated in that Section 8 shall
17 be the county), 9 (except as to the disposition of taxes and
18 penalties collected, and except that the retailer's discount is
19 not allowed for taxes paid on aviation fuel that are deposited
20 into the Local Government Aviation Trust Fund), 10, 11, 12
21 (except the reference therein to Section 2b of the Retailers'
22 Occupation Tax Act), 13 (except that any reference to the State
23 shall mean the county), Section 15, 16, 17, 18, 19 and 20 of
24 the Service Occupation Tax Act and Section 3-7 of the Uniform
25 Penalty and Interest Act, as fully as if those provisions were
26 set forth herein.

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

9 Whenever the Department determines that a refund should be
10 made under this subsection to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the warrant to be drawn for the
13 amount specified, and to the person named, in the notification
14 from the Department. The refund shall be paid by the State
15 Treasurer out of the County Public Safety, Public Facilities,
16 Mental Health, Substance Abuse, or Transportation Retailers'
17 Occupation Fund.

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

22 (c) Except as otherwise provided in this paragraph, the ~~The~~
23 Department shall immediately pay over to the State Treasurer,
24 ex officio, as trustee, all taxes and penalties collected under
25 this Section to be deposited into the County Public Safety,
26 Public Facilities, Mental Health, Substance Abuse, or

1 Transportation Retailers' Occupation Tax Fund, which shall be
2 an unappropriated trust fund held outside of the State
3 treasury. Taxes and penalties collected on aviation fuel sold
4 on or after December 1, 2019, shall be immediately paid over by
5 the Department to the State Treasurer, ex officio, as trustee,
6 for deposit into the Local Government Aviation Trust Fund. The
7 Department shall only pay moneys into the Local Government
8 Aviation Trust Fund under this Act for so long as the revenue
9 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
10 binding on the county.

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

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

1 (not including credit memoranda and not including taxes and
2 penalties collected on aviation fuel sold on or after December
3 1, 2019) collected under this Section during the second
4 preceding calendar month by the Department plus an amount the
5 Department determines is necessary to offset any amounts that
6 were erroneously paid to a different taxing body, and not
7 including (i) an amount equal to the amount of refunds made
8 during the second preceding calendar month by the Department on
9 behalf of the county, (ii) any amount that the Department
10 determines is necessary to offset any amounts that were payable
11 to a different taxing body but were erroneously paid to the
12 county, (iii) any amounts that are transferred to the STAR
13 Bonds Revenue Fund, and (iv) 1.5% of the remainder, which shall
14 be transferred into the Tax Compliance and Administration Fund.
15 The Department, at the time of each monthly disbursement to the
16 counties, shall prepare and certify to the State Comptroller
17 the amount to be transferred into the Tax Compliance and
18 Administration Fund under this subsection. Within 10 days after
19 receipt by the Comptroller of the disbursement certification to
20 the counties and the Tax Compliance and Administration Fund
21 provided for in this Section to be given to the Comptroller by
22 the Department, the Comptroller shall cause the orders to be
23 drawn for the respective amounts in accordance with directions
24 contained in the certification.

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

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

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

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

1 sale is exempt under the United States Constitution as a sale
2 in interstate or foreign commerce.

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

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

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

25 Beginning January 1, 2014, the results of any election
26 authorizing a proposition to impose a tax under this Section or

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

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

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

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

1 Act 96-124), with any fire protection district located in the
2 county. For the purposes of this Section, "transportation"
3 includes, but is not limited to, the construction, maintenance,
4 operation, and improvement of public highways, any other
5 purpose for which a county may expend funds under the Illinois
6 Highway Code, and passenger rail transportation. For the
7 purposes of this Section, "public facilities purposes"
8 includes, but is not limited to, the acquisition, development,
9 construction, reconstruction, rehabilitation, improvement,
10 financing, architectural planning, and installation of capital
11 facilities consisting of buildings, structures, and durable
12 equipment and for the acquisition and improvement of real
13 property and interest in real property required, or expected to
14 be required, in connection with the public facilities, for use
15 by the county for the furnishing of governmental services to
16 its citizens, including but not limited to museums and nursing
17 homes.

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

22 (Source: P.A. 99-4, eff. 5-31-15; 99-217, eff. 7-31-15; 99-642,
23 eff. 7-28-16; 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
24 100-1167, eff. 1-4-19; 100-1171, eff. 1-4-19; revised 1-9-19.)

1 Sec. 5-1006.7. School facility occupation taxes.

2 (a) In any county, a tax shall be imposed upon all persons
3 engaged in the business of selling tangible personal property,
4 other than personal property titled or registered with an
5 agency of this State's government, at retail in the county on
6 the gross receipts from the sales made in the course of
7 business to provide revenue to be used exclusively for school
8 facility purposes (except as otherwise provided in this
9 Section) if a proposition for the tax has been submitted to the
10 electors of that county and approved by a majority of those
11 voting on the question as provided in subsection (c). The tax
12 under this Section shall be imposed only in one-quarter percent
13 increments and may not exceed 1%.

14 This additional tax may not be imposed on tangible personal
15 property taxed at the 1% rate under the Retailers' Occupation
16 Tax Act. Beginning December 1, 2019, this tax is not imposed on
17 sales of aviation fuel unless the tax revenue is expended for
18 airport-related purposes. If the county does not have an
19 airport-related purpose to which it dedicates aviation fuel tax
20 revenue, then aviation fuel is excluded from the tax. The
21 county must comply with the certification requirements for
22 airport-related purposes under Section 5-1184. For purposes of
23 this Act, "airport-related purposes" has the meaning ascribed
24 in Section 6z-20.2 of the State Finance Act. This exclusion for
25 aviation fuel only applies for so long as the revenue use
26 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are

1 binding on the county. The Department of Revenue has full power
2 to administer and enforce this subsection, to collect all taxes
3 and penalties due under this subsection, to dispose of taxes
4 and penalties so collected in the manner provided in this
5 subsection, and to determine all rights to credit memoranda
6 arising on account of the erroneous payment of a tax or penalty
7 under this subsection. The Department shall deposit all taxes
8 and penalties collected under this subsection into a special
9 fund created for that purpose.

10 In the administration of and compliance with this
11 subsection, the Department and persons who are subject to this
12 subsection (i) have the same rights, remedies, privileges,
13 immunities, powers, and duties, (ii) are subject to the same
14 conditions, restrictions, limitations, penalties, and
15 definitions of terms, and (iii) shall employ the same modes of
16 procedure as are set forth in Sections 1 through 10, 2 through
17 2-70 (in respect to all provisions contained in those Sections
18 other than the State rate of tax), 2a through 2h, 3 (except as
19 to the disposition of taxes and penalties collected, and except
20 that the retailer's discount is not allowed for taxes paid on
21 aviation fuel that are deposited into the Local Government
22 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
23 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
24 of the Retailers' Occupation Tax Act and all provisions of the
25 Uniform Penalty and Interest Act as if those provisions were
26 set forth in this subsection.

1 The certificate of registration that is issued by the
2 Department to a retailer under the Retailers' Occupation Tax
3 Act permits the retailer to engage in a business that is
4 taxable without registering separately with the Department
5 under an ordinance or resolution under this subsection.

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

13 (b) If a tax has been imposed under subsection (a), then a
14 service occupation tax must also be imposed at the same rate
15 upon all persons engaged, in the county, in the business of
16 making sales of service, who, as an incident to making those
17 sales of service, transfer tangible personal property within
18 the county as an incident to a sale of service.

19 This tax may not be imposed on tangible personal property
20 taxed at the 1% rate under the Service Occupation Tax Act.
21 Beginning December 1, 2019, this tax is not imposed on sales of
22 aviation fuel unless the tax revenue is expended for
23 airport-related purposes. If the county does not have an
24 airport-related purpose to which it dedicates aviation fuel tax
25 revenue, then aviation fuel is excluded from the tax. The
26 county must comply with the certification requirements for

1 airport-related purposes under Section 5-1184. For purposes of
2 this Act, "airport-related purposes" has the meaning ascribed
3 in Section 6z-20.2 of the State Finance Act. This exclusion for
4 aviation fuel only applies for so long as the revenue use
5 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
6 binding on the county.

7 The tax imposed under this subsection and all civil
8 penalties that may be assessed as an incident thereof shall be
9 collected and enforced by the Department and deposited into a
10 special fund created for that purpose. The Department has full
11 power to administer and enforce this subsection, to collect all
12 taxes and penalties due under this subsection, to dispose of
13 taxes and penalties so collected in the manner provided in this
14 subsection, and to determine all rights to credit memoranda
15 arising on account of the erroneous payment of a tax or penalty
16 under this subsection.

17 In the administration of and compliance with this
18 subsection, the Department and persons who are subject to this
19 subsection shall (i) have the same rights, remedies,
20 privileges, immunities, powers and duties, (ii) be subject to
21 the same conditions, restrictions, limitations, penalties and
22 definition of terms, and (iii) employ the same modes of
23 procedure as are set forth in Sections 2 (except that that
24 reference to State in the definition of supplier maintaining a
25 place of business in this State means the county), 2a through
26 2d, 3 through 3-50 (in respect to all provisions contained in

1 those Sections other than the State rate of tax), 4 (except
2 that the reference to the State shall be to the county), 5, 7,
3 8 (except that the jurisdiction to which the tax is a debt to
4 the extent indicated in that Section 8 is the county), 9
5 (except as to the disposition of taxes and penalties collected,
6 and except that the retailer's discount is not allowed for
7 taxes paid on aviation fuel that are deposited into the Local
8 Government Aviation Trust Fund), 10, 11, 12 (except the
9 reference therein to Section 2b of the Retailers' Occupation
10 Tax Act), 13 (except that any reference to the State means the
11 county), Section 15, 16, 17, 18, 19, and 20 of the Service
12 Occupation Tax Act and all provisions of the Uniform Penalty
13 and Interest Act, as fully as if those provisions were set
14 forth herein.

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

22 (c) The tax under this Section may not be imposed until the
23 question of imposing the tax has been submitted to the electors
24 of the county at a regular election and approved by a majority
25 of the electors voting on the question. For all regular
26 elections held prior to August 23, 2011 (the effective date of

1 Public Act 97-542), upon a resolution by the county board or a
2 resolution by school district boards that represent at least
3 51% of the student enrollment within the county, the county
4 board must certify the question to the proper election
5 authority in accordance with the Election Code.

6 For all regular elections held prior to August 23, 2011
7 (the effective date of Public Act 97-542), the election
8 authority must submit the question in substantially the
9 following form:

10 Shall (name of county) be authorized to impose a
11 retailers' occupation tax and a service occupation tax
12 (commonly referred to as a "sales tax") at a rate of
13 (insert rate) to be used exclusively for school facility
14 purposes?

15 The election authority must record the votes as "Yes" or "No".

16 If a majority of the electors voting on the question vote
17 in the affirmative, then the county may, thereafter, impose the
18 tax.

19 For all regular elections held on or after August 23, 2011
20 (the effective date of Public Act 97-542), the regional
21 superintendent of schools for the county must, upon receipt of
22 a resolution or resolutions of school district boards that
23 represent more than 50% of the student enrollment within the
24 county, certify the question to the proper election authority
25 for submission to the electors of the county at the next
26 regular election at which the question lawfully may be

1 submitted to the electors, all in accordance with the Election
2 Code.

3 For all regular elections held on or after August 23, 2011
4 (the effective date of Public Act 97-542), the election
5 authority must submit the question in substantially the
6 following form:

7 Shall a retailers' occupation tax and a service
8 occupation tax (commonly referred to as a "sales tax") be
9 imposed in (name of county) at a rate of (insert rate) to
10 be used exclusively for school facility purposes?

11 The election authority must record the votes as "Yes" or "No".

12 If a majority of the electors voting on the question vote
13 in the affirmative, then the tax shall be imposed at the rate
14 set forth in the question.

15 For the purposes of this subsection (c), "enrollment" means
16 the head count of the students residing in the county on the
17 last school day of September of each year, which must be
18 reported on the Illinois State Board of Education Public School
19 Fall Enrollment/Housing Report.

20 (d) Except as otherwise provided, the ~~The~~ Department shall
21 immediately pay over to the State Treasurer, ex officio, as
22 trustee, all taxes and penalties collected under this Section
23 to be deposited into the School Facility Occupation Tax Fund,
24 which shall be an unappropriated trust fund held outside the
25 State treasury. Taxes and penalties collected on aviation fuel
26 sold on or after December 1, 2019, shall be immediately paid

1 over by the Department to the State Treasurer, ex officio, as
2 trustee, for deposit into the Local Government Aviation Trust
3 Fund. The Department shall only pay moneys into the Local
4 Government Aviation Trust Fund under this Act for so long as
5 the revenue use requirements of 49 U.S.C. 47107(b) and 49
6 U.S.C. 47133 are binding on the county.

7 On or before the 25th day of each calendar month, the
8 Department shall prepare and certify to the Comptroller the
9 disbursement of stated sums of money to the regional
10 superintendents of schools in counties from which retailers or
11 servicemen have paid taxes or penalties to the Department
12 during the second preceding calendar month. The amount to be
13 paid to each regional superintendent of schools and disbursed
14 to him or her in accordance with Section 3-14.31 of the School
15 Code, is equal to the amount (not including credit memoranda
16 and not including taxes and penalties collected on aviation
17 fuel sold on or after December 1, 2019) collected from the
18 county under this Section during the second preceding calendar
19 month by the Department, (i) less 2% of that amount (except the
20 amount collected on aviation fuel sold on or after December 1,
21 2019), which shall be deposited into the Tax Compliance and
22 Administration Fund and shall be used by the Department,
23 subject to appropriation, to cover the costs of the Department
24 in administering and enforcing the provisions of this Section,
25 on behalf of the county, (ii) plus an amount that the
26 Department determines is necessary to offset any amounts that

1 were erroneously paid to a different taxing body; (iii) less an
2 amount equal to the amount of refunds made during the second
3 preceding calendar month by the Department on behalf of the
4 county; and (iv) less any amount that the Department determines
5 is necessary to offset any amounts that were payable to a
6 different taxing body but were erroneously paid to the county.
7 When certifying the amount of a monthly disbursement to a
8 regional superintendent of schools under this Section, the
9 Department shall increase or decrease the amounts by an amount
10 necessary to offset any miscalculation of previous
11 disbursements within the previous 6 months from the time a
12 miscalculation is discovered.

13 Within 10 days after receipt by the Comptroller from the
14 Department of the disbursement certification to the regional
15 superintendents of the schools provided for in this Section,
16 the Comptroller shall cause the orders to be drawn for the
17 respective amounts in accordance with directions contained in
18 the certification.

19 If the Department determines that a refund should be made
20 under this Section to a claimant instead of issuing a credit
21 memorandum, then the Department shall notify the Comptroller,
22 who shall cause the order to be drawn for the amount specified
23 and to the person named in the notification from the
24 Department. The refund shall be paid by the Treasurer out of
25 the School Facility Occupation Tax Fund.

26 (e) For the purposes of determining the local governmental

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

9 (f) Nothing in this Section may be construed to authorize a
10 tax to be imposed upon the privilege of engaging in any
11 business that under the Constitution of the United States may
12 not be made the subject of taxation by this State.

13 (g) If a county board imposes a tax under this Section
14 pursuant to a referendum held before August 23, 2011 (the
15 effective date of Public Act 97-542) at a rate below the rate
16 set forth in the question approved by a majority of electors of
17 that county voting on the question as provided in subsection
18 (c), then the county board may, by ordinance, increase the rate
19 of the tax up to the rate set forth in the question approved by
20 a majority of electors of that county voting on the question as
21 provided in subsection (c). If a county board imposes a tax
22 under this Section pursuant to a referendum held before August
23 23, 2011 (the effective date of Public Act 97-542), then the
24 board may, by ordinance, discontinue or reduce the rate of the
25 tax. If a tax is imposed under this Section pursuant to a
26 referendum held on or after August 23, 2011 (the effective date

1 of Public Act 97-542), then the county board may reduce or
2 discontinue the tax, but only in accordance with subsection
3 (h-5) of this Section. If, however, a school board issues bonds
4 that are secured by the proceeds of the tax under this Section,
5 then the county board may not reduce the tax rate or
6 discontinue the tax if that rate reduction or discontinuance
7 would adversely affect the school board's ability to pay the
8 principal and interest on those bonds as they become due or
9 necessitate the extension of additional property taxes to pay
10 the principal and interest on those bonds. If the county board
11 reduces the tax rate or discontinues the tax, then a referendum
12 must be held in accordance with subsection (c) of this Section
13 in order to increase the rate of the tax or to reimpose the
14 discontinued tax.

15 Until January 1, 2014, the results of any election that
16 imposes, reduces, or discontinues a tax under this Section must
17 be certified by the election authority, and any ordinance that
18 increases or lowers the rate or discontinues the tax must be
19 certified by the county clerk and, in each case, filed with the
20 Illinois Department of Revenue either (i) on or before the
21 first day of April, whereupon the Department shall proceed to
22 administer and enforce the tax or change in the rate as of the
23 first day of July next following the filing; or (ii) on or
24 before the first day of October, whereupon the Department shall
25 proceed to administer and enforce the tax or change in the rate
26 as of the first day of January next following the filing.

1 Beginning January 1, 2014, the results of any election that
2 imposes, reduces, or discontinues a tax under this Section must
3 be certified by the election authority, and any ordinance that
4 increases or lowers the rate or discontinues the tax must be
5 certified by the county clerk and, in each case, filed with the
6 Illinois Department of Revenue either (i) on or before the
7 first day of May, whereupon the Department shall proceed to
8 administer and enforce the tax or change in the rate as of the
9 first day of July next following the filing; or (ii) on or
10 before the first day of October, whereupon the Department shall
11 proceed to administer and enforce the tax or change in the rate
12 as of the first day of January next following the filing.

13 (h) For purposes of this Section, "school facility
14 purposes" means (i) the acquisition, development,
15 construction, reconstruction, rehabilitation, improvement,
16 financing, architectural planning, and installation of capital
17 facilities consisting of buildings, structures, and durable
18 equipment and for the acquisition and improvement of real
19 property and interest in real property required, or expected to
20 be required, in connection with the capital facilities and (ii)
21 the payment of bonds or other obligations heretofore or
22 hereafter issued, including bonds or other obligations
23 heretofore or hereafter issued to refund or to continue to
24 refund bonds or other obligations issued, for school facility
25 purposes, provided that the taxes levied to pay those bonds are
26 abated by the amount of the taxes imposed under this Section

1 that are used to pay those bonds. "School-facility purposes"
2 also includes fire prevention, safety, energy conservation,
3 accessibility, school security, and specified repair purposes
4 set forth under Section 17-2.11 of the School Code.

5 (h-5) A county board in a county where a tax has been
6 imposed under this Section pursuant to a referendum held on or
7 after August 23, 2011 (the effective date of Public Act 97-542)
8 may, by ordinance or resolution, submit to the voters of the
9 county the question of reducing or discontinuing the tax. In
10 the ordinance or resolution, the county board shall certify the
11 question to the proper election authority in accordance with
12 the Election Code. The election authority must submit the
13 question in substantially the following form:

14 Shall the school facility retailers' occupation tax
15 and service occupation tax (commonly referred to as the
16 "school facility sales tax") currently imposed in (name of
17 county) at a rate of (insert rate) be (reduced to (insert
18 rate)) (discontinued)?

19 If a majority of the electors voting on the question vote in
20 the affirmative, then, subject to the provisions of subsection
21 (g) of this Section, the tax shall be reduced or discontinued
22 as set forth in the question.

23 (i) This Section does not apply to Cook County.

24 (j) This Section may be cited as the County School Facility
25 Occupation Tax Law.

26 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;

1 99-642, eff. 7-28-16; 100-1171, eff. 1-4-19.)

2 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

3 Sec. 5-1007. Home Rule County Service Occupation Tax Law.
4 The corporate authorities of a home rule county may impose a
5 tax upon all persons engaged, in such county, in the business
6 of making sales of service at the same rate of tax imposed
7 pursuant to Section 5-1006 of the selling price of all tangible
8 personal property transferred by such servicemen either in the
9 form of tangible personal property or in the form of real
10 estate as an incident to a sale of service. If imposed, such
11 tax shall only be imposed in 1/4% increments. On and after
12 September 1, 1991, this additional tax may not be imposed on
13 tangible personal property taxed at the 1% rate under the
14 Service Occupation Tax Act. Beginning December 1, 2019, this
15 tax is not imposed on sales of aviation fuel unless the tax
16 revenue is expended for airport-related purposes. If the county
17 does not have an airport-related purpose to which it dedicates
18 aviation fuel tax revenue, then aviation fuel is excluded from
19 the tax. The county must comply with the certification
20 requirements for airport-related purposes under Section
21 5-1184. For purposes of this Act, "airport-related purposes"
22 has the meaning ascribed in Section 6z-20.2 of the State
23 Finance Act. This exclusion for aviation fuel only applies for
24 so long as the revenue use requirements of 49 U.S.C. 47107(b)
25 and 49 U.S.C. 47133 are binding on the county. The changes made

1 to this Section by this amendatory Act of the 101st General
2 Assembly are a denial and limitation of home rule powers and
3 functions under subsection (g) of Section 6 of Article VII of
4 the Illinois Constitution. The tax imposed by a home rule
5 county pursuant to this Section and all civil penalties that
6 may be assessed as an incident thereof shall be collected and
7 enforced by the State Department of Revenue. The certificate of
8 registration which is issued by the Department to a retailer
9 under the Retailers' Occupation Tax Act or under the Service
10 Occupation Tax Act shall permit such registrant to engage in a
11 business which is taxable under any ordinance or resolution
12 enacted pursuant to this Section without registering
13 separately with the Department under such ordinance or
14 resolution or under this Section. The Department shall have
15 full power to administer and enforce this Section; to collect
16 all taxes and penalties due hereunder; to dispose of taxes and
17 penalties so collected in the manner hereinafter provided; and
18 to determine all rights to credit memoranda arising on account
19 of the erroneous payment of tax or penalty hereunder. In the
20 administration of, and compliance with, this Section the
21 Department and persons who are subject to this Section shall
22 have the same rights, remedies, privileges, immunities, powers
23 and duties, and be subject to the same conditions,
24 restrictions, limitations, penalties and definitions of terms,
25 and employ the same modes of procedure, as are prescribed in
26 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all

1 provisions therein other than the State rate of tax), 4 (except
2 that the reference to the State shall be to the taxing county),
3 5, 7, 8 (except that the jurisdiction to which the tax shall be
4 a debt to the extent indicated in that Section 8 shall be the
5 taxing county), 9 (except as to the disposition of taxes and
6 penalties collected, and except that the returned merchandise
7 credit for this county tax may not be taken against any State
8 tax, and except that the retailer's discount is not allowed for
9 taxes paid on aviation fuel that are deposited into the Local
10 Government Aviation Trust Fund), 10, 11, 12 (except the
11 reference therein to Section 2b of the Retailers' Occupation
12 Tax Act), 13 (except that any reference to the State shall mean
13 the taxing county), the first paragraph of Section 15, 16, 17,
14 18, 19 and 20 of the Service Occupation Tax Act and Section 3-7
15 of the Uniform Penalty and Interest Act, as fully as if those
16 provisions were set forth herein.

17 No tax may be imposed by a home rule county pursuant to
18 this Section unless such county also imposes a tax at the same
19 rate pursuant to Section 5-1006.

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

1 prescribe.

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

9 Except as otherwise provided in this paragraph, the ~~The~~
10 Department shall forthwith pay over to the State Treasurer, ex
11 officio ~~ex-officio~~, as trustee, all taxes and penalties
12 collected hereunder for deposit into the Home Rule County
13 Retailers' Occupation Tax Fund. Taxes and penalties collected
14 on aviation fuel sold on or after December 1, 2019, shall be
15 immediately paid over by the Department to the State Treasurer,
16 ex officio, as trustee, for deposit into the Local Government
17 Aviation Trust Fund. The Department shall only pay moneys into
18 the Local Government Aviation Trust Fund under this Act for so
19 long as the revenue use requirements of 49 U.S.C. 47107(b) and
20 49 U.S.C. 47133 are binding on the county.

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

1 during the second preceding calendar month for sales within a
2 STAR bond district.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on or before the 25th day of each calendar month, the
5 Department shall prepare and certify to the Comptroller the
6 disbursement of stated sums of money to named counties, the
7 counties to be those from which suppliers and servicemen have
8 paid taxes or penalties hereunder to the Department during the
9 second preceding calendar month. The amount to be paid to each
10 county shall be the amount (not including credit memoranda and
11 not including taxes and penalties collected on aviation fuel
12 sold on or after December 1, 2019) collected hereunder during
13 the second preceding calendar month by the Department, and not
14 including an amount equal to the amount of refunds made during
15 the second preceding calendar month by the Department on behalf
16 of such county, and not including any amounts that are
17 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
18 remainder, which the Department shall transfer into the Tax
19 Compliance and Administration Fund. The Department, at the time
20 of each monthly disbursement to the counties, shall prepare and
21 certify to the State Comptroller the amount to be transferred
22 into the Tax Compliance and Administration Fund under this
23 Section. Within 10 days after receipt, by the Comptroller, of
24 the disbursement certification to the counties and the Tax
25 Compliance and Administration Fund provided for in this Section
26 to be given to the Comptroller by the Department, the

1 Comptroller shall cause the orders to be drawn for the
2 respective amounts in accordance with the directions contained
3 in such certification.

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

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

22 An ordinance or resolution imposing or discontinuing a tax
23 hereunder or effecting a change in the rate thereof shall be
24 adopted and a certified copy thereof filed with the Department
25 on or before the first day of June, whereupon the Department
26 shall proceed to administer and enforce this Section as of the

1 first day of September next following such adoption and filing.
2 Beginning January 1, 1992, an ordinance or resolution imposing
3 or discontinuing the tax hereunder or effecting a change in the
4 rate thereof shall be adopted and a certified copy thereof
5 filed with the Department on or before the first day of July,
6 whereupon the Department shall proceed to administer and
7 enforce this Section as of the first day of October next
8 following such adoption and filing. Beginning January 1, 1993,
9 an ordinance or resolution imposing or discontinuing the tax
10 hereunder or effecting a change in the rate thereof shall be
11 adopted and a certified copy thereof filed with the Department
12 on or before the first day of October, whereupon the Department
13 shall proceed to administer and enforce this Section as of the
14 first day of January next following such adoption and filing.
15 Beginning April 1, 1998, an ordinance or resolution imposing or
16 discontinuing the tax hereunder or effecting a change in the
17 rate thereof shall either (i) be adopted and a certified copy
18 thereof filed with the Department on or before the first day of
19 April, whereupon the Department shall proceed to administer and
20 enforce this Section as of the first day of July next following
21 the adoption and filing; or (ii) be adopted and a certified
22 copy thereof filed with the Department on or before the first
23 day of October, whereupon the Department shall proceed to
24 administer and enforce this Section as of the first day of
25 January next following the adoption and filing.

26 This Section shall be known and may be cited as the Home

1 Rule County Service Occupation Tax Law.

2 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
3 100-1171, eff. 1-4-19; revised 1-9-19.)

4 (55 ILCS 5/5-1008.5)

5 Sec. 5-1008.5. Use and occupation taxes.

6 (a) The Rock Island County Board may adopt a resolution
7 that authorizes a referendum on the question of whether the
8 county shall be authorized to impose a retailers' occupation
9 tax, a service occupation tax, and a use tax at a rate of 1/4 of
10 1% on behalf of the economic development activities of Rock
11 Island County and communities located within the county. The
12 county board shall certify the question to the proper election
13 authorities who shall submit the question to the voters of the
14 county at the next regularly scheduled election in accordance
15 with the general election law. The question shall be in
16 substantially the following form:

17 Shall Rock Island County be authorized to impose a
18 retailers' occupation tax, a service occupation tax, and a
19 use tax at the rate of 1/4 of 1% for the sole purpose of
20 economic development activities, including creation and
21 retention of job opportunities, support of affordable
22 housing opportunities, and enhancement of quality of life
23 improvements?

24 Votes shall be recorded as "yes" or "no". If a majority of
25 all votes cast on the proposition are in favor of the

1 proposition, the county is authorized to impose the tax.

2 (b) The county shall impose the retailers' occupation tax
3 upon all persons engaged in the business of selling tangible
4 personal property at retail in the county, at the rate approved
5 by referendum, on the gross receipts from the sales made in the
6 course of those businesses within the county. This additional
7 tax may not be imposed on tangible personal property taxed at
8 the 1% rate under the Retailers' Occupation Tax Act. Beginning
9 December 1, 2019, this tax is not imposed on sales of aviation
10 fuel unless the tax revenue is expended for airport-related
11 purposes. If the county does not have an airport-related
12 purpose to which it dedicates aviation fuel tax revenue, then
13 aviation fuel is excluded from the tax. The county must comply
14 with the certification requirements for airport-related
15 purposes under Section 5-1184. For purposes of this Act,
16 "airport-related purposes" has the meaning ascribed in Section
17 6z-20.2 of the State Finance Act. This exclusion for aviation
18 fuel only applies for so long as the revenue use requirements
19 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
20 county. The tax imposed under this Section and all civil
21 penalties that may be assessed as an incident of the tax shall
22 be collected and enforced by the Department of Revenue. The
23 Department has full power to administer and enforce this
24 Section; to collect all taxes and penalties so collected in the
25 manner provided in this Section; and to determine all rights to
26 credit memoranda arising on account of the erroneous payment of

1 tax or penalty under this Section. In the administration of,
2 and compliance with, this Section, the Department and persons
3 who are subject to this Section shall (i) have the same rights,
4 remedies, privileges, immunities, powers and duties, (ii) be
5 subject to the same conditions, restrictions, limitations,
6 penalties, exclusions, exemptions, and definitions of terms,
7 and (iii) employ the same modes of procedure as are prescribed
8 in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,
9 2-5, 2-5.5, 2-10 (in respect to all provisions other than the
10 State rate of tax), 2-15 through 2-70, 2a, 2b, 2c, 3 (except as
11 to the disposition of taxes and penalties collected and
12 provisions related to quarter monthly payments , and except
13 that the retailer's discount is not allowed for taxes paid on
14 aviation fuel that are deposited into the Local Government
15 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j,
16 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the
17 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
18 Penalty and Interest Act, as fully as if those provisions were
19 set forth in this subsection.

20 Persons subject to any tax imposed under this subsection
21 may reimburse themselves for their seller's tax liability by
22 separately stating the tax as an additional charge, which
23 charge may be stated in combination, in a single amount, with
24 State taxes that sellers are required to collect, in accordance
25 with bracket schedules prescribed by the Department.

26 Whenever the Department determines that a refund should be

1 made under this subsection to a claimant instead of issuing a
2 credit memorandum, the Department shall notify the State
3 Comptroller, who shall cause the warrant to be drawn for the
4 amount specified, and to the person named, in the notification
5 from the Department. The refund shall be paid by the State
6 Treasurer out of the tax fund referenced under paragraph (g) of
7 this Section.

8 If a tax is imposed under this subsection (b), a tax shall
9 also be imposed at the same rate under subsections (c) and (d)
10 of this Section.

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

20 Nothing in this Section shall be construed to authorize the
21 county to impose a tax upon the privilege of engaging in any
22 business that under the Constitution of the United States may
23 not be made the subject of taxation by this State.

24 (c) If a tax has been imposed under subsection (b), a
25 service occupation tax shall also be imposed at the same rate
26 upon all persons engaged, in the county, in the business of

1 making sales of service, who, as an incident to making those
2 sales of service, transfer tangible personal property within
3 the county as an incident to a sale of service. This additional
4 tax may not be imposed on tangible personal property taxed at
5 the 1% rate under the Service Occupation Tax Act. Beginning
6 December 1, 2019, this tax is not imposed on sales of aviation
7 fuel unless the tax revenue is expended for airport-related
8 purposes. If the county does not have an airport-related
9 purpose to which it dedicates aviation fuel tax revenue, then
10 aviation fuel is excluded from the tax. The county must comply
11 with the certification requirements for airport-related
12 purposes under Section 5-1184. For purposes of this Act,
13 "airport-related purposes" has the meaning ascribed in Section
14 6z-20.2 of the State Finance Act. This exclusion for aviation
15 fuel only applies for so long as the revenue use requirements
16 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
17 county. The tax imposed under this subsection and all civil
18 penalties that may be assessed as an incident of the tax shall
19 be collected and enforced by the Department of Revenue. The
20 Department has full power to administer and enforce this
21 paragraph; to collect all taxes and penalties due under this
22 Section; to dispose of taxes and penalties so collected in the
23 manner provided in this Section; and to determine all rights to
24 credit memoranda arising on account of the erroneous payment of
25 tax or penalty under this Section. In the administration of,
26 and compliance with this paragraph, the Department and persons

1 who are subject to this paragraph shall (i) have the same
2 rights, remedies, privileges, immunities, powers, and duties,
3 (ii) be subject to the same conditions, restrictions,
4 limitations, penalties, exclusions, exemptions, and
5 definitions of terms, and (iii) employ the same modes of
6 procedure as are prescribed in Sections 2 (except that the
7 reference to State in the definition of supplier maintaining a
8 place of business in this State shall mean the county), 2a, 2b,
9 3 through 3-55 (in respect to all provisions other than the
10 State rate of tax), 4 (except that the reference to the State
11 shall be to the county), 5, 7, 8 (except that the jurisdiction
12 to which the tax shall be a debt to the extent indicated in
13 that Section 8 shall be the county), 9 (except as to the
14 disposition of taxes and penalties collected, and except that
15 the returned merchandise credit for this tax may not be taken
16 against any State tax, and except that the retailer's discount
17 is not allowed for taxes paid on aviation fuel that are
18 deposited into the Local Government Aviation Trust Fund), 11,
19 12 (except the reference to Section 2b of the Retailers'
20 Occupation Tax Act), 13 (except that any reference to the State
21 shall mean the county), 15, 16, 17, 18, 19 and 20 of the
22 Service Occupation Tax Act and Section 3-7 of the Uniform
23 Penalty and Interest Act, as fully as if those provisions were
24 set forth in this subsection.

25 Persons subject to any tax imposed under the authority
26 granted in this subsection may reimburse themselves for their

1 serviceman's tax liability by separately stating the tax as an
2 additional charge, which charge may be stated in combination,
3 in a single amount, with State tax that servicemen are
4 authorized to collect under the Service Use Tax Act, in
5 accordance with bracket schedules prescribed by the
6 Department.

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

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

19 (d) If a tax has been imposed under subsection (b), a use
20 tax shall also be imposed at the same rate upon the privilege
21 of using, in the county, any item of tangible personal property
22 that is purchased outside the county at retail from a retailer,
23 and that is titled or registered at a location within the
24 county with an agency of this State's government. "Selling
25 price" is defined as in the Use Tax Act. The tax shall be
26 collected from persons whose Illinois address for titling or

1 registration purposes is given as being in the county. The tax
2 shall be collected by the Department of Revenue for the county.
3 The tax must be paid to the State, or an exemption
4 determination must be obtained from the Department of Revenue,
5 before the title or certificate of registration for the
6 property may be issued. The tax or proof of exemption may be
7 transmitted to the Department by way of the State agency with
8 which, or the State officer with whom, the tangible personal
9 property must be titled or registered if the Department and the
10 State agency or State officer determine that this procedure
11 will expedite the processing of applications for title or
12 registration.

13 The Department has full power to administer and enforce
14 this paragraph; to collect all taxes, penalties, and interest
15 due under this Section; to dispose of taxes, penalties, and
16 interest so collected in the manner provided in this Section;
17 and to determine all rights to credit memoranda or refunds
18 arising on account of the erroneous payment of tax, penalty, or
19 interest under this Section. In the administration of, and
20 compliance with, this subsection, the Department and persons
21 who are subject to this paragraph shall (i) have the same
22 rights, remedies, privileges, immunities, powers, and duties,
23 (ii) be subject to the same conditions, restrictions,
24 limitations, penalties, exclusions, exemptions, and
25 definitions of terms, and (iii) employ the same modes of
26 procedure as are prescribed in Sections 2 (except the

1 definition of "retailer maintaining a place of business in this
2 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
3 7, 8 (except that the jurisdiction to which the tax shall be a
4 debt to the extent indicated in that Section 8 shall be the
5 county), 9 (except provisions relating to quarter monthly
6 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
7 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
8 Interest Act, that are not inconsistent with this paragraph, as
9 fully as if those provisions were set forth in this subsection.

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

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

1 (f) The results of any election authorizing a proposition
2 to impose a tax under this Section or effecting a change in the
3 rate of tax shall be certified by the proper election
4 authorities and filed with the Illinois Department on or before
5 the first day of October. In addition, an ordinance imposing,
6 discontinuing, or effecting a change in the rate of tax under
7 this Section shall be adopted and a certified copy of the
8 ordinance filed with the Department on or before the first day
9 of October. After proper receipt of the certifications, the
10 Department shall proceed to administer and enforce this Section
11 as of the first day of January next following the adoption and
12 filing.

13 (g) Except as otherwise provided in paragraph (g-2), the
14 ~~The~~ Department of Revenue shall, upon collecting any taxes and
15 penalties as provided in this Section, pay the taxes and
16 penalties over to the State Treasurer as trustee for the
17 county. The taxes and penalties shall be held in a trust fund
18 outside the State Treasury. On or before the 25th day of each
19 calendar month, the Department of Revenue shall prepare and
20 certify to the Comptroller of the State of Illinois the amount
21 to be paid to the county, which shall be the balance in the
22 fund, less any amount determined by the Department to be
23 necessary for the payment of refunds. Within 10 days after
24 receipt by the Comptroller of the certification of the amount
25 to be paid to the county, the Comptroller shall cause an order
26 to be drawn for payment for the amount in accordance with the

1 directions contained in the certification. Amounts received
2 from the tax imposed under this Section shall be used only for
3 the economic development activities of the county and
4 communities located within the county.

5 (g-2) Taxes and penalties collected on aviation fuel sold
6 on or after December 1, 2019, shall be immediately paid over by
7 the Department to the State Treasurer, ex officio, as trustee,
8 for deposit into the Local Government Aviation Trust Fund. The
9 Department shall only pay moneys into the Local Government
10 Aviation Trust Fund under this Act for so long as the revenue
11 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
12 binding on the county.

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

19 (i) This Section may be cited as the Rock Island County Use
20 and Occupation Tax Law.

21 (Source: P.A. 100-1171, eff. 1-4-19.)

22 (55 ILCS 5/5-1009) (from Ch. 34, par. 5-1009)

23 Sec. 5-1009. Limitation on home rule powers. Except as
24 provided in Sections 5-1006, 5-1006.5, 5-1007 and 5-1008, on
25 and after September 1, 1990, no home rule county has the

1 authority to impose, pursuant to its home rule authority, a
2 retailer's occupation tax, service occupation tax, use tax,
3 sales tax or other tax on the use, sale or purchase of tangible
4 personal property based on the gross receipts from such sales
5 or the selling or purchase price of said tangible personal
6 property. Notwithstanding the foregoing, this Section does not
7 preempt any home rule imposed tax such as the following: (1) a
8 tax on alcoholic beverages, whether based on gross receipts,
9 volume sold or any other measurement; (2) a tax based on the
10 number of units of cigarettes or tobacco products; (3) a tax,
11 however measured, based on the use of a hotel or motel room or
12 similar facility; (4) a tax, however measured, on the sale or
13 transfer of real property; (5) a tax, however measured, on
14 lease receipts; (6) a tax on food prepared for immediate
15 consumption and on alcoholic beverages sold by a business which
16 provides for on premise consumption of said food or alcoholic
17 beverages; or (7) other taxes not based on the selling or
18 purchase price or gross receipts from the use, sale or purchase
19 of tangible personal property. This Section does not preempt a
20 home rule county from imposing a tax, however measured, on the
21 use, for consideration, of a parking lot, garage, or other
22 parking facility.

23 On and after December 1, 2019, no home rule county has the
24 authority to impose, pursuant to its home rule authority, a
25 tax, however measured, on sales of aviation fuel, as defined in
26 Section 3 of the Retailers' Occupation Tax Act, unless the tax

1 revenue is expended for airport-related purposes. For purposes
2 of this Section, "airport-related purposes" has the meaning
3 ascribed in Section 6z-20.2 of the State Finance Act. Aviation
4 fuel shall be excluded from tax only for so long as the revenue
5 use requirements of 49 U.S.C. 47017(b) and 49 U.S.C. 47133 are
6 binding on the county.

7 This Section is a limitation, pursuant to subsection (g) of
8 Section 6 of Article VII of the Illinois Constitution, on the
9 power of home rule units to tax. The changes made to this
10 Section by this amendatory Act of the 101st General Assembly
11 are a denial and limitation of home rule powers and functions
12 under subsection (g) of Section 6 of Article VII of the
13 Illinois Constitution.

14 (Source: P.A. 97-1168, eff. 3-8-13; 97-1169, eff. 3-8-13.)

15 (55 ILCS 5/5-1035.1) (from Ch. 34, par. 5-1035.1)

16 Sec. 5-1035.1. County Motor Fuel Tax Law. The county board
17 of the counties of DuPage, Kane and McHenry may, by an
18 ordinance or resolution adopted by an affirmative vote of a
19 majority of the members elected or appointed to the county
20 board, impose a tax upon all persons engaged in the county in
21 the business of selling motor fuel, as now or hereafter defined
22 in the Motor Fuel Tax Law, at retail for the operation of motor
23 vehicles upon public highways or for the operation of
24 recreational watercraft upon waterways. The collection of a tax
25 under this Section based on gallonage of gasoline used for the

1 propulsion of any aircraft is prohibited, and the collection of
2 a tax based on gallonage of special fuel used for the
3 propulsion of any aircraft is prohibited on and after December
4 1, 2019. Kane County may exempt diesel fuel from the tax
5 imposed pursuant to this Section. The tax may be imposed, in
6 half-cent increments, at a rate not exceeding 4 cents per
7 gallon of motor fuel sold at retail within the county for the
8 purpose of use or consumption and not for the purpose of
9 resale. The proceeds from the tax shall be used by the county
10 solely for the purpose of operating, constructing and improving
11 public highways and waterways, and acquiring real property and
12 right-of-ways for public highways and waterways within the
13 county imposing the tax.

14 A tax imposed pursuant to this Section, and all civil
15 penalties that may be assessed as an incident thereof, shall be
16 administered, collected and enforced by the Illinois
17 Department of Revenue in the same manner as the tax imposed
18 under the Retailers' Occupation Tax Act, as now or hereafter
19 amended, insofar as may be practicable; except that in the
20 event of a conflict with the provisions of this Section, this
21 Section shall control. The Department of Revenue shall have
22 full power: to administer and enforce this Section; to collect
23 all taxes and penalties due hereunder; to dispose of taxes and
24 penalties so collected in the manner hereinafter provided; and
25 to determine all rights to credit memoranda arising on account
26 of the erroneous payment of tax or penalty hereunder.

1 Whenever the Department determines that a refund shall be
2 made under this Section to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the order to be drawn for the
5 amount specified, and to the person named, in the notification
6 from the Department. The refund shall be paid by the State
7 Treasurer out of the County Option Motor Fuel Tax Fund.

8 The Department shall forthwith pay over to the State
9 Treasurer, ex-officio, as trustee, all taxes and penalties
10 collected hereunder, which shall be deposited into the County
11 Option Motor Fuel Tax Fund, a special fund in the State
12 Treasury which is hereby created. On or before the 25th day of
13 each calendar month, the Department shall prepare and certify
14 to the State Comptroller the disbursement of stated sums of
15 money to named counties for which taxpayers have paid taxes or
16 penalties hereunder to the Department during the second
17 preceding calendar month. The amount to be paid to each county
18 shall be the amount (not including credit memoranda) collected
19 hereunder from retailers within the county during the second
20 preceding calendar month by the Department, but not including
21 an amount equal to the amount of refunds made during the second
22 preceding calendar month by the Department on behalf of the
23 county; less 2% of the balance, which sum shall be retained by
24 the State Treasurer to cover the costs incurred by the
25 Department in administering and enforcing the provisions of
26 this Section. The Department, at the time of each monthly

1 disbursement to the counties, shall prepare and certify to the
2 Comptroller the amount so retained by the State Treasurer,
3 which shall be transferred into the Tax Compliance and
4 Administration Fund.

5 A county may direct, by ordinance, that all or a portion of
6 the taxes and penalties collected under the County Option Motor
7 Fuel Tax shall be deposited into the Transportation Development
8 Partnership Trust Fund.

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

13 An ordinance or resolution imposing a tax hereunder or
14 effecting a change in the rate thereof shall be effective on
15 the first day of the second calendar month next following the
16 month in which the ordinance or resolution is adopted and a
17 certified copy thereof is filed with the Department of Revenue,
18 whereupon the Department of Revenue shall proceed to administer
19 and enforce this Section on behalf of the county as of the
20 effective date of the ordinance or resolution. Upon a change in
21 rate of a tax levied hereunder, or upon the discontinuance of
22 the tax, the county board of the county shall, on or not later
23 than 5 days after the effective date of the ordinance or
24 resolution discontinuing the tax or effecting a change in rate,
25 transmit to the Department of Revenue a certified copy of the
26 ordinance or resolution effecting the change or

1 discontinuance.

2 This Section shall be known and may be cited as the County
3 Motor Fuel Tax Law.

4 (Source: P.A. 98-1049, eff. 8-25-14.)

5 (55 ILCS 5/5-1184 new)

6 Sec. 5-1184. Certification for airport-related purposes.
7 On or before September, 1 2019, and on or before each April 1
8 and October 1 thereafter, each county must certify to the
9 Illinois Department of Transportation, in the form and manner
10 required by the Department, whether the county has an
11 airport-related purpose, which would allow any Retailers'
12 Occupation Tax and Service Occupation Tax imposed by the county
13 to include tax on aviation fuel. On or before October 1, 2019,
14 and on or before each May 1 and November 1 thereafter, the
15 Department of Transportation shall provide to the Department of
16 Revenue, a list of units of local government which have
17 certified to the Department of Transportation that they have
18 airport-related purposes, which would allow any Retailers'
19 Occupation Tax and Service Occupation Tax imposed by the units
20 of local government to include tax on aviation fuel. All
21 disputes regarding whether or not a unit of local government
22 has an airport-related purpose shall be resolved by the
23 Illinois Department of Transportation.

24 Section 45. The Illinois Municipal Code is amended by

1 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,
2 8-11-1.7, 8-11-5, 8-11-6a, and 11-74.3-6 and by adding Sections
3 8-11-22 and 11-101-3 as follows:

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

5 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
6 Act. The corporate authorities of a home rule municipality may
7 impose a tax upon all persons engaged in the business of
8 selling tangible personal property, other than an item of
9 tangible personal property titled or registered with an agency
10 of this State's government, at retail in the municipality on
11 the gross receipts from these sales made in the course of such
12 business. If imposed, the tax shall only be imposed in 1/4%
13 increments. On and after September 1, 1991, this additional tax
14 may not be imposed on tangible personal property taxed at the
15 1% rate under the Retailers' Occupation Tax Act. Beginning
16 December 1, 2019, this tax is not imposed on sales of aviation
17 fuel unless the tax revenue is expended for airport-related
18 purposes. If a municipality does not have an airport-related
19 purpose to which it dedicates aviation fuel tax revenue, then
20 aviation fuel is excluded from the tax. Each municipality must
21 comply with the certification requirements for airport-related
22 purposes under Section 8-11-22. For purposes of this Act,
23 "airport-related purposes" has the meaning ascribed in Section
24 6z-20.2 of the State Finance Act. This exclusion for aviation
25 fuel only applies for so long as the revenue use requirements

1 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
2 municipality. The changes made to this Section by this
3 amendatory Act of the 101st General Assembly are a denial and
4 limitation of home rule powers and functions under subsection
5 (g) of Section 6 of Article VII of the Illinois Constitution.

6 The tax imposed by a home rule municipality under this Section
7 and all civil penalties that may be assessed as an incident of
8 the tax shall be collected and enforced by the State Department
9 of Revenue. The certificate of registration that is issued by
10 the Department to a retailer under the Retailers' Occupation
11 Tax Act shall permit the retailer to engage in a business that
12 is taxable under any ordinance or resolution enacted pursuant
13 to this Section without registering separately with the
14 Department under such ordinance or resolution or under this
15 Section. The Department shall have full power to administer and
16 enforce this Section; to collect all taxes and penalties due
17 hereunder; to dispose of taxes and penalties so collected in
18 the manner hereinafter provided; and to determine all rights to
19 credit memoranda arising on account of the erroneous payment of
20 tax or penalty hereunder. In the administration of, and
21 compliance with, this Section the Department and persons who
22 are subject to this Section shall have the same rights,
23 remedies, privileges, immunities, powers and duties, and be
24 subject to the same conditions, restrictions, limitations,
25 penalties and definitions of terms, and employ the same modes
26 of procedure, as are prescribed in Sections 1, 1a, 1d, 1e, 1f,

1 li, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
2 provisions therein other than the State rate of tax), 2c, 3
3 (except as to the disposition of taxes and penalties collected,
4 and except that the retailer's discount is not allowed for
5 taxes paid on aviation fuel that are deposited into the Local
6 Government Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
7 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
8 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
9 the Uniform Penalty and Interest Act, as fully as if those
10 provisions were set forth herein.

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

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

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

1 Treasurer out of the home rule municipal retailers' occupation
2 tax fund.

3 Except as otherwise provided in this paragraph, the ~~The~~
4 Department shall immediately pay over to the State Treasurer,
5 ex officio, as trustee, all taxes and penalties collected
6 hereunder for deposit into the Home Rule Municipal Retailers'
7 Occupation Tax Fund. Taxes and penalties collected on aviation
8 fuel sold on or after December 1, 2019, shall be immediately
9 paid over by the Department to the State Treasurer, ex officio,
10 as trustee, for deposit into the Local Government Aviation
11 Trust Fund. The Department shall only pay moneys into the Local
12 Government Aviation Trust Fund under this Act for so long as
13 the revenue use requirements of 49 U.S.C. 47107(b) and 49
14 U.S.C. 47133 are binding on the State.

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

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

1 the municipalities to be those from which retailers have paid
2 taxes or penalties hereunder to the Department during the
3 second preceding calendar month. The amount to be paid to each
4 municipality shall be the amount (not including credit
5 memoranda and not including taxes and penalties collected on
6 aviation fuel sold on or after December 1, 2019) collected
7 hereunder during the second preceding calendar month by the
8 Department plus an amount the Department determines is
9 necessary to offset any amounts that were erroneously paid to a
10 different taxing body, and not including an amount equal to the
11 amount of refunds made during the second preceding calendar
12 month by the Department on behalf of such municipality, and not
13 including any amount that the Department determines is
14 necessary to offset any amounts that were payable to a
15 different taxing body but were erroneously paid to the
16 municipality, and not including any amounts that are
17 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
18 remainder, which the Department shall transfer into the Tax
19 Compliance and Administration Fund. The Department, at the time
20 of each monthly disbursement to the municipalities, shall
21 prepare and certify to the State Comptroller the amount to be
22 transferred into the Tax Compliance and Administration Fund
23 under this Section. Within 10 days after receipt by the
24 Comptroller of the disbursement certification to the
25 municipalities and the Tax Compliance and Administration Fund
26 provided for in this Section to be given to the Comptroller by

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

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

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

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

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

26 An ordinance or resolution imposing or discontinuing a tax

1 hereunder or effecting a change in the rate thereof shall be
2 adopted and a certified copy thereof filed with the Department
3 on or before the first day of June, whereupon the Department
4 shall proceed to administer and enforce this Section as of the
5 first day of September next following the adoption and filing.
6 Beginning January 1, 1992, an ordinance or resolution imposing
7 or discontinuing the tax hereunder or effecting a change in the
8 rate thereof shall be adopted and a certified copy thereof
9 filed with the Department on or before the first day of July,
10 whereupon the Department shall proceed to administer and
11 enforce this Section as of the first day of October next
12 following such adoption and filing. Beginning January 1, 1993,
13 an ordinance or resolution imposing or discontinuing the tax
14 hereunder or effecting a change in the rate thereof shall be
15 adopted and a certified copy thereof filed with the Department
16 on or before the first day of October, whereupon the Department
17 shall proceed to administer and enforce this Section as of the
18 first day of January next following the adoption and filing.
19 However, a municipality located in a county with a population
20 in excess of 3,000,000 that elected to become a home rule unit
21 at the general primary election in 1994 may adopt an ordinance
22 or resolution imposing the tax under this Section and file a
23 certified copy of the ordinance or resolution with the
24 Department on or before July 1, 1994. The Department shall then
25 proceed to administer and enforce this Section as of October 1,
26 1994. Beginning April 1, 1998, an ordinance or resolution

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

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

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

1 1990, as provided by this Section prior to the enactment of
2 Public Act 85-1135; and on and after July 1, 1990, all such
3 receipts shall be distributed as provided in Section 6z-18 of
4 the State Finance Act.

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

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

10 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;
11 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

12 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

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

1 until December 31, 2020, use the proceeds of the tax for
2 expenditure on municipal operations, in addition to or in lieu
3 of any expenditure on public infrastructure or for property tax
4 relief. The tax imposed may not be more than 1% and may be
5 imposed only in 1/4% increments. The tax may not be imposed on
6 tangible personal property taxed at the 1% rate under the
7 Retailers' Occupation Tax Act. Beginning December 1, 2019, this
8 tax is not imposed on sales of aviation fuel unless the tax
9 revenue is expended for airport-related purposes. If a
10 municipality does not have an airport-related purpose to which
11 it dedicates aviation fuel tax revenue, then aviation fuel is
12 excluded from the tax. Each municipality must comply with the
13 certification requirements for airport-related purposes under
14 Section 8-11-22. For purposes of this Act, "airport-related
15 purposes" has the meaning ascribed in Section 6z-20.2 of the
16 State Finance Act. This exclusion for aviation fuel only
17 applies for so long as the revenue use requirements of 49
18 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
19 municipality. The tax imposed by a municipality pursuant to
20 this Section and all civil penalties that may be assessed as an
21 incident thereof shall be collected and enforced by the State
22 Department of Revenue. The certificate of registration which is
23 issued by the Department to a retailer under the Retailers'
24 Occupation Tax Act shall permit such retailer to engage in a
25 business which is taxable under any ordinance or resolution
26 enacted pursuant to this Section without registering

1 separately with the Department under such ordinance or
2 resolution or under this Section. The Department shall have
3 full power to administer and enforce this Section; to collect
4 all taxes and penalties due hereunder; to dispose of taxes and
5 penalties so collected in the manner hereinafter provided, and
6 to determine all rights to credit memoranda, arising on account
7 of the erroneous payment of tax or penalty hereunder. In the
8 administration of, and compliance with, this Section, the
9 Department and persons who are subject to this Section shall
10 have the same rights, remedies, privileges, immunities, powers
11 and duties, and be subject to the same conditions,
12 restrictions, limitations, penalties and definitions of terms,
13 and employ the same modes of procedure, as are prescribed in
14 Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in
15 respect to all provisions therein other than the State rate of
16 tax), 2c, 3 (except as to the disposition of taxes and
17 penalties collected, and except that the retailer's discount is
18 not allowed for taxes paid on aviation fuel that are deposited
19 into the Local Government Aviation Trust Fund), 4, 5, 5a, 5b,
20 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,
21 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
22 Section 3-7 of the Uniform Penalty and Interest Act as fully as
23 if those provisions were set forth herein.

24 No municipality may impose a tax under this Section unless
25 the municipality also imposes a tax at the same rate under
26 Section 8-11-1.4 of this Code.

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

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

16 Except as otherwise provided, the ~~The~~ Department shall
17 forthwith pay over to the State Treasurer, ex officio, as
18 trustee, all taxes and penalties collected hereunder for
19 deposit into the Non-Home Rule Municipal Retailers' Occupation
20 Tax Fund. Taxes and penalties collected on aviation fuel sold
21 on or after December 1, 2019, shall be immediately paid over by
22 the Department to the State Treasurer, ex officio, as trustee,
23 for deposit into the Local Government Aviation Trust Fund. The
24 Department shall only pay moneys into the Local Government
25 Aviation Trust Fund under this Act for so long as the revenue
26 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are

1 binding on the municipality.

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

10 After the monthly transfer to the STAR Bonds Revenue Fund,
11 on or before the 25th day of each calendar month, the
12 Department shall prepare and certify to the Comptroller the
13 disbursement of stated sums of money to named municipalities,
14 the municipalities to be those from which retailers have paid
15 taxes or penalties hereunder to the Department during the
16 second preceding calendar month. The amount to be paid to each
17 municipality shall be the amount (not including credit
18 memoranda and not including taxes and penalties collected on
19 aviation fuel sold on or after December 1, 2019) collected
20 hereunder during the second preceding calendar month by the
21 Department plus an amount the Department determines is
22 necessary to offset any amounts which were erroneously paid to
23 a different taxing body, and not including an amount equal to
24 the amount of refunds made during the second preceding calendar
25 month by the Department on behalf of such municipality, and not
26 including any amount which the Department determines is

1 necessary to offset any amounts which were payable to a
2 different taxing body but were erroneously paid to the
3 municipality, and not including any amounts that are
4 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
5 remainder, which the Department shall transfer into the Tax
6 Compliance and Administration Fund. The Department, at the time
7 of each monthly disbursement to the municipalities, shall
8 prepare and certify to the State Comptroller the amount to be
9 transferred into the Tax Compliance and Administration Fund
10 under this Section. Within 10 days after receipt, by the
11 Comptroller, of the disbursement certification to the
12 municipalities and the Tax Compliance and Administration Fund
13 provided for in this Section to be given to the Comptroller by
14 the Department, the Comptroller shall cause the orders to be
15 drawn for the respective amounts in accordance with the
16 directions contained in such certification.

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

26 Nothing in this Section shall be construed to authorize a

1 municipality to impose a tax upon the privilege of engaging in
2 any business which under the constitution of the United States
3 may not be made the subject of taxation by this State.

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

10 The Department of Revenue shall implement Public Act 91-649
11 ~~this amendatory Act of the 91st General Assembly~~ so as to
12 collect the tax on and after January 1, 2002.

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

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

18 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;
19 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

20 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

21 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
22 Tax Act. The corporate authorities of a non-home rule
23 municipality may impose a tax upon all persons engaged, in such
24 municipality, in the business of making sales of service for
25 expenditure on public infrastructure or for property tax relief

1 or both as defined in Section 8-11-1.2 if approved by
2 referendum as provided in Section 8-11-1.1, of the selling
3 price of all tangible personal property transferred by such
4 servicemen either in the form of tangible personal property or
5 in the form of real estate as an incident to a sale of service.
6 If the tax is approved by referendum on or after July 14, 2010
7 (the effective date of Public Act 96-1057), the corporate
8 authorities of a non-home rule municipality may, until December
9 31, 2020, use the proceeds of the tax for expenditure on
10 municipal operations, in addition to or in lieu of any
11 expenditure on public infrastructure or for property tax
12 relief. The tax imposed may not be more than 1% and may be
13 imposed only in 1/4% increments. The tax may not be imposed on
14 tangible personal property taxed at the 1% rate under the
15 Service Occupation Tax Act. Beginning December 1, 2019, this
16 tax is not imposed on sales of aviation fuel unless the tax
17 revenue is expended for airport-related purposes. If a
18 municipality does not have an airport-related purpose to which
19 it dedicates aviation fuel tax revenue, then aviation fuel is
20 excluded from the tax. Each municipality must comply with the
21 certification requirements for airport-related purposes under
22 Section 8-11-22. For purposes of this Act, "airport-related
23 purposes" has the meaning ascribed in Section 6z-20.2 of the
24 State Finance Act. This exclusion for aviation fuel only
25 applies for so long as the revenue use requirements of 49
26 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the

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

1 extent indicated in that Section 8 shall be the taxing
2 municipality), 9 (except as to the disposition of taxes and
3 penalties collected, and except that the returned merchandise
4 credit for this municipal tax may not be taken against any
5 State tax, and except that the retailer's discount is not
6 allowed for taxes paid on aviation fuel that are deposited into
7 the Local Government Aviation Trust Fund), 10, 11, 12 (except
8 the reference therein to Section 2b of the Retailers'
9 Occupation Tax Act), 13 (except that any reference to the State
10 shall mean the taxing municipality), the first paragraph of
11 Section 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax
12 Act and Section 3-7 of the Uniform Penalty and Interest Act, as
13 fully as if those provisions were set forth herein.

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

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

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

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

6 Except as otherwise provided in this paragraph, the ~~The~~
7 Department shall forthwith pay over to the State Treasurer, ex
8 officio, as trustee, all taxes and penalties collected
9 hereunder for deposit into the municipal retailers' occupation
10 tax fund. Taxes and penalties collected on aviation fuel sold
11 on or after December 1, 2019, shall be immediately paid over by
12 the Department to the State Treasurer, ex officio, as trustee,
13 for deposit into the Local Government Aviation Trust Fund. The
14 Department shall only pay moneys into the Local Government
15 Aviation Trust Fund under this Act for so long as the revenue
16 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
17 binding on the municipality.

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

26 After the monthly transfer to the STAR Bonds Revenue Fund,

1 on or before the 25th day of each calendar month, the
2 Department shall prepare and certify to the Comptroller the
3 disbursement of stated sums of money to named municipalities,
4 the municipalities to be those from which suppliers and
5 servicemen have paid taxes or penalties hereunder to the
6 Department during the second preceding calendar month. The
7 amount to be paid to each municipality shall be the amount (not
8 including credit memoranda and not including taxes and
9 penalties collected on aviation fuel sold on or after December
10 1, 2019) collected hereunder during the second preceding
11 calendar month by the Department, and not including an amount
12 equal to the amount of refunds made during the second preceding
13 calendar month by the Department on behalf of such
14 municipality, and not including any amounts that are
15 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
16 remainder, which the Department shall transfer into the Tax
17 Compliance and Administration Fund. The Department, at the time
18 of each monthly disbursement to the municipalities, shall
19 prepare and certify to the State Comptroller the amount to be
20 transferred into the Tax Compliance and Administration Fund
21 under this Section. Within 10 days after receipt, by the
22 Comptroller, of the disbursement certification to the
23 municipalities, the General Revenue Fund, and the Tax
24 Compliance and Administration Fund provided for in this Section
25 to be given to the Comptroller by the Department, the
26 Comptroller shall cause the orders to be drawn for the

1 respective amounts in accordance with the directions contained
2 in such certification.

3 The Department of Revenue shall implement Public Act 91-649
4 ~~this amendatory Act of the 91st General Assembly~~ so as to
5 collect the tax on and after January 1, 2002.

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

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

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

16 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
17 100-1171, eff. 1-4-19; revised 1-9-19.)

18 (65 ILCS 5/8-11-1.6)

19 Sec. 8-11-1.6. Non-home rule municipal retailers'
20 occupation tax; municipalities between 20,000 and 25,000. The
21 corporate authorities of a non-home rule municipality with a
22 population of more than 20,000 but less than 25,000 that has,
23 prior to January 1, 1987, established a Redevelopment Project
24 Area that has been certified as a State Sales Tax Boundary and
25 has issued bonds or otherwise incurred indebtedness to pay for

1 costs in excess of \$5,000,000, which is secured in part by a
2 tax increment allocation fund, in accordance with the
3 provisions of Division 11-74.4 of this Code may, by passage of
4 an ordinance, impose a tax upon all persons engaged in the
5 business of selling tangible personal property, other than on
6 an item of tangible personal property that is titled and
7 registered by an agency of this State's Government, at retail
8 in the municipality. This tax may not be imposed on tangible
9 personal property taxed at the 1% rate under the Retailers'
10 Occupation Tax Act. Beginning December 1, 2019, this tax is not
11 imposed on sales of aviation fuel unless the tax revenue is
12 expended for airport-related purposes. If a municipality does
13 not have an airport-related purpose to which it dedicates
14 aviation fuel tax revenue, then aviation fuel is excluded from
15 the tax. Each municipality must comply with the certification
16 requirements for airport-related purposes under Section
17 8-11-22. For purposes of this Act, "airport-related purposes"
18 has the meaning ascribed in Section 6z-20.2 of the State
19 Finance Act. This exclusion for aviation fuel only applies for
20 so long as the revenue use requirements of 49 U.S.C. 47107(b)
21 and 49 U.S.C. 47133 are binding on the municipality. If
22 imposed, the tax shall only be imposed in .25% increments of
23 the gross receipts from such sales made in the course of
24 business. Any tax imposed by a municipality under this Section
25 and all civil penalties that may be assessed as an incident
26 thereof shall be collected and enforced by the State Department

1 of Revenue. An ordinance imposing a tax hereunder or effecting
2 a change in the rate thereof shall be adopted and a certified
3 copy thereof filed with the Department on or before the first
4 day of October, whereupon the Department shall proceed to
5 administer and enforce this Section as of the first day of
6 January next following such adoption and filing. The
7 certificate of registration that is issued by the Department to
8 a retailer under the Retailers' Occupation Tax Act shall permit
9 the retailer to engage in a business that is taxable under any
10 ordinance or resolution enacted under this Section without
11 registering separately with the Department under the ordinance
12 or resolution or under this Section. The Department shall have
13 full power to administer and enforce this Section, to collect
14 all taxes and penalties due hereunder, to dispose of taxes and
15 penalties so collected in the manner hereinafter provided, and
16 to determine all rights to credit memoranda, arising on account
17 of the erroneous payment of tax or penalty hereunder. In the
18 administration of, and compliance with this Section, the
19 Department and persons who are subject to this Section shall
20 have the same rights, remedies, privileges, immunities,
21 powers, and duties, and be subject to the same conditions,
22 restrictions, limitations, penalties, and definitions of
23 terms, and employ the same modes of procedure, as are
24 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2
25 through 2-65 (in respect to all provisions therein other than
26 the State rate of tax), 2c, 3 (except as to the disposition of

1 taxes and penalties collected, and except that the retailer's
2 discount is not allowed for taxes paid on aviation fuel that
3 are deposited into the Local Government Aviation Trust Fund),
4 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b,
5 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation
6 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
7 as fully as if those provisions were set forth herein.

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

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

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

26 Except as otherwise provided in this paragraph, the ~~The~~

1 Department shall forthwith pay over to the State Treasurer, ex
2 officio, as trustee, all taxes and penalties collected
3 hereunder for deposit into the Non-Home Rule Municipal
4 Retailers' Occupation Tax Fund. Taxes and penalties collected
5 on aviation fuel sold on or after December 1, 2019, shall be
6 immediately paid over by the Department to the State Treasurer,
7 ex officio, as trustee, for deposit into the Local Government
8 Aviation Trust Fund. The Department shall only pay moneys into
9 the Local Government Aviation Trust Fund under this Act for so
10 long as the revenue use requirements of 49 U.S.C. 47107(b) and
11 49 U.S.C. 47133 are binding on the municipality.

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

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

1 municipality shall be the amount (not including credit
2 memoranda and not including taxes and penalties collected on
3 aviation fuel sold on or after December 1, 2019) collected
4 hereunder during the second preceding calendar month by the
5 Department plus an amount the Department determines is
6 necessary to offset any amounts that were erroneously paid to a
7 different taxing body, and not including an amount equal to the
8 amount of refunds made during the second preceding calendar
9 month by the Department on behalf of the municipality, and not
10 including any amount that the Department determines is
11 necessary to offset any amounts that were payable to a
12 different taxing body but were erroneously paid to the
13 municipality, and not including any amounts that are
14 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
15 remainder, which the Department shall transfer into the Tax
16 Compliance and Administration Fund. The Department, at the time
17 of each monthly disbursement to the municipalities, shall
18 prepare and certify to the State Comptroller the amount to be
19 transferred into the Tax Compliance and Administration Fund
20 under this Section. Within 10 days after receipt by the
21 Comptroller of the disbursement certification to the
22 municipalities and the Tax Compliance and Administration Fund
23 provided for in this Section to be given to the Comptroller by
24 the Department, the Comptroller shall cause the orders to be
25 drawn for the respective amounts in accordance with the
26 directions contained in the certification.

1 For the purpose of determining the local governmental unit
2 whose tax is applicable, a retail sale by a producer of coal or
3 other mineral mined in Illinois is a sale at retail at the
4 place where the coal or other mineral mined in Illinois is
5 extracted from the earth. This paragraph does not apply to coal
6 or other mineral when it is delivered or shipped by the seller
7 to the purchaser at a point outside Illinois so that the sale
8 is exempt under the federal Constitution as a sale in
9 interstate or foreign commerce.

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

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

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

23 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;
24 100-23, eff. 7-6-17; 100-587, eff. 6-4-18; 100-863, eff.
25 8-14-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

1 (65 ILCS 5/8-11-1.7)

2 Sec. 8-11-1.7. Non-home rule municipal service occupation
3 tax; municipalities between 20,000 and 25,000. The corporate
4 authorities of a non-home rule municipality with a population
5 of more than 20,000 but less than 25,000 as determined by the
6 last preceding decennial census that has, prior to January 1,
7 1987, established a Redevelopment Project Area that has been
8 certified as a State Sales Tax Boundary and has issued bonds or
9 otherwise incurred indebtedness to pay for costs in excess of
10 \$5,000,000, which is secured in part by a tax increment
11 allocation fund, in accordance with the provisions of Division
12 11-74.4 of this Code may, by passage of an ordinance, impose a
13 tax upon all persons engaged in the municipality in the
14 business of making sales of service. If imposed, the tax shall
15 only be imposed in .25% increments of the selling price of all
16 tangible personal property transferred by such servicemen
17 either in the form of tangible personal property or in the form
18 of real estate as an incident to a sale of service. This tax
19 may not be imposed on tangible personal property taxed at the
20 1% rate under the Service Occupation Tax Act. Beginning
21 December 1, 2019, this tax is not imposed on sales of aviation
22 fuel unless the tax revenue is expended for airport-related
23 purposes. If a municipality does not have an airport-related
24 purpose to which it dedicates aviation fuel tax revenue, then
25 aviation fuel is excluded from the tax. Each municipality must
26 comply with the certification requirements for airport-related

1 purposes under Section 8-11-22. For purposes of this Act,
2 "airport-related purposes" has the meaning ascribed in Section
3 6z-20.2 of the State Finance Act. This exclusion for aviation
4 fuel only applies for so long as the revenue use requirements
5 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
6 municipality. The tax imposed by a municipality under this
7 Section and all civil penalties that may be assessed as an
8 incident thereof shall be collected and enforced by the State
9 Department of Revenue. An ordinance imposing a tax hereunder or
10 effecting a change in the rate thereof shall be adopted and a
11 certified copy thereof filed with the Department on or before
12 the first day of October, whereupon the Department shall
13 proceed to administer and enforce this Section as of the first
14 day of January next following such adoption and filing. The
15 certificate of registration that is issued by the Department to
16 a retailer under the Retailers' Occupation Tax Act or under the
17 Service Occupation Tax Act shall permit the registrant to
18 engage in a business that is taxable under any ordinance or
19 resolution enacted under this Section without registering
20 separately with the Department under the ordinance or
21 resolution or under this Section. The Department shall have
22 full power to administer and enforce this Section, to collect
23 all taxes and penalties due hereunder, to dispose of taxes and
24 penalties so collected in a manner hereinafter provided, and to
25 determine all rights to credit memoranda arising on account of
26 the erroneous payment of tax or penalty hereunder. In the

1 administration of and compliance with this Section, the
2 Department and persons who are subject to this Section shall
3 have the same rights, remedies, privileges, immunities,
4 powers, and duties, and be subject to the same conditions,
5 restrictions, limitations, penalties and definitions of terms,
6 and employ the same modes of procedure, as are prescribed in
7 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all
8 provisions therein other than the State rate of tax), 4 (except
9 that the reference to the State shall be to the taxing
10 municipality), 5, 7, 8 (except that the jurisdiction to which
11 the tax shall be a debt to the extent indicated in that Section
12 8 shall be the taxing municipality), 9 (except as to the
13 disposition of taxes and penalties collected, and except that
14 the returned merchandise credit for this municipal tax may not
15 be taken against any State tax, and except that the retailer's
16 discount is not allowed for taxes paid on aviation fuel that
17 are deposited into the Local Government Aviation Trust Fund),
18 10, 11, 12, (except the reference therein to Section 2b of the
19 Retailers' Occupation Tax Act), 13 (except that any reference
20 to the State shall mean the taxing municipality), the first
21 paragraph of Sections 15, 16, 17, 18, 19, and 20 of the Service
22 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
23 Interest Act, as fully as if those provisions were set forth
24 herein.

25 A tax may not be imposed by a municipality under this
26 Section unless the municipality also imposes a tax at the same

1 rate under Section 8-11-1.6 of this Act.

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

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

16 Except as otherwise provided in this paragraph, the ~~The~~
17 Department shall forthwith pay over to the State Treasurer, ex
18 officio, as trustee, all taxes and penalties collected
19 hereunder for deposit into the Non-Home Rule Municipal
20 Retailers' Occupation Tax Fund. Taxes and penalties collected
21 on aviation fuel sold on or after December 1, 2019, shall be
22 immediately paid over by the Department to the State Treasurer,
23 ex officio, as trustee, for deposit into the Local Government
24 Aviation Trust Fund. The Department shall only pay moneys into
25 the Local Government Aviation Trust Fund under this Act for so
26 long as the revenue use requirements of 49 U.S.C. 47107(b) and

1 49 U.S.C. 47133 are binding on the Municipality.

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

10 After the monthly transfer to the STAR Bonds Revenue Fund,
11 on or before the 25th day of each calendar month, the
12 Department shall prepare and certify to the Comptroller the
13 disbursement of stated sums of money to named municipalities,
14 the municipalities to be those from which suppliers and
15 servicemen have paid taxes or penalties hereunder to the
16 Department during the second preceding calendar month. The
17 amount to be paid to each municipality shall be the amount (not
18 including credit memoranda and not including taxes and
19 penalties collected on aviation fuel sold on or after December
20 1, 2019) collected hereunder during the second preceding
21 calendar month by the Department, and not including an amount
22 equal to the amount of refunds made during the second preceding
23 calendar month by the Department on behalf of such
24 municipality, and not including any amounts that are
25 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
26 remainder, which the Department shall transfer into the Tax

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

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

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

23 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
24 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

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

1 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
2 Act. The corporate authorities of a home rule municipality may
3 impose a tax upon all persons engaged, in such municipality, in
4 the business of making sales of service at the same rate of tax
5 imposed pursuant to Section 8-11-1, of the selling price of all
6 tangible personal property transferred by such servicemen
7 either in the form of tangible personal property or in the form
8 of real estate as an incident to a sale of service. If imposed,
9 such tax shall only be imposed in 1/4% increments. On and after
10 September 1, 1991, this additional tax may not be imposed on
11 tangible personal property taxed at the 1% rate under the
12 Retailers' Occupation Tax Act. Beginning December 1, 2019, this
13 tax may not be imposed on sales of aviation fuel unless the tax
14 revenue is expended for airport-related purposes. If a
15 municipality does not have an airport-related purpose to which
16 it dedicates aviation fuel tax revenue, then aviation fuel
17 shall be excluded from tax. Each municipality must comply with
18 the certification requirements for airport-related purposes
19 under Section 8-11-22. For purposes of this Act,
20 "airport-related purposes" has the meaning ascribed in Section
21 6z-20.2 of the State Finance Act. This exception for aviation
22 fuel only applies for so long as the revenue use requirements
23 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
24 State. The changes made to this Section by this amendatory Act
25 of the 101st General Assembly are a denial and limitation of
26 home rule powers and functions under subsection (g) of Section

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

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

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

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

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

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

6 Except as otherwise provided in this paragraph, the ~~The~~
7 Department shall forthwith pay over to the State Treasurer, ex
8 officio ~~ex officio~~, as trustee, all taxes and penalties
9 collected hereunder for deposit into the Home Rule Municipal
10 Retailers' Occupation Tax Fund. Taxes and penalties collected
11 on aviation fuel sold on or after December 1, 2019, shall be
12 immediately paid over by the Department to the State Treasurer,
13 ex officio, as trustee, for deposit into the Local Government
14 Aviation Trust Fund. The Department shall only pay moneys into
15 the State Aviation Program Fund under this Act for so long as
16 the revenue use requirements of 49 U.S.C. 47107(b) and 49
17 U.S.C. 47133 are binding on the municipality.

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

26 After the monthly transfer to the STAR Bonds Revenue Fund,

1 on or before the 25th day of each calendar month, the
2 Department shall prepare and certify to the Comptroller the
3 disbursement of stated sums of money to named municipalities,
4 the municipalities to be those from which suppliers and
5 servicemen have paid taxes or penalties hereunder to the
6 Department during the second preceding calendar month. The
7 amount to be paid to each municipality shall be the amount (not
8 including credit memoranda and not including taxes and
9 penalties collected on aviation fuel sold on or after December
10 1, 2019) collected hereunder during the second preceding
11 calendar month by the Department, and not including an amount
12 equal to the amount of refunds made during the second preceding
13 calendar month by the Department on behalf of such
14 municipality, and not including any amounts that are
15 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
16 remainder, which the Department shall transfer into the Tax
17 Compliance and Administration Fund. The Department, at the time
18 of each monthly disbursement to the municipalities, shall
19 prepare and certify to the State Comptroller the amount to be
20 transferred into the Tax Compliance and Administration Fund
21 under this Section. Within 10 days after receipt, by the
22 Comptroller, of the disbursement certification to the
23 municipalities and the Tax Compliance and Administration Fund
24 provided for in this Section to be given to the Comptroller by
25 the Department, the Comptroller shall cause the orders to be
26 drawn for the respective amounts in accordance with the

1 directions contained in such certification.

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

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

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

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

1 following such adoption and filing. Beginning January 1, 1993,
2 an ordinance or resolution imposing or discontinuing the tax
3 hereunder or effecting a change in the rate thereof shall be
4 adopted and a certified copy thereof filed with the Department
5 on or before the first day of October, whereupon the Department
6 shall proceed to administer and enforce this Section as of the
7 first day of January next following such adoption and filing.
8 However, a municipality located in a county with a population
9 in excess of 3,000,000 that elected to become a home rule unit
10 at the general primary election in 1994 may adopt an ordinance
11 or resolution imposing the tax under this Section and file a
12 certified copy of the ordinance or resolution with the
13 Department on or before July 1, 1994. The Department shall then
14 proceed to administer and enforce this Section as of October 1,
15 1994. Beginning April 1, 1998, an ordinance or resolution
16 imposing or discontinuing the tax hereunder or effecting a
17 change in the rate thereof shall either (i) be adopted and a
18 certified copy thereof filed with the Department on or before
19 the first day of April, whereupon the Department shall proceed
20 to administer and enforce this Section as of the first day of
21 July next following the adoption and filing; or (ii) be adopted
22 and a certified copy thereof filed with the Department on or
23 before the first day of October, whereupon the Department shall
24 proceed to administer and enforce this Section as of the first
25 day of January next following the adoption and filing.

26 Any unobligated balance remaining in the Municipal

1 Retailers' Occupation Tax Fund on December 31, 1989, which fund
2 was abolished by Public Act 85-1135, and all receipts of
3 municipal tax as a result of audits of liability periods prior
4 to January 1, 1990, shall be paid into the Local Government Tax
5 Fund, for distribution as provided by this Section prior to the
6 enactment of Public Act 85-1135. All receipts of municipal tax
7 as a result of an assessment not arising from an audit, for
8 liability periods prior to January 1, 1990, shall be paid into
9 the Local Government Tax Fund for distribution before July 1,
10 1990, as provided by this Section prior to the enactment of
11 Public Act 85-1135, and on and after July 1, 1990, all such
12 receipts shall be distributed as provided in Section 6z-18 of
13 the State Finance Act.

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

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

19 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
20 100-1171, eff. 1-4-19; revised 1-9-19.)

21 (65 ILCS 5/8-11-6a) (from Ch. 24, par. 8-11-6a)

22 Sec. 8-11-6a. Home rule municipalities; preemption of
23 certain taxes. Except as provided in Sections 8-11-1, 8-11-5,
24 8-11-6, 8-11-6b, 8-11-6c, and 11-74.3-6 on and after September
25 1, 1990, no home rule municipality has the authority to impose,

1 pursuant to its home rule authority, a retailer's occupation
2 tax, service occupation tax, use tax, sales tax or other tax on
3 the use, sale or purchase of tangible personal property based
4 on the gross receipts from such sales or the selling or
5 purchase price of said tangible personal property.
6 Notwithstanding the foregoing, this Section does not preempt
7 any home rule imposed tax such as the following: (1) a tax on
8 alcoholic beverages, whether based on gross receipts, volume
9 sold or any other measurement; (2) a tax based on the number of
10 units of cigarettes or tobacco products (provided, however,
11 that a home rule municipality that has not imposed a tax based
12 on the number of units of cigarettes or tobacco products before
13 July 1, 1993, shall not impose such a tax after that date); (3)
14 a tax, however measured, based on the use of a hotel or motel
15 room or similar facility; (4) a tax, however measured, on the
16 sale or transfer of real property; (5) a tax, however measured,
17 on lease receipts; (6) a tax on food prepared for immediate
18 consumption and on alcoholic beverages sold by a business which
19 provides for on premise consumption of said food or alcoholic
20 beverages; or (7) other taxes not based on the selling or
21 purchase price or gross receipts from the use, sale or purchase
22 of tangible personal property. This Section does not preempt a
23 home rule municipality with a population of more than 2,000,000
24 from imposing a tax, however measured, on the use, for
25 consideration, of a parking lot, garage, or other parking
26 facility. This Section is not intended to affect any existing

1 tax on food and beverages prepared for immediate consumption on
2 the premises where the sale occurs, or any existing tax on
3 alcoholic beverages, or any existing tax imposed on the charge
4 for renting a hotel or motel room, which was in effect January
5 15, 1988, or any extension of the effective date of such an
6 existing tax by ordinance of the municipality imposing the tax,
7 which extension is hereby authorized, in any non-home rule
8 municipality in which the imposition of such a tax has been
9 upheld by judicial determination, nor is this Section intended
10 to preempt the authority granted by Public Act 85-1006. On and
11 after December 1, 2019, no home rule municipality has the
12 authority to impose, pursuant to its home rule authority, a
13 tax, however measured, on sales of aviation fuel, as defined in
14 Section 3 of the Retailers' Occupation Tax Act, unless the tax
15 revenue is expended for airport-related purposes. For purposes
16 of this Section, "airport-related purposes" has the meaning
17 ascribed in Section 6z-20.2 of the State Finance Act. Aviation
18 fuel shall be excluded from tax only for so long as the revenue
19 use requirements of 49 U.S.C. 47017(b) and 49 U.S.C. 47133 are
20 binding on the municipality. This Section is a limitation,
21 pursuant to subsection (g) of Section 6 of Article VII of the
22 Illinois Constitution, on the power of home rule units to tax.
23 The changes made to this Section by this amendatory Act of the
24 101st General Assembly are a denial and limitation of home rule
25 powers and functions under subsection (g) of Section 6 of
26 Article VII of the Illinois Constitution.

1 (Source: P.A. 97-1168, eff. 3-8-13; 97-1169, eff. 3-8-13.)

2 (65 ILCS 5/8-11-22 new)

3 Sec. 8-11-22. Certification for airport-related purposes.
4 On or before September 1, 2019, and on or before each April 1
5 and October 1 thereafter, each municipality (and District in
6 the case of business district operating within a municipality)
7 must certify to the Department of Transportation, in the form
8 and manner required by the Department, whether the municipality
9 has an airport-related purpose, which would allow any
10 Retailers' Occupation Tax and Service Occupation Tax imposed by
11 the municipality to include tax on aviation fuel. On or before
12 October 1, 2019, and on or before each May 1 and November 1
13 thereafter, the Department of Transportation shall provide to
14 the Department of Revenue, a list of units of local government
15 which have certified to the Department of Transportation that
16 they have airport-related purposes, which would allow any
17 Retailers' Occupation Tax and Service Occupation Tax imposed by
18 the unit of local government to include tax on aviation fuel.
19 All disputes regarding whether or not a unit of local
20 government has an airport-related purpose shall be resolved by
21 the Department of Transportation.

22 (65 ILCS 5/11-74.3-6)

23 Sec. 11-74.3-6. Business district revenue and obligations;
24 business district tax allocation fund.

1 (a) If the corporate authorities of a municipality have
2 approved a business district plan, have designated a business
3 district, and have elected to impose a tax by ordinance
4 pursuant to subsection (10) or (11) of Section 11-74.3-3, then
5 each year after the date of the approval of the ordinance but
6 terminating upon the date all business district project costs
7 and all obligations paying or reimbursing business district
8 project costs, if any, have been paid, but in no event later
9 than the dissolution date, all amounts generated by the
10 retailers' occupation tax and service occupation tax shall be
11 collected and the tax shall be enforced by the Department of
12 Revenue in the same manner as all retailers' occupation taxes
13 and service occupation taxes imposed in the municipality
14 imposing the tax and all amounts generated by the hotel
15 operators' occupation tax shall be collected and the tax shall
16 be enforced by the municipality in the same manner as all hotel
17 operators' occupation taxes imposed in the municipality
18 imposing the tax. The corporate authorities of the municipality
19 shall deposit the proceeds of the taxes imposed under
20 subsections (10) and (11) of Section 11-74.3-3 into a special
21 fund of the municipality called the "[Name of] Business
22 District Tax Allocation Fund" for the purpose of paying or
23 reimbursing business district project costs and obligations
24 incurred in the payment of those costs.

25 (b) The corporate authorities of a municipality that has
26 designated a business district under this Law may, by

1 ordinance, impose a Business District Retailers' Occupation
2 Tax upon all persons engaged in the business of selling
3 tangible personal property, other than an item of tangible
4 personal property titled or registered with an agency of this
5 State's government, at retail in the business district at a
6 rate not to exceed 1% of the gross receipts from the sales made
7 in the course of such business, to be imposed only in 0.25%
8 increments. The tax may not be imposed on tangible personal
9 property taxed at the rate of 1% under the Retailers'
10 Occupation Tax Act. Beginning December 1, 2019, this tax is not
11 imposed on sales of aviation fuel unless the tax revenue is
12 expended for airport-related purposes. If the District does not
13 have an airport-related purpose to which it dedicates aviation
14 fuel tax revenue, then aviation fuel is excluded from the tax.
15 Each municipality must comply with the certification
16 requirements for airport-related purposes under Section
17 8-11-22. For purposes of this Act, "airport-related purposes"
18 has the meaning ascribed in Section 6z-20.2 of the State
19 Finance Act. This exclusion for aviation fuel only applies for
20 so long as the revenue use requirements of 49 U.S.C. 47107(b)
21 and 49 U.S.C. 47133 are binding on the District.

22 The tax imposed under this subsection and all civil
23 penalties that may be assessed as an incident thereof shall be
24 collected and enforced by the Department of Revenue. The
25 certificate of registration that is issued by the Department to
26 a retailer under the Retailers' Occupation Tax Act shall permit

1 the retailer to engage in a business that is taxable under any
2 ordinance or resolution enacted pursuant to this subsection
3 without registering separately with the Department under such
4 ordinance or resolution or under this subsection. The
5 Department of Revenue shall have full power to administer and
6 enforce this subsection; to collect all taxes and penalties due
7 under this subsection in the manner hereinafter provided; and
8 to determine all rights to credit memoranda arising on account
9 of the erroneous payment of tax or penalty under this
10 subsection. In the administration of, and compliance with, this
11 subsection, the Department and persons who are subject to this
12 subsection shall have the same rights, remedies, privileges,
13 immunities, powers and duties, and be subject to the same
14 conditions, restrictions, limitations, penalties, exclusions,
15 exemptions, and definitions of terms and employ the same modes
16 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
17 through 2-65 (in respect to all provisions therein other than
18 the State rate of tax), 2c through 2h, 3 (except as to the
19 disposition of taxes and penalties collected, and except that
20 the retailer's discount is not allowed for taxes paid on
21 aviation fuel that are deposited into the Local Government
22 Aviation Trust Fund), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k,
23 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
24 Retailers' Occupation Tax Act and all provisions of the Uniform
25 Penalty and Interest Act, as fully as if those provisions were
26 set forth herein.

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

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

16 Except as otherwise provided in this paragraph, the ~~The~~
17 Department shall immediately pay over to the State Treasurer,
18 ex officio, as trustee, all taxes, penalties, and interest
19 collected under this subsection for deposit into the business
20 district retailers' occupation tax fund. Taxes and penalties
21 collected on aviation fuel sold on or after December 1, 2019,
22 shall be immediately paid over by the Department to the State
23 Treasurer, ex officio, as trustee, for deposit into the Local
24 Government Aviation Trust Fund. The Department shall only pay
25 moneys into the Local Government Aviation Trust Fund under this
26 Act for so long as the revenue use requirements of 49 U.S.C.

1 47107(b) and 49 U.S.C. 47133 are binding on the District.

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

10 After the monthly transfer to the STAR Bonds Revenue Fund,
11 on or before the 25th day of each calendar month, the
12 Department shall prepare and certify to the Comptroller the
13 disbursement of stated sums of money to named municipalities
14 from the business district retailers' occupation tax fund, the
15 municipalities to be those from which retailers have paid taxes
16 or penalties under this subsection to the Department during the
17 second preceding calendar month. The amount to be paid to each
18 municipality shall be the amount (not including credit
19 memoranda and not including taxes and penalties collected on
20 aviation fuel sold on or after December 1, 2019) collected
21 under this subsection during the second preceding calendar
22 month by the Department plus an amount the Department
23 determines is necessary to offset any amounts that were
24 erroneously paid to a different taxing body, and not including
25 an amount equal to the amount of refunds made during the second
26 preceding calendar month by the Department, less 2% of that

1 amount (except the amount collected on aviation fuel sold on or
2 after December 1, 2019), which shall be deposited into the Tax
3 Compliance and Administration Fund and shall be used by the
4 Department, subject to appropriation, to cover the costs of the
5 Department in administering and enforcing the provisions of
6 this subsection, on behalf of such municipality, and not
7 including any amount that the Department determines is
8 necessary to offset any amounts that were payable to a
9 different taxing body but were erroneously paid to the
10 municipality, and not including any amounts that are
11 transferred to the STAR Bonds Revenue Fund. Within 10 days
12 after receipt by the Comptroller of the disbursement
13 certification to the municipalities provided for in this
14 subsection to be given to the Comptroller by the Department,
15 the Comptroller shall cause the orders to be drawn for the
16 respective amounts in accordance with the directions contained
17 in the certification. The proceeds of the tax paid to
18 municipalities under this subsection shall be deposited into
19 the Business District Tax Allocation Fund by the municipality.

20 An ordinance imposing or discontinuing the tax under this
21 subsection or effecting a change in the rate thereof shall
22 either (i) be adopted and a certified copy thereof filed with
23 the Department on or before the first day of April, whereupon
24 the Department, if all other requirements of this subsection
25 are met, shall proceed to administer and enforce this
26 subsection as of the first day of July next following the

1 adoption and filing; or (ii) be adopted and a certified copy
2 thereof filed with the Department on or before the first day of
3 October, whereupon, if all other requirements of this
4 subsection are met, the Department shall proceed to administer
5 and enforce this subsection as of the first day of January next
6 following the adoption and filing.

7 The Department of Revenue shall not administer or enforce
8 an ordinance imposing, discontinuing, or changing the rate of
9 the tax under this subsection, until the municipality also
10 provides, in the manner prescribed by the Department, the
11 boundaries of the business district and each address in the
12 business district in such a way that the Department can
13 determine by its address whether a business is located in the
14 business district. The municipality must provide this boundary
15 and address information to the Department on or before April 1
16 for administration and enforcement of the tax under this
17 subsection by the Department beginning on the following July 1
18 and on or before October 1 for administration and enforcement
19 of the tax under this subsection by the Department beginning on
20 the following January 1. The Department of Revenue shall not
21 administer or enforce any change made to the boundaries of a
22 business district or address change, addition, or deletion
23 until the municipality reports the boundary change or address
24 change, addition, or deletion to the Department in the manner
25 prescribed by the Department. The municipality must provide
26 this boundary change information or address change, addition,

1 or deletion to the Department on or before April 1 for
2 administration and enforcement by the Department of the change
3 beginning on the following July 1 and on or before October 1
4 for administration and enforcement by the Department of the
5 change beginning on the following January 1. The retailers in
6 the business district shall be responsible for charging the tax
7 imposed under this subsection. If a retailer is incorrectly
8 included or excluded from the list of those required to collect
9 the tax under this subsection, both the Department of Revenue
10 and the retailer shall be held harmless if they reasonably
11 relied on information provided by the municipality.

12 A municipality that imposes the tax under this subsection
13 must submit to the Department of Revenue any other information
14 as the Department may require for the administration and
15 enforcement of the tax.

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

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

26 If a tax is imposed under this subsection (b), a tax shall

1 also be imposed under subsection (c) of this Section.

2 (c) If a tax has been imposed under subsection (b), a
3 Business District Service Occupation Tax shall also be imposed
4 upon all persons engaged, in the business district, in the
5 business of making sales of service, who, as an incident to
6 making those sales of service, transfer tangible personal
7 property within the business district, either in the form of
8 tangible personal property or in the form of real estate as an
9 incident to a sale of service. The tax shall be imposed at the
10 same rate as the tax imposed in subsection (b) and shall not
11 exceed 1% of the selling price of tangible personal property so
12 transferred within the business district, to be imposed only in
13 0.25% increments. The tax may not be imposed on tangible
14 personal property taxed at the 1% rate under the Service
15 Occupation Tax Act. Beginning December 1, 2019, this tax is not
16 imposed on sales of aviation fuel unless the tax revenue is
17 expended for airport-related purposes. If the District does not
18 have an airport-related purpose to which it dedicates aviation
19 fuel tax revenue, then aviation fuel is excluded from the tax.
20 Each municipality must comply with the certification
21 requirements for airport-related purposes under Section
22 8-11-22. For purposes of this Act, "airport-related purposes"
23 has the meaning ascribed in Section 6z-20.2 of the State
24 Finance Act. This exclusion for aviation fuel only applies for
25 so long as the revenue use requirements of 49 U.S.C. 47107(b)
26 and 49 U.S.C. 47133 are binding on the District.

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

1 to which the tax shall be a debt to the extent indicated in
2 that Section 8 shall be the municipality), 9 (except as to the
3 disposition of taxes and penalties collected, and except that
4 the returned merchandise credit for this tax may not be taken
5 against any State tax, and except that the retailer's discount
6 is not allowed for taxes paid on aviation fuel that are
7 deposited into the Local Government Aviation Trust Fund), 10,
8 11, 12 (except the reference therein to Section 2b of the
9 Retailers' Occupation Tax Act), 13 (except that any reference
10 to the State shall mean the municipality), the first paragraph
11 of Section 15, and Sections 16, 17, 18, 19 and 20 of the
12 Service Occupation Tax Act and all provisions of the Uniform
13 Penalty and Interest Act, as fully as if those provisions were
14 set forth herein.

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

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

1 amount specified, and to the person named, in such notification
2 from the Department. Such refund shall be paid by the State
3 Treasurer out of the business district retailers' occupation
4 tax fund.

5 Except as otherwise provided in this paragraph, the ~~The~~
6 Department shall forthwith pay over to the State Treasurer,
7 ex-officio, as trustee, all taxes, penalties, and interest
8 collected under this subsection for deposit into the business
9 district retailers' occupation tax fund. Taxes and penalties
10 collected on aviation fuel sold on or after December 1, 2019,
11 shall be immediately paid over by the Department to the State
12 Treasurer, ex officio, as trustee, for deposit into the Local
13 Government Aviation Trust Fund. The Department shall only pay
14 moneys into the Local Government Aviation Trust Fund under this
15 Act for so long as the revenue use requirements of 49 U.S.C.
16 47107(b) and 49 U.S.C. 47133 are binding on the District.

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

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

1 Department shall prepare and certify to the Comptroller the
2 disbursement of stated sums of money to named municipalities
3 from the business district retailers' occupation tax fund, the
4 municipalities to be those from which suppliers and servicemen
5 have paid taxes or penalties under this subsection to the
6 Department during the second preceding calendar month. The
7 amount to be paid to each municipality shall be the amount (not
8 including credit memoranda and not including taxes and
9 penalties collected on aviation fuel sold on or after December
10 1, 2019) collected under this subsection during the second
11 preceding calendar month by the Department, less 2% of that
12 amount (except the amount collected on aviation fuel sold on or
13 after December 1, 2019), which shall be deposited into the Tax
14 Compliance and Administration Fund and shall be used by the
15 Department, subject to appropriation, to cover the costs of the
16 Department in administering and enforcing the provisions of
17 this subsection, and not including an amount equal to the
18 amount of refunds made during the second preceding calendar
19 month by the Department on behalf of such municipality, and not
20 including any amounts that are transferred to the STAR Bonds
21 Revenue Fund. Within 10 days after receipt, by the Comptroller,
22 of the disbursement certification to the municipalities,
23 provided for in this subsection to be given to the Comptroller
24 by the Department, the Comptroller shall cause the orders to be
25 drawn for the respective amounts in accordance with the
26 directions contained in such certification. The proceeds of the

1 tax paid to municipalities under this subsection shall be
2 deposited into the Business District Tax Allocation Fund by the
3 municipality.

4 An ordinance imposing or discontinuing the tax under this
5 subsection or effecting a change in the rate thereof shall
6 either (i) be adopted and a certified copy thereof filed with
7 the Department on or before the first day of April, whereupon
8 the Department, if all other requirements of this subsection
9 are met, shall proceed to administer and enforce this
10 subsection as of the first day of July next following the
11 adoption and filing; or (ii) be adopted and a certified copy
12 thereof filed with the Department on or before the first day of
13 October, whereupon, if all other conditions of this subsection
14 are met, the Department shall proceed to administer and enforce
15 this subsection as of the first day of January next following
16 the adoption and filing.

17 The Department of Revenue shall not administer or enforce
18 an ordinance imposing, discontinuing, or changing the rate of
19 the tax under this subsection, until the municipality also
20 provides, in the manner prescribed by the Department, the
21 boundaries of the business district in such a way that the
22 Department can determine by its address whether a business is
23 located in the business district. The municipality must provide
24 this boundary and address information to the Department on or
25 before April 1 for administration and enforcement of the tax
26 under this subsection by the Department beginning on the

1 following July 1 and on or before October 1 for administration
2 and enforcement of the tax under this subsection by the
3 Department beginning on the following January 1. The Department
4 of Revenue shall not administer or enforce any change made to
5 the boundaries of a business district or address change,
6 addition, or deletion until the municipality reports the
7 boundary change or address change, addition, or deletion to the
8 Department in the manner prescribed by the Department. The
9 municipality must provide this boundary change information or
10 address change, addition, or deletion to the Department on or
11 before April 1 for administration and enforcement by the
12 Department of the change beginning on the following July 1 and
13 on or before October 1 for administration and enforcement by
14 the Department of the change beginning on the following January
15 1. The retailers in the business district shall be responsible
16 for charging the tax imposed under this subsection. If a
17 retailer is incorrectly included or excluded from the list of
18 those required to collect the tax under this subsection, both
19 the Department of Revenue and the retailer shall be held
20 harmless if they reasonably relied on information provided by
21 the municipality.

22 A municipality that imposes the tax under this subsection
23 must submit to the Department of Revenue any other information
24 as the Department may require for the administration and
25 enforcement of the tax.

26 Nothing in this subsection shall be construed to authorize

1 the municipality to impose a tax upon the privilege of engaging
2 in any business which under the Constitution of the United
3 States may not be made the subject of taxation by the State.

4 If a tax is imposed under this subsection (c), a tax shall
5 also be imposed under subsection (b) of this Section.

6 (d) By ordinance, a municipality that has designated a
7 business district under this Law may impose an occupation tax
8 upon all persons engaged in the business district in the
9 business of renting, leasing, or letting rooms in a hotel, as
10 defined in the Hotel Operators' Occupation Tax Act, at a rate
11 not to exceed 1% of the gross rental receipts from the renting,
12 leasing, or letting of hotel rooms within the business
13 district, to be imposed only in 0.25% increments, excluding,
14 however, from gross rental receipts the proceeds of renting,
15 leasing, or letting to permanent residents of a hotel, as
16 defined in the Hotel Operators' Occupation Tax Act, and
17 proceeds from the tax imposed under subsection (c) of Section
18 13 of the Metropolitan Pier and Exposition Authority Act.

19 The tax imposed by the municipality under this subsection
20 and all civil penalties that may be assessed as an incident to
21 that tax shall be collected and enforced by the municipality
22 imposing the tax. The municipality shall have full power to
23 administer and enforce this subsection, to collect all taxes
24 and penalties due under this subsection, to dispose of taxes
25 and penalties so collected in the manner provided in this
26 subsection, and to determine all rights to credit memoranda

1 arising on account of the erroneous payment of tax or penalty
2 under this subsection. In the administration of and compliance
3 with this subsection, the municipality and persons who are
4 subject to this subsection shall have the same rights,
5 remedies, privileges, immunities, powers, and duties, shall be
6 subject to the same conditions, restrictions, limitations,
7 penalties, and definitions of terms, and shall employ the same
8 modes of procedure as are employed with respect to a tax
9 adopted by the municipality under Section 8-3-14 of this Code.

10 Persons subject to any tax imposed under the authority
11 granted in this subsection may reimburse themselves for their
12 tax liability for that tax by separately stating that tax as an
13 additional charge, which charge may be stated in combination,
14 in a single amount, with State taxes imposed under the Hotel
15 Operators' Occupation Tax Act, and with any other tax.

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

20 The proceeds of the tax imposed under this subsection shall
21 be deposited into the Business District Tax Allocation Fund.

22 (e) Obligations secured by the Business District Tax
23 Allocation Fund may be issued to provide for the payment or
24 reimbursement of business district project costs. Those
25 obligations, when so issued, shall be retired in the manner
26 provided in the ordinance authorizing the issuance of those

1 obligations by the receipts of taxes imposed pursuant to
2 subsections (10) and (11) of Section 11-74.3-3 and by other
3 revenue designated or pledged by the municipality. A
4 municipality may in the ordinance pledge, for any period of
5 time up to and including the dissolution date, all or any part
6 of the funds in and to be deposited in the Business District
7 Tax Allocation Fund to the payment of business district project
8 costs and obligations. Whenever a municipality pledges all of
9 the funds to the credit of a business district tax allocation
10 fund to secure obligations issued or to be issued to pay or
11 reimburse business district project costs, the municipality
12 may specifically provide that funds remaining to the credit of
13 such business district tax allocation fund after the payment of
14 such obligations shall be accounted for annually and shall be
15 deemed to be "surplus" funds, and such "surplus" funds shall be
16 expended by the municipality for any business district project
17 cost as approved in the business district plan. Whenever a
18 municipality pledges less than all of the monies to the credit
19 of a business district tax allocation fund to secure
20 obligations issued or to be issued to pay or reimburse business
21 district project costs, the municipality shall provide that
22 monies to the credit of the business district tax allocation
23 fund and not subject to such pledge or otherwise encumbered or
24 required for payment of contractual obligations for specific
25 business district project costs shall be calculated annually
26 and shall be deemed to be "surplus" funds, and such "surplus"

1 funds shall be expended by the municipality for any business
2 district project cost as approved in the business district
3 plan.

4 No obligation issued pursuant to this Law and secured by a
5 pledge of all or any portion of any revenues received or to be
6 received by the municipality from the imposition of taxes
7 pursuant to subsection (10) of Section 11-74.3-3, shall be
8 deemed to constitute an economic incentive agreement under
9 Section 8-11-20, notwithstanding the fact that such pledge
10 provides for the sharing, rebate, or payment of retailers'
11 occupation taxes or service occupation taxes imposed pursuant
12 to subsection (10) of Section 11-74.3-3 and received or to be
13 received by the municipality from the development or
14 redevelopment of properties in the business district.

15 Without limiting the foregoing in this Section, the
16 municipality may further secure obligations secured by the
17 business district tax allocation fund with a pledge, for a
18 period not greater than the term of the obligations and in any
19 case not longer than the dissolution date, of any part or any
20 combination of the following: (i) net revenues of all or part
21 of any business district project; (ii) taxes levied or imposed
22 by the municipality on any or all property in the municipality,
23 including, specifically, taxes levied or imposed by the
24 municipality in a special service area pursuant to the Special
25 Service Area Tax Law; (iii) the full faith and credit of the
26 municipality; (iv) a mortgage on part or all of the business

1 district project; or (v) any other taxes or anticipated
2 receipts that the municipality may lawfully pledge.

3 Such obligations may be issued in one or more series, bear
4 such date or dates, become due at such time or times as therein
5 provided, but in any case not later than (i) 20 years after the
6 date of issue or (ii) the dissolution date, whichever is
7 earlier, bear interest payable at such intervals and at such
8 rate or rates as set forth therein, except as may be limited by
9 applicable law, which rate or rates may be fixed or variable,
10 be in such denominations, be in such form, either coupon,
11 registered, or book-entry, carry such conversion, registration
12 and exchange privileges, be subject to defeasance upon such
13 terms, have such rank or priority, be executed in such manner,
14 be payable in such medium or payment at such place or places
15 within or without the State, make provision for a corporate
16 trustee within or without the State with respect to such
17 obligations, prescribe the rights, powers, and duties thereof
18 to be exercised for the benefit of the municipality and the
19 benefit of the owners of such obligations, provide for the
20 holding in trust, investment, and use of moneys, funds, and
21 accounts held under an ordinance, provide for assignment of and
22 direct payment of the moneys to pay such obligations or to be
23 deposited into such funds or accounts directly to such trustee,
24 be subject to such terms of redemption with or without premium,
25 and be sold at such price, all as the corporate authorities
26 shall determine. No referendum approval of the electors shall

1 be required as a condition to the issuance of obligations
2 pursuant to this Law except as provided in this Section.

3 In the event the municipality authorizes the issuance of
4 obligations pursuant to the authority of this Law secured by
5 the full faith and credit of the municipality, or pledges ad
6 valorem taxes pursuant to this subsection, which obligations
7 are other than obligations which may be issued under home rule
8 powers provided by Section 6 of Article VII of the Illinois
9 Constitution or which ad valorem taxes are other than ad
10 valorem taxes which may be pledged under home rule powers
11 provided by Section 6 of Article VII of the Illinois
12 Constitution or which are levied in a special service area
13 pursuant to the Special Service Area Tax Law, the ordinance
14 authorizing the issuance of those obligations or pledging those
15 taxes shall be published within 10 days after the ordinance has
16 been adopted, in a newspaper having a general circulation
17 within the municipality. The publication of the ordinance shall
18 be accompanied by a notice of (i) the specific number of voters
19 required to sign a petition requesting the question of the
20 issuance of the obligations or pledging such ad valorem taxes
21 to be submitted to the electors; (ii) the time within which the
22 petition must be filed; and (iii) the date of the prospective
23 referendum. The municipal clerk shall provide a petition form
24 to any individual requesting one.

25 If no petition is filed with the municipal clerk, as
26 hereinafter provided in this Section, within 21 days after the

1 publication of the ordinance, the ordinance shall be in effect.
2 However, if within that 21-day period a petition is filed with
3 the municipal clerk, signed by electors numbering not less than
4 15% of the number of electors voting for the mayor or president
5 at the last general municipal election, asking that the
6 question of issuing obligations using full faith and credit of
7 the municipality as security for the cost of paying or
8 reimbursing business district project costs, or of pledging
9 such ad valorem taxes for the payment of those obligations, or
10 both, be submitted to the electors of the municipality, the
11 municipality shall not be authorized to issue obligations of
12 the municipality using the full faith and credit of the
13 municipality as security or pledging such ad valorem taxes for
14 the payment of those obligations, or both, until the
15 proposition has been submitted to and approved by a majority of
16 the voters voting on the proposition at a regularly scheduled
17 election. The municipality shall certify the proposition to the
18 proper election authorities for submission in accordance with
19 the general election law.

20 The ordinance authorizing the obligations may provide that
21 the obligations shall contain a recital that they are issued
22 pursuant to this Law, which recital shall be conclusive
23 evidence of their validity and of the regularity of their
24 issuance.

25 In the event the municipality authorizes issuance of
26 obligations pursuant to this Law secured by the full faith and

1 credit of the municipality, the ordinance authorizing the
2 obligations may provide for the levy and collection of a direct
3 annual tax upon all taxable property within the municipality
4 sufficient to pay the principal thereof and interest thereon as
5 it matures, which levy may be in addition to and exclusive of
6 the maximum of all other taxes authorized to be levied by the
7 municipality, which levy, however, shall be abated to the
8 extent that monies from other sources are available for payment
9 of the obligations and the municipality certifies the amount of
10 those monies available to the county clerk.

11 A certified copy of the ordinance shall be filed with the
12 county clerk of each county in which any portion of the
13 municipality is situated, and shall constitute the authority
14 for the extension and collection of the taxes to be deposited
15 in the business district tax allocation fund.

16 A municipality may also issue its obligations to refund, in
17 whole or in part, obligations theretofore issued by the
18 municipality under the authority of this Law, whether at or
19 prior to maturity. However, the last maturity of the refunding
20 obligations shall not be expressed to mature later than the
21 dissolution date.

22 In the event a municipality issues obligations under home
23 rule powers or other legislative authority, the proceeds of
24 which are pledged to pay or reimburse business district project
25 costs, the municipality may, if it has followed the procedures
26 in conformance with this Law, retire those obligations from

1 funds in the business district tax allocation fund in amounts
2 and in such manner as if those obligations had been issued
3 pursuant to the provisions of this Law.

4 No obligations issued pursuant to this Law shall be
5 regarded as indebtedness of the municipality issuing those
6 obligations or any other taxing district for the purpose of any
7 limitation imposed by law.

8 Obligations issued pursuant to this Law shall not be
9 subject to the provisions of the Bond Authorization Act.

10 (f) When business district project costs, including,
11 without limitation, all obligations paying or reimbursing
12 business district project costs have been paid, any surplus
13 funds then remaining in the Business District Tax Allocation
14 Fund shall be distributed to the municipal treasurer for
15 deposit into the general corporate fund of the municipality.
16 Upon payment of all business district project costs and
17 retirement of all obligations paying or reimbursing business
18 district project costs, but in no event more than 23 years
19 after the date of adoption of the ordinance imposing taxes
20 pursuant to subsection (10) or (11) of Section 11-74.3-3, the
21 municipality shall adopt an ordinance immediately rescinding
22 the taxes imposed pursuant to subsection (10) or (11) of
23 Section 11-74.3-3.

24 (Source: P.A. 99-143, eff. 7-27-15; 100-1171, eff. 1-4-19.)

25 (65 ILCS 5/11-101-3 new)

1 Sec. 11-101-3. Noise mitigation; air quality. A
2 municipality that has implemented a Residential Sound
3 Insulation Program to mitigate aircraft noise shall perform an
4 in-home air quality test in a residence located in the
5 municipality if (i) windows or doors were installed in the
6 residence under the Residential Sound Insulation Program and
7 (ii) the owner or occupant of the residence requests that the
8 test be performed. The municipality and owner of the residence
9 shall mutually agree on (i) the entity that will perform the
10 test and (ii) when the test will occur. If a health hazard
11 exists, as determined by the results of the test, then the
12 municipality shall replace all windows and doors in the
13 residence, without regard to the status of any warranty on the
14 windows and doors. This Section is a limitation of home rule
15 powers and functions under subsection (i) of Section 6 of
16 Article VII of the Illinois Constitution on the concurrent
17 exercise by home rule units of powers and functions exercised
18 by the State.

19 Section 50. The Civic Center Code is amended by changing
20 Section 245-12 as follows:

21 (70 ILCS 200/245-12)

22 Sec. 245-12. Use and occupation taxes.

23 (a) The Authority may adopt a resolution that authorizes a
24 referendum on the question of whether the Authority shall be

1 authorized to impose a retailers' occupation tax, a service
2 occupation tax, and a use tax in one-quarter percent increments
3 at a rate not to exceed 1%. The Authority shall certify the
4 question to the proper election authorities who shall submit
5 the question to the voters of the metropolitan area at the next
6 regularly scheduled election in accordance with the general
7 election law. The question shall be in substantially the
8 following form:

9 "Shall the Salem Civic Center Authority be authorized to
10 impose a retailers' occupation tax, a service occupation
11 tax, and a use tax at the rate of (rate) for the sole
12 purpose of obtaining funds for the support, construction,
13 maintenance, or financing of a facility of the Authority?"

14 Votes shall be recorded as "yes" or "no". If a majority of
15 all votes cast on the proposition are in favor of the
16 proposition, the Authority is authorized to impose the tax.

17 (b) The Authority shall impose the retailers' occupation
18 tax upon all persons engaged in the business of selling
19 tangible personal property at retail in the metropolitan area,
20 at the rate approved by referendum, on the gross receipts from
21 the sales made in the course of such business within the
22 metropolitan area. Beginning December 1, 2019, this tax is not
23 imposed on sales of aviation fuel unless the tax revenue is
24 expended for airport-related purposes. If the Authority does
25 not have an airport-related purpose to which it dedicates
26 aviation fuel tax revenue, then aviation fuel is excluded from

1 the tax. For purposes of this Act, "airport-related purposes"
2 has the meaning ascribed in Section 6z-20.2 of the State
3 Finance Act. This exclusion for aviation fuel only applies for
4 so long as the revenue use requirements of 49 U.S.C. 47107(b)
5 and 49 U.S.C. 47133 are binding on the Authority.

6 On or before September 1, 2019, and on or before each April
7 1 and October 1 thereafter, the Authority must certify to the
8 Department of Transportation, in the form and manner required
9 by the Department, whether the Authority has an airport-related
10 purpose, which would allow any Retailers' Occupation Tax and
11 Service Occupation Tax imposed by the Authority to include tax
12 on aviation fuel. On or before October 1, 2019, and on or
13 before each May 1 and November 1 thereafter, the Department of
14 Transportation shall provide to the Department of Revenue, a
15 list of units of local government which have certified to the
16 Department of Transportation that they have airport-related
17 purposes, which would allow any Retailers' Occupation Tax and
18 Service Occupation Tax imposed by the unit of local government
19 to include tax on aviation fuel. All disputes regarding whether
20 or not a unit of local government has an airport-related
21 purpose shall be resolved by the Department of Transportation.

22 The tax imposed under this Section and all civil penalties
23 that may be assessed as an incident thereof shall be collected
24 and enforced by the Department of Revenue. The Department has
25 full power to administer and enforce this Section; to collect
26 all taxes and penalties so collected in the manner provided in

1 this Section; and to determine all rights to credit memoranda
2 arising on account of the erroneous payment of tax or penalty
3 hereunder. In the administration of, and compliance with, this
4 Section, the Department and persons who are subject to this
5 Section shall (i) have the same rights, remedies, privileges,
6 immunities, powers and duties, (ii) be subject to the same
7 conditions, restrictions, limitations, penalties, exclusions,
8 exemptions, and definitions of terms, and (iii) employ the same
9 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
10 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in
11 respect to all provisions therein other than the State rate of
12 tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except as to the
13 disposition of taxes and penalties collected and provisions
14 related to quarter monthly payments, and except that the
15 retailer's discount is not allowed for taxes paid on aviation
16 fuel that are deposited into the Local Government Aviation
17 Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l,
18 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the
19 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
20 Penalty and Interest Act, as fully as if those provisions were
21 set forth in this subsection.

22 Persons subject to any tax imposed under this subsection
23 may reimburse themselves for their seller's tax liability by
24 separately stating the tax as an additional charge, which
25 charge may be stated in combination, in a single amount, with
26 State taxes that sellers are required to collect, in accordance

1 with such bracket schedules as the Department may prescribe.

2 Whenever the Department determines that a refund should be
3 made under this subsection to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the warrant to be drawn for the
6 amount specified, and to the person named, in the notification
7 from the Department. The refund shall be paid by the State
8 Treasurer out of the tax fund referenced under paragraph (g) of
9 this Section.

10 If a tax is imposed under this subsection (b), a tax shall
11 also be imposed at the same rate under subsections (c) and (d)
12 of this Section.

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

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

26 (c) If a tax has been imposed under subsection (b), a

1 service occupation tax shall also be imposed at the same rate
2 upon all persons engaged, in the metropolitan area, in the
3 business of making sales of service, who, as an incident to
4 making those sales of service, transfer tangible personal
5 property within the metropolitan area as an incident to a sale
6 of service. The tax imposed under this subsection and all civil
7 penalties that may be assessed as an incident thereof shall be
8 collected and enforced by the Department of Revenue.

9 Beginning December 1, 2019, this tax is not imposed on
10 sales of aviation fuel unless the tax revenue is expended for
11 airport-related purposes. If the Authority does not have an
12 airport-related purpose to which it dedicates aviation fuel tax
13 revenue, then aviation fuel is excluded from the tax. On or
14 before September 1, 2019, and on or before each April 1 and
15 October 1 thereafter, the Authority must certify to the
16 Department of Transportation, in the form and manner required
17 by the Department, whether the Authority has an airport-related
18 purpose, which would allow any Retailers' Occupation Tax and
19 Service Occupation Tax imposed by the Authority to include tax
20 on aviation fuel. On or before October, 2019, and on or before
21 each May 1 and November 1 thereafter, the Department of
22 Transportation shall provide to the Department of Revenue, a
23 list of units of local government which have certified to the
24 Department of Transportation that they have airport-related
25 purposes, which would allow any Retailers' Occupation Tax and
26 Service Occupation Tax imposed by the unit of local government

1 to include tax on aviation fuel. All disputes regarding whether
2 or not a unit of local government has an airport-related
3 purpose shall be resolved by the Department of Transportation.

4 The Department has full power to administer and enforce
5 this paragraph; to collect all taxes and penalties due
6 hereunder; to dispose of taxes and penalties so collected in
7 the manner hereinafter provided; and to determine all rights to
8 credit memoranda arising on account of the erroneous payment of
9 tax or penalty hereunder. In the administration of, and
10 compliance with this paragraph, the Department and persons who
11 are subject to this paragraph shall (i) have the same rights,
12 remedies, privileges, immunities, powers, and duties, (ii) be
13 subject to the same conditions, restrictions, limitations,
14 penalties, exclusions, exemptions, and definitions of terms,
15 and (iii) employ the same modes of procedure as are prescribed
16 in Sections 2 (except that the reference to State in the
17 definition of supplier maintaining a place of business in this
18 State shall mean the metropolitan area), 2a, 2b, 3 through 3-55
19 (in respect to all provisions therein other than the State rate
20 of tax), 4 (except that the reference to the State shall be to
21 the Authority), 5, 7, 8 (except that the jurisdiction to which
22 the tax shall be a debt to the extent indicated in that Section
23 8 shall be the Authority), 9 (except as to the disposition of
24 taxes and penalties collected, and except that the returned
25 merchandise credit for this tax may not be taken against any
26 State tax, and except that the retailer's discount is not

1 allowed for taxes paid on aviation fuel that are deposited into
2 the Local Government Aviation Trust Fund), 11, 12 (except the
3 reference therein to Section 2b of the Retailers' Occupation
4 Tax Act), 13 (except that any reference to the State shall mean
5 the Authority), 15, 16, 17, 18, 19 and 20 of the Service
6 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
7 Interest Act, as fully as if those provisions were set forth
8 herein.

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

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

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

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

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

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

1 all rights to credit memoranda or refunds arising on account of
2 the erroneous payment of tax, penalty or interest hereunder. In
3 the administration of, and compliance with, this subsection,
4 the Department and persons who are subject to this paragraph
5 shall (i) have the same rights, remedies, privileges,
6 immunities, powers, and duties, (ii) be subject to the same
7 conditions, restrictions, limitations, penalties, exclusions,
8 exemptions, and definitions of terms, and (iii) employ the same
9 modes of procedure as are prescribed in Sections 2 (except the
10 definition of "retailer maintaining a place of business in this
11 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
12 7, 8 (except that the jurisdiction to which the tax shall be a
13 debt to the extent indicated in that Section 8 shall be the
14 Authority), 9 (except provisions relating to quarter monthly
15 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
16 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
17 Interest Act, that are not inconsistent with this paragraph, as
18 fully as if those provisions were set forth herein.

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

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

10 (f) The results of any election authorizing a proposition
11 to impose a tax under this Section or effecting a change in the
12 rate of tax shall be certified by the proper election
13 authorities and filed with the Illinois Department on or before
14 the first day of April. In addition, an ordinance imposing,
15 discontinuing, or effecting a change in the rate of tax under
16 this Section shall be adopted and a certified copy thereof
17 filed with the Department on or before the first day of April.
18 After proper receipt of such certifications, the Department
19 shall proceed to administer and enforce this Section as of the
20 first day of July next following such adoption and filing.

21 (g) Except as otherwise provided, the ~~The~~ Department of
22 Revenue shall, upon collecting any taxes and penalties as
23 provided in this Section, pay the taxes and penalties over to
24 the State Treasurer as trustee for the Authority. The taxes and
25 penalties shall be held in a trust fund outside the State
26 Treasury. Taxes and penalties collected on aviation fuel sold

1 on or after December 1, 2019, shall be immediately paid over by
2 the Department to the State Treasurer, ex officio, as trustee,
3 for deposit into the Local Government Aviation Trust Fund. The
4 Department shall only pay moneys into the State Aviation
5 Program Fund under this Act for so long as the revenue use
6 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
7 binding on the District. On or before the 25th day of each
8 calendar month, the Department of Revenue shall prepare and
9 certify to the Comptroller of the State of Illinois the amount
10 to be paid to the Authority, which shall be the balance in the
11 fund, less any amount determined by the Department to be
12 necessary for the payment of refunds and not including taxes
13 and penalties collected on aviation fuel sold on or after
14 December 1, 2019. Within 10 days after receipt by the
15 Comptroller of the certification of the amount to be paid to
16 the Authority, the Comptroller shall cause an order to be drawn
17 for payment for the amount in accordance with the directions
18 contained in the certification. Amounts received from the tax
19 imposed under this Section shall be used only for the support,
20 construction, maintenance, or financing of a facility of the
21 Authority.

22 (h) When certifying the amount of a monthly disbursement to
23 the Authority under this Section, the Department shall increase
24 or decrease the amounts by an amount necessary to offset any
25 miscalculation of previous disbursements. The offset amount
26 shall be the amount erroneously disbursed within the previous 6

1 months from the time a miscalculation is discovered.

2 (i) This Section may be cited as the Salem Civic Center Use
3 and Occupation Tax Law.

4 (Source: P.A. 98-1098, eff. 8-26-14.)

5 Section 55. The Flood Prevention District Act is amended by
6 changing Section 25 as follows:

7 (70 ILCS 750/25)

8 Sec. 25. Flood prevention retailers' and service
9 occupation taxes.

10 (a) If the Board of Commissioners of a flood prevention
11 district determines that an emergency situation exists
12 regarding levee repair or flood prevention, and upon an
13 ordinance confirming the determination adopted by the
14 affirmative vote of a majority of the members of the county
15 board of the county in which the district is situated, the
16 county may impose a flood prevention retailers' occupation tax
17 upon all persons engaged in the business of selling tangible
18 personal property at retail within the territory of the
19 district to provide revenue to pay the costs of providing
20 emergency levee repair and flood prevention and to secure the
21 payment of bonds, notes, and other evidences of indebtedness
22 issued under this Act for a period not to exceed 25 years or as
23 required to repay the bonds, notes, and other evidences of
24 indebtedness issued under this Act. The tax rate shall be 0.25%

1 of the gross receipts from all taxable sales made in the course
2 of that business. Beginning December 1, 2019, this tax is not
3 imposed on sales of aviation fuel unless the tax revenue is
4 expended for airport-related purposes. If the District does not
5 have an airport-related purpose to which it dedicates aviation
6 fuel tax revenue, then aviation fuel is excluded from the tax.
7 The County must comply with the certification requirements for
8 airport-related purposes under Section 5-1184 of the Counties
9 Code. The tax imposed under this Section and all civil
10 penalties that may be assessed as an incident thereof shall be
11 collected and enforced by the State Department of Revenue. The
12 Department shall have full power to administer and enforce this
13 Section; to collect all taxes and penalties so collected in the
14 manner hereinafter provided; and to determine all rights to
15 credit memoranda arising on account of the erroneous payment of
16 tax or penalty hereunder.

17 For purposes of this Act, "airport-related purposes" has
18 the meaning ascribed in Section 6z-20.2 of the State Finance
19 Act. This exclusion for aviation fuel only applies for so long
20 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
21 U.S.C. 47133 are binding on the District.

22 In the administration of and compliance with this
23 subsection, the Department and persons who are subject to this
24 subsection (i) have the same rights, remedies, privileges,
25 immunities, powers, and duties, (ii) are subject to the same
26 conditions, restrictions, limitations, penalties, and

1 definitions of terms, and (iii) shall employ the same modes of
2 procedure as are set forth in Sections 1 through 10, 2 through
3 2-70 (in respect to all provisions contained in those Sections
4 other than the State rate of tax), 2a through 2h, 3 (except as
5 to the disposition of taxes and penalties collected, and except
6 that the retailer's discount is not allowed for taxes paid on
7 aviation fuel that are deposited into the Local Government
8 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
9 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the
10 Retailers' Occupation Tax Act and all provisions of the Uniform
11 Penalty and Interest Act as if those provisions were set forth
12 in this subsection.

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

20 If a tax is imposed under this subsection (a), a tax shall
21 also be imposed under subsection (b) of this Section.

22 (b) If a tax has been imposed under subsection (a), a flood
23 prevention service occupation tax shall also be imposed upon
24 all persons engaged within the territory of the district in the
25 business of making sales of service, who, as an incident to
26 making the sales of service, transfer tangible personal

1 property, either in the form of tangible personal property or
2 in the form of real estate as an incident to a sale of service
3 to provide revenue to pay the costs of providing emergency
4 levee repair and flood prevention and to secure the payment of
5 bonds, notes, and other evidences of indebtedness issued under
6 this Act for a period not to exceed 25 years or as required to
7 repay the bonds, notes, and other evidences of indebtedness.
8 The tax rate shall be 0.25% of the selling price of all
9 tangible personal property transferred. Beginning December 1,
10 2019, this tax is not imposed on sales of aviation fuel unless
11 the tax revenue is expended for airport-related purposes. If
12 the District does not have an airport-related purpose to which
13 it dedicates aviation fuel tax revenue, then aviation fuel is
14 excluded from the tax. The County must comply with the
15 certification requirements for airport-related purposes under
16 Section 5-1184 of the Counties Code. For purposes of this Act,
17 "airport-related purposes" has the meaning ascribed in Section
18 6z-20.2 of the State Finance Act. This exclusion for aviation
19 fuel only applies for so long as the revenue use requirements
20 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
21 District.

22 The tax imposed under this subsection and all civil
23 penalties that may be assessed as an incident thereof shall be
24 collected and enforced by the State Department of Revenue. The
25 Department shall have full power to administer and enforce this
26 subsection; to collect all taxes and penalties due hereunder;

1 to dispose of taxes and penalties collected in the manner
2 hereinafter provided; and to determine all rights to credit
3 memoranda arising on account of the erroneous payment of tax or
4 penalty hereunder.

5 In the administration of and compliance with this
6 subsection, the Department and persons who are subject to this
7 subsection shall (i) have the same rights, remedies,
8 privileges, immunities, powers, and duties, (ii) be subject to
9 the same conditions, restrictions, limitations, penalties, and
10 definitions of terms, and (iii) employ the same modes of
11 procedure as are set forth in Sections 2 (except that the
12 reference to State in the definition of supplier maintaining a
13 place of business in this State means the district), 2a through
14 2d, 3 through 3-50 (in respect to all provisions contained in
15 those Sections other than the State rate of tax), 4 (except
16 that the reference to the State shall be to the district), 5,
17 7, 8 (except that the jurisdiction to which the tax is a debt
18 to the extent indicated in that Section 8 is the district), 9
19 (except as to the disposition of taxes and penalties collected,
20 and except that the retailer's discount is not allowed for
21 taxes paid on aviation fuel that are deposited into the Local
22 Government Aviation Trust Fund), 10, 11, 12 (except the
23 reference therein to Section 2b of the Retailers' Occupation
24 Tax Act), 13 (except that any reference to the State means the
25 district), Section 15, 16, 17, 18, 19, and 20 of the Service
26 Occupation Tax Act and all provisions of the Uniform Penalty

1 and Interest Act, as fully as if those provisions were set
2 forth herein.

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

10 (c) The taxes imposed in subsections (a) and (b) may not be
11 imposed on personal property titled or registered with an
12 agency of the State or on personal property taxed at the 1%
13 rate under the Retailers' Occupation Tax Act and the Service
14 Occupation Tax Act.

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

19 (e) The certificate of registration that is issued by the
20 Department to a retailer under the Retailers' Occupation Tax
21 Act or a serviceman under the Service Occupation Tax Act
22 permits the retailer or serviceman to engage in a business that
23 is taxable without registering separately with the Department
24 under an ordinance or resolution under this Section.

25 (f) Except as otherwise provided, the ~~The~~ Department shall
26 immediately pay over to the State Treasurer, ex officio, as

1 trustee, all taxes and penalties collected under this Section
2 to be deposited into the Flood Prevention Occupation Tax Fund,
3 which shall be an unappropriated trust fund held outside the
4 State treasury. Taxes and penalties collected on aviation fuel
5 sold on or after December 1, 2019, shall be immediately paid
6 over by the Department to the State Treasurer, ex officio, as
7 trustee, for deposit into the Local Government Aviation Trust
8 Fund. The Department shall only pay moneys into the State
9 Aviation Program Fund under this Act for so long as the revenue
10 use requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
11 binding on the District.

12 On or before the 25th day of each calendar month, the
13 Department shall prepare and certify to the Comptroller the
14 disbursement of stated sums of money to the counties from which
15 retailers or servicemen have paid taxes or penalties to the
16 Department during the second preceding calendar month. The
17 amount to be paid to each county is equal to the amount (not
18 including credit memoranda and not including taxes and
19 penalties collected on aviation fuel sold on or after December
20 1, 2019) collected from the county under this Section during
21 the second preceding calendar month by the Department, (i) less
22 2% of that amount (except the amount collected on aviation fuel
23 sold on or after December 1, 2019), which shall be deposited
24 into the Tax Compliance and Administration Fund and shall be
25 used by the Department in administering and enforcing the
26 provisions of this Section on behalf of the county, (ii) plus

1 an amount that the Department determines is necessary to offset
2 any amounts that were erroneously paid to a different taxing
3 body; (iii) less an amount equal to the amount of refunds made
4 during the second preceding calendar month by the Department on
5 behalf of the county; and (iv) less any amount that the
6 Department determines is necessary to offset any amounts that
7 were payable to a different taxing body but were erroneously
8 paid to the county. When certifying the amount of a monthly
9 disbursement to a county under this Section, the Department
10 shall increase or decrease the amounts by an amount necessary
11 to offset any miscalculation of previous disbursements within
12 the previous 6 months from the time a miscalculation is
13 discovered.

14 Within 10 days after receipt by the Comptroller from the
15 Department of the disbursement certification to the counties
16 provided for in this Section, the Comptroller shall cause the
17 orders to be drawn for the respective amounts in accordance
18 with directions contained in the certification.

19 If the Department determines that a refund should be made
20 under this Section to a claimant instead of issuing a credit
21 memorandum, then the Department shall notify the Comptroller,
22 who shall cause the order to be drawn for the amount specified
23 and to the person named in the notification from the
24 Department. The refund shall be paid by the Treasurer out of
25 the Flood Prevention Occupation Tax Fund.

26 (g) If a county imposes a tax under this Section, then the

1 county board shall, by ordinance, discontinue the tax upon the
2 payment of all indebtedness of the flood prevention district.
3 The tax shall not be discontinued until all indebtedness of the
4 District has been paid.

5 (h) Any ordinance imposing the tax under this Section, or
6 any ordinance that discontinues the tax, must be certified by
7 the county clerk and filed with the Illinois Department of
8 Revenue either (i) on or before the first day of April,
9 whereupon the Department shall proceed to administer and
10 enforce the tax or change in the rate as of the first day of
11 July next following the filing; or (ii) on or before the first
12 day of October, whereupon the Department shall proceed to
13 administer and enforce the tax or change in the rate as of the
14 first day of January next following the filing.

15 (j) County Flood Prevention Occupation Tax Fund. All
16 proceeds received by a county from a tax distribution under
17 this Section must be maintained in a special fund known as the
18 [name of county] flood prevention occupation tax fund. The
19 county shall, at the direction of the flood prevention
20 district, use moneys in the fund to pay the costs of providing
21 emergency levee repair and flood prevention and to pay bonds,
22 notes, and other evidences of indebtedness issued under this
23 Act.

24 (k) This Section may be cited as the Flood Prevention
25 Occupation Tax Law.

26 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;

1 99-642, eff. 7-28-16; 100-1171, eff. 1-4-19.)

2 Section 60. The Metro-East Park and Recreation District Act
3 is amended by changing Section 30 as follows:

4 (70 ILCS 1605/30)

5 Sec. 30. Taxes.

6 (a) The board shall impose a tax upon all persons engaged
7 in the business of selling tangible personal property, other
8 than personal property titled or registered with an agency of
9 this State's government, at retail in the District on the gross
10 receipts from the sales made in the course of business. This
11 tax shall be imposed only at the rate of one-tenth of one per
12 cent.

13 This additional tax may not be imposed on tangible personal
14 property taxed at the 1% rate under the Retailers' Occupation
15 Tax Act. Beginning December 1, 2019, this tax is not imposed on
16 sales of aviation fuel unless the tax revenue is expended for
17 airport-related purposes. If the District does not have an
18 airport-related purpose to which it dedicates aviation fuel tax
19 revenue, then aviation fuel shall be excluded from tax. For
20 purposes of this Act, "airport-related purposes" has the
21 meaning ascribed in Section 6z-20.2 of the State Finance Act.
22 This exception for aviation fuel only applies for so long as
23 the revenue use requirements of 49 U.S.C. 47107(b) and 49
24 U.S.C. 47133 are binding on the District. The tax imposed by

1 the Board under this Section and all civil penalties that may
2 be assessed as an incident of the tax shall be collected and
3 enforced by the Department of Revenue. The certificate of
4 registration that is issued by the Department to a retailer
5 under the Retailers' Occupation Tax Act shall permit the
6 retailer to engage in a business that is taxable without
7 registering separately with the Department under an ordinance
8 or resolution under this Section. The Department has full power
9 to administer and enforce this Section, to collect all taxes
10 and penalties due under this Section, to dispose of taxes and
11 penalties so collected in the manner provided in this Section,
12 and to determine all rights to credit memoranda arising on
13 account of the erroneous payment of a tax or penalty under this
14 Section. In the administration of and compliance with this
15 Section, the Department and persons who are subject to this
16 Section shall (i) have the same rights, remedies, privileges,
17 immunities, powers, and duties, (ii) be subject to the same
18 conditions, restrictions, limitations, penalties, and
19 definitions of terms, and (iii) employ the same modes of
20 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,
21 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all
22 provisions contained in those Sections other than the State
23 rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except
24 provisions relating to transaction returns and quarter monthly
25 payments, and except that the retailer's discount is not
26 allowed for taxes paid on aviation fuel that are deposited into

1 the Local Government Aviation Trust Fund), 4, 5, 5a, 5b, 5c,
2 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
3 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
4 and the Uniform Penalty and Interest Act as if those provisions
5 were set forth in this Section.

6 On or before September 1, 2019, and on or before each April
7 1 and October 1 thereafter, the Board must certify to the
8 Department of Transportation, in the form and manner required
9 by the Department, whether the District has an airport-related
10 purpose, which would allow any Retailers' Occupation Tax and
11 Service Occupation Tax imposed by the District to include tax
12 on aviation fuel. On or before October 1, 2019, and on or
13 before each May 1 and November 1 thereafter, the Department of
14 Transportation shall provide to the Department of Revenue, a
15 list of units of local government which have certified to the
16 Department of Transportation that they have airport-related
17 purposes, which would allow any Retailers' Occupation Tax and
18 Service Occupation Tax imposed by the unit of local government
19 to include tax on aviation fuel. All disputes regarding whether
20 or not a unit of local government has an airport-related
21 purpose shall be resolved by the Department of Transportation.

22 Persons subject to any tax imposed under the authority
23 granted in this Section may reimburse themselves for their
24 sellers' tax liability by separately stating the tax as an
25 additional charge, which charge may be stated in combination,
26 in a single amount, with State tax which sellers are required

1 to collect under the Use Tax Act, pursuant to such bracketed
2 schedules as the Department may prescribe.

3 Whenever the Department determines that a refund should be
4 made under this Section to a claimant instead of issuing a
5 credit memorandum, the Department shall notify the State
6 Comptroller, who shall cause the order to be drawn for the
7 amount specified and to the person named in the notification
8 from the Department. The refund shall be paid by the State
9 Treasurer out of the State Metro-East Park and Recreation
10 District Fund.

11 (b) If a tax has been imposed under subsection (a), a
12 service occupation tax shall also be imposed at the same rate
13 upon all persons engaged, in the District, in the business of
14 making sales of service, who, as an incident to making those
15 sales of service, transfer tangible personal property within
16 the District as an incident to a sale of service. This tax may
17 not be imposed on tangible personal property taxed at the 1%
18 rate under the Service Occupation Tax Act. Beginning December
19 1, 2019, this tax may not be imposed on sales of aviation fuel
20 unless the tax revenue is expended for airport-related
21 purposes. If the District does not have an airport-related
22 purpose to which it dedicates aviation fuel tax revenue, then
23 aviation fuel shall be excluded from tax. For purposes of this
24 Act, "airport-related purposes" has the meaning ascribed in
25 Section 6z-20.2 of the State Finance Act. This exception for
26 aviation fuel only applies for so long as the revenue use

1 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
2 binding on the District. The tax imposed under this subsection
3 and all civil penalties that may be assessed as an incident
4 thereof shall be collected and enforced by the Department of
5 Revenue. The Department has full power to administer and
6 enforce this subsection; to collect all taxes and penalties due
7 hereunder; to dispose of taxes and penalties so collected in
8 the manner hereinafter provided; and to determine all rights to
9 credit memoranda arising on account of the erroneous payment of
10 tax or penalty hereunder. In the administration of, and
11 compliance with this subsection, the Department and persons who
12 are subject to this paragraph shall (i) have the same rights,
13 remedies, privileges, immunities, powers, and duties, (ii) be
14 subject to the same conditions, restrictions, limitations,
15 penalties, exclusions, exemptions, and definitions of terms,
16 and (iii) employ the same modes of procedure as are prescribed
17 in Sections 2 (except that the reference to State in the
18 definition of supplier maintaining a place of business in this
19 State shall mean the District), 2a, 2b, 2c, 3 through 3-50 (in
20 respect to all provisions therein other than the State rate of
21 tax), 4 (except that the reference to the State shall be to the
22 District), 5, 7, 8 (except that the jurisdiction to which the
23 tax shall be a debt to the extent indicated in that Section 8
24 shall be the District), 9 (except as to the disposition of
25 taxes and penalties collected, and except that the retailer's
26 discount is not allowed for taxes paid on aviation fuel that

1 are deposited into the Local Government Aviation Trust Fund),
2 10, 11, 12 (except the reference therein to Section 2b of the
3 Retailers' Occupation Tax Act), 13 (except that any reference
4 to the State shall mean the District), Sections 15, 16, 17, 18,
5 19 and 20 of the Service Occupation Tax Act and the Uniform
6 Penalty and Interest Act, as fully as if those provisions were
7 set forth herein.

8 On or before September 1, 2019, and on or before each April
9 1 and October 1 thereafter, the Board must certify to the
10 Department of Transportation, in the form and manner required
11 by the Department, whether the District has an airport-related
12 purpose, which would allow any Retailers' Occupation Tax and
13 Service Occupation Tax imposed by the District to include tax
14 on aviation fuel. On or before October 1, 2019, and on or
15 before each May 1 and November 1 thereafter, the Department of
16 Transportation shall provide to the Department of Revenue, a
17 list of units of local government which have certified to the
18 Department of Transportation that they have airport-related
19 purposes, which would allow any Retailers' Occupation Tax and
20 Service Occupation Tax imposed by the unit of local government
21 to include tax on aviation fuel. All disputes regarding whether
22 or not a unit of local government has an airport-related
23 purpose shall be resolved by the Department of Transportation.

24 Persons subject to any tax imposed under the authority
25 granted in this subsection may reimburse themselves for their
26 serviceman's tax liability by separately stating the tax as an

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

6 Whenever the Department determines that a refund should be
7 made under this subsection to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause the warrant to be drawn for the
10 amount specified, and to the person named, in the notification
11 from the Department. The refund shall be paid by the State
12 Treasurer out of the State Metro-East Park and Recreation
13 District Fund.

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

18 (c) Except as otherwise provided in this paragraph, the ~~The~~
19 Department shall immediately pay over to the State Treasurer,
20 ex officio, as trustee, all taxes and penalties collected under
21 this Section to be deposited into the State Metro-East Park and
22 Recreation District Fund, which shall be an unappropriated
23 trust fund held outside of the State treasury. Taxes and
24 penalties collected on aviation fuel sold on or after December
25 1, 2019, shall be immediately paid over by the Department to
26 the State Treasurer, ex officio, as trustee, for deposit into

1 the Local Government Aviation Trust Fund. The Department shall
2 only pay moneys into the State Aviation Program Fund under this
3 Act for so long as the revenue use requirements of 49 U.S.C.
4 47107(b) and 49 U.S.C. 47133 are binding on the District.

5 As soon as possible after the first day of each month,
6 beginning January 1, 2011, upon certification of the Department
7 of Revenue, the Comptroller shall order transferred, and the
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
9 local sales tax increment, as defined in the Innovation
10 Development and Economy Act, collected under this Section
11 during the second preceding calendar month for sales within a
12 STAR bond district. The Department shall make this
13 certification only if the Metro East Park and Recreation
14 District imposes a tax on real property as provided in the
15 definition of "local sales taxes" under the Innovation
16 Development and Economy Act.

17 After the monthly transfer to the STAR Bonds Revenue Fund,
18 on or before the 25th day of each calendar month, the
19 Department shall prepare and certify to the Comptroller the
20 disbursement of stated sums of money pursuant to Section 35 of
21 this Act to the District from which retailers have paid taxes
22 or penalties to the Department during the second preceding
23 calendar month. The amount to be paid to the District shall be
24 the amount (not including credit memoranda and not including
25 taxes and penalties collected on aviation fuel sold on or after
26 December 1, 2019) collected under this Section during the

1 second preceding calendar month by the Department plus an
2 amount the Department determines is necessary to offset any
3 amounts that were erroneously paid to a different taxing body,
4 and not including (i) an amount equal to the amount of refunds
5 made during the second preceding calendar month by the
6 Department on behalf of the District, (ii) any amount that the
7 Department determines is necessary to offset any amounts that
8 were payable to a different taxing body but were erroneously
9 paid to the District, (iii) any amounts that are transferred to
10 the STAR Bonds Revenue Fund, and (iv) 1.5% of the remainder,
11 which the Department shall transfer into the Tax Compliance and
12 Administration Fund. The Department, at the time of each
13 monthly disbursement to the District, shall prepare and certify
14 to the State Comptroller the amount to be transferred into the
15 Tax Compliance and Administration Fund under this subsection.
16 Within 10 days after receipt by the Comptroller of the
17 disbursement certification to the District and the Tax
18 Compliance and Administration Fund provided for in this Section
19 to be given to the Comptroller by the Department, the
20 Comptroller shall cause the orders to be drawn for the
21 respective amounts in accordance with directions contained in
22 the certification.

23 (d) For the purpose of determining whether a tax authorized
24 under this Section is applicable, a retail sale by a producer
25 of coal or another mineral mined in Illinois is a sale at
26 retail at the place where the coal or other mineral mined in

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

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

10 (f) An ordinance imposing a tax under this Section or an
11 ordinance extending the imposition of a tax to an additional
12 county or counties shall be certified by the board and filed
13 with the Department of Revenue either (i) on or before the
14 first day of April, whereupon the Department shall proceed to
15 administer and enforce the tax as of the first day of July next
16 following the filing; or (ii) on or before the first day of
17 October, whereupon the Department shall proceed to administer
18 and enforce the tax as of the first day of January next
19 following the filing.

20 (g) When certifying the amount of a monthly disbursement to
21 the District under this Section, the Department shall increase
22 or decrease the amounts by an amount necessary to offset any
23 misallocation of previous disbursements. The offset amount
24 shall be the amount erroneously disbursed within the previous 6
25 months from the time a misallocation is discovered.

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

1 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-11-19.)

2 Section 65. The Local Mass Transit District Act is amended
3 by changing Section 5.01 as follows:

4 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

5 Sec. 5.01. Metro East Mass Transit District; use and
6 occupation taxes.

7 (a) The Board of Trustees of any Metro East Mass Transit
8 District may, by ordinance adopted with the concurrence of
9 two-thirds of the then trustees, impose throughout the District
10 any or all of the taxes and fees provided in this Section.
11 Except as otherwise provided, all ~~All~~ taxes and fees imposed
12 under this Section shall be used only for public mass
13 transportation systems, and the amount used to provide mass
14 transit service to unserved areas of the District shall be in
15 the same proportion to the total proceeds as the number of
16 persons residing in the unserved areas is to the total
17 population of the District. Except as otherwise provided in
18 this Act, taxes imposed under this Section and civil penalties
19 imposed incident thereto shall be collected and enforced by the
20 State Department of Revenue. The Department shall have the
21 power to administer and enforce the taxes and to determine all
22 rights for refunds for erroneous payments of the taxes.

23 (b) The Board may impose a Metro East Mass Transit District
24 Retailers' Occupation Tax upon all persons engaged in the

1 business of selling tangible personal property at retail in the
2 district at a rate of 1/4 of 1%, or as authorized under
3 subsection (d-5) of this Section, of the gross receipts from
4 the sales made in the course of such business within the
5 district, except that the rate of tax imposed under this
6 Section on sales of aviation fuel on or after December 1, 2019
7 shall be 0.25% in Madison County unless the Metro-East Mass
8 Transit District in Madison County has an "airport-related
9 purpose" and any additional amount authorized under subsection
10 (d-5) is expended for airport-related purposes. If there is no
11 airport-related purpose to which aviation fuel tax revenue is
12 dedicated, then aviation fuel is excluded from any future
13 increase in the tax. The rate in St. Clair County shall be
14 0.25% unless the Metro-East Mass Transit District in St. Clair
15 County has an "airport-related purpose" and the additional
16 0.50% of the 0.75% tax on aviation fuel imposed in that County
17 is expended for airport-related purposes. If there is no
18 airport-related purpose to which aviation fuel tax revenue is
19 dedicated, then aviation fuel is excluded from the tax.

20 On or before September 1, 2019, and on or before each April
21 1 and October 1 thereafter, each Metro-East Mass Transit
22 District and Madison and St. Clair Counties must certify to the
23 Department of Transportation, in the form and manner required
24 by the Department, whether they have an airport-related
25 purpose, which would allow any Retailers' Occupation Tax and
26 Service Occupation Tax imposed under this Act to include tax on

1 aviation fuel. On or before October 1, 2019, and on or before
2 each May 1 and November 1 thereafter, the Department of
3 Transportation shall provide to the Department of Revenue, a
4 list of units of local government which have certified to the
5 Department of Transportation that they have airport-related
6 purposes, which would allow any Retailers' Occupation Tax and
7 Service Occupation Tax imposed by the unit of local government
8 to include tax on aviation fuel. All disputes regarding whether
9 or not a unit of local government has an airport-related
10 purpose shall be resolved by the Department of Transportation.

11 For purposes of this Act, "airport-related purposes" has
12 the meaning ascribed in Section 6z-20.2 of the State Finance
13 Act. This exclusion for aviation fuel only applies for so long
14 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
15 U.S.C. 47133 are binding on the District.

16 The tax imposed under this Section and all civil penalties
17 that may be assessed as an incident thereof shall be collected
18 and enforced by the State Department of Revenue. The Department
19 shall have full power to administer and enforce this Section;
20 to collect all taxes and penalties so collected in the manner
21 hereinafter provided; and to determine all rights to credit
22 memoranda arising on account of the erroneous payment of tax or
23 penalty hereunder. In the administration of, and compliance
24 with, this Section, the Department and persons who are subject
25 to this Section shall have the same rights, remedies,
26 privileges, immunities, powers and duties, and be subject to

1 the same conditions, restrictions, limitations, penalties,
2 exclusions, exemptions and definitions of terms and employ the
3 same modes of procedure, as are prescribed in Sections 1, 1a,
4 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all
5 provisions therein other than the State rate of tax), 2c, 3
6 (except as to the disposition of taxes and penalties collected,
7 and except that the retailer's discount is not allowed for
8 taxes paid on aviation fuel that are deposited into the Local
9 Government Aviation Trust Fund), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g,
10 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13,
11 and 14 of the Retailers' Occupation Tax Act and Section 3-7 of
12 the Uniform Penalty and Interest Act, as fully as if those
13 provisions were set forth herein.

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

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

1 Treasurer out of the Metro East Mass Transit District tax fund
2 established under paragraph (h) of this Section.

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

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

14 No tax shall be imposed or collected under this subsection
15 on the sale of a motor vehicle in this State to a resident of
16 another state if that motor vehicle will not be titled in this
17 State.

18 Nothing in this Section shall be construed to authorize the
19 Metro East Mass Transit District to impose a tax upon the
20 privilege of engaging in any business which under the
21 Constitution of the United States may not be made the subject
22 of taxation by this State.

23 (c) If a tax has been imposed under subsection (b), a Metro
24 East Mass Transit District Service Occupation Tax shall also be
25 imposed upon all persons engaged, in the district, in the
26 business of making sales of service, who, as an incident to

1 making those sales of service, transfer tangible personal
2 property within the District, either in the form of tangible
3 personal property or in the form of real estate as an incident
4 to a sale of service. The tax rate shall be 1/4%, or as
5 authorized under subsection (d-5) of this Section, of the
6 selling price of tangible personal property so transferred
7 within the district, except that the rate of tax imposed in
8 these Counties under this Section on sales of aviation fuel on
9 or after December 1, 2019 shall be 0.25% in Madison County
10 unless the Metro-East Mass Transit District in Madison County
11 has an "airport-related purpose" and any additional amount
12 authorized under subsection (d-5) is expended for
13 airport-related purposes. If there is no airport-related
14 purpose to which aviation fuel tax revenue is dedicated, then
15 aviation fuel is excluded from any future increase in the tax.
16 The rate in St. Clair County shall be 0.25% unless the
17 Metro-East Mass Transit District in St. Clair County has an
18 "airport-related purpose" and the additional 0.50% of the 0.75%
19 tax on aviation fuel is expended for airport-related purposes.
20 If there is no airport-related purpose to which aviation fuel
21 tax revenue is dedicated, then aviation fuel is excluded from
22 the tax.

23 On or before December 1, 2019, and on or before each May 1
24 and November 1 thereafter, each Metro-East Mass Transit
25 District and Madison and St. Clair Counties must certify to the
26 Department of Transportation, in the form and manner required

1 by the Department, whether they have an airport-related
2 purpose, which would allow any Retailers' Occupation Tax and
3 Service Occupation Tax imposed under this Act to include tax on
4 aviation fuel. On or before October 1, 2019, and on or before
5 each May 1 and November 1 thereafter, the Department of
6 Transportation shall provide to the Department of Revenue, a
7 list of units of local government which have certified to the
8 Department of Transportation that they have airport-related
9 purposes, which would allow any Retailers' Occupation Tax and
10 Service Occupation Tax imposed by the unit of local government
11 to include tax on aviation fuel. All disputes regarding whether
12 or not a unit of local government has an airport-related
13 purpose shall be resolved by the Department of Transportation.

14 For purposes of this Act, "airport-related purposes" has
15 the meaning ascribed in Section 6z-20.2 of the State Finance
16 Act. This exclusion for aviation fuel only applies for so long
17 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
18 U.S.C. 47133 are binding on the District.

19 The tax imposed under this paragraph and all civil
20 penalties that may be assessed as an incident thereof shall be
21 collected and enforced by the State Department of Revenue. The
22 Department shall have full power to administer and enforce this
23 paragraph; to collect all taxes and penalties due hereunder; to
24 dispose of taxes and penalties so collected in the manner
25 hereinafter provided; and to determine all rights to credit
26 memoranda arising on account of the erroneous payment of tax or

1 penalty hereunder. In the administration of, and compliance
2 with this paragraph, the Department and persons who are subject
3 to this paragraph shall have the same rights, remedies,
4 privileges, immunities, powers and duties, and be subject to
5 the same conditions, restrictions, limitations, penalties,
6 exclusions, exemptions and definitions of terms and employ the
7 same modes of procedure as are prescribed in Sections 1a-1, 2
8 (except that the reference to State in the definition of
9 supplier maintaining a place of business in this State shall
10 mean the Authority), 2a, 3 through 3-50 (in respect to all
11 provisions therein other than the State rate of tax), 4 (except
12 that the reference to the State shall be to the Authority), 5,
13 7, 8 (except that the jurisdiction to which the tax shall be a
14 debt to the extent indicated in that Section 8 shall be the
15 District), 9 (except as to the disposition of taxes and
16 penalties collected, and except that the returned merchandise
17 credit for this tax may not be taken against any State tax, and
18 except that the retailer's discount is not allowed for taxes
19 paid on aviation fuel that are deposited into the Local
20 Government Aviation Trust Fund), 10, 11, 12 (except the
21 reference therein to Section 2b of the Retailers' Occupation
22 Tax Act), 13 (except that any reference to the State shall mean
23 the District), the first paragraph of Section 15, 16, 17, 18,
24 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
25 the Uniform Penalty and Interest Act, as fully as if those
26 provisions were set forth herein.

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

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

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

21 (d) If a tax has been imposed under subsection (b), a Metro
22 East Mass Transit District Use Tax shall also be imposed upon
23 the privilege of using, in the district, any item of tangible
24 personal property that is purchased outside the district at
25 retail from a retailer, and that is titled or registered with
26 an agency of this State's government, at a rate of 1/4%, or as

1 authorized under subsection (d-5) of this Section, of the
2 selling price of the tangible personal property within the
3 District, as "selling price" is defined in the Use Tax Act. The
4 tax shall be collected from persons whose Illinois address for
5 titling or registration purposes is given as being in the
6 District. The tax shall be collected by the Department of
7 Revenue for the Metro East Mass Transit District. The tax must
8 be paid to the State, or an exemption determination must be
9 obtained from the Department of Revenue, before the title or
10 certificate of registration for the property may be issued. The
11 tax or proof of exemption may be transmitted to the Department
12 by way of the State agency with which, or the State officer
13 with whom, the tangible personal property must be titled or
14 registered if the Department and the State agency or State
15 officer determine that this procedure will expedite the
16 processing of applications for title or registration.

17 The Department shall have full power to administer and
18 enforce this paragraph; to collect all taxes, penalties and
19 interest due hereunder; to dispose of taxes, penalties and
20 interest so collected in the manner hereinafter provided; and
21 to determine all rights to credit memoranda or refunds arising
22 on account of the erroneous payment of tax, penalty or interest
23 hereunder. In the administration of, and compliance with, this
24 paragraph, the Department and persons who are subject to this
25 paragraph shall have the same rights, remedies, privileges,
26 immunities, powers and duties, and be subject to the same

1 conditions, restrictions, limitations, penalties, exclusions,
2 exemptions and definitions of terms and employ the same modes
3 of procedure, as are prescribed in Sections 2 (except the
4 definition of "retailer maintaining a place of business in this
5 State"), 3 through 3-80 (except provisions pertaining to the
6 State rate of tax, and except provisions concerning collection
7 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
8 19 (except the portions pertaining to claims by retailers and
9 except the last paragraph concerning refunds), 20, 21 and 22 of
10 the Use Tax Act and Section 3-7 of the Uniform Penalty and
11 Interest Act, that are not inconsistent with this paragraph, as
12 fully as if those provisions were set forth herein.

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

21 (d-5) (A) The county board of any county participating in
22 the Metro East Mass Transit District may authorize, by
23 ordinance, a referendum on the question of whether the tax
24 rates for the Metro East Mass Transit District Retailers'
25 Occupation Tax, the Metro East Mass Transit District Service
26 Occupation Tax, and the Metro East Mass Transit District Use

1 Tax for the District should be increased from 0.25% to 0.75%.
2 Upon adopting the ordinance, the county board shall certify the
3 proposition to the proper election officials who shall submit
4 the proposition to the voters of the District at the next
5 election, in accordance with the general election law.

6 The proposition shall be in substantially the following
7 form:

8 Shall the tax rates for the Metro East Mass Transit
9 District Retailers' Occupation Tax, the Metro East Mass
10 Transit District Service Occupation Tax, and the Metro East
11 Mass Transit District Use Tax be increased from 0.25% to
12 0.75%?

13 (B) Two thousand five hundred electors of any Metro East
14 Mass Transit District may petition the Chief Judge of the
15 Circuit Court, or any judge of that Circuit designated by the
16 Chief Judge, in which that District is located to cause to be
17 submitted to a vote of the electors the question whether the
18 tax rates for the Metro East Mass Transit District Retailers'
19 Occupation Tax, the Metro East Mass Transit District Service
20 Occupation Tax, and the Metro East Mass Transit District Use
21 Tax for the District should be increased from 0.25% to 0.75%.

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

1 of such hearing.

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

5 The form of the petition shall be in substantially the
6 following form: To the Circuit Court of the County of (name of
7 county):

8 We, the undersigned electors of the (name of transit
9 district), respectfully petition your honor to submit to a
10 vote of the electors of (name of transit district) the
11 following proposition:

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

17	Name	Address, with Street and Number.
18
19

20 (C) The votes shall be recorded as "YES" or "NO". If a
21 majority of all votes cast on the proposition are for the
22 increase in the tax rates, the Metro East Mass Transit District
23 shall begin imposing the increased rates in the District, and
24 the Department of Revenue shall begin collecting the increased
25 amounts, as provided under this Section. An ordinance imposing
26 or discontinuing a tax hereunder or effecting a change in the

1 rate thereof shall be adopted and a certified copy thereof
2 filed with the Department on or before the first day of
3 October, whereupon the Department shall proceed to administer
4 and enforce this Section as of the first day of January next
5 following the adoption and filing, or on or before the first
6 day of April, whereupon the Department shall proceed to
7 administer and enforce this Section as of the first day of July
8 next following the adoption and filing.

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

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

1 increase on tangible personal property titled or registered
2 with an agency of this State's government.

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

20 (d-7) Until June 30, 2004, if a fee has been imposed under
21 subsection (d-6), a fee shall also be imposed upon the
22 privilege of using, in the district, any item of tangible
23 personal property that is titled or registered with any agency
24 of this State's government, in an amount equal to the amount of
25 the fee imposed under subsection (d-6).

26 (d-7.1) Beginning July 1, 2004, any fee imposed by the

1 Board of Trustees of any Metro East Mass Transit District under
2 subsection (d-6) and all civil penalties that may be assessed
3 as an incident of the fees shall be collected and enforced by
4 the State Department of Revenue. Reference to "taxes" in this
5 Section shall be construed to apply to the administration,
6 payment, and remittance of all fees under this Section. For
7 purposes of any fee imposed under subsection (d-6), 4% of the
8 fee, penalty, and interest received by the Department in the
9 first 12 months that the fee is collected and enforced by the
10 Department and 2% of the fee, penalty, and interest following
11 the first 12 months (except the amount collected on aviation
12 fuel sold on or after December 1, 2019) shall be deposited into
13 the Tax Compliance and Administration Fund and shall be used by
14 the Department, subject to appropriation, to cover the costs of
15 the Department. No retailers' discount shall apply to any fee
16 imposed under subsection (d-6).

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

21 (d-9) (Blank).

22 (d-10) (Blank).

23 (e) A certificate of registration issued by the State
24 Department of Revenue to a retailer under the Retailers'
25 Occupation Tax Act or under the Service Occupation Tax Act
26 shall permit the registrant to engage in a business that is

1 taxed under the tax imposed under paragraphs (b), (c) or (d) of
2 this Section and no additional registration shall be required
3 under the tax. A certificate issued under the Use Tax Act or
4 the Service Use Tax Act shall be applicable with regard to any
5 tax imposed under paragraph (c) of this Section.

6 (f) (Blank).

7 (g) Any ordinance imposing or discontinuing any tax under
8 this Section shall be adopted and a certified copy thereof
9 filed with the Department on or before June 1, whereupon the
10 Department of Revenue shall proceed to administer and enforce
11 this Section on behalf of the Metro East Mass Transit District
12 as of September 1 next following such adoption and filing.
13 Beginning January 1, 1992, an ordinance or resolution imposing
14 or discontinuing the tax hereunder shall be adopted and a
15 certified copy thereof filed with the Department on or before
16 the first day of July, whereupon the Department shall proceed
17 to administer and enforce this Section as of the first day of
18 October next following such adoption and filing. Beginning
19 January 1, 1993, except as provided in subsection (d-5) of this
20 Section, an ordinance or resolution imposing or discontinuing
21 the tax hereunder shall be adopted and a certified copy thereof
22 filed with the Department on or before the first day of
23 October, whereupon the Department shall proceed to administer
24 and enforce this Section as of the first day of January next
25 following such adoption and filing, or, beginning January 1,
26 2004, on or before the first day of April, whereupon the

1 Department shall proceed to administer and enforce this Section
2 as of the first day of July next following the adoption and
3 filing.

4 (h) Except as provided in subsection (d-7.1), the State
5 Department of Revenue shall, upon collecting any taxes as
6 provided in this Section, pay the taxes over to the State
7 Treasurer as trustee for the District. The taxes shall be held
8 in a trust fund outside the State Treasury. Taxes and penalties
9 collected in St. Clair Counties on aviation fuel sold on or
10 after December 1, 2019 from the 0.50% of the 0.75% rate shall
11 be immediately paid over by the Department to the State
12 Treasurer, ex officio, as trustee, for deposit into the Local
13 Government Aviation Trust Fund. The Department shall only pay
14 moneys into the Local Government Aviation Trust Fund under this
15 Act for so long as the revenue use requirements of 49 U.S.C.
16 47107(b) and 49 U.S.C. 47133 are binding on the District.

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

1 sales taxes" under the Innovation Development and Economy Act.

2 After the monthly transfer to the STAR Bonds Revenue Fund,
3 on or before the 25th day of each calendar month, the State
4 Department of Revenue shall prepare and certify to the
5 Comptroller of the State of Illinois the amount to be paid to
6 the District, which shall be the amount (not including credit
7 memoranda and not including taxes and penalties collected on
8 aviation fuel sold on or after December 1, 2019) collected
9 under this Section during the second preceding calendar month
10 by the Department plus an amount the Department determines is
11 necessary to offset any amounts that were erroneously paid to a
12 different taxing body, and not including any amount equal to
13 the amount of refunds made during the second preceding calendar
14 month by the Department on behalf of the District, and not
15 including any amount that the Department determines is
16 necessary to offset any amounts that were payable to a
17 different taxing body but were erroneously paid to the
18 District, and less any amounts that are transferred to the STAR
19 Bonds Revenue Fund, less 1.5% of the remainder, which the
20 Department shall transfer into the Tax Compliance and
21 Administration Fund. The Department, at the time of each
22 monthly disbursement to the District, shall prepare and certify
23 to the State Comptroller the amount to be transferred into the
24 Tax Compliance and Administration Fund under this subsection.
25 Within 10 days after receipt by the Comptroller of the
26 certification of the amount to be paid to the District and the

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

4 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;
5 100-587, eff. 6-4-18.)

6 Section 70. The Regional Transportation Authority Act is
7 amended by changing Section 4.03 as follows:

8 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

9 Sec. 4.03. Taxes.

10 (a) In order to carry out any of the powers or purposes of
11 the Authority, the Board may by ordinance adopted with the
12 concurrence of 12 of the then Directors, impose throughout the
13 metropolitan region any or all of the taxes provided in this
14 Section. Except as otherwise provided in this Act, taxes
15 imposed under this Section and civil penalties imposed incident
16 thereto shall be collected and enforced by the State Department
17 of Revenue. The Department shall have the power to administer
18 and enforce the taxes and to determine all rights for refunds
19 for erroneous payments of the taxes. Nothing in Public Act
20 95-708 is intended to invalidate any taxes currently imposed by
21 the Authority. The increased vote requirements to impose a tax
22 shall only apply to actions taken after January 1, 2008 (the
23 effective date of Public Act 95-708).

24 (b) The Board may impose a public transportation tax upon

1 all persons engaged in the metropolitan region in the business
2 of selling at retail motor fuel for operation of motor vehicles
3 upon public highways. The tax shall be at a rate not to exceed
4 5% of the gross receipts from the sales of motor fuel in the
5 course of the business. As used in this Act, the term "motor
6 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
7 The Board may provide for details of the tax. The provisions of
8 any tax shall conform, as closely as may be practicable, to the
9 provisions of the Municipal Retailers Occupation Tax Act,
10 including without limitation, conformity to penalties with
11 respect to the tax imposed and as to the powers of the State
12 Department of Revenue to promulgate and enforce rules and
13 regulations relating to the administration and enforcement of
14 the provisions of the tax imposed, except that reference in the
15 Act to any municipality shall refer to the Authority and the
16 tax shall be imposed only with regard to receipts from sales of
17 motor fuel in the metropolitan region, at rates as limited by
18 this Section.

19 (c) In connection with the tax imposed under paragraph (b)
20 of this Section the Board may impose a tax upon the privilege
21 of using in the metropolitan region motor fuel for the
22 operation of a motor vehicle upon public highways, the tax to
23 be at a rate not in excess of the rate of tax imposed under
24 paragraph (b) of this Section. The Board may provide for
25 details of the tax.

26 (d) The Board may impose a motor vehicle parking tax upon

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

20 (e) The Board may impose a Regional Transportation
21 Authority Retailers' Occupation Tax upon all persons engaged in
22 the business of selling tangible personal property at retail in
23 the metropolitan region. In Cook County, the tax rate shall be
24 1.25% of the gross receipts from sales of tangible personal
25 property taxed at the 1% rate under the Retailers' Occupation
26 Tax Act, and 1% of the gross receipts from other taxable sales

1 made in the course of that business. In DuPage, Kane, Lake,
2 McHenry, and Will counties ~~Counties~~, the tax rate shall be
3 0.75% of the gross receipts from all taxable sales made in the
4 course of that business. Except that the rate of tax imposed in
5 these Counties under this Section on sales of aviation fuel on
6 or after December 1, 2019 shall be 0.25% unless the Regional
7 Transportation Authority in DuPage, Kane, Lake, McHenry and
8 Will counties has an "airport-related purpose" and the
9 additional 0.50% of the 0.75% tax on aviation fuel is expended
10 for airport-related purposes. If there is no airport-related
11 purpose to which aviation fuel tax revenue is dedicated, then
12 aviation fuel is excluded from the tax. The tax imposed under
13 this Section and all civil penalties that may be assessed as an
14 incident thereof shall be collected and enforced by the State
15 Department of Revenue. The Department shall have full power to
16 administer and enforce this Section; to collect all taxes and
17 penalties so collected in the manner hereinafter provided; and
18 to determine all rights to credit memoranda arising on account
19 of the erroneous payment of tax or penalty hereunder. In the
20 administration of, and compliance with this Section, the
21 Department and persons who are subject to this Section shall
22 have the same rights, remedies, privileges, immunities, powers
23 and duties, and be subject to the same conditions,
24 restrictions, limitations, penalties, exclusions, exemptions
25 and definitions of terms, and employ the same modes of
26 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,

1 le, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
2 therein other than the State rate of tax), 2c, 3 (except as to
3 the disposition of taxes and penalties collected, and except
4 that the retailer's discount is not allowed for taxes paid on
5 aviation fuel that are deposited into the Local Government
6 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
7 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
8 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
9 Penalty and Interest Act, as fully as if those provisions were
10 set forth herein.

11 On or before September 1, 2019, and on or before each April
12 1 and October 1 thereafter, the Authority and Cook, DuPage,
13 Kane, Lake, McHenry, and Will counties must certify to the
14 Department of Transportation, in the form and manner required
15 by the Department, whether they have an airport-related
16 purpose, which would allow any Retailers' Occupation Tax and
17 Service Occupation Tax imposed under this Act to include tax on
18 aviation fuel. On or before October 1, 2019, and on or before
19 each May 1 and November 1 thereafter, the Department of
20 Transportation shall provide to the Department of Revenue, a
21 list of units of local government which have certified to the
22 Department of Transportation that they have airport-related
23 purposes, which would allow any Retailers' Occupation Tax and
24 Service Occupation Tax imposed by the unit of local government
25 to include tax on aviation fuel. All disputes regarding whether
26 or not a unit of local government has an airport-related

1 purpose shall be resolved by the Department of Transportation.

2 For purposes of this Act, "airport-related purposes" has
3 the meaning ascribed in Section 6z-20.2 of the State Finance
4 Act. This exclusion for aviation fuel only applies for so long
5 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
6 U.S.C. 47133 are binding on the Authority.

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

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

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

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

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

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

11 Nothing in this Section shall be construed to authorize the
12 Regional Transportation Authority to impose a tax upon the
13 privilege of engaging in any business that under the
14 Constitution of the United States may not be made the subject
15 of taxation by this State.

16 (f) If a tax has been imposed under paragraph (e), a
17 Regional Transportation Authority Service Occupation Tax shall
18 also be imposed upon all persons engaged, in the metropolitan
19 region in the business of making sales of service, who as an
20 incident to making the sales of service, transfer tangible
21 personal property within the metropolitan region, either in the
22 form of tangible personal property or in the form of real
23 estate as an incident to a sale of service. In Cook County, the
24 tax rate shall be: (1) 1.25% of the serviceman's cost price of
25 food prepared for immediate consumption and transferred
26 incident to a sale of service subject to the service occupation

1 tax by an entity licensed under the Hospital Licensing Act, the
2 Nursing Home Care Act, the Specialized Mental Health
3 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
4 the MC/DD Act that is located in the metropolitan region; (2)
5 1.25% of the selling price of tangible personal property taxed
6 at the 1% rate under the Service Occupation Tax Act; and (3) 1%
7 of the selling price from other taxable sales of tangible
8 personal property transferred. In DuPage, Kane, Lake, McHenry
9 and Will counties, ~~Counties~~ the rate shall be 0.75% of the
10 selling price of all tangible personal property transferred
11 except that the rate of tax imposed in these Counties under
12 this Section on sales of aviation fuel on or after December 1,
13 2019 shall be 0.25% unless the Regional Transportation
14 Authority in DuPage, Kane, Lake, McHenry and Will counties has
15 an "airport-related purpose" and the additional 0.50% of the
16 0.75% tax on aviation fuel is expended for airport-related
17 purposes. If there is no airport-related purpose to which
18 aviation fuel tax revenue is dedicated, then aviation fuel is
19 excluded from the tax.

20 On or before September 1, 2019, and on or before each April
21 1 and October 1 thereafter, the Authority and Cook, DuPage,
22 Kane, Lake, McHenry, and Will counties must certify to the
23 Department of Transportation, in the form and manner required
24 by the Department, whether they have an airport-related
25 purpose, which would allow any Retailers' Occupation Tax and
26 Service Occupation Tax imposed under this Act to include tax on

1 aviation fuel. On or before October 1, 2019, and on or before
2 each May 1 and November 1 thereafter, the Department of
3 Transportation shall provide to the Department of Revenue, a
4 list of units of local government which have certified to the
5 Department of Transportation that they have airport-related
6 purposes, which would allow any Retailers' Occupation Tax and
7 Service Occupation Tax imposed by the unit of local government
8 to include tax on aviation fuel. All disputes regarding whether
9 or not a unit of local government has an airport-related
10 purpose shall be resolved by the Department of Transportation.

11 For purposes of this Act, "airport-related purposes" has
12 the meaning ascribed in Section 6z-20.2 of the State Finance
13 Act. This exclusion for aviation fuel only applies for so long
14 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
15 U.S.C. 47133 are binding on the Authority.

16 The tax imposed under this paragraph and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 Department shall have full power to administer and enforce this
20 paragraph; to collect all taxes and penalties due hereunder; to
21 dispose of taxes and penalties collected in the manner
22 hereinafter provided; and to determine all rights to credit
23 memoranda arising on account of the erroneous payment of tax or
24 penalty hereunder. In the administration of and compliance with
25 this paragraph, the Department and persons who are subject to
26 this paragraph shall have the same rights, remedies,

1 privileges, immunities, powers and duties, and be subject to
2 the same conditions, restrictions, limitations, penalties,
3 exclusions, exemptions and definitions of terms, and employ the
4 same modes of procedure, as are prescribed in Sections 1a-1, 2,
5 2a, 3 through 3-50 (in respect to all provisions therein other
6 than the State rate of tax), 4 (except that the reference to
7 the State shall be to the Authority), 5, 7, 8 (except that the
8 jurisdiction to which the tax shall be a debt to the extent
9 indicated in that Section 8 shall be the Authority), 9 (except
10 as to the disposition of taxes and penalties collected, and
11 except that the returned merchandise credit for this tax may
12 not be taken against any State tax, and except that the
13 retailer's discount is not allowed for taxes paid on aviation
14 fuel that are deposited into the Local Government Aviation
15 Trust Fund), 10, 11, 12 (except the reference therein to
16 Section 2b of the Retailers' Occupation Tax Act), 13 (except
17 that any reference to the State shall mean the Authority), the
18 first paragraph of Section 15, 16, 17, 18, 19 and 20 of the
19 Service Occupation Tax Act and Section 3-7 of the Uniform
20 Penalty and Interest Act, as fully as if those provisions were
21 set forth herein.

22 Persons subject to any tax imposed under the authority
23 granted in this paragraph may reimburse themselves for their
24 serviceman's tax liability hereunder by separately stating the
25 tax as an additional charge, that charge may be stated in
26 combination in a single amount with State tax that servicemen

1 are authorized to collect under the Service Use Tax Act, under
2 any bracket schedules the Department may prescribe.

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

11 Nothing in this paragraph shall be construed to authorize
12 the Authority to impose a tax upon the privilege of engaging in
13 any business that under the Constitution of the United States
14 may not be made the subject of taxation by the State.

15 (g) If a tax has been imposed under paragraph (e), a tax
16 shall also be imposed upon the privilege of using in the
17 metropolitan region, any item of tangible personal property
18 that is purchased outside the metropolitan region at retail
19 from a retailer, and that is titled or registered with an
20 agency of this State's government. In Cook County, the tax rate
21 shall be 1% of the selling price of the tangible personal
22 property, as "selling price" is defined in the Use Tax Act. In
23 DuPage, Kane, Lake, McHenry and Will counties, the tax rate
24 shall be 0.75% of the selling price of the tangible personal
25 property, as "selling price" is defined in the Use Tax Act. The
26 tax shall be collected from persons whose Illinois address for

1 titling or registration purposes is given as being in the
2 metropolitan region. The tax shall be collected by the
3 Department of Revenue for the Regional Transportation
4 Authority. The tax must be paid to the State, or an exemption
5 determination must be obtained from the Department of Revenue,
6 before the title or certificate of registration for the
7 property may be issued. The tax or proof of exemption may be
8 transmitted to the Department by way of the State agency with
9 which, or the State officer with whom, the tangible personal
10 property must be titled or registered if the Department and the
11 State agency or State officer determine that this procedure
12 will expedite the processing of applications for title or
13 registration.

14 The Department shall have full power to administer and
15 enforce this paragraph; to collect all taxes, penalties, and
16 interest due hereunder; to dispose of taxes, penalties, and
17 interest collected in the manner hereinafter provided; and to
18 determine all rights to credit memoranda or refunds arising on
19 account of the erroneous payment of tax, penalty, or interest
20 hereunder. In the administration of and compliance with this
21 paragraph, the Department and persons who are subject to this
22 paragraph shall have the same rights, remedies, privileges,
23 immunities, powers and duties, and be subject to the same
24 conditions, restrictions, limitations, penalties, exclusions,
25 exemptions and definitions of terms and employ the same modes
26 of procedure, as are prescribed in Sections 2 (except the

1 definition of "retailer maintaining a place of business in this
2 State"), 3 through 3-80 (except provisions pertaining to the
3 State rate of tax, and except provisions concerning collection
4 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
5 19 (except the portions pertaining to claims by retailers and
6 except the last paragraph concerning refunds), 20, 21 and 22 of
7 the Use Tax Act, and are not inconsistent with this paragraph,
8 as fully as if those provisions were set forth herein.

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

17 (h) The Authority may impose a replacement vehicle tax of
18 \$50 on any passenger car as defined in Section 1-157 of the
19 Illinois Vehicle Code purchased within the metropolitan region
20 by or on behalf of an insurance company to replace a passenger
21 car of an insured person in settlement of a total loss claim.
22 The tax imposed may not become effective before the first day
23 of the month following the passage of the ordinance imposing
24 the tax and receipt of a certified copy of the ordinance by the
25 Department of Revenue. The Department of Revenue shall collect
26 the tax for the Authority in accordance with Sections 3-2002

1 and 3-2003 of the Illinois Vehicle Code.

2 Except as otherwise provided in this paragraph, the ~~The~~
3 Department shall immediately pay over to the State Treasurer,
4 ex officio, as trustee, all taxes collected hereunder. Taxes
5 and penalties collected in DuPage, Kane, Lake, McHenry and Will
6 Counties on aviation fuel sold on or after December 1, 2019
7 from the 0.50% of the 0.75% rate shall be immediately paid over
8 by the Department to the State Treasurer, ex officio, as
9 trustee, for deposit into the Local Government Aviation Trust
10 Fund. The Department shall only pay moneys into the Local
11 Government Aviation Trust Fund under this Act for so long as
12 the revenue use requirements of 49 U.S.C. 47107(b) and 49
13 U.S.C. 47133 are binding on the Authority.

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

22 After the monthly transfer to the STAR Bonds Revenue Fund,
23 on or before the 25th day of each calendar month, the
24 Department shall prepare and certify to the Comptroller the
25 disbursement of stated sums of money to the Authority. The
26 amount to be paid to the Authority shall be the amount

1 collected hereunder during the second preceding calendar month
2 by the Department, less any amount determined by the Department
3 to be necessary for the payment of refunds, and less any
4 amounts that are transferred to the STAR Bonds Revenue Fund.
5 Within 10 days after receipt by the Comptroller of the
6 disbursement certification to the Authority provided for in
7 this Section to be given to the Comptroller by the Department,
8 the Comptroller shall cause the orders to be drawn for that
9 amount in accordance with the directions contained in the
10 certification.

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

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

22 (k) The provisions of any tax imposed under paragraph (c)
23 of this Section shall conform as closely as may be practicable
24 to the provisions of the Use Tax Act, including without
25 limitation conformity as to penalties with respect to the tax
26 imposed and as to the powers of the State Department of Revenue

1 to promulgate and enforce rules and regulations relating to the
2 administration and enforcement of the provisions of the tax
3 imposed. The taxes shall be imposed only on use within the
4 metropolitan region and at rates as provided in the paragraph.

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

19 (m) Any ordinance imposing or discontinuing any tax under
20 this Section shall be adopted and a certified copy thereof
21 filed with the Department on or before June 1, whereupon the
22 Department of Revenue shall proceed to administer and enforce
23 this Section on behalf of the Regional Transportation Authority
24 as of September 1 next following such adoption and filing.
25 Beginning January 1, 1992, an ordinance or resolution imposing
26 or discontinuing the tax hereunder shall be adopted and a

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

21 (n) Except as otherwise provided in this subsection (n),
22 the State Department of Revenue shall, upon collecting any
23 taxes as provided in this Section, pay the taxes over to the
24 State Treasurer as trustee for the Authority. The taxes shall
25 be held in a trust fund outside the State Treasury. On or
26 before the 25th day of each calendar month, the State

1 Department of Revenue shall prepare and certify to the
2 Comptroller of the State of Illinois and to the Authority (i)
3 the amount of taxes collected in each county ~~County~~ other than
4 Cook County in the metropolitan region, (ii) the amount of
5 taxes collected within the City of Chicago, and (iii) the
6 amount collected in that portion of Cook County outside of
7 Chicago, each amount less the amount necessary for the payment
8 of refunds to taxpayers located in those areas described in
9 items (i), (ii), and (iii), and less 1.5% of the remainder,
10 which shall be transferred from the trust fund into the Tax
11 Compliance and Administration Fund. The Department, at the time
12 of each monthly disbursement to the Authority, shall prepare
13 and certify to the State Comptroller the amount to be
14 transferred into the Tax Compliance and Administration Fund
15 under this subsection. Within 10 days after receipt by the
16 Comptroller of the certification of the amounts, the
17 Comptroller shall cause an order to be drawn for the transfer
18 of the amount certified into the Tax Compliance and
19 Administration Fund and the payment of two-thirds of the
20 amounts certified in item (i) of this subsection to the
21 Authority and one-third of the amounts certified in item (i) of
22 this subsection to the respective counties other than Cook
23 County and the amount certified in items (ii) and (iii) of this
24 subsection to the Authority.

25 In addition to the disbursement required by the preceding
26 paragraph, an allocation shall be made in July 1991 and each

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

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

19 (p) At no time shall a public transportation tax or motor
20 vehicle parking tax authorized under paragraphs (b), (c) and and
21 (d) of this Section be in effect at the same time as any
22 retailers' occupation, use or service occupation tax
23 authorized under paragraphs (e), (f) and (g) of this Section
24 is in effect.

25 Any taxes imposed under the authority provided in
26 paragraphs (b), (c) and (d) shall remain in effect only until

1 the time as any tax authorized by paragraph ~~paragraphs~~ (e),
2 (f) l or (g) of this Section are imposed and becomes effective.
3 Once any tax authorized by paragraph ~~paragraphs~~ (e), (f) l or
4 (g) is imposed the Board may not reimpose taxes as authorized
5 in paragraphs (b), (c) l and (d) of the Section unless any tax
6 authorized by paragraph ~~paragraphs~~ (e), (f) l or (g) of this
7 Section becomes ineffective by means other than an ordinance of
8 the Board.

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

15 (Source: P.A. 99-180, eff. 7-29-15; 99-217, eff. 7-31-15;
16 99-642, eff. 7-28-16; 100-23, eff. 7-6-17; 100-587, eff.
17 6-4-18; 100-1171, eff. 1-4-19; revised 1-11-19.)

18 Section 75. The Water Commission Act of 1985 is amended by
19 changing Section 4 as follows:

20 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

21 Sec. 4. Taxes.

22 (a) The board of commissioners of any county water
23 commission may, by ordinance, impose throughout the territory
24 of the commission any or all of the taxes provided in this

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

8 The proposition shall be in the form provided in Section 5
 9 or shall be substantially in the following form:

10 -----

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

16 -----

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

22 (b) The board of commissioners may impose a County Water
 23 Commission Retailers' Occupation Tax upon all persons engaged
 24 in the business of selling tangible personal property at retail
 25 in the territory of the commission at a rate of 1/4% of the
 26 gross receipts from the sales made in the course of such

1 business within the territory. The tax imposed under this
2 paragraph and all civil penalties that may be assessed as an
3 incident thereof shall be collected and enforced by the State
4 Department of Revenue. The Department shall have full power to
5 administer and enforce this paragraph; to collect all taxes and
6 penalties due hereunder; to dispose of taxes and penalties so
7 collected in the manner hereinafter provided; and to determine
8 all rights to credit memoranda arising on account of the
9 erroneous payment of tax or penalty hereunder. In the
10 administration of, and compliance with, this paragraph, the
11 Department and persons who are subject to this paragraph shall
12 have the same rights, remedies, privileges, immunities, powers
13 and duties, and be subject to the same conditions,
14 restrictions, limitations, penalties, exclusions, exemptions
15 and definitions of terms, and employ the same modes of
16 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
17 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
18 therein other than the State rate of tax except that tangible
19 personal property taxed at the 1% rate under the Retailers'
20 Occupation Tax Act shall not be subject to tax hereunder), 2c,
21 3 (except as to the disposition of taxes and penalties
22 collected, and except that the retailer's discount is not
23 allowed for taxes paid on aviation fuel sold on or after
24 December 1, 2019), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
25 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, and 13 of the
26 Retailers' Occupation Tax Act and Section 3-7 of the Uniform

1 Penalty and Interest Act, as fully as if those provisions were
2 set forth herein.

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

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

20 For the purpose of determining whether a tax authorized
21 under this paragraph is applicable, a retail sale by a producer
22 of coal or other mineral mined in Illinois is a sale at retail
23 at the place where the coal or other mineral mined in Illinois
24 is extracted from the earth. This paragraph does not apply to
25 coal or other mineral when it is delivered or shipped by the
26 seller to the purchaser at a point outside Illinois so that the

1 sale is exempt under the Federal Constitution as a sale in
2 interstate or foreign commerce.

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

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

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

14 (c) If a tax has been imposed under subsection (b), a
15 County Water Commission Service Occupation Tax shall also be
16 imposed upon all persons engaged, in the territory of the
17 commission, in the business of making sales of service, who, as
18 an incident to making the sales of service, transfer tangible
19 personal property within the territory. The tax rate shall be
20 1/4% of the selling price of tangible personal property so
21 transferred within the territory. The tax imposed under this
22 paragraph and all civil penalties that may be assessed as an
23 incident thereof shall be collected and enforced by the State
24 Department of Revenue. The Department shall have full power to
25 administer and enforce this paragraph; to collect all taxes and
26 penalties due hereunder; to dispose of taxes and penalties so

1 collected in the manner hereinafter provided; and to determine
2 all rights to credit memoranda arising on account of the
3 erroneous payment of tax or penalty hereunder. In the
4 administration of, and compliance with, this paragraph, the
5 Department and persons who are subject to this paragraph shall
6 have the same rights, remedies, privileges, immunities, powers
7 and duties, and be subject to the same conditions,
8 restrictions, limitations, penalties, exclusions, exemptions
9 and definitions of terms, and employ the same modes of
10 procedure, as are prescribed in Sections 1a-1, 2 (except that
11 the reference to State in the definition of supplier
12 maintaining a place of business in this State shall mean the
13 territory of the commission), 2a, 3 through 3-50 (in respect to
14 all provisions therein other than the State rate of tax except
15 that tangible personal property taxed at the 1% rate under the
16 Service Occupation Tax Act shall not be subject to tax
17 hereunder), 4 (except that the reference to the State shall be
18 to the territory of the commission), 5, 7, 8 (except that the
19 jurisdiction to which the tax shall be a debt to the extent
20 indicated in that Section 8 shall be the commission), 9 (except
21 as to the disposition of taxes and penalties collected and
22 except that the returned merchandise credit for this tax may
23 not be taken against any State tax, and except that the
24 retailer's discount is not allowed for taxes paid on aviation
25 fuel sold on or after December 1, 2019), 10, 11, 12 (except the
26 reference therein to Section 2b of the Retailers' Occupation

1 Tax Act), 13 (except that any reference to the State shall mean
2 the territory of the commission), the first paragraph of
3 Section 15, 15.5, 16, 17, 18, 19, and 20 of the Service
4 Occupation Tax Act as fully as if those provisions were set
5 forth herein.

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

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

24 Nothing in this paragraph shall be construed to authorize a
25 county water commission to impose a tax upon the privilege of
26 engaging in any business which under the Constitution of the

1 United States may not be made the subject of taxation by the
2 State.

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

24 The Department shall have full power to administer and
25 enforce this paragraph; to collect all taxes, penalties, and
26 interest due hereunder; to dispose of taxes, penalties, and

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

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

1 Treasurer out of a county water commission tax fund established
2 under subsection (g) of this Section.

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

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

1 the first day of October, whereupon the Department shall
2 proceed to administer and enforce this Section as of the first
3 day of January next following such adoption and filing.

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

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

16 After the monthly transfer to the STAR Bonds Revenue Fund,
17 on or before the 25th day of each calendar month, the State
18 Department of Revenue shall prepare and certify to the
19 Comptroller of the State of Illinois the amount to be paid to
20 the commission, which shall be the amount (not including credit
21 memoranda) collected under this Section during the second
22 preceding calendar month by the Department plus an amount the
23 Department determines is necessary to offset any amounts that
24 were erroneously paid to a different taxing body, and not
25 including any amount equal to the amount of refunds made during
26 the second preceding calendar month by the Department on behalf

1 of the commission, and not including any amount that the
2 Department determines is necessary to offset any amounts that
3 were payable to a different taxing body but were erroneously
4 paid to the commission, and less any amounts that are
5 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
6 remainder, which shall be transferred into the Tax Compliance
7 and Administration Fund. The Department, at the time of each
8 monthly disbursement to the commission, shall prepare and
9 certify to the State Comptroller the amount to be transferred
10 into the Tax Compliance and Administration Fund under this
11 subsection. Within 10 days after receipt by the Comptroller of
12 the certification of the amount to be paid to the commission
13 and the Tax Compliance and Administration Fund, the Comptroller
14 shall cause an order to be drawn for the payment for the amount
15 in accordance with the direction in the certification.

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

20 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;
21 100-23, eff. 7-6-17; 100-587, eff. 6-4-18; 100-863, eff.
22 8-14-18; 100-1171, eff. 1-4-19; revised 1-11-19.)

23 Section 80. The Environmental Impact Fee Law is amended by
24 changing Sections 315 and 320 as follows:

1 (415 ILCS 125/315)

2 (Section scheduled to be repealed on January 1, 2025)

3 Sec. 315. Fee on receivers of fuel for sale or use;
4 collection and reporting. A person that is required to pay the
5 fee imposed by this Law shall pay the fee to the Department by
6 return showing all fuel purchased, acquired, or received and
7 sold, distributed or used during the preceding calendar month,
8 including losses of fuel as the result of evaporation or
9 shrinkage due to temperature variations, and such other
10 reasonable information as the Department may require. Losses of
11 fuel as the result of evaporation or shrinkage due to
12 temperature variations may not exceed 1% of the total gallons
13 in storage at the beginning of the month, plus the receipts of
14 gallonage during the month, minus the gallonage remaining in
15 storage at the end of the month. Any loss reported that is in
16 excess of this amount shall be subject to the fee imposed by
17 Section 310 of this Law. On and after July 1, 2001, for each
18 6-month period January through June, net losses of fuel (for
19 each category of fuel that is required to be reported on a
20 return) as the result of evaporation or shrinkage due to
21 temperature variations may not exceed 1% of the total gallons
22 in storage at the beginning of each January, plus the receipts
23 of gallonage each January through June, minus the gallonage
24 remaining in storage at the end of each June. On and after July
25 1, 2001, for each 6-month period July through December, net
26 losses of fuel (for each category of fuel that is required to

1 be reported on a return) as the result of evaporation or
2 shrinkage due to temperature variations may not exceed 1% of
3 the total gallons in storage at the beginning of each July,
4 plus the receipts of gallonage each July through December,
5 minus the gallonage remaining in storage at the end of each
6 December. Any net loss reported that is in excess of this
7 amount shall be subject to the fee imposed by Section 310 of
8 this Law. For purposes of this Section, "net loss" means the
9 number of gallons gained through temperature variations minus
10 the number of gallons lost through temperature variations or
11 evaporation for each of the respective 6-month periods.

12 The return shall be prescribed by the Department and shall
13 be filed between the 1st and 20th days of each calendar month.
14 The Department may, in its discretion, combine the return filed
15 under this Law with the return filed under Section 2b of the
16 Motor Fuel Tax Law. If the return is timely filed, the receiver
17 may take a discount of 2% through June 30, 2003 and 1.75%
18 thereafter to reimburse himself for the expenses incurred in
19 keeping records, preparing and filing returns, collecting and
20 remitting the fee, and supplying data to the Department on
21 request. However, the discount applies only to the amount of
22 the fee payment that accompanies a return that is timely filed
23 in accordance with this Section. The discount is not permitted
24 on fees paid on aviation fuel sold or used on and after
25 December 1, 2019. This exception for aviation fuel only applies
26 for so long as the revenue use requirements of 49 U.S.C. §47017

1 (b) and 49 U.S.C. §47133 are binding on the State.

2 Beginning on January 1, 2018, each retailer required or
3 authorized to collect the fee imposed by this Act on aviation
4 fuel at retail in this State during the preceding calendar
5 month shall, instead of reporting and paying tax on aviation
6 fuel as otherwise required by this Section, file an aviation
7 fuel tax return with the Department, on or before the twentieth
8 day of each calendar month. The requirements related to the
9 return shall be as otherwise provided in this Section.
10 Notwithstanding any other provisions of this Act to the
11 contrary, retailers collecting fees on aviation fuel shall file
12 all aviation fuel tax returns and shall make all aviation fuel
13 fee payments by electronic means in the manner and form
14 required by the Department. For purposes of this paragraph,
15 "aviation fuel" means a product that is intended for use or
16 offered for sale as fuel for an aircraft.

17 If any payment provided for in this Section exceeds the
18 receiver's liabilities under this Act, as shown on an original
19 return, the Department may authorize the receiver to credit
20 such excess payment against liability subsequently to be
21 remitted to the Department under this Act, in accordance with
22 reasonable rules adopted by the Department. If the Department
23 subsequently determines that all or any part of the credit
24 taken was not actually due to the receiver, the receiver's
25 discount shall be reduced by an amount equal to the difference
26 between the discount as applied to the credit taken and that

1 actually due, and that receiver shall be liable for penalties
2 and interest on such difference.

3 (Source: P.A. 100-1171, eff. 1-4-19.)

4 (415 ILCS 125/320)

5 (Section scheduled to be repealed on January 1, 2025)

6 Sec. 320. Deposit of fee receipts. Except as otherwise
7 provided in this paragraph, all ~~All~~ money received by the
8 Department under this Law shall be deposited in the Underground
9 Storage Tank Fund created by Section 57.11 of the Environmental
10 Protection Act. All money received for aviation fuel by the
11 Department under this Law on or after December 1, 2019, shall
12 be immediately paid over by the Department to the State
13 Aviation Program Fund. The Department shall only pay such
14 moneys into the State Aviation Program Fund under this Act for
15 so long as the revenue use requirements of 49 U.S.C. 47107(b)
16 and 49 U.S.C. 47133 are binding on the State. For purposes of
17 this Section, "aviation fuel" means a product that is intended
18 for use or offered for sale as fuel for an aircraft.

19 (Source: P.A. 89-428, eff. 1-1-96; 89-457, eff. 5-22-96; 90-14,
20 eff. 7-1-97.)

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.

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