



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5212

by Rep. Keith R. Wheeler

SYNOPSIS AS INTRODUCED:

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

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

LRB101 17550 LNS 66968 b

1 AN ACT concerning civil law.

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

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

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

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

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

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

22 (c) All claims against the State for time unjustly
23 served in prisons of this State when the person imprisoned

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

1 Act of the 95th General Assembly apply to all claims
2 pending on or filed on or after the effective date.

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

1 University of Illinois, the Board of Trustees of Southern
2 Illinois University, the Board of Trustees of Chicago State
3 University, the Board of Trustees of Eastern Illinois
4 University, the Board of Trustees of Governors State
5 University, the Board of Trustees of Illinois State
6 University, the Board of Trustees of Northeastern Illinois
7 University, the Board of Trustees of Northern Illinois
8 University, the Board of Trustees of Western Illinois
9 University, or the Board of Trustees of the Illinois
10 Mathematics and Science Academy is not liable for the
11 negligence of its officers, agents, and employees in the
12 course of their employment is not applicable to the hearing
13 and determination of such claims. The changes to this
14 Section made by this amendatory Act of the 100th General
15 Assembly apply only to claims filed on or after July 1,
16 2015.

17 The court shall annually adjust the maximum awards
18 authorized by this subsection to reflect the increase, if
19 any, in the Consumer Price Index For All Urban Consumers
20 for the previous calendar year, as determined by the United
21 States Department of Labor. The Comptroller shall make the
22 new amount resulting from each annual adjustment available
23 to the public via the Comptroller's official website by
24 January 31 of every year.

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

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

5 (g) All claims filed pursuant to the Crime Victims
6 Compensation Act.

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

12 (i) All claims authorized by subsection (a) of Section
13 10-55 of the Illinois Administrative Procedure Act for the
14 expenses incurred by a party in a contested case on the
15 administrative level.

16 (j) All appeals of determinations by the Department of
17 Revenue regarding awards under Section 4.5 of the Illinois
18 False Claims Act.

19 (Source: P.A. 100-1124, eff. 11-27-18.)

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

22 (740 ILCS 175/4) (from Ch. 127, par. 4104)

23 Sec. 4. Civil actions for false claims.

24 (a) Responsibilities of the Attorney General and the

1 Department of State Police. The Attorney General or the
2 Department of State Police shall diligently investigate a civil
3 violation under Section 3. If the Attorney General finds that a
4 person violated or is violating Section 3, the Attorney General
5 may bring a civil action under this Section against the person.

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

17 (b) Actions by private persons.

18 (1) A person may bring a civil action for a violation
19 of Section 3 for the person and for the State. The action
20 shall be brought in the name of the State. The action may
21 be dismissed only if the court and the Attorney General
22 give written consent to the dismissal and their reasons for
23 consenting.

24 (2) A copy of the complaint and written disclosure of
25 substantially all material evidence and information the
26 person possesses shall be served on the State. The

1 complaint shall be filed in camera, shall remain under seal
2 for at least 60 days, and shall not be served on the
3 defendant until the court so orders. The State may elect to
4 intervene and proceed with the action within 60 days after
5 it receives both the complaint and the material evidence
6 and information.

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

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

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

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

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

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

26 (1) If the State proceeds with the action, it shall

1 have the primary responsibility for prosecuting the
2 action, and shall not be bound by an act of the person
3 bringing the action. Such person shall have the right to
4 continue as a party to the action, subject to the
5 limitations set forth in paragraph (2).

6 (2) (A) The State may dismiss the action
7 notwithstanding the objections of the person initiating
8 the action if the person has been notified by the State of
9 the filing of the motion and the court has provided the
10 person with an opportunity for a hearing on the motion.

11 (B) The State may settle the action with the defendant
12 notwithstanding the objections of the person initiating
13 the action if the court determines, after a hearing, that
14 the proposed settlement is fair, adequate, and reasonable
15 under all the circumstances. Upon a showing of good cause,
16 such hearing may be held in camera.

17 (C) Upon a showing by the State that unrestricted
18 participation during the course of the litigation by the
19 person initiating the action would interfere with or unduly
20 delay the State's prosecution of the case, or would be
21 repetitious, irrelevant, or for purposes of harassment,
22 the court may, in its discretion, impose limitations on the
23 person's participation, such as:

24 (i) limiting the number of witnesses the person may
25 call:

26 (ii) limiting the length of the testimony of such

1 witnesses;

2 (iii) limiting the person's cross-examination of
3 witnesses; or

4 (iv) otherwise limiting the participation by the
5 person in the litigation.

6 (D) Upon a showing by the defendant that unrestricted
7 participation during the course of the litigation by the
8 person initiating the action would be for purposes of
9 harassment or would cause the defendant undue burden or
10 unnecessary expense, the court may limit the participation
11 by the person in the litigation.

12 (3) If the State elects not to proceed with the action,
13 the person who initiated the action shall have the right to
14 conduct the action. If the State so requests, it shall be
15 served with copies of all pleadings filed in the action and
16 shall be supplied with copies of all deposition transcripts
17 (at the State's expense). When a person proceeds with the
18 action, the court, without limiting the status and rights
19 of the person initiating the action, may nevertheless
20 permit the State to intervene at a later date upon a
21 showing of good cause.

22 (4) Whether or not the State proceeds with the action,
23 upon a showing by the State that certain actions of
24 discovery by the person initiating the action would
25 interfere with the State's investigation or prosecution of
26 a criminal or civil matter arising out of the same facts,

1 the court may stay such discovery for a period of not more
2 than 60 days. Such a showing shall be conducted in camera.
3 The court may extend the 60-day period upon a further
4 showing in camera that the State has pursued the criminal
5 or civil investigation or proceedings with reasonable
6 diligence and any proposed discovery in the civil action
7 will interfere with the ongoing criminal or civil
8 investigation or proceedings.

9 (5) Notwithstanding subsection (b), the State may
10 elect to pursue its claim through any alternate remedy
11 available to the State, including any administrative
12 proceeding to determine a civil money penalty. If any such
13 alternate remedy is pursued in another proceeding, the
14 person initiating the action shall have the same rights in
15 such proceeding as such person would have had if the action
16 had continued under this Section. Any finding of fact or
17 conclusion of law made in such other proceeding that has
18 become final shall be conclusive on all parties to an
19 action under this Section. For purposes of the preceding
20 sentence, a finding or conclusion is final if it has been
21 finally determined on appeal to the appropriate court, if
22 all time for filing such an appeal with respect to the
23 finding or conclusion has expired, or if the finding or
24 conclusion is not subject to judicial review.

25 (d) Award to Qui Tam plaintiff.

26 (1) If the State proceeds with an action brought by a

1 person under subsection (b), such person shall, subject to
2 the second sentence of this paragraph, receive at least 15%
3 but not more than 25% of the proceeds of the action or
4 settlement of the claim, depending upon the extent to which
5 the person substantially contributed to the prosecution of
6 the action. Where the action is one which the court finds
7 to be based primarily on disclosures of specific
8 information (other than information provided by the person
9 bringing the action) relating to allegations or
10 transactions in a criminal, civil, or administrative
11 hearing, in a legislative, administrative, or Auditor
12 General's report, hearing, audit, or investigation, or
13 from the news media, the court may award such sums as it
14 considers appropriate, but in no case more than 10%, if
15 any, of the proceeds, taking into account the significance
16 of the information and the role of the person bringing the
17 action in advancing the case to litigation. Any payment to
18 a person under the first or second sentence of this
19 paragraph (1) shall be made from the proceeds. Any such
20 person shall also receive an amount for reasonable expenses
21 which the court finds to have been necessarily incurred,
22 plus reasonable attorneys' fees and costs. The State shall
23 also receive an amount for reasonable expenses which the
24 court finds to have been necessarily incurred by the
25 Attorney General, including reasonable attorneys' fees and
26 costs. All such expenses, fees, and costs shall be awarded

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

8 (2) If the State does not proceed with an action under
9 this Section, the person bringing the action or settling
10 the claim shall receive an amount which the court decides
11 is reasonable for collecting the civil penalty and damages.
12 The amount shall be not less than 25% and not more than 30%
13 of the proceeds of the action or settlement and shall be
14 paid out of such proceeds. Such person shall also receive
15 an amount for reasonable expenses which the court finds to
16 have been necessarily incurred, plus reasonable attorneys'
17 fees and costs. All such expenses, fees, and costs shall be
18 awarded against the defendant. The court may award amounts
19 from the proceeds of an action or settlement that it
20 considers appropriate to any governmental entity or
21 program that has been adversely affected by a defendant.
22 The Attorney General, if necessary, shall direct the State
23 Treasurer to make a disbursement of funds as provided in
24 court orders or settlement agreements.

25 (3) Whether or not the State proceeds with the action,
26 if the court finds that the action was brought by a person

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

16 (4) If the State does not proceed with the action and
17 the person bringing the action conducts the action, the
18 court may award to the defendant its reasonable attorneys'
19 fees and expenses if the defendant prevails in the action
20 and the court finds that the claim of the person bringing
21 the action was clearly frivolous, clearly vexatious, or
22 brought primarily for purposes of harassment.

23 (e) Certain actions barred.

24 (1) No court shall have jurisdiction over an action
25 brought by a former or present member of the Guard under
26 subsection (b) of this Section against a member of the

1 Guard arising out of such person's service in the Guard.

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

7 (B) For purposes of this paragraph (2), "exempt
8 official" means any of the following officials in State
9 service: directors of departments established under the
10 Civil Administrative Code of Illinois, the Adjutant
11 General, the Assistant Adjutant General, the Director of
12 the State Emergency Services and Disaster Agency, members
13 of the boards and commissions, and all other positions
14 appointed by the Governor by and with the consent of the
15 Senate.

16 (3) In no event may a person bring an action under
17 subsection (b) which is based upon allegations or
18 transactions which are the subject of a civil suit or an
19 administrative civil money penalty proceeding in which the
20 State is already a party.

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

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

1 (ii) in a State legislative, State Auditor
2 General, or other State report, hearing, audit, or
3 investigation; or

4 (iii) from the news media,
5 unless the action is brought by the Attorney General or the
6 person bringing the action is an original source of the
7 information.

8 (B) For purposes of this paragraph (4), "original
9 source" means an individual who either (i) prior to a
10 public disclosure under subparagraph (A) of this paragraph
11 (4), has voluntarily disclosed to the State the information
12 on which allegations or transactions in a claim are based,
13 or (ii) has knowledge that is independent of and materially
14 adds to the publicly disclosed allegations or
15 transactions, and who has voluntarily provided the
16 information to the State before filing an action under this
17 Section.

18 (5) No court has jurisdiction over a civil action
19 brought under subsection (b) that relates to or involves a
20 false claim regarding a tax administered by the Department
21 of Revenue under the Use Tax Act; the Service Use Tax Act;
22 the Service Occupation Tax Act; the Retailers' Occupation
23 Tax Act; the Cigarette Machine Operators' Occupation Tax
24 Act; the Cigarette Tax Act; the Cigarette Use Tax Act; the
25 Home Rule Cigarette Tax Restriction Act; the Tobacco
26 Products Tax Act of 1995; the Hotel Operators' Occupation

1 Tax Act; the Use and Occupation Tax Refund Act; the
2 Automobile Renting Occupation and Use Tax Act; the Aircraft
3 Use Tax Law; the Watercraft Use Tax Law; the Direct Pay
4 Permit Implementation Act; the Governmental Tax Reform
5 Validation Act; the Simplified Sales and Use Tax
6 Administration Act; the Gas Use Tax Law; the Live Adult
7 Entertainment Facility Surcharge Act; the Illinois Estate
8 and Generation-Skipping Transfer Tax Act; the Motor Fuel
9 Tax Law; the Coin-Operated Amusement Device and Redemption
10 Machine Tax Act; the Mobile Home Local Services Tax Act;
11 the Mobile Home Local Services Tax Enforcement Act; the
12 Manufactured Home Installation Act; the Illinois Central
13 Railroad Tax Act; the Messages Tax Act; the Gas Revenue Tax
14 Act; the Public Utilities Revenue Act; the Water Company
15 Invested Capital Tax Act; the Telecommunications Excise
16 Tax Act; the Telecommunications Infrastructure Maintenance
17 Fee Act; the Simplified Municipal Telecommunications Tax
18 Act; the Mobile Telecommunications Sourcing Conformity
19 Act; the Electricity Excise Tax Law; the Electricity
20 Infrastructure Maintenance Fee Law; Section 31 of the
21 Innovation Development and Economy Act; Sections 5-1006,
22 5-1006.5, 5-1006.7, 5-1007, 5-1008, 5-1008.5, and 5-1035.1
23 of the Counties Code; Sections 8-11-1, 8-11-2, 8-11-3,
24 8-11-4, 8-11-5, 8-11-6, 8-11-6b, 8-11-7, 8-11-8, 8-11-11,
25 8-11-15, 8-11-16, 8-11-20, 8-11-21, and 11-74.3-3 of the
26 Illinois Municipal Code; Section 13 of the Metropolitan

1 Pier and Exposition Authority Act; Section 30 of the
2 Metro-East Park and Recreation District Act; Section 5.01
3 of the Local Mass Transit District Act; Section 4.03 of the
4 Regional Transportation Authority Act; and Section 4 of the
5 Water Commission Act of 1985, unless the action is brought
6 by the Attorney General. Nothing in this Section affects
7 the Illinois Income Tax Act exclusion in subsection (c) of
8 Section 3.

9 (f) State not liable for certain expenses. The State is not
10 liable for expenses which a person incurs in bringing an action
11 under this Section.

12 (g) Relief from retaliatory actions.

13 (1) In general, any employee, contractor, or agent
14 shall be entitled to all relief necessary to make that
15 employee, contractor, or agent whole, if that employee,
16 contractor, or agent is discharged, demoted, suspended,
17 threatened, harassed, or in any other manner discriminated
18 against in the terms and conditions of employment because
19 of lawful acts done by the employee, contractor, agent, or
20 associated others in furtherance of an action under this
21 Section or other efforts to stop one or more violations of
22 this Act.

23 (2) Relief under paragraph (1) shall include
24 reinstatement with the same seniority status that the
25 employee, contractor, or agent would have had but for the
26 discrimination, 2 times the amount of back pay, interest on

1 the back pay, and compensation for any special damages
2 sustained as a result of the discrimination, including
3 litigation costs and reasonable attorneys' fees. An action
4 under this subsection (g) may be brought in the appropriate
5 circuit court for the relief provided in this subsection
6 (g).

7 (3) A civil action under this subsection may not be
8 brought more than 3 years after the date when the
9 retaliation occurred.

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

11 (740 ILCS 175/4.5 new)

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

14 (a) The Department of Revenue has the sole authority to
15 bring an administrative action resulting from information
16 provided by any person alleging a false claim, statement, or
17 record, as defined in Section 3, pertaining to any tax
18 administered by the Department of Revenue under a provision
19 identified in paragraph (5) of subsection (e) of Section 4. The
20 Attorney General has the sole authority to bring a judicial
21 action under this Act for a false claim, statement, or record,
22 as defined in Section 3, pertaining to any tax administered by
23 the Department of Revenue under a provision identified in
24 paragraph (5) of subsection (e) of Section 4.

25 (b) A person may provide to the Department of Revenue any

1 information alleging a false claim, statement, or record, as
2 defined in Section 3, pertaining to any tax administered by the
3 Department of Revenue under a provision identified in paragraph
4 (5) of subsection (e) of Section 4. The Department of Revenue
5 shall establish, by rule, a procedure for the reporting of any
6 allegation of a false claim, statement, or record to the
7 Department. The Department of Revenue shall notify the Attorney
8 General within 60 days of receipt of a report under this
9 subsection. The Department of Revenue shall investigate all
10 allegations of a false claim, statement, or record and make a
11 recommendation to the Attorney General as to whether the
12 Attorney General should bring an action under this Act for all
13 applicable tax and interest the Department of Revenue
14 determines is due under the appropriate tax act. The Attorney
15 General has the ultimate authority to accept or reject the
16 Department of Revenue's recommendation. Nothing in this
17 Section limits the authority of the Attorney General to bring
18 an action under this Act at any time, even in the absence of a
19 recommendation from the Department of Revenue. A person found
20 liable in an action under this Act is subject to the assessment
21 of penalties and damages as specified in Section 3.

22 (c) In exercising its discretion in administering and
23 enforcing the tax laws, the Department of Revenue may determine
24 that a person's allegations of a false claim, statement, or
25 record are best handled within the course of an audit conducted
26 within the Department of Revenue's normal course of business.

1 If the Department of Revenue exercises its audit functions and
2 the audit results in a contested tax assessment, the person
3 audited shall retain all of his or her legal rights to resolve
4 the matter in any forum where jurisdiction is proper, including
5 an administrative hearing before the Department of Revenue, the
6 Illinois Independent Tax Tribunal, a circuit court under the
7 State Officers and Employees Money Disposition Act, or any
8 other judicial proceeding. Under no circumstances may a person,
9 other than the person audited and his or her attorney, have any
10 right to participate in the proceedings, participate in
11 settlement negotiations, challenge the validity of any
12 settlement between the Department and any person, or review any
13 materials subject to the confidentiality provisions of the
14 underlying tax law. If the Attorney General files an action
15 under this Act that relates to or involves a false claim
16 regarding a tax administered by the Department of Revenue under
17 a provision identified in paragraph (5) of subsection (e) of
18 Section 4, any Department of Revenue administrative proceeding
19 that seeks recovery for the same conduct alleged in the
20 Attorney General's complaint shall be automatically stayed
21 until resolution of the action brought by the Attorney General
22 under this Act. However, a Department of Revenue audit or
23 investigation may not be stayed under this subsection.

24 (d) If the Attorney General proceeds with a judicial action
25 under this Act based on information brought to the Department
26 of Revenue's attention by a person, the person shall, subject

1 to subsection (e), receive as an award an amount equal to at
2 least 15%, but not more than 30%, of the collected proceeds
3 (including penalties, interest, additions to tax, and
4 additional amounts) resulting from the action and any related
5 actions, or from any settlement in response to the action,
6 taking into account the significance of the person's
7 information and the role of the person and any legal
8 representative of the person in contributing to the action. If
9 the Department of Revenue proceeds with an administrative
10 action based on information brought to its attention by a
11 person, the person shall, subject to subsection (e), receive as
12 an award an amount equal to at least 10%, but not more than
13 15%, of the collected proceeds (including penalties, interest,
14 additions to tax, and additional amounts) resulting from the
15 action or from any settlement in response to the action, taking
16 into account the significance of the person's information and
17 the role of the person and any legal representative of the
18 person in contributing to the action. A person who brings to
19 the Department's attention information alleging a false claim,
20 statement, or record, as defined in Section 3, pertaining to
21 any tax administered by the Department of Revenue under a
22 provision identified in paragraph (5) of subsection (e) of
23 Section 4, may not receive any amounts for expenses, attorney's
24 fees, or costs.

25 (e) If the judicial or administrative action described in
26 subsection (d) is one that the Department of Revenue determines

1 to be based principally on disclosures of specific allegations
2 (other than information provided by the person described in
3 subsection (d)) resulting from a judicial or administrative
4 hearing, from a governmental report, hearing, audit, or
5 investigation, or from the news media, the Department of
6 Revenue may award to the person a sum as the Department of
7 Revenue considers appropriate, but in no case more than 10%, if
8 any, of the collected proceeds (including penalties, interest,
9 additions to tax, and additional amounts) resulting from the
10 action (including any related actions) or from any settlement
11 in response to the action, taking into account the significance
12 of the person's information and the role of the person and any
13 legal representative of the person in contributing to the
14 action. This subsection does not apply if the information
15 resulting in the initiation of the administrative or judicial
16 action described in subsection (d) was originally provided by
17 the person described in subsection (d).

18 (f) If the Department of Revenue determines that a claim
19 for an award under subsection (d) or (e) is brought by a person
20 who planned and initiated the actions that led to the false
21 claim and any resulting underpayment of tax, the Department of
22 Revenue may reduce the award to the extent it considers
23 appropriate and without limitation. If the person is convicted
24 of criminal conduct arising from conduct described in this
25 subsection, the Department of Revenue may not pay any award to
26 the person.

1 (g) A determination by the Department of Revenue regarding
2 an award under this Section may be appealed exclusively to the
3 Court of Claims. An appeal under this subsection must be filed
4 within 30 days of the Department of Revenue's determination of
5 an award under this Section.