



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB0121

Introduced 1/29/2019, by Sen. Julie A. Morrison - Jacqueline Y. Collins

#### SYNOPSIS AS INTRODUCED:

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

Amends the State Finance Act to create the Community Mental Health Services Fund as a special fund in the State treasury. Provides that moneys in the Community Mental Health Services Fund shall be used to assist, support, and establish community-based mental health providers and programs. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Imposes a surcharge of \$0.01 per cartridge or shell on firearm ammunition. Provides that moneys from the surcharge shall be deposited into the Community Mental Health Services Fund. Effective immediately.

LRB101 04745 HLH 49754 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

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

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

6 (30 ILCS 105/5.891 new)

7 Sec. 5.891. The Community Mental Health Services Fund.

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

9 Sec. 6z-107. The Community Mental Health Services Fund;  
10 creation. The Community Mental Health Services Fund is created  
11 as a special fund in the State treasury. Moneys in the Fund  
12 shall be used, subject to appropriation, to assist, support,  
13 and establish community-based mental health providers and  
14 programs. Moneys appropriated from the Fund shall supplement  
15 and not supplant the current level of human services funding.

16 Section 10. The Use Tax Act is amended by changing Sections  
17 3-10 and 9 as follows:

18 (35 ILCS 105/3-10)

19 Sec. 3-10. Rate of tax. Unless otherwise provided in this  
20 Section, the tax imposed by this Act is at the rate of 6.25% of

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

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

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

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

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

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

25           With respect to 100% biodiesel and biodiesel blends with  
26 more than 10% but no more than 99% biodiesel, the tax imposed

1 by this Act does not apply to the proceeds of sales made on or  
2 after July 1, 2003 and on or before December 31, 2023 but  
3 applies to 100% of the proceeds of sales made thereafter.

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

1 containing 50% or more natural fruit or vegetable juice.

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

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

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

1 pieces. "Candy" does not include any preparation that contains  
2 flour or requires refrigeration.

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

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

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

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

25 Beginning July 1, 2019, in addition to all other rates of  
26 tax imposed under this Act, a surcharge of \$0.01 per cartridge

1 or shell is imposed on the selling price of firearm ammunition.  
2 "Firearm ammunition" has the meaning given to that term under  
3 Section 31A-0.1 of the Criminal Code of 2012.

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

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

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

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



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

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

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

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

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

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

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

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

5 5. The amount of tax due;

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 Where a retailer collects the tax with respect to the

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

11 Beginning July 1, 2019, the Department shall pay into the  
12 Community Mental Health Services Fund 100% of the net revenue  
13 realized for the preceding month from the \$0.01 surcharge on  
14 the selling price of firearm ammunition.

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

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

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

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

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

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

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

1                                   2031                                   350,000,000

2                                   2032                                   350,000,000

3                                   and

4                                   each fiscal year

5                                   thereafter that bonds

6                                   are outstanding under

7                                   Section 13.2 of the

8                                   Metropolitan Pier and

9                                   Exposition Authority Act,

10                                  but not after fiscal year 2060.

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 regardless of the location of the vending machine.

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

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

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

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



1 substance or preparation.

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

7 Beginning July 1, 2019, in addition to all other rates of  
8 tax imposed under this Act, a surcharge of \$0.01 per cartridge  
9 or shell is imposed on the selling price of firearm ammunition.  
10 "Firearm ammunition" has the meaning given to that term under  
11 Section 31A-0.1 of the Criminal Code of 2012.

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

19 (Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15;  
20 99-642, eff. 7-28-16; 99-858, eff. 8-19-16; 100-22, eff.  
21 7-6-17.)

22 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

23 Sec. 9. Each serviceman required or authorized to collect  
24 the tax herein imposed shall pay to the Department the amount  
25 of such tax (except as otherwise provided) at the time when he

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

18 Except as provided hereinafter in this Section, on or  
19 before the twentieth day of each calendar month, such  
20 serviceman shall file a return for the preceding calendar month  
21 in accordance with reasonable Rules and Regulations to be  
22 promulgated by the Department. Such return shall be filed on a  
23 form prescribed by the Department and shall contain such  
24 information as the Department may reasonably require. On and  
25 after January 1, 2018, with respect to servicemen whose annual  
26 gross receipts average \$20,000 or more, all returns required to

1 be filed pursuant to this Act shall be filed electronically.  
2 Servicemen who demonstrate that they do not have access to the  
3 Internet or demonstrate hardship in filing electronically may  
4 petition the Department to waive the electronic filing  
5 requirement.

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

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

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

1 the proper notice and demand for signature by the Department,  
2 the return shall be considered valid and any amount shown to be  
3 due on the return shall be deemed assessed.

4 Beginning October 1, 1993, a taxpayer who has an average  
5 monthly tax liability of \$150,000 or more shall make all  
6 payments required by rules of the Department by electronic  
7 funds transfer. Beginning October 1, 1994, a taxpayer who has  
8 an average monthly tax liability of \$100,000 or more shall make  
9 all payments required by rules of the Department by electronic  
10 funds transfer. Beginning October 1, 1995, a taxpayer who has  
11 an average monthly tax liability of \$50,000 or more shall make  
12 all payments required by rules of the Department by electronic  
13 funds transfer. Beginning October 1, 2000, a taxpayer who has  
14 an annual tax liability of \$200,000 or more shall make all  
15 payments required by rules of the Department by electronic  
16 funds transfer. The term "annual tax liability" shall be the  
17 sum of the taxpayer's liabilities under this Act, and under all  
18 other State and local occupation and use tax laws administered  
19 by the Department, for the immediately preceding calendar year.  
20 The term "average monthly tax liability" means the sum of the  
21 taxpayer's liabilities under this Act, and under all other  
22 State and local occupation and use tax laws administered by the  
23 Department, for the immediately preceding calendar year  
24 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
25 a tax liability in the amount set forth in subsection (b) of  
26 Section 2505-210 of the Department of Revenue Law shall make

1 all payments required by rules of the Department by electronic  
2 funds transfer.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 Beginning January 1, 1990, each month the Department shall

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

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

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

24 Beginning October 1, 2009, each month the Department shall  
25 pay into the Capital Projects Fund an amount that is equal to  
26 an amount estimated by the Department to represent 80% of the



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

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

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

25 Beginning July 1, 2019, the Department shall pay into the  
26 Community Mental Health Services Fund 100% of the net revenue

1 realized for the preceding month from the \$0.01 surcharge on  
2 the selling price of firearm ammunition.

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

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

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

16 Subject to payment of amounts into the Build Illinois Fund  
17 as provided in the preceding paragraph or in any amendment  
18 thereto hereafter enacted, the following specified monthly  
19 installment of the amount requested in the certificate of the  
20 Chairman of the Metropolitan Pier and Exposition Authority  
21 provided under Section 8.25f of the State Finance Act, but not  
22 in excess of the sums designated as "Total Deposit", shall be  
23 deposited in the aggregate from collections under Section 9 of  
24 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
25 9 of the Service Occupation Tax Act, and Section 3 of the  
26 Retailers' Occupation Tax Act into the McCormick Place

1 Expansion Project Fund in the specified fiscal years.

2		Total
	Fiscal Year	Deposit
3	1993	\$0
4	1994	53,000,000
5	1995	58,000,000
6	1996	61,000,000
7	1997	64,000,000
8	1998	68,000,000
9	1999	71,000,000
10	2000	75,000,000
11	2001	80,000,000
12	2002	93,000,000
13	2003	99,000,000
14	2004	103,000,000
15	2005	108,000,000
16	2006	113,000,000
17	2007	119,000,000
18	2008	126,000,000
19	2009	132,000,000
20	2010	139,000,000
21	2011	146,000,000
22	2012	153,000,000
23	2013	161,000,000
24	2014	170,000,000
25	2015	179,000,000

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

18                   and

19                   each fiscal year

20                   thereafter that bonds

21                   are outstanding under

22                   Section 13.2 of the

23                   Metropolitan Pier and

24                   Exposition Authority Act,

25                   but not after fiscal year 2060.

26                   Beginning July 20, 1993 and in each month of each fiscal

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

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.



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

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

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

23           Net revenue realized for a month shall be the revenue  
24 collected by the State pursuant to this Act, less the amount  
25 paid out during that month as refunds to taxpayers for  
26 overpayment of liability.

1 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
2 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; 100-863, eff.  
3 8-14-18.)

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

6 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

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

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

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

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

22          With respect to biodiesel blends, as defined in the Use Tax  
23          Act, with no less than 1% and no more than 10% biodiesel, the  
24          tax imposed by this Act applies to (i) 80% of the selling price  
25          of property transferred as an incident to the sale of service  
26          on or after July 1, 2003 and on or before December 31, 2018 and

1 (ii) 100% of the proceeds of the selling price thereafter. If,  
2 at any time, however, the tax under this Act on sales of  
3 biodiesel blends, as defined in the Use Tax Act, with no less  
4 than 1% and no more than 10% biodiesel is imposed at the rate  
5 of 1.25%, then the tax imposed by this Act applies to 100% of  
6 the proceeds of sales of biodiesel blends with no less than 1%  
7 and no more than 10% biodiesel made during that time.

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

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

26 The tax shall be imposed at the rate of 1% on food prepared

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

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

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

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

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

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

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

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

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

24 Beginning on January 1, 2014 (the effective date of Public  
25 Act 98-122), "prescription and nonprescription medicines and  
26 drugs" includes medical cannabis purchased from a registered

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

3 Beginning July 1, 2019, in addition to all other rates of  
4 tax imposed under this Act, a surcharge of \$0.01 per cartridge  
5 or shell is imposed on the selling price of firearm ammunition.  
6 "Firearm ammunition" has the meaning given to that term under  
7 Section 31A-0.1 of the Criminal Code of 2012.

8 (Source: P.A. 99-143, eff. 7-27-15; 99-180, eff. 7-29-15;  
9 99-642, eff. 7-28-16; 99-858, eff. 8-19-16; 100-22, eff.  
10 7-6-17.)

11 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

12 Sec. 9. Each serviceman required or authorized to collect  
13 the tax herein imposed shall pay to the Department the amount  
14 of such tax at the time when he is required to file his return  
15 for the period during which such tax was collectible, less a  
16 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
17 after January 1, 1990, or \$5 per calendar year, whichever is  
18 greater, which is allowed to reimburse the serviceman for  
19 expenses incurred in collecting the tax, keeping records,  
20 preparing and filing returns, remitting the tax and supplying  
21 data to the Department on request. The discount allowed under  
22 this Section is allowed only for returns that are filed in the  
23 manner required by this Act. The Department may disallow the  
24 discount for servicemen whose certificate of registration is  
25 revoked at the time the return is filed, but only if the



1 Department's decision to revoke the certificate of  
2 registration has become final.

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

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

25 The Department may require returns to be filed on a  
26 quarterly basis. If so required, a return for each calendar

1 quarter shall be filed on or before the twentieth day of the  
2 calendar month following the end of such calendar quarter. The  
3 taxpayer shall also file a return with the Department for each  
4 of the first two months of each calendar quarter, on or before  
5 the twentieth day of the following calendar month, stating:

6 1. The name of the seller;

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

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

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

15 5. The amount of tax due;

16 5-5. The signature of the taxpayer; and

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

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

23 Prior to October 1, 2003, and on and after September 1,  
24 2004 a serviceman may accept a Manufacturer's Purchase Credit  
25 certification from a purchaser in satisfaction of Service Use  
26 Tax as provided in Section 3-70 of the Service Use Tax Act if

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

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

1 January 20 of the following year.

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

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

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

16 Beginning October 1, 1993, a taxpayer who has an average  
17 monthly tax liability of \$150,000 or more shall make all  
18 payments required by rules of the Department by electronic  
19 funds transfer. Beginning October 1, 1994, a taxpayer who has  
20 an average monthly tax liability of \$100,000 or more shall make  
21 all payments required by rules of the Department by electronic  
22 funds transfer. Beginning October 1, 1995, a taxpayer who has  
23 an average monthly tax liability of \$50,000 or more shall make  
24 all payments required by rules of the Department by electronic  
25 funds transfer. Beginning October 1, 2000, a taxpayer who has  
26 an annual tax liability of \$200,000 or more shall make all

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

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

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

23 All taxpayers required to make payment by electronic funds  
24 transfer and any taxpayers authorized to voluntarily make  
25 payments by electronic funds transfer shall make those payments  
26 in the manner authorized by the Department.

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

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

21          If experience indicates such action to be practicable, the  
22          Department may prescribe and furnish a combination or joint  
23          return which will enable servicemen, who are required to file  
24          returns hereunder and also under the Retailers' Occupation Tax  
25          Act, the Use Tax Act or the Service Use Tax Act, to furnish all  
26          the return information required by all said Acts on the one

1 form.

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

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

19 Beginning January 1, 1990, each month the Department shall  
20 pay into the County and Mass Transit District Fund 4% of the  
21 revenue realized for the preceding month from the 6.25% general  
22 rate.

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

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

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

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

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



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

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

10 Beginning July 1, 2019, the Department shall pay into the  
11 Community Mental Health Services Fund 100% of the net revenue  
12 realized for the preceding month from the \$0.01 surcharge on  
13 the selling price of firearm ammunition.

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

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

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

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

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

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

1                                   2031                                   350,000,000

2                                   2032                                   350,000,000

3                                   and

4                                   each fiscal year

5                                   thereafter that bonds

6                                   are outstanding under

7                                   Section 13.2 of the

8                                   Metropolitan Pier and

9                                   Exposition Authority Act,

10                                  but not after fiscal year 2060.

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

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

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

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

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

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

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

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



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

24           If the annual information return required by this Section  
25 is not filed when and as required, the taxpayer shall be liable  
26 as follows:

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

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

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

19          The foregoing portion of this Section concerning the filing  
20          of an annual information return shall not apply to a serviceman  
21          who is not required to file an income tax return with the  
22          United States Government.

23          As soon as possible after the first day of each month, upon  
24          certification of the Department of Revenue, the Comptroller  
25          shall order transferred and the Treasurer shall transfer from  
26          the General Revenue Fund to the Motor Fuel Tax Fund an amount

1 equal to 1.7% of 80% of the net revenue realized under this Act  
2 for the second preceding month. Beginning April 1, 2000, this  
3 transfer is no longer required and shall not be made.

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

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

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

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

21 (35 ILCS 120/2-10)

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

1 the course of business.

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

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

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

24 With respect to gasohol, as defined in the Use Tax Act, the  
25 tax imposed by this Act applies to (i) 70% of the proceeds of  
26 sales made on or after January 1, 1990, and before July 1,

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

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

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

24 With respect to 100% biodiesel, as defined in the Use Tax  
25 Act, and biodiesel blends, as defined in the Use Tax Act, with  
26 more than 10% but no more than 99% biodiesel, the tax imposed

1 by this Act does not apply to the proceeds of sales made on or  
2 after July 1, 2003 and on or before December 31, 2023 but  
3 applies to 100% of the proceeds of sales made thereafter.

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

1 containing 50% or more natural fruit or vegetable juice.

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

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

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

1 pieces. "Candy" does not include any preparation that contains  
2 flour or requires refrigeration.

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

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

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

25 Beginning July 1, 2019, in addition to all other rates of  
26 tax imposed under this Act, a surcharge of \$0.01 per cartridge



1 or shell is imposed on the selling price of firearm ammunition.  
2 "Firearm ammunition" has the meaning given to that term under  
3 Section 31A-0.1 of the Criminal Code of 2012.

4 (Source: P.A. 99-143, eff. 7-27-15; 99-858, eff. 8-19-16;  
5 100-22, eff. 7-6-17.)

6 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

12 1. The name of the seller;

13 2. His residence address and the address of his  
14 principal place of business and the address of the  
15 principal place of business (if that is a different  
16 address) from which he engages in the business of selling  
17 tangible personal property at retail in this State;

18 3. Total amount of receipts received by him during the  
19 preceding calendar month or quarter, as the case may be,  
20 from sales of tangible personal property, and from services  
21 furnished, by him during such preceding calendar month or  
22 quarter;

23 4. Total amount received by him during the preceding  
24 calendar month or quarter on charge and time sales of  
25 tangible personal property, and from services furnished,

1 by him prior to the month or quarter for which the return  
2 is filed;

3 5. Deductions allowed by law;

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

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

9 8. The amount of tax due;

10 9. The signature of the taxpayer; and

11 10. Such other reasonable information as the  
12 Department may require.

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

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

26 Each return shall be accompanied by the statement of

1 prepaid tax issued pursuant to Section 2e for which credit is  
2 claimed.

3 Prior to October 1, 2003, and on and after September 1,  
4 2004 a retailer may accept a Manufacturer's Purchase Credit  
5 certification from a purchaser in satisfaction of Use Tax as  
6 provided in Section 3-85 of the Use Tax Act if the purchaser  
7 provides the appropriate documentation as required by Section  
8 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
9 certification, accepted by a retailer prior to October 1, 2003  
10 and on and after September 1, 2004 as provided in Section 3-85  
11 of the Use Tax Act, may be used by that retailer to satisfy  
12 Retailers' Occupation Tax liability in the amount claimed in  
13 the certification, not to exceed 6.25% of the receipts subject  
14 to tax from a qualifying purchase. A Manufacturer's Purchase  
15 Credit reported on any original or amended return filed under  
16 this Act after October 20, 2003 for reporting periods prior to  
17 September 1, 2004 shall be disallowed. Manufacturer's  
18 Purchaser Credit reported on annual returns due on or after  
19 January 1, 2005 will be disallowed for periods prior to  
20 September 1, 2004. No Manufacturer's Purchase Credit may be  
21 used after September 30, 2003 through August 31, 2004 to  
22 satisfy any tax liability imposed under this Act, including any  
23 audit liability.

24 The Department may require returns to be filed on a  
25 quarterly basis. If so required, a return for each calendar  
26 quarter shall be filed on or before the twentieth day of the

1 calendar month following the end of such calendar quarter. The  
2 taxpayer shall also file a return with the Department for each  
3 of the first two months of each calendar quarter, on or before  
4 the twentieth day of the following calendar month, stating:

5 1. The name of the seller;

6 2. The address of the principal place of business from  
7 which he engages in the business of selling tangible  
8 personal property at retail in this State;

9 3. The total amount of taxable receipts received by him  
10 during the preceding calendar month from sales of tangible  
11 personal property by him during such preceding calendar  
12 month, including receipts from charge and time sales, but  
13 less all deductions allowed by law;

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

16 5. The amount of tax due; and

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

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

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

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

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

9 If a total amount of less than \$1 is payable, refundable or  
10 creditable, such amount shall be disregarded if it is less than  
11 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

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

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

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

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

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

26 Any amount which is required to be shown or reported on any

1 return or other document under this Act shall, if such amount  
2 is not a whole-dollar amount, be increased to the nearest  
3 whole-dollar amount in any case where the fractional part of a  
4 dollar is 50 cents or more, and decreased to the nearest  
5 whole-dollar amount where the fractional part of a dollar is  
6 less than 50 cents.

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

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

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



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

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

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

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

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

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

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

13 The transaction reporting return in the case of watercraft  
14 or aircraft must show the name and address of the seller; the  
15 name and address of the purchaser; the amount of the selling  
16 price including the amount allowed by the retailer for  
17 traded-in property, if any; the amount allowed by the retailer  
18 for the traded-in tangible personal property, if any, to the  
19 extent to which Section 1 of this Act allows an exemption for  
20 the value of traded-in property; the balance payable after  
21 deducting such trade-in allowance from the total selling price;  
22 the amount of tax due from the retailer with respect to such  
23 transaction; the amount of tax collected from the purchaser by  
24 the retailer on such transaction (or satisfactory evidence that  
25 such tax is not due in that particular instance, if that is  
26 claimed to be the fact); the place and date of the sale, a

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

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

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

1 to such tangible personal property.

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

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

1 if the tax had been remitted to the Department by the retailer.

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

10 Where the seller is a corporation, the return filed on  
11 behalf of such corporation shall be signed by the president,  
12 vice-president, secretary or treasurer or by the properly  
13 accredited agent of such corporation.

14 Where the seller is a limited liability company, the return  
15 filed on behalf of the limited liability company shall be  
16 signed by a manager, member, or properly accredited agent of  
17 the limited liability company.

18 Except as provided in this Section, the retailer filing the  
19 return under this Section shall, at the time of filing such  
20 return, pay to the Department the amount of tax imposed by this  
21 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
22 on and after January 1, 1990, or \$5 per calendar year,  
23 whichever is greater, which is allowed to reimburse the  
24 retailer for the expenses incurred in keeping records,  
25 preparing and filing returns, remitting the tax and supplying  
26 data to the Department on request. Any prepayment made pursuant

1 to Section 2d of this Act shall be included in the amount on  
2 which such 2.1% or 1.75% discount is computed. In the case of  
3 retailers who report and pay the tax on a transaction by  
4 transaction basis, as provided in this Section, such discount  
5 shall be taken with each such tax remittance instead of when  
6 such retailer files his periodic return. The discount allowed  
7 under this Section is allowed only for returns that are filed  
8 in the manner required by this Act. The Department may disallow  
9 the discount for retailers whose certificate of registration is  
10 revoked at the time the return is filed, but only if the  
11 Department's decision to revoke the certificate of  
12 registration has become final.

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

1 liability for prepaid sales tax to be remitted in accordance  
2 with Section 2d of this Act, was \$20,000 or more during the  
3 preceding 4 complete calendar quarters, he shall file a return  
4 with the Department each month by the 20th day of the month  
5 next following the month during which such tax liability is  
6 incurred and shall make payment to the Department on or before  
7 the 7th, 15th, 22nd and last day of the month during which such  
8 liability is incurred. If the month during which such tax  
9 liability is incurred began prior to January 1, 1985, each  
10 payment shall be in an amount equal to 1/4 of the taxpayer's  
11 actual liability for the month or an amount set by the  
12 Department not to exceed 1/4 of the average monthly liability  
13 of the taxpayer to the Department for the preceding 4 complete  
14 calendar quarters (excluding the month of highest liability and  
15 the month of lowest liability in such 4 quarter period). If the  
16 month during which such tax liability is incurred begins on or  
17 after January 1, 1985 and prior to January 1, 1987, each  
18 payment shall be in an amount equal to 22.5% of the taxpayer's  
19 actual liability for the month or 27.5% of the taxpayer's  
20 liability for the same calendar month of the preceding year. If  
21 the month during which such tax liability is incurred begins on  
22 or after January 1, 1987 and prior to January 1, 1988, each  
23 payment shall be in an amount equal to 22.5% of the taxpayer's  
24 actual liability for the month or 26.25% of the taxpayer's  
25 liability for the same calendar month of the preceding year. If  
26 the month during which such tax liability is incurred begins on



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

1 to anticipate that his average monthly tax liability for the  
2 reasonably foreseeable future will fall below the \$10,000  
3 threshold stated above, then such taxpayer may petition the  
4 Department for a change in such taxpayer's reporting status. On  
5 and after October 1, 2000, once applicable, the requirement of  
6 the making of quarter monthly payments to the Department by  
7 taxpayers having an average monthly tax liability of \$20,000 or  
8 more as determined in the manner provided above shall continue  
9 until such taxpayer's average monthly liability to the  
10 Department during the preceding 4 complete calendar quarters  
11 (excluding the month of highest liability and the month of  
12 lowest liability) is less than \$19,000 or until such taxpayer's  
13 average monthly liability to the Department as computed for  
14 each calendar quarter of the 4 preceding complete calendar  
15 quarter period is less than \$20,000. However, if a taxpayer can  
16 show the Department that a substantial change in the taxpayer's  
17 business has occurred which causes the taxpayer to anticipate  
18 that his average monthly tax liability for the reasonably  
19 foreseeable future will fall below the \$20,000 threshold stated  
20 above, then such taxpayer may petition the Department for a  
21 change in such taxpayer's reporting status. The Department  
22 shall change such taxpayer's reporting status unless it finds  
23 that such change is seasonal in nature and not likely to be  
24 long term. If any such quarter monthly payment is not paid at  
25 the time or in the amount required by this Section, then the  
26 taxpayer shall be liable for penalties and interest on the

1 difference between the minimum amount due as a payment and the  
2 amount of such quarter monthly payment actually and timely  
3 paid, except insofar as the taxpayer has previously made  
4 payments for that month to the Department in excess of the  
5 minimum payments previously due as provided in this Section.  
6 The Department shall make reasonable rules and regulations to  
7 govern the quarter monthly payment amount and quarter monthly  
8 payment dates for taxpayers who file on other than a calendar  
9 monthly basis.

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

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

20 The provisions of this paragraph apply on and after October  
21 1, 2001. Without regard to whether a taxpayer is required to  
22 make quarter monthly payments as specified above, any taxpayer  
23 who is required by Section 2d of this Act to collect and remit  
24 prepaid taxes and has collected prepaid taxes that average in  
25 excess of \$20,000 per month during the preceding 4 complete  
26 calendar quarters shall file a return with the Department as

1 required by Section 2f and shall make payments to the  
2 Department on or before the 7th, 15th, 22nd and last day of the  
3 month during which the liability is incurred. Each payment  
4 shall be in an amount equal to 22.5% of the taxpayer's actual  
5 liability for the month or 25% of the taxpayer's liability for  
6 the same calendar month of the preceding year. The amount of  
7 the quarter monthly payments shall be credited against the  
8 final tax liability of the taxpayer's return for that month  
9 filed under this Section or Section 2f, as the case may be.  
10 Once applicable, the requirement of the making of quarter  
11 monthly payments to the Department pursuant to this paragraph  
12 shall continue until the taxpayer's average monthly prepaid tax  
13 collections during the preceding 4 complete calendar quarters  
14 (excluding the month of highest liability and the month of  
15 lowest liability) is less than \$19,000 or until such taxpayer's  
16 average monthly liability to the Department as computed for  
17 each calendar quarter of the 4 preceding complete calendar  
18 quarters is less than \$20,000. If any such quarter monthly  
19 payment is not paid at the time or in the amount required, the  
20 taxpayer shall be liable for penalties and interest on such  
21 difference, except insofar as the taxpayer has previously made  
22 payments for that month in excess of the minimum payments  
23 previously due.

24 If any payment provided for in this Section exceeds the  
25 taxpayer's liabilities under this Act, the Use Tax Act, the  
26 Service Occupation Tax Act and the Service Use Tax Act, as

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

20 If a retailer of motor fuel is entitled to a credit under  
21 Section 2d of this Act which exceeds the taxpayer's liability  
22 to the Department under this Act for the month which the  
23 taxpayer is filing a return, the Department shall issue the  
24 taxpayer a credit memorandum for the excess.

25 Beginning January 1, 1990, each month the Department shall  
26 pay into the Local Government Tax Fund, a special fund in the

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

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

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

26 Beginning January 1, 1990, each month the Department shall

1 pay into the Local Government Tax Fund 16% of the net revenue  
2 realized for the preceding month from the 6.25% general rate on  
3 the selling price of tangible personal property.

4 Beginning August 1, 2000, each month the Department shall  
5 pay into the Local Government Tax Fund 80% of the net revenue  
6 realized for the preceding month from the 1.25% rate on the  
7 selling price of motor fuel and gasohol. Beginning September 1,  
8 2010, each month the Department shall pay into the Local  
9 Government Tax Fund 80% of the net revenue realized for the  
10 preceding month from the 1.25% rate on the selling price of  
11 sales tax holiday items.

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

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



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

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

21           Beginning July 1, 2019, the Department shall pay into the  
22 Community Mental Health Services Fund 100% of the net revenue  
23 realized for the preceding month from the \$0.01 surcharge on  
24 the selling price of firearm ammunition.

25           Of the remainder of the moneys received by the Department  
26 pursuant to this Act, (a) 1.75% thereof shall be paid into the

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

19	Fiscal Year	Annual Specified Amount
20	1986	\$54,800,000
21	1987	\$76,650,000
22	1988	\$80,480,000
23	1989	\$88,510,000
24	1990	\$115,330,000
25	1991	\$145,470,000
26	1992	\$182,730,000

1                           1993   \$206,520,000;

2       and means the Certified Annual Debt Service Requirement (as

3       defined in Section 13 of the Build Illinois Bond Act) or the

4       Tax Act Amount, whichever is greater, for fiscal year 1994 and

5       each fiscal year thereafter; and further provided, that if on

6       the last business day of any month the sum of (1) the Tax Act

7       Amount required to be deposited into the Build Illinois Bond

8       Account in the Build Illinois Fund during such month and (2)

9       the amount transferred to the Build Illinois Fund from the

10      State and Local Sales Tax Reform Fund shall have been less than

11     1/12 of the Annual Specified Amount, an amount equal to the

12     difference shall be immediately paid into the Build Illinois

13     Fund from other moneys received by the Department pursuant to

14     the Tax Acts; and, further provided, that in no event shall the

15     payments required under the preceding proviso result in

16     aggregate payments into the Build Illinois Fund pursuant to

17     this clause (b) for any fiscal year in excess of the greater of

18     (i) the Tax Act Amount or (ii) the Annual Specified Amount for

19     such fiscal year. The amounts payable into the Build Illinois

20     Fund under clause (b) of the first sentence in this paragraph

21     shall be payable only until such time as the aggregate amount

22     on deposit under each trust indenture securing Bonds issued and

23     outstanding pursuant to the Build Illinois Bond Act is

24     sufficient, taking into account any future investment income,

25     to fully provide, in accordance with such indenture, for the

26     defeasance of or the payment of the principal of, premium, if

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

25 Subject to payment of amounts into the Build Illinois Fund  
26 as provided in the preceding paragraph or in any amendment

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

	Fiscal Year	Total Deposit
12	1993	\$0
13	1994	53,000,000
14	1995	58,000,000
15	1996	61,000,000
16	1997	64,000,000
17	1998	68,000,000
18	1999	71,000,000
19	2000	75,000,000
20	2001	80,000,000
21	2002	93,000,000
22	2003	99,000,000
23	2004	103,000,000
24	2005	108,000,000
25	2006	113,000,000

1	2007	119,000,000
2	2008	126,000,000
3	2009	132,000,000
4	2010	139,000,000
5	2011	146,000,000
6	2012	153,000,000
7	2013	161,000,000
8	2014	170,000,000
9	2015	179,000,000
10	2016	189,000,000
11	2017	199,000,000
12	2018	210,000,000
13	2019	221,000,000
14	2020	233,000,000
15	2021	246,000,000
16	2022	260,000,000
17	2023	275,000,000
18	2024	275,000,000
19	2025	275,000,000
20	2026	279,000,000
21	2027	292,000,000
22	2028	307,000,000
23	2029	322,000,000
24	2030	338,000,000
25	2031	350,000,000
26	2032	350,000,000

1                                   and  
2                                   each fiscal year  
3                                   thereafter that bonds  
4                                   are outstanding under  
5                                   Section 13.2 of the  
6                                   Metropolitan Pier and  
7                                   Exposition Authority Act,  
8                                   but not after fiscal year 2060.

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

22                                  Subject to payment of amounts into the Build Illinois Fund  
23                                  and the McCormick Place Expansion Project Fund pursuant to the  
24                                  preceding paragraphs or in any amendments thereto hereafter  
25                                  enacted, beginning July 1, 1993 and ending on September 30,  
26                                  2013, the Department shall each month pay into the Illinois Tax

1 Increment Fund 0.27% of 80% of the net revenue realized for the  
2 preceding month from the 6.25% general rate on the selling  
3 price of tangible personal property.

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

17 Subject to payment of amounts into the Build Illinois Fund,  
18 the McCormick Place Expansion Project Fund, the Illinois Tax  
19 Increment Fund, and the Energy Infrastructure Fund pursuant to  
20 the preceding paragraphs or in any amendments to this Section  
21 hereafter enacted, beginning on the first day of the first  
22 calendar month to occur on or after August 26, 2014 (the  
23 effective date of Public Act 98-1098), each month, from the  
24 collections made under Section 9 of the Use Tax Act, Section 9  
25 of the Service Use Tax Act, Section 9 of the Service Occupation  
26 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,



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

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

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

24 The Department may, upon separate written notice to a  
25 taxpayer, require the taxpayer to prepare and file with the  
26 Department on a form prescribed by the Department within not

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

21 If the annual information return required by this Section  
22 is not filed when and as required, the taxpayer shall be liable  
23 as follows:

24 (i) Until January 1, 1994, the taxpayer shall be liable  
25 for a penalty equal to 1/6 of 1% of the tax due from such  
26 taxpayer under this Act during the period to be covered by

1 the annual return for each month or fraction of a month  
2 until such return is filed as required, the penalty to be  
3 assessed and collected in the same manner as any other  
4 penalty provided for in this Act.

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

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

16 The provisions of this Section concerning the filing of an  
17 annual information return do not apply to a retailer who is not  
18 required to file an income tax return with the United States  
19 Government.

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

1 Net revenue realized for a month shall be the revenue  
2 collected by the State pursuant to this Act, less the amount  
3 paid out during that month as refunds to taxpayers for  
4 overpayment of liability.

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

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

1 commits a business offense and is subject to a fine not to  
2 exceed \$250.

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

23 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;  
24 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.  
25 7-1-18; 100-863, eff. 8-14-18.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.