



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB2049

Introduced 2/15/2019, by Sen. Cristina Castro

SYNOPSIS AS INTRODUCED:

35 ILCS 120/2-12	
55 ILCS 5/5-1006	from Ch. 34, par. 5-1006
55 ILCS 5/5-1006.5	
55 ILCS 5/5-1006.7	
65 ILCS 5/8-11-1	from Ch. 24, par. 8-11-1
65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3
65 ILCS 5/8-11-1.6	
65 ILCS 5/8-11-6	from Ch. 24, par. 8-11-6
70 ILCS 750/25	
70 ILCS 3610/5.01	from Ch. 111 2/3, par. 355.01
70 ILCS 3615/4.03	from Ch. 111 2/3, par. 704.03

Amends the Retailers' Occupation Tax Act. Provides that if a purchaser makes payment over the phone, in writing, or via the Internet, and the property is delivered to a location in this State, then the sale shall be sourced to the location where the property is delivered. Provides that the sale shall be deemed to have occurred at the customer's address if the property is delivered and the delivery location is unknown. Amends the Counties Code, the Illinois Municipal Code, the Flood Prevention District Act, the Local Mass Transit District Act, and the Regional Transportation Authority Act. Provides that a unit of local government may require a retailer to collect and remit certain use and occupation taxes if the retailer qualifies as a "retailer maintaining a place of business in this State" under certain provisions of the Use Tax Act.

LRB101 06755 HLH 51782 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 3. The Retailers' Occupation Tax Act is amended by
5 changing Section 2-12 as follows:

6 (35 ILCS 120/2-12)

7 Sec. 2-12. Location where retailer is deemed to be engaged
8 in the business of selling. The purpose of this Section is to
9 specify where a retailer is deemed to be engaged in the
10 business of selling tangible personal property for the purposes
11 of this Act, the Use Tax Act, the Service Use Tax Act, and the
12 Service Occupation Tax Act, and for the purpose of collecting
13 any other local retailers' occupation tax administered by the
14 Department. This Section applies only with respect to the
15 particular selling activities described in the following
16 paragraphs. The provisions of this Section are not intended to,
17 and shall not be interpreted to, affect where a retailer is
18 deemed to be engaged in the business of selling with respect to
19 any activity that is not specifically described in the
20 following paragraphs.

21 (1) If a purchaser who is present at the retailer's
22 place of business, having no prior commitment to the
23 retailer, agrees to purchase and makes payment for tangible

1 personal property at the retailer's place of business, then
2 the transaction shall be deemed an over-the-counter sale
3 occurring at the retailer's same place of business where
4 the purchaser was present and made payment for that
5 tangible personal property if the retailer regularly
6 stocks the purchased tangible personal property or similar
7 tangible personal property in the quantity, or similar
8 quantity, for sale at the retailer's same place of business
9 and then either (i) the purchaser takes possession of the
10 tangible personal property at the same place of business or
11 (ii) the retailer delivers or arranges for the tangible
12 personal property to be delivered to the purchaser.

13 (2) If a purchaser, having no prior commitment to the
14 retailer, agrees to purchase tangible personal property
15 and makes payment over the phone, in writing, or via the
16 Internet and takes possession of the tangible personal
17 property at the retailer's place of business, then the sale
18 shall be deemed to have occurred at the retailer's place of
19 business where the purchaser takes possession of the
20 property if the retailer regularly stocks the item or
21 similar items in the quantity, or similar quantities,
22 purchased by the purchaser.

23 (2.1) If a purchaser, having no prior commitment to the
24 retailer, agrees to purchase tangible personal property
25 and makes payment over the phone, in writing, or via the
26 Internet and the property is delivered to the purchaser or

1 to a third party at a location in this State, then the sale
2 shall be deemed to have occurred at the location where the
3 property is delivered. If such a product is delivered, but
4 the delivery address is unknown, then the sale shall be
5 deemed to have occurred at the customer's address.

6 (3) A retailer is deemed to be engaged in the business
7 of selling food, beverages, or other tangible personal
8 property through a vending machine at the location where
9 the vending machine is located at the time the sale is made
10 if (i) the vending machine is a device operated by coin,
11 currency, credit card, token, coupon or similar device; (2)
12 the food, beverage or other tangible personal property is
13 contained within the vending machine and dispensed from the
14 vending machine; and (3) the purchaser takes possession of
15 the purchased food, beverage or other tangible personal
16 property immediately.

17 (4) Minerals. A producer of coal or other mineral mined
18 in Illinois is deemed to be engaged in the business of
19 selling at the place where the coal or other mineral mined
20 in Illinois is extracted from the earth. With respect to
21 minerals (i) the term "extracted from the earth" means the
22 location at which the coal or other mineral is extracted
23 from the mouth of the mine, and (ii) a "mineral" includes
24 not only coal, but also oil, sand, stone taken from a
25 quarry, gravel and any other thing commonly regarded as a
26 mineral and extracted from the earth. This paragraph does

1 not apply to coal or another mineral when it is delivered
2 or shipped by the seller to the purchaser at a point
3 outside Illinois so that the sale is exempt under the
4 United States Constitution as a sale in interstate or
5 foreign commerce.

6 (5) A retailer selling tangible personal property to a
7 nominal lessee or bailee pursuant to a lease with a dollar
8 or other nominal option to purchase is engaged in the
9 business of selling at the location where the property is
10 first delivered to the lessee or bailee for its intended
11 use.

12 (Source: P.A. 98-1098, eff. 8-26-14; 99-126, eff. 7-23-15.)

13 Section 5. The Counties Code is amended by changing
14 Sections 5-1006, 5-1006.5, and 5-1006.7 as follows:

15 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

16 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
17 Law. Any county that is a home rule unit may impose a tax upon
18 all persons engaged in the business of selling tangible
19 personal property, other than an item of tangible personal
20 property titled or registered with an agency of this State's
21 government, at retail in the county on the gross receipts from
22 such sales made in the county in the course of their business.
23 If imposed, this tax shall only be imposed in 1/4% increments.
24 On and after September 1, 1991, this additional tax may not be

1 imposed on tangible personal property taxed at the 1% rate
2 under the Retailers' Occupation Tax Act. The tax imposed by a
3 home rule county pursuant to this Section and all civil
4 penalties that may be assessed as an incident thereof shall be
5 collected and enforced by the State Department of Revenue.
6 Subject to the limitations set forth in this Code, the county
7 may require a retailer to collect and remit a tax imposed under
8 this Section if the retailer qualifies as a "retailer
9 maintaining a place of business in this State" under Section 2
10 of the Use Tax Act. The certificate of registration that is
11 issued by the Department to a retailer under the Retailers'
12 Occupation Tax Act shall permit the retailer to engage in a
13 business that is taxable under any ordinance or resolution
14 enacted pursuant to this Section without registering
15 separately with the Department under such ordinance or
16 resolution or under this Section. The Department shall have
17 full power to administer and enforce this Section; to collect
18 all taxes and penalties due hereunder; to dispose of taxes and
19 penalties so collected in the manner hereinafter provided; and
20 to determine all rights to credit memoranda arising on account
21 of the erroneous payment of tax or penalty hereunder. In the
22 administration of, and compliance with, this Section, the
23 Department and persons who are subject to this Section shall
24 have the same rights, remedies, privileges, immunities, powers
25 and duties, and be subject to the same conditions,
26 restrictions, limitations, penalties and definitions of terms,

1 and employ the same modes of procedure, as are prescribed in
2 Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through
3 2-65 (in respect to all provisions therein other than the State
4 rate of tax), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,
5 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
6 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
7 Penalty and Interest Act, as fully as if those provisions were
8 set forth herein.

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

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

19 Whenever the Department determines that a refund should be
20 made under this Section to a claimant instead of issuing a
21 credit memorandum, the Department shall notify the State
22 Comptroller, who shall cause the order to be drawn for the
23 amount specified and to the person named in the notification
24 from the Department. The refund shall be paid by the State
25 Treasurer out of the home rule county retailers' occupation tax
26 fund.

1 The Department shall forthwith pay over to the State
2 Treasurer, ex officio, as trustee, all taxes and penalties
3 collected hereunder.

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

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

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

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

1 preceding paragraph shall be reduced by the amount allocated
2 and disbursed under this paragraph in the preceding calendar
3 year. The Department shall prepare and certify to the
4 Comptroller for disbursement the allocations made in
5 accordance with this paragraph.

6 A sale is deemed to have occurred in a county if the
7 retailer is engaged in the business of selling tangible
8 personal property in that county with respect to that sale, as
9 provided in Section 2-12 of the Retailers' Occupation Tax Act.

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

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

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

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

1 When certifying the amount of a monthly disbursement to a
2 county under this Section, the Department shall increase or
3 decrease such amount by an amount necessary to offset any
4 misallocation of previous disbursements. The offset amount
5 shall be the amount erroneously disbursed within the previous 6
6 months from the time a misallocation is discovered.

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

9 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;
10 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

11 (55 ILCS 5/5-1006.5)

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

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

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

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

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

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

26 "To pay for public safety purposes, shall (name of

1 county) be authorized to impose an increase on its share of
2 local sales taxes by (insert rate)?"

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

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

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

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

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

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

26 For the purposes of the paragraph, "public safety

1 purposes" means crime prevention, detention, fire
2 fighting, police, medical, ambulance, or other emergency
3 services.

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

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

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

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

20 As additional information on the ballot below the
21 question shall appear the following:

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

25 The county board may also opt to establish a sunset
26 provision at which time the additional sales tax would

1 cease being collected, if not terminated earlier by a vote
2 of the county board. If the county board votes to include a
3 sunset provision, the proposition for transportation
4 purposes shall be in substantially the following form:

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

9 As additional information on the ballot below the
10 question shall appear the following:

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

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

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

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

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

1 local sales taxes by (insert rate)?"

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

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

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

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

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

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

25 For purposes of this Section, "public facilities
26 purposes" means the acquisition, development,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 of the county board. If the county board votes to include a
2 sunset provision, the proposition for public facilities
3 purposes shall be in substantially the following form:

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

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

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

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

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

21 Subject to the limitations set forth in this Code, the
22 county may require a retailer to collect and remit a tax
23 imposed under this Section if the retailer qualifies as a
24 "retailer maintaining a place of business in this State" under
25 Section 2 of the Use Tax Act. This additional tax may not be
26 imposed on tangible personal property taxed at the 1% rate

1 under the Retailers' Occupation Tax Act. The tax imposed by a
2 county under this Section and all civil penalties that may be
3 assessed as an incident of the tax shall be collected and
4 enforced by the Illinois Department of Revenue and deposited
5 into a special fund created for that purpose. The certificate
6 of registration that is issued by the Department to a retailer
7 under the Retailers' Occupation Tax Act shall permit the
8 retailer to engage in a business that is taxable without
9 registering separately with the Department under an ordinance
10 or resolution under this Section. The Department has full power
11 to administer and enforce this Section, to collect all taxes
12 and penalties due under this Section, to dispose of taxes and
13 penalties so collected in the manner provided in this Section,
14 and to determine all rights to credit memoranda arising on
15 account of the erroneous payment of a tax or penalty under this
16 Section. In the administration of and compliance with this
17 Section, the Department and persons who are subject to this
18 Section shall (i) have the same rights, remedies, privileges,
19 immunities, powers, and duties, (ii) be subject to the same
20 conditions, restrictions, limitations, penalties, and
21 definitions of terms, and (iii) employ the same modes of
22 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,
23 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-70 (in respect to all
24 provisions contained in those Sections other than the State
25 rate of tax), 2a, 2b, 2c, 3 (except provisions relating to
26 transaction returns and quarter monthly payments), 4, 5, 5a,

1 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
2 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
3 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
4 as if those provisions were set forth in this Section.

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

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

21 (b) If a tax has been imposed under subsection (a), a
22 service occupation tax shall also be imposed at the same rate
23 upon all persons engaged, in the county, in the business of
24 making sales of service, who, as an incident to making those
25 sales of service, transfer tangible personal property within
26 the county as an incident to a sale of service. This tax may

1 not be imposed on tangible personal property taxed at the 1%
2 rate under the Service Occupation Tax Act. The tax imposed
3 under this subsection and all civil penalties that may be
4 assessed as an incident thereof shall be collected and enforced
5 by the Department of Revenue. The Department has full power to
6 administer and enforce this subsection; to collect all taxes
7 and penalties due hereunder; to dispose of taxes and penalties
8 so collected in the manner hereinafter provided; and to
9 determine all rights to credit memoranda arising on account of
10 the erroneous payment of tax or penalty hereunder. In the
11 administration of, and compliance with this subsection, the
12 Department and persons who are subject to this paragraph shall
13 (i) have the same rights, remedies, privileges, immunities,
14 powers, and duties, (ii) be subject to the same conditions,
15 restrictions, limitations, penalties, exclusions, exemptions,
16 and definitions of terms, and (iii) employ the same modes of
17 procedure as are prescribed in Sections 2 (except that the
18 reference to State in the definition of supplier maintaining a
19 place of business in this State shall mean the county), 2a, 2b,
20 2c, 3 through 3-50 (in respect to all provisions therein other
21 than the State rate of tax), 4 (except that the reference to
22 the State shall be to the county), 5, 7, 8 (except that the
23 jurisdiction to which the tax shall be a debt to the extent
24 indicated in that Section 8 shall be the county), 9 (except as
25 to the disposition of taxes and penalties collected), 10, 11,
26 12 (except the reference therein to Section 2b of the

1 Retailers' Occupation Tax Act), 13 (except that any reference
2 to the State shall mean the county), Section 15, 16, 17, 18, 19
3 and 20 of the Service Occupation Tax Act and Section 3-7 of the
4 Uniform Penalty and Interest Act, as fully as if those
5 provisions were set forth herein.

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

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

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

1 (c) The Department shall immediately pay over to the State
2 Treasurer, ex officio, as trustee, all taxes and penalties
3 collected under this Section to be deposited into the County
4 Public Safety, Public Facilities, Mental Health, Substance
5 Abuse, or Transportation Retailers' Occupation Tax Fund, which
6 shall be an unappropriated trust fund held outside of the State
7 treasury.

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

16 After the monthly transfer to the STAR Bonds Revenue Fund,
17 on or before the 25th day of each calendar month, the
18 Department shall prepare and certify to the Comptroller the
19 disbursement of stated sums of money to the counties from which
20 retailers have paid taxes or penalties to the Department during
21 the second preceding calendar month. The amount to be paid to
22 each county, and deposited by the county into its special fund
23 created for the purposes of this Section, shall be the amount
24 (not including credit memoranda) collected under this Section
25 during the second preceding calendar month by the Department
26 plus an amount the Department determines is necessary to offset

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

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

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

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

16 (d) A sale is deemed to have occurred in a county if the
17 retailer is engaged in the business of selling tangible
18 personal property in that county with respect to that sale, as
19 provided in Section 2-12 of the Retailers' Occupation Tax Act.
20 ~~For the purpose of determining the local governmental unit~~
21 ~~whose tax is applicable, a retail sale by a producer of coal or~~
22 ~~another mineral mined in Illinois is a sale at retail at the~~
23 ~~place where the coal or other mineral mined in Illinois is~~
24 ~~extracted from the earth. This paragraph does not apply to coal~~
25 ~~or another mineral when it is delivered or shipped by the~~
26 ~~seller to the purchaser at a point outside Illinois so that the~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13 Subject to the limitations set forth in this Code, the
14 county may require a retailer to collect and remit a tax
15 imposed under this Section if the retailer qualifies as a
16 "retailer maintaining a place of business in this State" under
17 Section 2 of the Use Tax Act.

18 This additional tax may not be imposed on tangible personal
19 property taxed at the 1% rate under the Retailers' Occupation
20 Tax Act. The Department of Revenue has full power to administer
21 and enforce this subsection, to collect all taxes and penalties
22 due under this subsection, to dispose of taxes and penalties so
23 collected in the manner provided in this subsection, and to
24 determine all rights to credit memoranda arising on account of
25 the erroneous payment of a tax or penalty under this
26 subsection. The Department shall deposit all taxes and

1 penalties collected under this subsection into a special fund
2 created for that purpose.

3 In the administration of and compliance with this
4 subsection, the Department and persons who are subject to this
5 subsection (i) have the same rights, remedies, privileges,
6 immunities, powers, and duties, (ii) are subject to the same
7 conditions, restrictions, limitations, penalties, and
8 definitions of terms, and (iii) shall employ the same modes of
9 procedure as are set forth in Sections 1 through 1o, 2 through
10 2-70 (in respect to all provisions contained in those Sections
11 other than the State rate of tax), 2a through 2h, 3 (except as
12 to the disposition of taxes and penalties collected), 4, 5, 5a,
13 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
14 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
15 Tax Act and all provisions of the Uniform Penalty and Interest
16 Act as if those provisions were set forth in this subsection.

17 The certificate of registration that is issued by the
18 Department to a retailer under the Retailers' Occupation Tax
19 Act permits the retailer to engage in a business that is
20 taxable without registering separately with the Department
21 under an ordinance or resolution under this subsection.

22 Persons subject to any tax imposed under the authority
23 granted in this subsection may reimburse themselves for their
24 seller's tax liability by separately stating that tax as an
25 additional charge, which may be stated in combination, in a
26 single amount, with State tax that sellers are required to

1 collect under the Use Tax Act, pursuant to any bracketed
2 schedules set forth by the Department.

3 (b) If a tax has been imposed under subsection (a), then a
4 service occupation tax must also be imposed at the same rate
5 upon all persons engaged, in the county, in the business of
6 making sales of service, who, as an incident to making those
7 sales of service, transfer tangible personal property within
8 the county as an incident to a sale of service.

9 This tax may not be imposed on tangible personal property
10 taxed at the 1% rate under the Service Occupation Tax Act.

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

21 In the administration of and compliance with this
22 subsection, the Department and persons who are subject to this
23 subsection shall (i) have the same rights, remedies,
24 privileges, immunities, powers and duties, (ii) be subject to
25 the same conditions, restrictions, limitations, penalties and
26 definition of terms, and (iii) employ the same modes of

1 procedure as are set forth in Sections 2 (except that that
2 reference to State in the definition of supplier maintaining a
3 place of business in this State means the county), 2a through
4 2d, 3 through 3-50 (in respect to all provisions contained in
5 those Sections other than the State rate of tax), 4 (except
6 that the reference to the State shall be to the county), 5, 7,
7 8 (except that the jurisdiction to which the tax is a debt to
8 the extent indicated in that Section 8 is the county), 9
9 (except as to the disposition of taxes and penalties
10 collected), 10, 11, 12 (except the reference therein to Section
11 2b of the Retailers' Occupation Tax Act), 13 (except that any
12 reference to the State means the county), Section 15, 16, 17,
13 18, 19, and 20 of the Service Occupation Tax Act and all
14 provisions of the Uniform Penalty and Interest Act, as fully as
15 if those provisions were set forth herein.

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

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

1 elections held prior to August 23, 2011 (the effective date of
2 Public Act 97-542), upon a resolution by the county board or a
3 resolution by school district boards that represent at least
4 51% of the student enrollment within the county, the county
5 board must certify the question to the proper election
6 authority in accordance with the Election Code.

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

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

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

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

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

1 regular election at which the question lawfully may be
2 submitted to the electors, all in accordance with the Election
3 Code.

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

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

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

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

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

21 (d) The Department shall immediately pay over to the State
22 Treasurer, ex officio, as trustee, all taxes and penalties
23 collected under this Section to be deposited into the School
24 Facility Occupation Tax Fund, which shall be an unappropriated
25 trust fund held outside the State treasury.

26 On or before the 25th day of each calendar month, the

1 Department shall prepare and certify to the Comptroller the
2 disbursement of stated sums of money to the regional
3 superintendents of schools in counties from which retailers or
4 servicemen have paid taxes or penalties to the Department
5 during the second preceding calendar month. The amount to be
6 paid to each regional superintendent of schools and disbursed
7 to him or her in accordance with Section 3-14.31 of the School
8 Code, is equal to the amount (not including credit memoranda)
9 collected from the county under this Section during the second
10 preceding calendar month by the Department, (i) less 2% of that
11 amount, which shall be deposited into the Tax Compliance and
12 Administration Fund and shall be used by the Department,
13 subject to appropriation, to cover the costs of the Department
14 in administering and enforcing the provisions of this Section,
15 on behalf of the county, (ii) plus an amount that the
16 Department determines is necessary to offset any amounts that
17 were erroneously paid to a different taxing body; (iii) less an
18 amount equal to the amount of refunds made during the second
19 preceding calendar month by the Department on behalf of the
20 county; and (iv) less any amount that the Department determines
21 is necessary to offset any amounts that were payable to a
22 different taxing body but were erroneously paid to the county.
23 When certifying the amount of a monthly disbursement to a
24 regional superintendent of schools under this Section, the
25 Department shall increase or decrease the amounts by an amount
26 necessary to offset any miscalculation of previous

1 disbursements within the previous 6 months from the time a
2 miscalculation is discovered.

3 Within 10 days after receipt by the Comptroller from the
4 Department of the disbursement certification to the regional
5 superintendents of the schools provided for in this Section,
6 the Comptroller shall cause the orders to be drawn for the
7 respective amounts in accordance with directions contained in
8 the certification.

9 If the Department determines that a refund should be made
10 under this Section to a claimant instead of issuing a credit
11 memorandum, then the Department shall notify the Comptroller,
12 who shall cause the order to be drawn for the amount specified
13 and to the person named in the notification from the
14 Department. The refund shall be paid by the Treasurer out of
15 the School Facility Occupation Tax Fund.

16 (e) A sale is deemed to have occurred in a county if the
17 retailer is engaged in the business of selling tangible
18 personal property in that county with respect to that sale, as
19 provided in Section 2-12 of the Retailers' Occupation Tax Act.
20 ~~For the purposes of determining the local governmental unit~~
21 ~~whose tax is applicable, a retail sale by a producer of coal or~~
22 ~~another mineral mined in Illinois is a sale at retail at the~~
23 ~~place where the coal or other mineral mined in Illinois is~~
24 ~~extracted from the earth. This subsection does not apply to~~
25 ~~coal or another mineral when it is delivered or shipped by the~~
26 ~~seller to the purchaser at a point outside Illinois so that the~~

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

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

7 (g) If a county board imposes a tax under this Section
8 pursuant to a referendum held before August 23, 2011 (the
9 effective date of Public Act 97-542) at a rate below the rate
10 set forth in the question approved by a majority of electors of
11 that county voting on the question as provided in subsection
12 (c), then the county board may, by ordinance, increase the rate
13 of the tax up to the rate set forth in the question approved by
14 a majority of electors of that county voting on the question as
15 provided in subsection (c). If a county board imposes a tax
16 under this Section pursuant to a referendum held before August
17 23, 2011 (the effective date of Public Act 97-542), then the
18 board may, by ordinance, discontinue or reduce the rate of the
19 tax. If a tax is imposed under this Section pursuant to a
20 referendum held on or after August 23, 2011 (the effective date
21 of Public Act 97-542), then the county board may reduce or
22 discontinue the tax, but only in accordance with subsection
23 (h-5) of this Section. If, however, a school board issues bonds
24 that are secured by the proceeds of the tax under this Section,
25 then the county board may not reduce the tax rate or
26 discontinue the tax if that rate reduction or discontinuance

1 would adversely affect the school board's ability to pay the
2 principal and interest on those bonds as they become due or
3 necessitate the extension of additional property taxes to pay
4 the principal and interest on those bonds. If the county board
5 reduces the tax rate or discontinues the tax, then a referendum
6 must be held in accordance with subsection (c) of this Section
7 in order to increase the rate of the tax or to reimpose the
8 discontinued tax.

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

21 Beginning January 1, 2014, the results of any election that
22 imposes, reduces, or discontinues a tax under this Section must
23 be certified by the election authority, and any ordinance that
24 increases or lowers the rate or discontinues the tax must be
25 certified by the county clerk and, in each case, filed with the
26 Illinois Department of Revenue either (i) on or before the

1 first day of May, whereupon the Department shall proceed to
2 administer and enforce the tax or change in the rate as of the
3 first day of July next following the filing; or (ii) on or
4 before the first day of October, whereupon the Department shall
5 proceed to administer and enforce the tax or change in the rate
6 as of the first day of January next following the filing.

7 (h) For purposes of this Section, "school facility
8 purposes" means (i) the acquisition, development,
9 construction, reconstruction, rehabilitation, improvement,
10 financing, architectural planning, and installation of capital
11 facilities consisting of buildings, structures, and durable
12 equipment and for the acquisition and improvement of real
13 property and interest in real property required, or expected to
14 be required, in connection with the capital facilities and (ii)
15 the payment of bonds or other obligations heretofore or
16 hereafter issued, including bonds or other obligations
17 heretofore or hereafter issued to refund or to continue to
18 refund bonds or other obligations issued, for school facility
19 purposes, provided that the taxes levied to pay those bonds are
20 abated by the amount of the taxes imposed under this Section
21 that are used to pay those bonds. "School-facility purposes"
22 also includes fire prevention, safety, energy conservation,
23 accessibility, school security, and specified repair purposes
24 set forth under Section 17-2.11 of the School Code.

25 (h-5) A county board in a county where a tax has been
26 imposed under this Section pursuant to a referendum held on or

1 after August 23, 2011 (the effective date of Public Act 97-542)
2 may, by ordinance or resolution, submit to the voters of the
3 county the question of reducing or discontinuing the tax. In
4 the ordinance or resolution, the county board shall certify the
5 question to the proper election authority in accordance with
6 the Election Code. The election authority must submit the
7 question in substantially the following form:

8 Shall the school facility retailers' occupation tax
9 and service occupation tax (commonly referred to as the
10 "school facility sales tax") currently imposed in (name of
11 county) at a rate of (insert rate) be (reduced to (insert
12 rate)) (discontinued)?

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

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

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

20 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;
21 99-642, eff. 7-28-16; 100-1171, eff. 1-4-19.)

22 Section 10. The Illinois Municipal Code is amended by
23 changing Sections 8-11-1, 8-11-1.3, 8-11-1.6, and 8-11-6 as
24 follows:

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

2 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
3 Act. The corporate authorities of a home rule municipality may
4 impose a tax upon all persons engaged in the business of
5 selling tangible personal property, other than an item of
6 tangible personal property titled or registered with an agency
7 of this State's government, at retail in the municipality on
8 the gross receipts from ~~these~~ sales in the municipality made in
9 the course of such business. If imposed, the tax shall only be
10 imposed in 1/4% increments. On and after September 1, 1991,
11 this additional tax may not be imposed on tangible personal
12 property taxed at the 1% rate under the Retailers' Occupation
13 Tax Act. The tax imposed by a home rule municipality under this
14 Section and all civil penalties that may be assessed as an
15 incident of the tax shall be collected and enforced by the
16 State Department of Revenue. Subject to the limitations set
17 forth in this Code, the corporate authorities of the
18 municipality may require a retailer to collect and remit a tax
19 imposed under this Section if the retailer qualifies as a
20 "retailer maintaining a place of business in this State" under
21 Section 2 of the Use Tax Act. The certificate of registration
22 that is issued by the Department to a retailer under the
23 Retailers' Occupation Tax Act shall permit the retailer to
24 engage in a business that is taxable under any ordinance or
25 resolution enacted pursuant to this Section without
26 registering separately with the Department under such

1 ordinance or resolution or under this Section. The Department
2 shall have full power to administer and enforce this Section;
3 to collect all taxes and penalties due hereunder; to dispose of
4 taxes and penalties so collected in the manner hereinafter
5 provided; and to determine all rights to credit memoranda
6 arising on account of the erroneous payment of tax or penalty
7 hereunder. In the administration of, and compliance with, this
8 Section the Department and persons who are subject to this
9 Section shall have the same rights, remedies, privileges,
10 immunities, powers and duties, and be subject to the same
11 conditions, restrictions, limitations, penalties and
12 definitions of terms, and employ the same modes of procedure,
13 as are prescribed in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k,
14 1m, 1n, 2 through 2-65 (in respect to all provisions therein
15 other than the State rate of tax), 2c, 3 (except as to the
16 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
17 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,
18 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
19 Section 3-7 of the Uniform Penalty and Interest Act, as fully
20 as if those provisions were set forth herein.

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

24 Persons subject to any tax imposed under the authority
25 granted in this Section may reimburse themselves for their
26 seller's tax liability hereunder by separately stating that tax

1 as an additional charge, which charge may be stated in
2 combination, in a single amount, with State tax which sellers
3 are required to collect under the Use Tax Act, pursuant to such
4 bracket schedules as the Department may prescribe.

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

13 The Department shall immediately pay over to the State
14 Treasurer, ex officio, as trustee, all taxes and penalties
15 collected hereunder.

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

24 After the monthly transfer to the STAR Bonds Revenue Fund,
25 on or before the 25th day of each calendar month, the
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to named municipalities,
2 the municipalities to be those from which retailers have paid
3 taxes or penalties hereunder to the Department during the
4 second preceding calendar month. The amount to be paid to each
5 municipality shall be the amount (not including credit
6 memoranda) collected hereunder during the second preceding
7 calendar month by the Department plus an amount the Department
8 determines is necessary to offset any amounts that were
9 erroneously paid to a different taxing body, and not including
10 an amount equal to the amount of refunds made during the second
11 preceding calendar month by the Department on behalf of such
12 municipality, and not including any amount that the Department
13 determines is necessary to offset any amounts that were payable
14 to a different taxing body but were erroneously paid to the
15 municipality, and not including any amounts that are
16 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
17 remainder, which the Department shall transfer into the Tax
18 Compliance and Administration Fund. The Department, at the time
19 of each monthly disbursement to the municipalities, shall
20 prepare and certify to the State Comptroller the amount to be
21 transferred into the Tax Compliance and Administration Fund
22 under this Section. Within 10 days after receipt by the
23 Comptroller of the disbursement certification to the
24 municipalities and the Tax Compliance and Administration Fund
25 provided for in this Section to be given to the Comptroller by
26 the Department, the Comptroller shall cause the orders to be

1 drawn for the respective amounts in accordance with the
2 directions contained in the certification.

3 In addition to the disbursement required by the preceding
4 paragraph and in order to mitigate delays caused by
5 distribution procedures, an allocation shall, if requested, be
6 made within 10 days after January 14, 1991, and in November of
7 1991 and each year thereafter, to each municipality that
8 received more than \$500,000 during the preceding fiscal year,
9 (July 1 through June 30) whether collected by the municipality
10 or disbursed by the Department as required by this Section.
11 Within 10 days after January 14, 1991, participating
12 municipalities shall notify the Department in writing of their
13 intent to participate. In addition, for the initial
14 distribution, participating municipalities shall certify to
15 the Department the amounts collected by the municipality for
16 each month under its home rule occupation and service
17 occupation tax during the period July 1, 1989 through June 30,
18 1990. The allocation within 10 days after January 14, 1991,
19 shall be in an amount equal to the monthly average of these
20 amounts, excluding the 2 months of highest receipts. The
21 monthly average for the period of July 1, 1990 through June 30,
22 1991 will be determined as follows: the amounts collected by
23 the municipality under its home rule occupation and service
24 occupation tax during the period of July 1, 1990 through
25 September 30, 1990, plus amounts collected by the Department
26 and paid to such municipality through June 30, 1991, excluding

1 the 2 months of highest receipts. The monthly average for each
2 subsequent period of July 1 through June 30 shall be an amount
3 equal to the monthly distribution made to each such
4 municipality under the preceding paragraph during this period,
5 excluding the 2 months of highest receipts. The distribution
6 made in November 1991 and each year thereafter under this
7 paragraph and the preceding paragraph shall be reduced by the
8 amount allocated and disbursed under this paragraph in the
9 preceding period of July 1 through June 30. The Department
10 shall prepare and certify to the Comptroller for disbursement
11 the allocations made in accordance with this paragraph.

12 A sale is deemed to have occurred in a municipality if the
13 retailer is engaged in the business of selling tangible
14 personal property in that municipality with respect to that
15 sale, as provided in Section 2-12 of the Retailers' Occupation
16 Tax Act. ~~For the purpose of determining the local governmental~~
17 ~~unit whose tax is applicable, a retail sale by a producer of~~
18 ~~coal or other mineral mined in Illinois is a sale at retail at~~
19 ~~the place where the coal or other mineral mined in Illinois is~~
20 ~~extracted from the earth. This paragraph does not apply to coal~~
21 ~~or other mineral when it is delivered or shipped by the seller~~
22 ~~to the purchaser at a point outside Illinois so that the sale~~
23 ~~is exempt under the United States Constitution as a sale in~~
24 ~~interstate or foreign commerce.~~

25 Nothing in this Section shall be construed to authorize a
26 municipality to impose a tax upon the privilege of engaging in

1 any business which under the Constitution of the United States
2 may not be made the subject of taxation by this State.

3 An ordinance or resolution imposing or discontinuing a tax
4 hereunder or effecting a change in the rate thereof shall be
5 adopted and a certified copy thereof filed with the Department
6 on or before the first day of June, whereupon the Department
7 shall proceed to administer and enforce this Section as of the
8 first day of September next following the adoption and filing.
9 Beginning January 1, 1992, an ordinance or resolution imposing
10 or discontinuing the tax hereunder or effecting a change in the
11 rate thereof shall be adopted and a certified copy thereof
12 filed with the Department on or before the first day of July,
13 whereupon the Department shall proceed to administer and
14 enforce this Section as of the first day of October next
15 following such adoption and filing. Beginning January 1, 1993,
16 an ordinance or resolution imposing or discontinuing the tax
17 hereunder or effecting a change in the rate thereof shall be
18 adopted and a certified copy thereof filed with the Department
19 on or before the first day of October, whereupon the Department
20 shall proceed to administer and enforce this Section as of the
21 first day of January next following the adoption and filing.
22 However, a municipality located in a county with a population
23 in excess of 3,000,000 that elected to become a home rule unit
24 at the general primary election in 1994 may adopt an ordinance
25 or resolution imposing the tax under this Section and file a
26 certified copy of the ordinance or resolution with the

1 Department on or before July 1, 1994. The Department shall then
2 proceed to administer and enforce this Section as of October 1,
3 1994. Beginning April 1, 1998, an ordinance or resolution
4 imposing or discontinuing the tax hereunder or effecting a
5 change in the rate thereof shall either (i) be adopted and a
6 certified copy thereof filed with the Department on or before
7 the first day of April, whereupon the Department shall proceed
8 to administer and enforce this Section as of the first day of
9 July next following the adoption and filing; or (ii) be adopted
10 and a certified copy thereof filed with the Department on or
11 before the first day of October, whereupon the Department shall
12 proceed to administer and enforce this Section as of the first
13 day of January next following the adoption and filing.

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

20 Any unobligated balance remaining in the Municipal
21 Retailers' Occupation Tax Fund on December 31, 1989, which fund
22 was abolished by Public Act 85-1135, and all receipts of
23 municipal tax as a result of audits of liability periods prior
24 to January 1, 1990, shall be paid into the Local Government Tax
25 Fund for distribution as provided by this Section prior to the
26 enactment of Public Act 85-1135. All receipts of municipal tax

1 as a result of an assessment not arising from an audit, for
2 liability periods prior to January 1, 1990, shall be paid into
3 the Local Government Tax Fund for distribution before July 1,
4 1990, as provided by this Section prior to the enactment of
5 Public Act 85-1135; and on and after July 1, 1990, all such
6 receipts shall be distributed as provided in Section 6z-18 of
7 the State Finance Act.

8 As used in this Section, "municipal" and "municipality"
9 means a city, village or incorporated town, including an
10 incorporated town that has superseded a civil township.

11 This Section shall be known and may be cited as the Home
12 Rule Municipal Retailers' Occupation Tax Act.

13 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;
14 100-587, eff. 6-4-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

15 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

16 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
17 Occupation Tax Act. The corporate authorities of a non-home
18 rule municipality may impose a tax upon all persons engaged in
19 the business of selling tangible personal property, other than
20 on an item of tangible personal property which is titled and
21 registered by an agency of this State's Government, at retail
22 in the municipality for expenditure on public infrastructure or
23 for property tax relief or both as defined in Section 8-11-1.2
24 if approved by referendum as provided in Section 8-11-1.1, of
25 the gross receipts from ~~such~~ sales made in the municipality in

1 the course of such business. If the tax is approved by
2 referendum on or after July 14, 2010 (the effective date of
3 Public Act 96-1057), the corporate authorities of a non-home
4 rule municipality may, until December 31, 2020, use the
5 proceeds of the tax for expenditure on municipal operations, in
6 addition to or in lieu of any expenditure on public
7 infrastructure or for property tax relief. Subject to the
8 limitations set forth in this Code, the corporate authorities
9 of the municipality may require a retailer to collect and remit
10 a tax imposed under this Section if the retailer qualifies as a
11 "retailer maintaining a place of business in this State" under
12 Section 2 of the Use Tax Act. The tax imposed may not be more
13 than 1% and may be imposed only in 1/4% increments. The tax may
14 not be imposed on tangible personal property taxed at the 1%
15 rate under the Retailers' Occupation Tax Act. The tax imposed
16 by a municipality pursuant to this Section and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 certificate of registration which is issued by the Department
20 to a retailer under the Retailers' Occupation Tax Act shall
21 permit such retailer to engage in a business which is taxable
22 under any ordinance or resolution enacted pursuant to this
23 Section without registering separately with the Department
24 under such ordinance or resolution or under this Section. The
25 Department shall have full power to administer and enforce this
26 Section; to collect all taxes and penalties due hereunder; to

1 dispose of taxes and penalties so collected in the manner
2 hereinafter provided, and to determine all rights to credit
3 memoranda, arising on account of the erroneous payment of tax
4 or penalty hereunder. In the administration of, and compliance
5 with, this Section, the Department and persons who are subject
6 to this Section shall have the same rights, remedies,
7 privileges, immunities, powers and duties, and be subject to
8 the same conditions, restrictions, limitations, penalties and
9 definitions of terms, and employ the same modes of procedure,
10 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
11 2 through 2-65 (in respect to all provisions therein other than
12 the State rate of tax), 2c, 3 (except as to the disposition of
13 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
14 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
15 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
16 the Uniform Penalty and Interest Act as fully as if those
17 provisions were set forth herein.

18 No municipality may impose a tax under this Section unless
19 the municipality also imposes a tax at the same rate under
20 Section 8-11-1.4 of this Code.

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

1 bracket schedules as the Department may prescribe.

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

10 The Department shall forthwith pay over to the State
11 Treasurer, ex officio, as trustee, all taxes and penalties
12 collected hereunder.

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

21 After the monthly transfer to the STAR Bonds Revenue Fund,
22 on or before the 25th day of each calendar month, the
23 Department shall prepare and certify to the Comptroller the
24 disbursement of stated sums of money to named municipalities,
25 the municipalities to be those from which retailers have paid
26 taxes or penalties hereunder to the Department during the

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

26 A sale is deemed to have occurred in a municipality if the

1 retailer is engaged in the business of selling tangible
2 personal property in that municipality with respect to that
3 sale, as provided in Section 2-12 of the Retailers' Occupation
4 Tax Act. ~~For the purpose of determining the local governmental~~
5 ~~unit whose tax is applicable, a retail sale, by a producer of~~
6 ~~coal or other mineral mined in Illinois, is a sale at retail at~~
7 ~~the place where the coal or other mineral mined in Illinois is~~
8 ~~extracted from the earth. This paragraph does not apply to coal~~
9 ~~or other mineral when it is delivered or shipped by the seller~~
10 ~~to the purchaser at a point outside Illinois so that the sale~~
11 ~~is exempt under the Federal Constitution as a sale in~~
12 ~~interstate or foreign commerce.~~

13 Nothing in this Section shall be construed to authorize a
14 municipality to impose a tax upon the privilege of engaging in
15 any business which under the constitution of the United States
16 may not be made the subject of taxation by this State.

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

23 The Department of Revenue shall implement Public Act 91-649
24 ~~this amendatory Act of the 91st General Assembly~~ so as to
25 collect the tax on and after January 1, 2002.

26 As used in this Section, "municipal" and "municipality"

1 means a city, village or incorporated town, including an
2 incorporated town which has superseded a civil township.

3 This Section shall be known and may be cited as the
4 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

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

7 (65 ILCS 5/8-11-1.6)

8 Sec. 8-11-1.6. Non-home rule municipal retailers'
9 occupation tax; municipalities between 20,000 and 25,000. The
10 corporate authorities of a non-home rule municipality with a
11 population of more than 20,000 but less than 25,000 that has,
12 prior to January 1, 1987, established a Redevelopment Project
13 Area that has been certified as a State Sales Tax Boundary and
14 has issued bonds or otherwise incurred indebtedness to pay for
15 costs in excess of \$5,000,000, which is secured in part by a
16 tax increment allocation fund, in accordance with the
17 provisions of Division 11-74.4 of this Code may, by passage of
18 an ordinance, impose a tax upon all persons engaged in the
19 business of selling tangible personal property, other than on
20 an item of tangible personal property that is titled and
21 registered by an agency of this State's Government, at retail
22 in the municipality. This tax may not be imposed on tangible
23 personal property taxed at the 1% rate under the Retailers'
24 Occupation Tax Act. If imposed, the tax shall only be imposed
25 in .25% increments of the gross receipts from such sales made

1 in the municipality in the course of business. Any tax imposed
2 by a municipality under this Section and all civil penalties
3 that may be assessed as an incident thereof shall be collected
4 and enforced by the State Department of Revenue. An ordinance
5 imposing a tax hereunder or effecting a change in the rate
6 thereof shall be adopted and a certified copy thereof filed
7 with the Department on or before the first day of October,
8 whereupon the Department shall proceed to administer and
9 enforce this Section as of the first day of January next
10 following such adoption and filing. The certificate of
11 registration that is issued by the Department to a retailer
12 under the Retailers' Occupation Tax Act shall permit the
13 retailer to engage in a business that is taxable under any
14 ordinance or resolution enacted under this Section without
15 registering separately with the Department under the ordinance
16 or resolution or under this Section. The Department shall have
17 full power to administer and enforce this Section, to collect
18 all taxes and penalties due hereunder, to dispose of taxes and
19 penalties so collected in the manner hereinafter provided, and
20 to determine all rights to credit memoranda, arising on account
21 of the erroneous payment of tax or penalty hereunder. In the
22 administration of, and compliance with this Section, the
23 Department and persons who are subject to this Section shall
24 have the same rights, remedies, privileges, immunities,
25 powers, and duties, and be subject to the same conditions,
26 restrictions, limitations, penalties, and definitions of

1 terms, and employ the same modes of procedure, as are
2 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2
3 through 2-65 (in respect to all provisions therein other than
4 the State rate of tax), 2c, 3 (except as to the disposition of
5 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
6 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
7 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
8 the Uniform Penalty and Interest Act as fully as if those
9 provisions were set forth herein.

10 Subject to the limitations set forth in this Code, the
11 corporate authorities of the municipality may require a
12 retailer to collect and remit a tax imposed under this Section
13 if the retailer qualifies as a "retailer maintaining a place of
14 business in this State" under Section 2 of the Use Tax Act.

15 A tax may not be imposed by a municipality under this
16 Section unless the municipality also imposes a tax at the same
17 rate under Section 8-11-1.7 of this Act.

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

25 Whenever the Department determines that a refund should be
26 made under this Section to a claimant, instead of issuing a

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified, and to the person named in the notification
4 from the Department. The refund shall be paid by the State
5 Treasurer out of the Non-Home Rule Municipal Retailers'
6 Occupation Tax Fund, which is hereby created.

7 The Department shall forthwith pay over to the State
8 Treasurer, ex officio, as trustee, all taxes and penalties
9 collected hereunder.

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

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to named municipalities,
22 the municipalities to be those from which retailers have paid
23 taxes or penalties hereunder to the Department during the
24 second preceding calendar month. The amount to be paid to each
25 municipality shall be the amount (not including credit
26 memoranda) collected hereunder during the second preceding

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

23 A sale is deemed to have occurred in a municipality if the
24 retailer is engaged in the business of selling tangible
25 personal property in that municipality with respect to that
26 sale, as provided in Section 2-12 of the Retailers' Occupation

1 ~~Tax Act. For the purpose of determining the local governmental~~
2 ~~unit whose tax is applicable, a retail sale by a producer of~~
3 ~~coal or other mineral mined in Illinois is a sale at retail at~~
4 ~~the place where the coal or other mineral mined in Illinois is~~
5 ~~extracted from the earth. This paragraph does not apply to coal~~
6 ~~or other mineral when it is delivered or shipped by the seller~~
7 ~~to the purchaser at a point outside Illinois so that the sale~~
8 ~~is exempt under the federal Constitution as a sale in~~
9 ~~interstate or foreign commerce.~~

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

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

20 As used in this Section, "municipal" and "municipality"
21 means a city, village, or incorporated town, including an
22 incorporated town that has superseded a civil township.

23 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;
24 100-23, eff. 7-6-17; 100-587, eff. 6-4-18; 100-863, eff.
25 8-14-18; 100-1171, eff. 1-4-19; revised 1-9-19.)

1 (65 ILCS 5/8-11-6) (from Ch. 24, par. 8-11-6)

2 Sec. 8-11-6. Home Rule Municipal Use Tax Act.

3 (a) The corporate authorities of a home rule municipality
4 may impose a tax upon the privilege of using, in such
5 municipality, any item of tangible personal property which is
6 purchased at retail from a retailer, and which is titled or
7 registered at a location within the corporate limits of such
8 home rule municipality with an agency of this State's
9 government, at a rate which is an increment of 1/4% and based
10 on the selling price of such tangible personal property, as
11 "selling price" is defined in the Use Tax Act. In home rule
12 municipalities with less than 2,000,000 inhabitants, the tax
13 shall be collected by the municipality imposing the tax from
14 persons whose Illinois address for titling or registration
15 purposes is given as being in such municipality.

16 (b) In home rule municipalities with 2,000,000 or more
17 inhabitants, the corporate authorities of the municipality may
18 additionally impose a tax beginning July 1, 1991 upon the
19 privilege of using in the municipality, any item of tangible
20 personal property, other than tangible personal property
21 titled or registered with an agency of the State's government,
22 that is purchased at retail from a retailer located outside the
23 corporate limits of the municipality, at a rate that is an
24 increment of 1/4% not to exceed 1% and based on the selling
25 price of the tangible personal property, as "selling price" is
26 defined in the Use Tax Act. Such tax shall be collected from

1 the purchaser either by the municipality imposing such tax or
2 by the Department of Revenue pursuant to an agreement between
3 the Department and the municipality.

4 To prevent multiple home rule taxation, the use in a home
5 rule municipality of tangible personal property that is
6 acquired outside the municipality and caused to be brought into
7 the municipality by a person who has already paid a home rule
8 municipal tax in another municipality in respect to the sale,
9 purchase, or use of that property, shall be exempt to the
10 extent of the amount of the tax properly due and paid in the
11 other home rule municipality.

12 (c) If a municipality having 2,000,000 or more inhabitants
13 imposes the tax authorized by subsection (a), then the tax
14 shall be collected by the Illinois Department of Revenue when
15 the property is purchased at retail from a retailer in the
16 county in which the home rule municipality imposing the tax is
17 located, and in all contiguous counties. The tax shall be
18 remitted to the State, or an exemption determination must be
19 obtained from the Department before the title or certificate of
20 registration for the property may be issued. The tax or proof
21 of exemption may be transmitted to the Department by way of the
22 State agency with which, or State officer with whom, the
23 tangible personal property must be titled or registered if the
24 Department and that agency or State officer determine that this
25 procedure will expedite the processing of applications for
26 title or registration.

1 The Department shall have full power to administer and
2 enforce this Section to collect all taxes, penalties and
3 interest due hereunder, to dispose of taxes, penalties and
4 interest so collected in the manner hereinafter provided, and
5 determine all rights to credit memoranda or refunds arising on
6 account of the erroneous payment of tax, penalty or interest
7 hereunder. In the administration of and compliance with this
8 Section the Department and persons who are subject to this
9 Section shall have the same rights, remedies, privileges,
10 immunities, powers and duties, and be subject to the same
11 conditions, restrictions, limitations, penalties and
12 definitions of terms, and employ the same modes of procedure as
13 are prescribed in Sections 2 ~~(except the definition of~~
14 ~~"retailer maintaining a place of business in this State")~~, 3
15 (except provisions pertaining to the State rate of tax, and
16 except provisions concerning collection or refunding of the tax
17 by retailers), 4, 11, 12, 12a, 14, 15, 19, 20, 21 and 22 of the
18 Use Tax Act, which are not inconsistent with this Section, as
19 fully as if provisions contained in those Sections of the Use
20 Tax Act were set forth herein.

21 Whenever the Department determines that a refund shall be
22 made under this Section to a claimant instead of issuing a
23 credit memorandum, the Department shall notify the State
24 Comptroller, who shall cause the order to be drawn for the
25 amount specified, and to the person named, in such notification
26 from the Department. Such refund shall be paid by the State

1 Treasurer out of the home rule municipal retailers' occupation
2 tax fund.

3 The Department shall forthwith pay over to the State
4 Treasurer, ex officio, as trustee, all taxes, penalties and
5 interest collected hereunder. On or before the 25th day of each
6 calendar month, the Department shall prepare and certify to the
7 State Comptroller the disbursement of stated sums of money to
8 named municipalities, the municipality in each instance to be
9 that municipality from which the Department during the second
10 preceding calendar month, collected municipal use tax from any
11 person whose Illinois address for titling or registration
12 purposes is given as being in such municipality. The amount to
13 be paid to each municipality shall be the amount (not including
14 credit memoranda) collected hereunder during the second
15 preceding calendar month by the Department, and not including
16 an amount equal to the amount of refunds made during the second
17 preceding calendar month by the Department on behalf of such
18 municipality, less 2% of the balance, which sum shall be
19 retained by the State Treasurer to cover the costs incurred by
20 the Department in administering and enforcing the provisions of
21 this Section. The Department, at the time of each monthly
22 disbursement to the municipalities, shall prepare and certify
23 to the Comptroller the amount so retained by the State
24 Treasurer, which shall be transferred into the Tax Compliance
25 and Administration Fund. Within 10 days after receipt by the
26 State Comptroller of the disbursement certification to the

1 municipalities provided for in this Section to be given to the
2 State Comptroller by the Department, the State Comptroller
3 shall cause the orders to be drawn for the respective amounts
4 in accordance with the directions contained in that
5 certification.

6 Any ordinance imposing or discontinuing any tax to be
7 collected and enforced by the Department under this Section
8 shall be adopted and a certified copy thereof filed with the
9 Department on or before October 1, whereupon the Department of
10 Revenue shall proceed to administer and enforce this Section on
11 behalf of the municipalities as of January 1 next following
12 such adoption and filing. Beginning April 1, 1998, any
13 ordinance imposing or discontinuing any tax to be collected and
14 enforced by the Department under this Section shall either (i)
15 be adopted and a certified copy thereof filed with the
16 Department on or before April 1, whereupon the Department of
17 Revenue shall proceed to administer and enforce this Section on
18 behalf of the municipalities as of July 1 next following the
19 adoption and filing; or (ii) be adopted and a certified copy
20 thereof filed with the Department on or before October 1,
21 whereupon the Department of Revenue shall proceed to administer
22 and enforce this Section on behalf of the municipalities as of
23 January 1 next following the adoption and filing.

24 Nothing in this subsection (c) shall prevent a home rule
25 municipality from collecting the tax pursuant to subsection (a)
26 in any situation where such tax is not collected by the

1 Department of Revenue under this subsection (c).

2 Subject to the limitations set forth in this Code, the
3 corporate authorities may require a retailer to collect and
4 remit a tax imposed under this Section if the retailer
5 qualifies as a "retailer maintaining a place of business in
6 this State" under Section 2 of the Use Tax Act.

7 (d) Any unobligated balance remaining in the Municipal
8 Retailers' Occupation Tax Fund on December 31, 1989, which fund
9 was abolished by Public Act 85-1135, and all receipts of
10 municipal tax as a result of audits of liability periods prior
11 to January 1, 1990, shall be paid into the Local Government Tax
12 Fund, for distribution as provided by this Section prior to the
13 enactment of Public Act 85-1135. All receipts of municipal tax
14 as a result of an assessment not arising from an audit, for
15 liability periods prior to January 1, 1990, shall be paid into
16 the Local Government Tax Fund for distribution before July 1,
17 1990, as provided by this Section prior to the enactment of
18 Public Act 85-1135, and on and after July 1, 1990, all such
19 receipts shall be distributed as provided in Section 6z-18 of
20 the State Finance Act.

21 (e) As used in this Section, "Municipal" and "Municipality"
22 means a city, village or incorporated town, including an
23 incorporated town which has superseded a civil township.

24 (f) This Section shall be known and may be cited as the
25 Home Rule Municipal Use Tax Act.

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

1 Section 15. The Flood Prevention District Act is amended by
2 changing Section 25 as follows:

3 (70 ILCS 750/25)

4 Sec. 25. Flood prevention retailers' and service
5 occupation taxes.

6 (a) If the Board of Commissioners of a flood prevention
7 district determines that an emergency situation exists
8 regarding levee repair or flood prevention, and upon an
9 ordinance confirming the determination adopted by the
10 affirmative vote of a majority of the members of the county
11 board of the county in which the district is situated, the
12 county may impose a flood prevention retailers' occupation tax
13 upon all persons engaged in the business of selling tangible
14 personal property at retail within the territory of the
15 district to provide revenue to pay the costs of providing
16 emergency levee repair and flood prevention and to secure the
17 payment of bonds, notes, and other evidences of indebtedness
18 issued under this Act for a period not to exceed 25 years or as
19 required to repay the bonds, notes, and other evidences of
20 indebtedness issued under this Act. Subject to the limitations
21 set forth in this Section, the county may require a retailer to
22 collect and remit a tax imposed under this Section if the
23 retailer qualifies as a "retailer maintaining a place of
24 business in this State" under Section 2 of the Use Tax Act. The

1 tax rate shall be 0.25% of the gross receipts from all taxable
2 sales made in the district in the course of that business. The
3 tax imposed under this Section and all civil penalties that may
4 be assessed as an incident thereof shall be collected and
5 enforced by the State Department of Revenue. The Department
6 shall have full power to administer and enforce this Section;
7 to collect all taxes and penalties so collected in the manner
8 hereinafter provided; and to determine all rights to credit
9 memoranda arising on account of the erroneous payment of tax or
10 penalty hereunder.

11 In the administration of and compliance with this
12 subsection, the Department and persons who are subject to this
13 subsection (i) have the same rights, remedies, privileges,
14 immunities, powers, and duties, (ii) are subject to the same
15 conditions, restrictions, limitations, penalties, and
16 definitions of terms, and (iii) shall employ the same modes of
17 procedure as are set forth in Sections 1 through 10, 2 through
18 2-70 (in respect to all provisions contained in those Sections
19 other than the State rate of tax), 2a through 2h, 3 (except as
20 to the disposition of taxes and penalties collected), 4, 5, 5a,
21 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
22 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
23 and all provisions of the Uniform Penalty and Interest Act as
24 if those provisions were set forth in this subsection.

25 A sale is deemed to have occurred in a flood prevention
26 district if the retailer is engaged in the business of selling

1 tangible personal property in that flood prevention district
2 with respect to that sale, as provided in Section 2-12 of the
3 Retailers' Occupation Tax Act.

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

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

13 (b) If a tax has been imposed under subsection (a), a flood
14 prevention service occupation tax shall also be imposed upon
15 all persons engaged within the territory of the district in the
16 business of making sales of service, who, as an incident to
17 making the sales of service, transfer tangible personal
18 property, either in the form of tangible personal property or
19 in the form of real estate as an incident to a sale of service
20 to provide revenue to pay the costs of providing emergency
21 levee repair and flood prevention and to secure the payment of
22 bonds, notes, and other evidences of indebtedness issued under
23 this Act for a period not to exceed 25 years or as required to
24 repay the bonds, notes, and other evidences of indebtedness.
25 The tax rate shall be 0.25% of the selling price of all
26 tangible personal property transferred.

1 The tax imposed under this subsection and all civil
2 penalties that may be assessed as an incident thereof shall be
3 collected and enforced by the State Department of Revenue. The
4 Department shall have full power to administer and enforce this
5 subsection; to collect all taxes and penalties due hereunder;
6 to dispose of taxes and penalties collected in the manner
7 hereinafter provided; and to determine all rights to credit
8 memoranda arising on account of the erroneous payment of tax or
9 penalty hereunder.

10 In the administration of and compliance with this
11 subsection, the Department and persons who are subject to this
12 subsection shall (i) have the same rights, remedies,
13 privileges, immunities, powers, and duties, (ii) be subject to
14 the same conditions, restrictions, limitations, penalties, and
15 definitions of terms, and (iii) employ the same modes of
16 procedure as are set forth in Sections 2 (except that the
17 reference to State in the definition of supplier maintaining a
18 place of business in this State means the district), 2a through
19 2d, 3 through 3-50 (in respect to all provisions contained in
20 those Sections other than the State rate of tax), 4 (except
21 that the reference to the State shall be to the district), 5,
22 7, 8 (except that the jurisdiction to which the tax is a debt
23 to the extent indicated in that Section 8 is the district), 9
24 (except as to the disposition of taxes and penalties
25 collected), 10, 11, 12 (except the reference therein to Section
26 2b of the Retailers' Occupation Tax Act), 13 (except that any

1 reference to the State means the district), Section 15, 16, 17,
2 18, 19, and 20 of the Service Occupation Tax Act and all
3 provisions of the Uniform Penalty and Interest Act, as fully as
4 if those provisions were set forth herein.

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

12 (c) The taxes imposed in subsections (a) and (b) may not be
13 imposed on personal property titled or registered with an
14 agency of the State or on personal property taxed at the 1%
15 rate under the Retailers' Occupation Tax Act and the Service
16 Occupation Tax Act.

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

21 (e) The certificate of registration that is issued by the
22 Department to a retailer under the Retailers' Occupation Tax
23 Act or a serviceman under the Service Occupation Tax Act
24 permits the retailer or serviceman to engage in a business that
25 is taxable without registering separately with the Department
26 under an ordinance or resolution under this Section.

1 (f) The Department shall immediately pay over to the State
2 Treasurer, ex officio, as trustee, all taxes and penalties
3 collected under this Section to be deposited into the Flood
4 Prevention Occupation Tax Fund, which shall be an
5 unappropriated trust fund held outside the State treasury.

6 On or before the 25th day of each calendar month, the
7 Department shall prepare and certify to the Comptroller the
8 disbursement of stated sums of money to the counties from which
9 retailers or servicemen have paid taxes or penalties to the
10 Department during the second preceding calendar month. The
11 amount to be paid to each county is equal to the amount (not
12 including credit memoranda) collected from the county under
13 this Section during the second preceding calendar month by the
14 Department, (i) less 2% of that amount, which shall be
15 deposited into the Tax Compliance and Administration Fund and
16 shall be used by the Department in administering and enforcing
17 the provisions of this Section on behalf of the county, (ii)
18 plus an amount that the Department determines is necessary to
19 offset any amounts that were erroneously paid to a different
20 taxing body; (iii) less an amount equal to the amount of
21 refunds made during the second preceding calendar month by the
22 Department on behalf of the county; and (iv) less any amount
23 that the Department determines is necessary to offset any
24 amounts that were payable to a different taxing body but were
25 erroneously paid to the county. When certifying the amount of a
26 monthly disbursement to a county under this Section, the

1 Department shall increase or decrease the amounts by an amount
2 necessary to offset any miscalculation of previous
3 disbursements within the previous 6 months from the time a
4 miscalculation is discovered.

5 Within 10 days after receipt by the Comptroller from the
6 Department of the disbursement certification to the counties
7 provided for in this Section, the Comptroller shall cause the
8 orders to be drawn for the respective amounts in accordance
9 with directions contained in the certification.

10 If the Department determines that a refund should be made
11 under this Section to a claimant instead of issuing a credit
12 memorandum, then the Department shall notify the Comptroller,
13 who shall cause the order to be drawn for the amount specified
14 and to the person named in the notification from the
15 Department. The refund shall be paid by the Treasurer out of
16 the Flood Prevention Occupation Tax Fund.

17 (g) If a county imposes a tax under this Section, then the
18 county board shall, by ordinance, discontinue the tax upon the
19 payment of all indebtedness of the flood prevention district.
20 The tax shall not be discontinued until all indebtedness of the
21 District has been paid.

22 (h) Any ordinance imposing the tax under this Section, or
23 any ordinance that discontinues the tax, must be certified by
24 the county clerk and filed with the Illinois Department of
25 Revenue either (i) on or before the first day of April,
26 whereupon the Department shall proceed to administer and

1 enforce the tax or change in the rate as of the first day of
2 July next following the filing; or (ii) on or before the first
3 day of October, whereupon the Department shall proceed to
4 administer and enforce the tax or change in the rate as of the
5 first day of January next following the filing.

6 (j) County Flood Prevention Occupation Tax Fund. All
7 proceeds received by a county from a tax distribution under
8 this Section must be maintained in a special fund known as the
9 [name of county] flood prevention occupation tax fund. The
10 county shall, at the direction of the flood prevention
11 district, use moneys in the fund to pay the costs of providing
12 emergency levee repair and flood prevention and to pay bonds,
13 notes, and other evidences of indebtedness issued under this
14 Act.

15 (k) This Section may be cited as the Flood Prevention
16 Occupation Tax Law.

17 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;
18 99-642, eff. 7-28-16; 100-1171, eff. 1-4-19.)

19 Section 20. The Local Mass Transit District Act is amended
20 by changing Section 5.01 as follows:

21 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

22 Sec. 5.01. Metro East Mass Transit District; use and
23 occupation taxes.

24 (a) The Board of Trustees of any Metro East Mass Transit

1 District may, by ordinance adopted with the concurrence of
2 two-thirds of the then trustees, impose throughout the District
3 any or all of the taxes and fees provided in this Section. All
4 taxes and fees imposed under this Section shall be used only
5 for public mass transportation systems, and the amount used to
6 provide mass transit service to unserved areas of the District
7 shall be in the same proportion to the total proceeds as the
8 number of persons residing in the unserved areas is to the
9 total population of the District. Except as otherwise provided
10 in this Act, taxes imposed under this Section and civil
11 penalties imposed incident thereto shall be collected and
12 enforced by the State Department of Revenue. The Department
13 shall have the power to administer and enforce the taxes and to
14 determine all rights for refunds for erroneous payments of the
15 taxes.

16 (b) The Board may impose a Metro East Mass Transit District
17 Retailers' Occupation Tax upon all persons engaged in the
18 business of selling tangible personal property at retail in the
19 district at a rate of 1/4 of 1%, or as authorized under
20 subsection (d-5) of this Section, of the gross receipts from
21 the sales made in the course of such business within the
22 district. The tax imposed under this Section and all civil
23 penalties that may be assessed as an incident thereof shall be
24 collected and enforced by the State Department of Revenue. The
25 Department shall have full power to administer and enforce this
26 Section; to collect all taxes and penalties so collected in the

1 manner hereinafter provided; and to determine all rights to
2 credit memoranda arising on account of the erroneous payment of
3 tax or penalty hereunder. In the administration of, and
4 compliance with, this Section, the Department and persons who
5 are subject to this Section shall have the same rights,
6 remedies, privileges, immunities, powers and duties, and be
7 subject to the same conditions, restrictions, limitations,
8 penalties, exclusions, exemptions and definitions of terms and
9 employ the same modes of procedure, as are prescribed in
10 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
11 (in respect to all provisions therein other than the State rate
12 of tax), 2c, 3 (except as to the disposition of taxes and
13 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
14 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of
15 the Retailers' Occupation Tax Act and Section 3-7 of the
16 Uniform Penalty and Interest Act, as fully as if those
17 provisions were set forth herein.

18 Persons subject to any tax imposed under the Section may
19 reimburse themselves for their seller's tax liability
20 hereunder by separately stating the tax as an additional
21 charge, which charge may be stated in combination, in a single
22 amount, with State taxes that sellers are required to collect
23 under the Use Tax Act, in accordance with such bracket
24 schedules as the Department may prescribe.

25 Whenever the Department determines that a refund should be
26 made under this Section to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the warrant to be drawn for the
3 amount specified, and to the person named, in the notification
4 from the Department. The refund shall be paid by the State
5 Treasurer out of the Metro East Mass Transit District tax fund
6 established under paragraph (h) of this Section.

7 If a tax is imposed under this subsection (b), a tax shall
8 also be imposed under subsections (c) and (d) of this Section.

9 Subject to the limitations set forth in this Section, the
10 Board may require a retailer to collect and remit the taxes
11 imposed under this Section if the retailer qualifies as a
12 "retailer maintaining a place of business in this State" under
13 Section 2 of the Use Tax Act. A sale is deemed to have occurred
14 in the District if the retailer is engaged in the business of
15 selling tangible personal property in the District with respect
16 to that sale, as provided in Section 2-12 of the Retailers'
17 Occupation Tax Act.

18 ~~For the purpose of determining whether a tax authorized~~
19 ~~under this Section is applicable, a retail sale, by a producer~~
20 ~~of coal or other mineral mined in Illinois, is a sale at retail~~
21 ~~at the place where the coal or other mineral mined in Illinois~~
22 ~~is extracted from the earth. This paragraph does not apply to~~
23 ~~coal or other mineral when it is delivered or shipped by the~~
24 ~~seller to the purchaser at a point outside Illinois so that the~~
25 ~~sale is exempt under the Federal Constitution as a sale in~~
26 ~~interstate or foreign commerce.~~

1 No tax shall be imposed or collected under this subsection
2 on the sale of a motor vehicle in this State to a resident of
3 another state if that motor vehicle will not be titled in this
4 State.

5 Nothing in this Section shall be construed to authorize the
6 Metro East Mass Transit District to impose a tax upon the
7 privilege of engaging in any business which under the
8 Constitution of the United States may not be made the subject
9 of taxation by this State.

10 (c) If a tax has been imposed under subsection (b), a Metro
11 East Mass Transit District Service Occupation Tax shall also be
12 imposed upon all persons engaged, in the district, in the
13 business of making sales of service, who, as an incident to
14 making those sales of service, transfer tangible personal
15 property within the District, either in the form of tangible
16 personal property or in the form of real estate as an incident
17 to a sale of service. The tax rate shall be 1/4%, or as
18 authorized under subsection (d-5) of this Section, of the
19 selling price of tangible personal property so transferred
20 within the district. The tax imposed under this paragraph and
21 all civil penalties that may be assessed as an incident thereof
22 shall be collected and enforced by the State Department of
23 Revenue. The Department shall have full power to administer and
24 enforce this paragraph; to collect all taxes and penalties due
25 hereunder; to dispose of taxes and penalties so collected in
26 the manner hereinafter provided; and to determine all rights to

1 credit memoranda arising on account of the erroneous payment of
2 tax or penalty hereunder. In the administration of, and
3 compliance with this paragraph, the Department and persons who
4 are subject to this paragraph shall have the same rights,
5 remedies, privileges, immunities, powers and duties, and be
6 subject to the same conditions, restrictions, limitations,
7 penalties, exclusions, exemptions and definitions of terms and
8 employ the same modes of procedure as are prescribed in
9 Sections 1a-1, 2 (except that the reference to State in the
10 definition of supplier maintaining a place of business in this
11 State shall mean the Authority), 2a, 3 through 3-50 (in respect
12 to all provisions therein other than the State rate of tax), 4
13 (except that the reference to the State shall be to the
14 Authority), 5, 7, 8 (except that the jurisdiction to which the
15 tax shall be a debt to the extent indicated in that Section 8
16 shall be the District), 9 (except as to the disposition of
17 taxes and penalties collected, and except that the returned
18 merchandise credit for this tax may not be taken against any
19 State tax), 10, 11, 12 (except the reference therein to Section
20 2b of the Retailers' Occupation Tax Act), 13 (except that any
21 reference to the State shall mean the District), the first
22 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service
23 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
24 Interest Act, as fully as if those provisions were set forth
25 herein.

26 Persons subject to any tax imposed under the authority

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

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

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

20 (d) If a tax has been imposed under subsection (b), a Metro
21 East Mass Transit District Use Tax shall also be imposed upon
22 the privilege of using, in the district, any item of tangible
23 personal property that is purchased outside the district at
24 retail from a retailer, and that is titled or registered with
25 an agency of this State's government, at a rate of 1/4%, or as
26 authorized under subsection (d-5) of this Section, of the

1 selling price of the tangible personal property within the
2 District, as "selling price" is defined in the Use Tax Act. The
3 tax shall be collected from persons whose Illinois address for
4 titling or registration purposes is given as being in the
5 District. The tax shall be collected by the Department of
6 Revenue for the Metro East Mass Transit District. The tax must
7 be paid to the State, or an exemption determination must be
8 obtained from the Department of Revenue, before the title or
9 certificate of registration for the property may be issued. The
10 tax or proof of exemption may be transmitted to the Department
11 by way of the State agency with which, or the State officer
12 with whom, the tangible personal property must be titled or
13 registered if the Department and the State agency or State
14 officer determine that this procedure will expedite the
15 processing of applications for title or registration.

16 The Department shall have full power to administer and
17 enforce this paragraph; to collect all taxes, penalties and
18 interest due hereunder; to dispose of taxes, penalties and
19 interest so collected in the manner hereinafter provided; and
20 to determine all rights to credit memoranda or refunds arising
21 on account of the erroneous payment of tax, penalty or interest
22 hereunder. In the administration of, and compliance with, this
23 paragraph, the Department and persons who are subject to this
24 paragraph shall have the same rights, remedies, privileges,
25 immunities, powers and duties, and be subject to the same
26 conditions, restrictions, limitations, penalties, exclusions,

1 exemptions and definitions of terms and employ the same modes
2 of procedure, as are prescribed in Sections 2 (except the
3 definition of "retailer maintaining a place of business in this
4 State"), 3 through 3-80 (except provisions pertaining to the
5 State rate of tax, and except provisions concerning collection
6 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
7 19 (except the portions pertaining to claims by retailers and
8 except the last paragraph concerning refunds), 20, 21 and 22 of
9 the Use Tax Act and Section 3-7 of the Uniform Penalty and
10 Interest Act, that are not inconsistent with this paragraph, as
11 fully as if those provisions were set forth herein.

12 Whenever the Department determines that a refund should be
13 made under this paragraph to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the order to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the Metro East Mass Transit District tax fund
19 established under paragraph (h) of this Section.

20 (d-5) (A) The county board of any county participating in
21 the Metro East Mass Transit District may authorize, by
22 ordinance, a referendum on the question of whether the tax
23 rates for the Metro East Mass Transit District Retailers'
24 Occupation Tax, the Metro East Mass Transit District Service
25 Occupation Tax, and the Metro East Mass Transit District Use
26 Tax for the District should be increased from 0.25% to 0.75%.

1 Upon adopting the ordinance, the county board shall certify the
2 proposition to the proper election officials who shall submit
3 the proposition to the voters of the District at the next
4 election, in accordance with the general election law.

5 The proposition shall be in substantially the following
6 form:

7 Shall the tax rates for the Metro East Mass Transit
8 District Retailers' Occupation Tax, the Metro East Mass
9 Transit District Service Occupation Tax, and the Metro East
10 Mass Transit District Use Tax be increased from 0.25% to
11 0.75%?

12 (B) Two thousand five hundred electors of any Metro East
13 Mass Transit District may petition the Chief Judge of the
14 Circuit Court, or any judge of that Circuit designated by the
15 Chief Judge, in which that District is located to cause to be
16 submitted to a vote of the electors the question whether the
17 tax rates for the Metro East Mass Transit District Retailers'
18 Occupation Tax, the Metro East Mass Transit District Service
19 Occupation Tax, and the Metro East Mass Transit District Use
20 Tax for the District should be increased from 0.25% to 0.75%.

21 Upon submission of such petition the court shall set a date
22 not less than 10 nor more than 30 days thereafter for a hearing
23 on the sufficiency thereof. Notice of the filing of such
24 petition and of such date shall be given in writing to the
25 District and the County Clerk at least 7 days before the date
26 of such hearing.

1 If such petition is found sufficient, the court shall enter
2 an order to submit that proposition at the next election, in
3 accordance with general election law.

4 The form of the petition shall be in substantially the
5 following form: To the Circuit Court of the County of (name of
6 county):

7 We, the undersigned electors of the (name of transit
8 district), respectfully petition your honor to submit to a
9 vote of the electors of (name of transit district) the
10 following proposition:

11 Shall the tax rates for the Metro East Mass Transit
12 District Retailers' Occupation Tax, the Metro East Mass
13 Transit District Service Occupation Tax, and the Metro East
14 Mass Transit District Use Tax be increased from 0.25% to
15 0.75%?

16	Name	Address, with Street and Number.
17
18

19 (C) The votes shall be recorded as "YES" or "NO". If a
20 majority of all votes cast on the proposition are for the
21 increase in the tax rates, the Metro East Mass Transit District
22 shall begin imposing the increased rates in the District, and
23 the Department of Revenue shall begin collecting the increased
24 amounts, as provided under this Section. An ordinance imposing
25 or discontinuing a tax hereunder or effecting a change in the
26 rate thereof shall be adopted and a certified copy thereof

1 filed with the Department on or before the first day of
2 October, whereupon the Department shall proceed to administer
3 and enforce this Section as of the first day of January next
4 following the adoption and filing, or on or before the first
5 day of April, whereupon the Department shall proceed to
6 administer and enforce this Section as of the first day of July
7 next following the adoption and filing.

8 (D) If the voters have approved a referendum under this
9 subsection, before November 1, 1994, to increase the tax rate
10 under this subsection, the Metro East Mass Transit District
11 Board of Trustees may adopt by a majority vote an ordinance at
12 any time before January 1, 1995 that excludes from the rate
13 increase tangible personal property that is titled or
14 registered with an agency of this State's government. The
15 ordinance excluding titled or registered tangible personal
16 property from the rate increase must be filed with the
17 Department at least 15 days before its effective date. At any
18 time after adopting an ordinance excluding from the rate
19 increase tangible personal property that is titled or
20 registered with an agency of this State's government, the Metro
21 East Mass Transit District Board of Trustees may adopt an
22 ordinance applying the rate increase to that tangible personal
23 property. The ordinance shall be adopted, and a certified copy
24 of that ordinance shall be filed with the Department, on or
25 before October 1, whereupon the Department shall proceed to
26 administer and enforce the rate increase against tangible

1 personal property titled or registered with an agency of this
2 State's government as of the following January 1. After
3 December 31, 1995, any reimposed rate increase in effect under
4 this subsection shall no longer apply to tangible personal
5 property titled or registered with an agency of this State's
6 government. Beginning January 1, 1996, the Board of Trustees of
7 any Metro East Mass Transit District may never reimpose a
8 previously excluded tax rate increase on tangible personal
9 property titled or registered with an agency of this State's
10 government. After July 1, 2004, if the voters have approved a
11 referendum under this subsection to increase the tax rate under
12 this subsection, the Metro East Mass Transit District Board of
13 Trustees may adopt by a majority vote an ordinance that
14 excludes from the rate increase tangible personal property that
15 is titled or registered with an agency of this State's
16 government. The ordinance excluding titled or registered
17 tangible personal property from the rate increase shall be
18 adopted, and a certified copy of that ordinance shall be filed
19 with the Department on or before October 1, whereupon the
20 Department shall administer and enforce this exclusion from the
21 rate increase as of the following January 1, or on or before
22 April 1, whereupon the Department shall administer and enforce
23 this exclusion from the rate increase as of the following July
24 1. The Board of Trustees of any Metro East Mass Transit
25 District may never reimpose a previously excluded tax rate
26 increase on tangible personal property titled or registered

1 with an agency of this State's government.

2 (d-6) If the Board of Trustees of any Metro East Mass
3 Transit District has imposed a rate increase under subsection
4 (d-5) and filed an ordinance with the Department of Revenue
5 excluding titled property from the higher rate, then that Board
6 may, by ordinance adopted with the concurrence of two-thirds of
7 the then trustees, impose throughout the District a fee. The
8 fee on the excluded property shall not exceed \$20 per retail
9 transaction or an amount equal to the amount of tax excluded,
10 whichever is less, on tangible personal property that is titled
11 or registered with an agency of this State's government.
12 Beginning July 1, 2004, the fee shall apply only to titled
13 property that is subject to either the Metro East Mass Transit
14 District Retailers' Occupation Tax or the Metro East Mass
15 Transit District Service Occupation Tax. No fee shall be
16 imposed or collected under this subsection on the sale of a
17 motor vehicle in this State to a resident of another state if
18 that motor vehicle will not be titled in this State.

19 (d-7) Until June 30, 2004, if a fee has been imposed under
20 subsection (d-6), a fee shall also be imposed upon the
21 privilege of using, in the district, any item of tangible
22 personal property that is titled or registered with any agency
23 of this State's government, in an amount equal to the amount of
24 the fee imposed under subsection (d-6).

25 (d-7.1) Beginning July 1, 2004, any fee imposed by the
26 Board of Trustees of any Metro East Mass Transit District under

1 subsection (d-6) and all civil penalties that may be assessed
2 as an incident of the fees shall be collected and enforced by
3 the State Department of Revenue. Reference to "taxes" in this
4 Section shall be construed to apply to the administration,
5 payment, and remittance of all fees under this Section. For
6 purposes of any fee imposed under subsection (d-6), 4% of the
7 fee, penalty, and interest received by the Department in the
8 first 12 months that the fee is collected and enforced by the
9 Department and 2% of the fee, penalty, and interest following
10 the first 12 months shall be deposited into the Tax Compliance
11 and Administration Fund and shall be used by the Department,
12 subject to appropriation, to cover the costs of the Department.
13 No retailers' discount shall apply to any fee imposed under
14 subsection (d-6).

15 (d-8) No item of titled property shall be subject to both
16 the higher rate approved by referendum, as authorized under
17 subsection (d-5), and any fee imposed under subsection (d-6) or
18 (d-7).

19 (d-9) (Blank).

20 (d-10) (Blank).

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

1 under the tax. A certificate issued under the Use Tax Act or
2 the Service Use Tax Act shall be applicable with regard to any
3 tax imposed under paragraph (c) of this Section.

4 (f) (Blank).

5 (g) Any ordinance imposing or discontinuing any tax under
6 this Section shall be adopted and a certified copy thereof
7 filed with the Department on or before June 1, whereupon the
8 Department of Revenue shall proceed to administer and enforce
9 this Section on behalf of the Metro East Mass Transit District
10 as of September 1 next following such adoption and filing.
11 Beginning January 1, 1992, an ordinance or resolution imposing
12 or discontinuing the tax hereunder shall be adopted and a
13 certified copy thereof filed with the Department on or before
14 the first day of July, whereupon the Department shall proceed
15 to administer and enforce this Section as of the first day of
16 October next following such adoption and filing. Beginning
17 January 1, 1993, except as provided in subsection (d-5) of this
18 Section, an ordinance or resolution imposing or discontinuing
19 the tax hereunder shall be adopted and a certified copy thereof
20 filed with the Department on or before the first day of
21 October, whereupon the Department shall proceed to administer
22 and enforce this Section as of the first day of January next
23 following such adoption and filing, or, beginning January 1,
24 2004, on or before the first day of April, whereupon the
25 Department shall proceed to administer and enforce this Section
26 as of the first day of July next following the adoption and

1 filing.

2 (h) Except as provided in subsection (d-7.1), the State
3 Department of Revenue shall, upon collecting any taxes as
4 provided in this Section, pay the taxes over to the State
5 Treasurer as trustee for the District. The taxes shall be held
6 in a trust fund outside the State Treasury.

7 As soon as possible after the first day of each month,
8 beginning January 1, 2011, upon certification of the Department
9 of Revenue, the Comptroller shall order transferred, and the
10 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
11 local sales tax increment, as defined in the Innovation
12 Development and Economy Act, collected under this Section
13 during the second preceding calendar month for sales within a
14 STAR bond district. The Department shall make this
15 certification only if the local mass transit district imposes a
16 tax on real property as provided in the definition of "local
17 sales taxes" under the Innovation Development and Economy Act.

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on or before the 25th day of each calendar month, the State
20 Department of Revenue shall prepare and certify to the
21 Comptroller of the State of Illinois the amount to be paid to
22 the District, which shall be the amount (not including credit
23 memoranda) collected under this Section during the second
24 preceding calendar month by the Department plus an amount the
25 Department determines is necessary to offset any amounts that
26 were erroneously paid to a different taxing body, and not

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

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

20 Section 30. The Regional Transportation Authority Act is
21 amended by changing Section 4.03 as follows:

22 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

23 Sec. 4.03. Taxes.

24 (a) In order to carry out any of the powers or purposes of

1 the Authority, the Board may by ordinance adopted with the
2 concurrence of 12 of the then Directors, impose throughout the
3 metropolitan region any or all of the taxes provided in this
4 Section. Except as otherwise provided in this Act, taxes
5 imposed under this Section and civil penalties imposed incident
6 thereto shall be collected and enforced by the State Department
7 of Revenue. The Department shall have the power to administer
8 and enforce the taxes and to determine all rights for refunds
9 for erroneous payments of the taxes. Nothing in Public Act
10 95-708 is intended to invalidate any taxes currently imposed by
11 the Authority. The increased vote requirements to impose a tax
12 shall only apply to actions taken after January 1, 2008 (the
13 effective date of Public Act 95-708).

14 (b) The Board may impose a public transportation tax upon
15 all persons engaged in the metropolitan region in the business
16 of selling at retail motor fuel for operation of motor vehicles
17 upon public highways. The tax shall be at a rate not to exceed
18 5% of the gross receipts from the sales of motor fuel in the
19 course of the business. As used in this Act, the term "motor
20 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
21 The Board may provide for details of the tax. The provisions of
22 any tax shall conform, as closely as may be practicable, to the
23 provisions of the Municipal Retailers Occupation Tax Act,
24 including without limitation, conformity to penalties with
25 respect to the tax imposed and as to the powers of the State
26 Department of Revenue to promulgate and enforce rules and

1 regulations relating to the administration and enforcement of
2 the provisions of the tax imposed, except that reference in the
3 Act to any municipality shall refer to the Authority and the
4 tax shall be imposed only with regard to receipts from sales of
5 motor fuel in the metropolitan region, at rates as limited by
6 this Section.

7 (c) In connection with the tax imposed under paragraph (b)
8 of this Section the Board may impose a tax upon the privilege
9 of using in the metropolitan region motor fuel for the
10 operation of a motor vehicle upon public highways, the tax to
11 be at a rate not in excess of the rate of tax imposed under
12 paragraph (b) of this Section. The Board may provide for
13 details of the tax.

14 (d) The Board may impose a motor vehicle parking tax upon
15 the privilege of parking motor vehicles at off-street parking
16 facilities in the metropolitan region at which a fee is
17 charged, and may provide for reasonable classifications in and
18 exemptions to the tax, for administration and enforcement
19 thereof and for civil penalties and refunds thereunder and may
20 provide criminal penalties thereunder, the maximum penalties
21 not to exceed the maximum criminal penalties provided in the
22 Retailers' Occupation Tax Act. The Authority may collect and
23 enforce the tax itself or by contract with any unit of local
24 government. The State Department of Revenue shall have no
25 responsibility for the collection and enforcement unless the
26 Department agrees with the Authority to undertake the

1 collection and enforcement. As used in this paragraph, the term
2 "parking facility" means a parking area or structure having
3 parking spaces for more than 2 vehicles at which motor vehicles
4 are permitted to park in return for an hourly, daily, or other
5 periodic fee, whether publicly or privately owned, but does not
6 include parking spaces on a public street, the use of which is
7 regulated by parking meters.

8 (e) The Board may impose a Regional Transportation
9 Authority Retailers' Occupation Tax upon all persons engaged in
10 the business of selling tangible personal property at retail in
11 the metropolitan region. In Cook County, the tax rate shall be
12 1.25% of the gross receipts from sales of tangible personal
13 property taxed at the 1% rate under the Retailers' Occupation
14 Tax Act, and 1% of the gross receipts from other taxable sales
15 made in the course of that business. In DuPage, Kane, Lake,
16 McHenry, and Will counties ~~Counties~~, the tax rate shall be
17 0.75% of the gross receipts from all taxable sales made in the
18 course of that business. The tax imposed under this Section and
19 all civil penalties that may be assessed as an incident thereof
20 shall be collected and enforced by the State Department of
21 Revenue. The Department shall have full power to administer and
22 enforce this Section; to collect all taxes and penalties so
23 collected in the manner hereinafter provided; and to determine
24 all rights to credit memoranda arising on account of the
25 erroneous payment of tax or penalty hereunder. In the
26 administration of, and compliance with this Section, the

1 Department and persons who are subject to this Section shall
2 have the same rights, remedies, privileges, immunities, powers
3 and duties, and be subject to the same conditions,
4 restrictions, limitations, penalties, exclusions, exemptions
5 and definitions of terms, and employ the same modes of
6 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
7 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
8 therein other than the State rate of tax), 2c, 3 (except as to
9 the disposition of taxes and penalties collected), 4, 5, 5a,
10 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
11 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
12 and Section 3-7 of the Uniform Penalty and Interest Act, as
13 fully as if those provisions were set forth herein.

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

21 Whenever the Department determines that a refund should be
22 made under this Section to a claimant instead of issuing a
23 credit memorandum, the Department shall notify the State
24 Comptroller, who shall cause the warrant to be drawn for the
25 amount specified, and to the person named, in the notification
26 from the Department. The refund shall be paid by the State

1 Treasurer out of the Regional Transportation Authority tax fund
2 established under paragraph (n) of this Section.

3 If a tax is imposed under this subsection (e), a tax shall
4 also be imposed under subsections (f) and (g) of this Section.

5 For the purpose of determining whether a tax authorized
6 under this Section is applicable, a retail sale by a producer
7 of coal or other mineral mined in Illinois, is a sale at retail
8 at the place where the coal or other mineral mined in Illinois
9 is extracted from the earth. This paragraph does not apply to
10 coal or other mineral when it is delivered or shipped by the
11 seller to the purchaser at a point outside Illinois so that the
12 sale is exempt under the Federal Constitution as a sale in
13 interstate or foreign commerce.

14 No tax shall be imposed or collected under this subsection
15 on the sale of a motor vehicle in this State to a resident of
16 another state if that motor vehicle will not be titled in this
17 State.

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

23 (f) If a tax has been imposed under paragraph (e), a
24 Regional Transportation Authority Service Occupation Tax shall
25 also be imposed upon all persons engaged, in the metropolitan
26 region in the business of making sales of service, who as an

1 incident to making the sales of service, transfer tangible
2 personal property within the metropolitan region, either in the
3 form of tangible personal property or in the form of real
4 estate as an incident to a sale of service. In Cook County, the
5 tax rate shall be: (1) 1.25% of the serviceman's cost price of
6 food prepared for immediate consumption and transferred
7 incident to a sale of service subject to the service occupation
8 tax by an entity licensed under the Hospital Licensing Act, the
9 Nursing Home Care Act, the Specialized Mental Health
10 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
11 the MC/DD Act that is located in the metropolitan region; (2)
12 1.25% of the selling price of tangible personal property taxed
13 at the 1% rate under the Service Occupation Tax Act; and (3) 1%
14 of the selling price from other taxable sales of tangible
15 personal property transferred. In DuPage, Kane, Lake, McHenry
16 and Will counties, ~~Counties~~ the rate shall be 0.75% of the
17 selling price of all tangible personal property transferred.

18 The tax imposed under this paragraph and all civil
19 penalties that may be assessed as an incident thereof shall be
20 collected and enforced by the State Department of Revenue. The
21 Department shall have full power to administer and enforce this
22 paragraph; to collect all taxes and penalties due hereunder; to
23 dispose of taxes and penalties collected in the manner
24 hereinafter provided; and to determine all rights to credit
25 memoranda arising on account of the erroneous payment of tax or
26 penalty hereunder. In the administration of and compliance with

1 this paragraph, the Department and persons who are subject to
2 this paragraph shall have the same rights, remedies,
3 privileges, immunities, powers and duties, and be subject to
4 the same conditions, restrictions, limitations, penalties,
5 exclusions, exemptions and definitions of terms, and employ the
6 same modes of procedure, as are prescribed in Sections 1a-1, 2,
7 2a, 3 through 3-50 (in respect to all provisions therein other
8 than the State rate of tax), 4 (except that the reference to
9 the State shall be to the Authority), 5, 7, 8 (except that the
10 jurisdiction to which the tax shall be a debt to the extent
11 indicated in that Section 8 shall be the Authority), 9 (except
12 as to the disposition of taxes and penalties collected, and
13 except that the returned merchandise credit for this tax may
14 not be taken against any State tax), 10, 11, 12 (except the
15 reference therein to Section 2b of the Retailers' Occupation
16 Tax Act), 13 (except that any reference to the State shall mean
17 the Authority), the first paragraph of Section 15, 16, 17, 18,
18 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
19 the Uniform Penalty and Interest Act, as fully as if those
20 provisions were set forth herein.

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

1 any bracket schedules the Department may prescribe.

2 Whenever the Department determines that a refund should be
3 made under this paragraph to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the warrant to be drawn for the
6 amount specified, and to the person named in the notification
7 from the Department. The refund shall be paid by the State
8 Treasurer out of the Regional Transportation Authority tax fund
9 established under paragraph (n) of this Section.

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

14 (g) If a tax has been imposed under paragraph (e), a tax
15 shall also be imposed upon the privilege of using in the
16 metropolitan region, any item of tangible personal property
17 that is purchased outside the metropolitan region at retail
18 from a retailer, and that is titled or registered with an
19 agency of this State's government. In Cook County, the tax rate
20 shall be 1% of the selling price of the tangible personal
21 property, as "selling price" is defined in the Use Tax Act. In
22 DuPage, Kane, Lake, McHenry and Will counties, the tax rate
23 shall be 0.75% of the selling price of the tangible personal
24 property, as "selling price" is defined in the Use Tax Act. The
25 tax shall be collected from persons whose Illinois address for
26 titling or registration purposes is given as being in the

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

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

1 State"), 3 through 3-80 (except provisions pertaining to the
2 State rate of tax, and except provisions concerning collection
3 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
4 19 (except the portions pertaining to claims by retailers and
5 except the last paragraph concerning refunds), 20, 21 and 22 of
6 the Use Tax Act, and are not inconsistent with this paragraph,
7 as fully as if those provisions were set forth herein.

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

16 (h) The Authority may impose a replacement vehicle tax of
17 \$50 on any passenger car as defined in Section 1-157 of the
18 Illinois Vehicle Code purchased within the metropolitan region
19 by or on behalf of an insurance company to replace a passenger
20 car of an insured person in settlement of a total loss claim.
21 The tax imposed may not become effective before the first day
22 of the month following the passage of the ordinance imposing
23 the tax and receipt of a certified copy of the ordinance by the
24 Department of Revenue. The Department of Revenue shall collect
25 the tax for the Authority in accordance with Sections 3-2002
26 and 3-2003 of the Illinois Vehicle Code.

1 The Department shall immediately pay over to the State
2 Treasurer, ex officio, as trustee, all taxes collected
3 hereunder.

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

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on or before the 25th day of each calendar month, the
14 Department shall prepare and certify to the Comptroller the
15 disbursement of stated sums of money to the Authority. The
16 amount to be paid to the Authority shall be the amount
17 collected hereunder during the second preceding calendar month
18 by the Department, less any amount determined by the Department
19 to be necessary for the payment of refunds, and less any
20 amounts that are transferred to the STAR Bonds Revenue Fund.
21 Within 10 days after receipt by the Comptroller of the
22 disbursement certification to the Authority provided for in
23 this Section to be given to the Comptroller by the Department,
24 the Comptroller shall cause the orders to be drawn for that
25 amount in accordance with the directions contained in the
26 certification.

1 (i) The Board may not impose any other taxes except as it
2 may from time to time be authorized by law to impose.

3 (j) A certificate of registration issued by the State
4 Department of Revenue to a retailer under the Retailers'
5 Occupation Tax Act or under the Service Occupation Tax Act
6 shall permit the registrant to engage in a business that is
7 taxed under the tax imposed under paragraphs (b), (e), (f) or
8 (g) of this Section and no additional registration shall be
9 required under the tax. A certificate issued under the Use Tax
10 Act or the Service Use Tax Act shall be applicable with regard
11 to any tax imposed under paragraph (c) of this Section.

12 (k) The provisions of any tax imposed under paragraph (c)
13 of this Section shall conform as closely as may be practicable
14 to the provisions of the Use Tax Act, including without
15 limitation conformity as to penalties with respect to the tax
16 imposed and as to the powers of the State Department of Revenue
17 to promulgate and enforce rules and regulations relating to the
18 administration and enforcement of the provisions of the tax
19 imposed. The taxes shall be imposed only on use within the
20 metropolitan region and at rates as provided in the paragraph.

21 (l) The Board in imposing any tax as provided in paragraphs
22 (b) and (c) of this Section, shall, after seeking the advice of
23 the State Department of Revenue, provide means for retailers,
24 users or purchasers of motor fuel for purposes other than those
25 with regard to which the taxes may be imposed as provided in
26 those paragraphs to receive refunds of taxes improperly paid,

1 which provisions may be at variance with the refund provisions
2 as applicable under the Municipal Retailers Occupation Tax Act.
3 The State Department of Revenue may provide for certificates of
4 registration for users or purchasers of motor fuel for purposes
5 other than those with regard to which taxes may be imposed as
6 provided in paragraphs (b) and (c) of this Section to
7 facilitate the reporting and nontaxability of the exempt sales
8 or uses.

9 (m) Any ordinance imposing or discontinuing any tax under
10 this Section shall be adopted and a certified copy thereof
11 filed with the Department on or before June 1, whereupon the
12 Department of Revenue shall proceed to administer and enforce
13 this Section on behalf of the Regional Transportation Authority
14 as of September 1 next following such adoption and filing.
15 Beginning January 1, 1992, an ordinance or resolution imposing
16 or discontinuing the tax hereunder shall be adopted and a
17 certified copy thereof filed with the Department on or before
18 the first day of July, whereupon the Department shall proceed
19 to administer and enforce this Section as of the first day of
20 October next following such adoption and filing. Beginning
21 January 1, 1993, an ordinance or resolution imposing,
22 increasing, decreasing, or discontinuing the tax hereunder
23 shall be adopted and a certified copy thereof filed with the
24 Department, whereupon the Department shall proceed to
25 administer and enforce this Section as of the first day of the
26 first month to occur not less than 60 days following such

1 adoption and filing. Any ordinance or resolution of the
2 Authority imposing a tax under this Section and in effect on
3 August 1, 2007 shall remain in full force and effect and shall
4 be administered by the Department of Revenue under the terms
5 and conditions and rates of tax established by such ordinance
6 or resolution until the Department begins administering and
7 enforcing an increased tax under this Section as authorized by
8 Public Act 95-708. The tax rates authorized by Public Act
9 95-708 are effective only if imposed by ordinance of the
10 Authority.

11 (n) Except as otherwise provided in this subsection (n),
12 the State Department of Revenue shall, upon collecting any
13 taxes as provided in this Section, pay the taxes over to the
14 State Treasurer as trustee for the Authority. The taxes shall
15 be held in a trust fund outside the State Treasury. On or
16 before the 25th day of each calendar month, the State
17 Department of Revenue shall prepare and certify to the
18 Comptroller of the State of Illinois and to the Authority (i)
19 the amount of taxes collected in each county ~~County~~ other than
20 Cook County in the metropolitan region, (ii) the amount of
21 taxes collected within the City of Chicago, and (iii) the
22 amount collected in that portion of Cook County outside of
23 Chicago, each amount less the amount necessary for the payment
24 of refunds to taxpayers located in those areas described in
25 items (i), (ii), and (iii), and less 1.5% of the remainder,
26 which shall be transferred from the trust fund into the Tax

1 Compliance and Administration Fund. The Department, at the time
2 of each monthly disbursement to the Authority, shall prepare
3 and certify to the State Comptroller the amount to be
4 transferred into the Tax Compliance and Administration Fund
5 under this subsection. Within 10 days after receipt by the
6 Comptroller of the certification of the amounts, the
7 Comptroller shall cause an order to be drawn for the transfer
8 of the amount certified into the Tax Compliance and
9 Administration Fund and the payment of two-thirds of the
10 amounts certified in item (i) of this subsection to the
11 Authority and one-third of the amounts certified in item (i) of
12 this subsection to the respective counties other than Cook
13 County and the amount certified in items (ii) and (iii) of this
14 subsection to the Authority.

15 In addition to the disbursement required by the preceding
16 paragraph, an allocation shall be made in July 1991 and each
17 year thereafter to the Regional Transportation Authority. The
18 allocation shall be made in an amount equal to the average
19 monthly distribution during the preceding calendar year
20 (excluding the 2 months of lowest receipts) and the allocation
21 shall include the amount of average monthly distribution from
22 the Regional Transportation Authority Occupation and Use Tax
23 Replacement Fund. The distribution made in July 1992 and each
24 year thereafter under this paragraph and the preceding
25 paragraph shall be reduced by the amount allocated and
26 disbursed under this paragraph in the preceding calendar year.

1 The Department of Revenue shall prepare and certify to the
2 Comptroller for disbursement the allocations made in
3 accordance with this paragraph.

4 (o) Failure to adopt a budget ordinance or otherwise to
5 comply with Section 4.01 of this Act or to adopt a Five-year
6 Capital Program or otherwise to comply with paragraph (b) of
7 Section 2.01 of this Act shall not affect the validity of any
8 tax imposed by the Authority otherwise in conformity with law.

9 (p) At no time shall a public transportation tax or motor
10 vehicle parking tax authorized under paragraphs (b), (c),l and
11 (d) of this Section be in effect at the same time as any
12 retailers' occupation, use or service occupation tax
13 authorized under paragraphs (e), (f),l and (g) of this Section
14 is in effect.

15 Any taxes imposed under the authority provided in
16 paragraphs (b), (c),l and (d) shall remain in effect only until
17 the time as any tax authorized by paragraph ~~paragraphs~~ (e),
18 (f),l or (g) of this Section are imposed and becomes effective.
19 Once any tax authorized by paragraph ~~paragraphs~~ (e), (f),l or
20 (g) is imposed the Board may not reimpose taxes as authorized
21 in paragraphs (b), (c),l and (d) of the Section unless any tax
22 authorized by paragraph ~~paragraphs~~ (e), (f),l or (g) of this
23 Section becomes ineffective by means other than an ordinance of
24 the Board.

25 (q) Any existing rights, remedies and obligations
26 (including enforcement by the Regional Transportation

1 Authority) arising under any tax imposed under paragraph
2 ~~paragraphs~~ (b), (c), l or (d) of this Section shall not be
3 affected by the imposition of a tax under paragraph ~~paragraphs~~
4 (e), (f), l or (g) of this Section.

5 (r) Subject to the limitations set forth in this Section,
6 the Board may require any retailer that qualifies as a
7 "retailer maintaining a place of business in this State" under
8 Section 2 of the Use Tax Act to collect and remit the
9 retailers' occupation tax, service occupation tax, and use tax
10 imposed under this Section. A sale is deemed to have occurred
11 in the metropolitan region if the retailer is engaged in the
12 business of selling tangible personal property in the
13 metropolitan region with respect to that sale, as provided in
14 Section 2-12 of the Retailers' Occupation Tax Act.

15 (Source: P.A. 99-180, eff. 7-29-15; 99-217, eff. 7-31-15;
16 99-642, eff. 7-28-16; 100-23, eff. 7-6-17; 100-587, eff.
17 6-4-18; 100-1171, eff. 1-4-19; revised 1-11-19.)