

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 5. The Counties Code is amended by changing
5 Section 5-1006.8 as follows:

6 (55 ILCS 5/5-1006.8)

7 Sec. 5-1006.8. County Cannabis Retailers' Occupation Tax
8 Law.

9 (a) This Section may be referred to as the County Cannabis
10 Retailers' Occupation Tax Law. The corporate authorities of
11 any county may, by ordinance, impose a tax upon all persons
12 engaged in the business of selling cannabis, other than
13 cannabis purchased under the Compassionate Use of Medical
14 Cannabis Program Act, at retail in the county on the gross
15 receipts from these sales made in the course of that business.
16 If imposed, the tax shall be imposed only in 0.25% increments.
17 The tax rate may not exceed: (i) 3.75% of the gross receipts of
18 sales made in unincorporated areas of the county; and (ii) 3%
19 of the gross receipts of sales made in a municipality located
20 in the county. The tax imposed under this Section and all civil
21 penalties that may be assessed as an incident of the tax shall
22 be collected and enforced by the Department of Revenue. The
23 Department of Revenue shall have full power to administer and

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

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

26 (c) Whenever the Department of Revenue determines that a

1 refund should be made under this Section to a claimant instead
2 of issuing a credit memorandum, the Department of Revenue
3 shall notify the State Comptroller, who shall cause the order
4 to be drawn for the amount specified and to the person named in
5 the notification from the Department of Revenue.

6 (d) The Department of Revenue shall immediately pay over
7 to the State Treasurer, ex officio, as trustee, all taxes and
8 penalties collected hereunder for deposit into the Local
9 Cannabis Retailers' Occupation Tax Trust Fund.

10 (e) On or before the 25th day of each calendar month, the
11 Department of Revenue shall prepare and certify to the
12 Comptroller the amount of money to be disbursed from the Local
13 Cannabis Retailers' Occupation Tax Trust Fund to counties from
14 which retailers have paid taxes or penalties under this
15 Section during the second preceding calendar month. The amount
16 to be paid to each county shall be the amount (not including
17 credit memoranda) collected under this Section from sales made
18 in the county during the second preceding calendar month, plus
19 an amount the Department of Revenue determines is necessary to
20 offset any amounts that were erroneously paid to a different
21 taxing body, and not including an amount equal to the amount of
22 refunds made during the second preceding calendar month by the
23 Department on behalf of such county, and not including any
24 amount that the Department determines is necessary to offset
25 any amounts that were payable to a different taxing body but
26 were erroneously paid to the county, less 1.5% of the

1 remainder, which the Department shall transfer into the Tax
2 Compliance and Administration Fund. The Department, at the
3 time of each monthly disbursement to the counties, shall
4 prepare and certify the State Comptroller the amount to be
5 transferred into the Tax Compliance and Administration Fund
6 under this Section. Within 10 days after receipt by the
7 Comptroller of the disbursement certification to the counties
8 and the Tax Compliance and Administration Fund provided for in
9 this Section to be given to the Comptroller by the Department,
10 the Comptroller shall cause the orders to be drawn for the
11 respective amounts in accordance with the directions contained
12 in the certification.

13 (f) An ordinance or resolution imposing or discontinuing a
14 tax under this Section or effecting a change in the rate
15 thereof that is adopted on or after June 25, 2019 (the
16 effective date of Public Act 101-27) and for which a certified
17 copy is filed with the Department on or before April 1, 2020
18 shall be administered and enforced by the Department beginning
19 on July 1, 2020. For ordinances filed with the Department
20 after April 1, 2020, an ordinance or resolution imposing or
21 discontinuing a tax under this Section or effecting a change
22 in the rate thereof shall either (i) be adopted and a certified
23 copy thereof filed with the Department on or before the first
24 day of April, whereupon the Department shall proceed to
25 administer and enforce this Section as of the first day of July
26 next following the adoption and filing; or (ii) be adopted and

1 a certified copy thereof filed with the Department on or
2 before the first day of October, whereupon the Department
3 shall proceed to administer and enforce this Section as of the
4 first day of January next following the adoption and filing.

5 (g) Notwithstanding any provision in this Section to the
6 contrary, if an ordinance or resolution imposing a tax under
7 this Section was adopted on or before October 1, 2020 and a
8 certified copy thereof was filed with the Department of
9 Revenue on or before November 1, 2020, then the Department
10 shall proceed to administer and enforce this Section as of May
11 1, 2021 for such ordinances or resolutions.

12 (Source: P.A. 101-27, eff. 6-25-19; 101-363, eff. 8-9-19;
13 101-593, eff. 12-4-19.)

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.