



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4234

Introduced 1/5/2022, by Rep. Barbara Hernandez - Katie Stuart, Anne Stava-Murray, Terra Costa Howard, Michael Halpin, et al.

SYNOPSIS AS INTRODUCED:

35 ILCS 105/3-5
35 ILCS 110/3-5
35 ILCS 115/3-5
35 ILCS 120/2-5

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that, beginning on July 1, 2022, breast pumps, breast pump collection and storage supplies, and breast pump kits are exempt from the taxes imposed under those Acts. Effective immediately.

LRB102 21422 HLH 30538 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Section
5 3-5 as follows:

6 (35 ILCS 105/3-5)

7 Sec. 3-5. Exemptions. Use of the following tangible
8 personal property is exempt from the tax imposed by this Act:

9 (1) Personal property purchased from a corporation,
10 society, association, foundation, institution, or
11 organization, other than a limited liability company, that is
12 organized and operated as a not-for-profit service enterprise
13 for the benefit of persons 65 years of age or older if the
14 personal property was not purchased by the enterprise for the
15 purpose of resale by the enterprise.

16 (2) Personal property purchased by a not-for-profit
17 Illinois county fair association for use in conducting,
18 operating, or promoting the county fair.

19 (3) Personal property purchased by a not-for-profit arts
20 or cultural organization that establishes, by proof required
21 by the Department by rule, that it has received an exemption
22 under Section 501(c)(3) of the Internal Revenue Code and that
23 is organized and operated primarily for the presentation or

1 support of arts or cultural programming, activities, or
2 services. These organizations include, but are not limited to,
3 music and dramatic arts organizations such as symphony
4 orchestras and theatrical groups, arts and cultural service
5 organizations, local arts councils, visual arts organizations,
6 and media arts organizations. On and after July 1, 2001 (the
7 effective date of Public Act 92-35), however, an entity
8 otherwise eligible for this exemption shall not make tax-free
9 purchases unless it has an active identification number issued
10 by the Department.

11 (4) Personal property purchased by a governmental body, by
12 a corporation, society, association, foundation, or
13 institution organized and operated exclusively for charitable,
14 religious, or educational purposes, or by a not-for-profit
15 corporation, society, association, foundation, institution, or
16 organization that has no compensated officers or employees and
17 that is organized and operated primarily for the recreation of
18 persons 55 years of age or older. A limited liability company
19 may qualify for the exemption under this paragraph only if the
20 limited liability company is organized and operated
21 exclusively for educational purposes. On and after July 1,
22 1987, however, no entity otherwise eligible for this exemption
23 shall make tax-free purchases unless it has an active
24 exemption identification number issued by the Department.

25 (5) Until July 1, 2003, a passenger car that is a
26 replacement vehicle to the extent that the purchase price of

1 the car is subject to the Replacement Vehicle Tax.

2 (6) Until July 1, 2003 and beginning again on September 1,
3 2004 through August 30, 2014, graphic arts machinery and
4 equipment, including repair and replacement parts, both new
5 and used, and including that manufactured on special order,
6 certified by the purchaser to be used primarily for graphic
7 arts production, and including machinery and equipment
8 purchased for lease. Equipment includes chemicals or chemicals
9 acting as catalysts but only if the chemicals or chemicals
10 acting as catalysts effect a direct and immediate change upon
11 a graphic arts product. Beginning on July 1, 2017, graphic
12 arts machinery and equipment is included in the manufacturing
13 and assembling machinery and equipment exemption under
14 paragraph (18).

15 (7) Farm chemicals.

16 (8) Legal tender, currency, medallions, or gold or silver
17 coinage issued by the State of Illinois, the government of the
18 United States of America, or the government of any foreign
19 country, and bullion.

20 (9) Personal property purchased from a teacher-sponsored
21 student organization affiliated with an elementary or
22 secondary school located in Illinois.

23 (10) A motor vehicle that is used for automobile renting,
24 as defined in the Automobile Renting Occupation and Use Tax
25 Act.

26 (11) Farm machinery and equipment, both new and used,

1 including that manufactured on special order, certified by the
2 purchaser to be used primarily for production agriculture or
3 State or federal agricultural programs, including individual
4 replacement parts for the machinery and equipment, including
5 machinery and equipment purchased for lease, and including
6 implements of husbandry defined in Section 1-130 of the
7 Illinois Vehicle Code, farm machinery and agricultural
8 chemical and fertilizer spreaders, and nurse wagons required
9 to be registered under Section 3-809 of the Illinois Vehicle
10 Code, but excluding other motor vehicles required to be
11 registered under the Illinois Vehicle Code. Horticultural
12 polyhouses or hoop houses used for propagating, growing, or
13 overwintering plants shall be considered farm machinery and
14 equipment under this item (11). Agricultural chemical tender
15 tanks and dry boxes shall include units sold separately from a
16 motor vehicle required to be licensed and units sold mounted
17 on a motor vehicle required to be licensed if the selling price
18 of the tender is separately stated.

19 Farm machinery and equipment shall include precision
20 farming equipment that is installed or purchased to be
21 installed on farm machinery and equipment including, but not
22 limited to, tractors, harvesters, sprayers, planters, seeders,
23 or spreaders. Precision farming equipment includes, but is not
24 limited to, soil testing sensors, computers, monitors,
25 software, global positioning and mapping systems, and other
26 such equipment.

1 Farm machinery and equipment also includes computers,
2 sensors, software, and related equipment used primarily in the
3 computer-assisted operation of production agriculture
4 facilities, equipment, and activities such as, but not limited
5 to, the collection, monitoring, and correlation of animal and
6 crop data for the purpose of formulating animal diets and
7 agricultural chemicals. This item (11) is exempt from the
8 provisions of Section 3-90.

9 (12) Until June 30, 2013, fuel and petroleum products sold
10 to or used by an air common carrier, certified by the carrier
11 to be used for consumption, shipment, or storage in the
12 conduct of its business as an air common carrier, for a flight
13 destined for or returning from a location or locations outside
14 the United States without regard to previous or subsequent
15 domestic stopovers.

16 Beginning July 1, 2013, fuel and petroleum products sold
17 to or used by an air carrier, certified by the carrier to be
18 used for consumption, shipment, or storage in the conduct of
19 its business as an air common carrier, for a flight that (i) is
20 engaged in foreign trade or is engaged in trade between the
21 United States and any of its possessions and (ii) transports
22 at least one individual or package for hire from the city of
23 origination to the city of final destination on the same
24 aircraft, without regard to a change in the flight number of
25 that aircraft.

26 (13) Proceeds of mandatory service charges separately

1 stated on customers' bills for the purchase and consumption of
2 food and beverages purchased at retail from a retailer, to the
3 extent that the proceeds of the service charge are in fact
4 turned over as tips or as a substitute for tips to the
5 employees who participate directly in preparing, serving,
6 hosting or cleaning up the food or beverage function with
7 respect to which the service charge is imposed.

8 (14) Until July 1, 2003, oil field exploration, drilling,
9 and production equipment, including (i) rigs and parts of
10 rigs, rotary rigs, cable tool rigs, and workover rigs, (ii)
11 pipe and tubular goods, including casing and drill strings,
12 (iii) pumps and pump-jack units, (iv) storage tanks and flow
13 lines, (v) any individual replacement part for oil field
14 exploration, drilling, and production equipment, and (vi)
15 machinery and equipment purchased for lease; but excluding
16 motor vehicles required to be registered under the Illinois
17 Vehicle Code.

18 (15) Photoprocessing machinery and equipment, including
19 repair and replacement parts, both new and used, including
20 that manufactured on special order, certified by the purchaser
21 to be used primarily for photoprocessing, and including
22 photoprocessing machinery and equipment purchased for lease.

23 (16) Until July 1, 2023, coal and aggregate exploration,
24 mining, off-highway hauling, processing, maintenance, and
25 reclamation equipment, including replacement parts and
26 equipment, and including equipment purchased for lease, but

1 excluding motor vehicles required to be registered under the
2 Illinois Vehicle Code. The changes made to this Section by
3 Public Act 97-767 apply on and after July 1, 2003, but no claim
4 for credit or refund is allowed on or after August 16, 2013
5 (the effective date of Public Act 98-456) for such taxes paid
6 during the period beginning July 1, 2003 and ending on August
7 16, 2013 (the effective date of Public Act 98-456).

8 (17) Until July 1, 2003, distillation machinery and
9 equipment, sold as a unit or kit, assembled or installed by the
10 retailer, certified by the user to be used only for the
11 production of ethyl alcohol that will be used for consumption
12 as motor fuel or as a component of motor fuel for the personal
13 use of the user, and not subject to sale or resale.

14 (18) Manufacturing and assembling machinery and equipment
15 used primarily in the process of manufacturing or assembling
16 tangible personal property for wholesale or retail sale or
17 lease, whether that sale or lease is made directly by the
18 manufacturer or by some other person, whether the materials
19 used in the process are owned by the manufacturer or some other
20 person, or whether that sale or lease is made apart from or as
21 an incident to the seller's engaging in the service occupation
22 of producing machines, tools, dies, jigs, patterns, gauges, or
23 other similar items of no commercial value on special order
24 for a particular purchaser. The exemption provided by this
25 paragraph (18) includes production related tangible personal
26 property, as defined in Section 3-50, purchased on or after

1 July 1, 2019. The exemption provided by this paragraph (18)
2 does not include machinery and equipment used in (i) the
3 generation of electricity for wholesale or retail sale; (ii)
4 the generation or treatment of natural or artificial gas for
5 wholesale or retail sale that is delivered to customers
6 through pipes, pipelines, or mains; or (iii) the treatment of
7 water for wholesale or retail sale that is delivered to
8 customers through pipes, pipelines, or mains. The provisions
9 of Public Act 98-583 are declaratory of existing law as to the
10 meaning and scope of this exemption. Beginning on July 1,
11 2017, the exemption provided by this paragraph (18) includes,
12 but is not limited to, graphic arts machinery and equipment,
13 as defined in paragraph (6) of this Section.

14 (19) Personal property delivered to a purchaser or
15 purchaser's donee inside Illinois when the purchase order for
16 that personal property was received by a florist located
17 outside Illinois who has a florist located inside Illinois
18 deliver the personal property.

19 (20) Semen used for artificial insemination of livestock
20 for direct agricultural production.

21 (21) Horses, or interests in horses, registered with and
22 meeting the requirements of any of the Arabian Horse Club
23 Registry of America, Appaloosa Horse Club, American Quarter
24 Horse Association, United States Trotting Association, or
25 Jockey Club, as appropriate, used for purposes of breeding or
26 racing for prizes. This item (21) is exempt from the

1 provisions of Section 3-90, and the exemption provided for
2 under this item (21) applies for all periods beginning May 30,
3 1995, but no claim for credit or refund is allowed on or after
4 January 1, 2008 for such taxes paid during the period
5 beginning May 30, 2000 and ending on January 1, 2008.

6 (22) Computers and communications equipment utilized for
7 any hospital purpose and equipment used in the diagnosis,
8 analysis, or treatment of hospital patients purchased by a
9 lessor who leases the equipment, under a lease of one year or
10 longer executed or in effect at the time the lessor would
11 otherwise be subject to the tax imposed by this Act, to a
12 hospital that has been issued an active tax exemption
13 identification number by the Department under Section 1g of
14 the Retailers' Occupation Tax Act. If the equipment is leased
15 in a manner that does not qualify for this exemption or is used
16 in any other non-exempt manner, the lessor shall be liable for
17 the tax imposed under this Act or the Service Use Tax Act, as
18 the case may be, based on the fair market value of the property
19 at the time the non-qualifying use occurs. No lessor shall
20 collect or attempt to collect an amount (however designated)
21 that purports to reimburse that lessor for the tax imposed by
22 this Act or the Service Use Tax Act, as the case may be, if the
23 tax has not been paid by the lessor. If a lessor improperly
24 collects any such amount from the lessee, the lessee shall
25 have a legal right to claim a refund of that amount from the
26 lessor. If, however, that amount is not refunded to the lessee

1 for any reason, the lessor is liable to pay that amount to the
2 Department.

3 (23) Personal property purchased by a lessor who leases
4 the property, under a lease of one year or longer executed or
5 in effect at the time the lessor would otherwise be subject to
6 the tax imposed by this Act, to a governmental body that has
7 been issued an active sales tax exemption identification
8 number by the Department under Section 1g of the Retailers'
9 Occupation Tax Act. If the property is leased in a manner that
10 does not qualify for this exemption or used in any other
11 non-exempt manner, the lessor shall be liable for the tax
12 imposed under this Act or the Service Use Tax Act, as the case
13 may be, based on the fair market value of the property at the
14 time the non-qualifying use occurs. No lessor shall collect or
15 attempt to collect an amount (however designated) that
16 purports to reimburse that lessor for the tax imposed by this
17 Act or the Service Use Tax Act, as the case may be, if the tax
18 has not been paid by the lessor. If a lessor improperly
19 collects any such amount from the lessee, the lessee shall
20 have a legal right to claim a refund of that amount from the
21 lessor. If, however, that amount is not refunded to the lessee
22 for any reason, the lessor is liable to pay that amount to the
23 Department.

24 (24) Beginning with taxable years ending on or after
25 December 31, 1995 and ending with taxable years ending on or
26 before December 31, 2004, personal property that is donated

1 for disaster relief to be used in a State or federally declared
2 disaster area in Illinois or bordering Illinois by a
3 manufacturer or retailer that is registered in this State to a
4 corporation, society, association, foundation, or institution
5 that has been issued a sales tax exemption identification
6 number by the Department that assists victims of the disaster
7 who reside within the declared disaster area.

8 (25) Beginning with taxable years ending on or after
9 December 31, 1995 and ending with taxable years ending on or
10 before December 31, 2004, personal property that is used in
11 the performance of infrastructure repairs in this State,
12 including but not limited to municipal roads and streets,
13 access roads, bridges, sidewalks, waste disposal systems,
14 water and sewer line extensions, water distribution and
15 purification facilities, storm water drainage and retention
16 facilities, and sewage treatment facilities, resulting from a
17 State or federally declared disaster in Illinois or bordering
18 Illinois when such repairs are initiated on facilities located
19 in the declared disaster area within 6 months after the
20 disaster.

21 (26) Beginning July 1, 1999, game or game birds purchased
22 at a "game breeding and hunting preserve area" as that term is
23 used in the Wildlife Code. This paragraph is exempt from the
24 provisions of Section 3-90.

25 (27) A motor vehicle, as that term is defined in Section
26 1-146 of the Illinois Vehicle Code, that is donated to a

1 corporation, limited liability company, society, association,
2 foundation, or institution that is determined by the
3 Department to be organized and operated exclusively for
4 educational purposes. For purposes of this exemption, "a
5 corporation, limited liability company, society, association,
6 foundation, or institution organized and operated exclusively
7 for educational purposes" means all tax-supported public
8 schools, private schools that offer systematic instruction in
9 useful branches of learning by methods common to public
10 schools and that compare favorably in their scope and
11 intensity with the course of study presented in tax-supported
12 schools, and vocational or technical schools or institutes
13 organized and operated exclusively to provide a course of
14 study of not less than 6 weeks duration and designed to prepare
15 individuals to follow a trade or to pursue a manual,
16 technical, mechanical, industrial, business, or commercial
17 occupation.

18 (28) Beginning January 1, 2000, personal property,
19 including food, purchased through fundraising events for the
20 benefit of a public or private elementary or secondary school,
21 a group of those schools, or one or more school districts if
22 the events are sponsored by an entity recognized by the school
23 district that consists primarily of volunteers and includes
24 parents and teachers of the school children. This paragraph
25 does not apply to fundraising events (i) for the benefit of
26 private home instruction or (ii) for which the fundraising

1 entity purchases the personal property sold at the events from
2 another individual or entity that sold the property for the
3 purpose of resale by the fundraising entity and that profits
4 from the sale to the fundraising entity. This paragraph is
5 exempt from the provisions of Section 3-90.

6 (29) Beginning January 1, 2000 and through December 31,
7 2001, new or used automatic vending machines that prepare and
8 serve hot food and beverages, including coffee, soup, and
9 other items, and replacement parts for these machines.
10 Beginning January 1, 2002 and through June 30, 2003, machines
11 and parts for machines used in commercial, coin-operated
12 amusement and vending business if a use or occupation tax is
13 paid on the gross receipts derived from the use of the
14 commercial, coin-operated amusement and vending machines. This
15 paragraph is exempt from the provisions of Section 3-90.

16 (30) Beginning January 1, 2001 and through June 30, 2016,
17 food for human consumption that is to be consumed off the
18 premises where it is sold (other than alcoholic beverages,
19 soft drinks, and food that has been prepared for immediate
20 consumption) and prescription and nonprescription medicines,
21 drugs, medical appliances, and insulin, urine testing
22 materials, syringes, and needles used by diabetics, for human
23 use, when purchased for use by a person receiving medical
24 assistance under Article V of the Illinois Public Aid Code who
25 resides in a licensed long-term care facility, as defined in
26 the Nursing Home Care Act, or in a licensed facility as defined

1 in the ID/DD Community Care Act, the MC/DD Act, or the
2 Specialized Mental Health Rehabilitation Act of 2013.

3 (31) Beginning on August 2, 2001 (the effective date of
4 Public Act 92-227), computers and communications equipment
5 utilized for any hospital purpose and equipment used in the
6 diagnosis, analysis, or treatment of hospital patients
7 purchased by a lessor who leases the equipment, under a lease
8 of one year or longer executed or in effect at the time the
9 lessor would otherwise be subject to the tax imposed by this
10 Act, to a hospital that has been issued an active tax exemption
11 identification number by the Department under Section 1g of
12 the Retailers' Occupation Tax Act. If the equipment is leased
13 in a manner that does not qualify for this exemption or is used
14 in any other nonexempt manner, the lessor shall be liable for
15 the tax imposed under this Act or the Service Use Tax Act, as
16 the case may be, based on the fair market value of the property
17 at the time the nonqualifying use occurs. No lessor shall
18 collect or attempt to collect an amount (however designated)
19 that purports to reimburse that lessor for the tax imposed by
20 this Act or the Service Use Tax Act, as the case may be, if the
21 tax has not been paid by the lessor. If a lessor improperly
22 collects any such amount from the lessee, the lessee shall
23 have a legal right to claim a refund of that amount from the
24 lessor. If, however, that amount is not refunded to the lessee
25 for any reason, the lessor is liable to pay that amount to the
26 Department. This paragraph is exempt from the provisions of

1 Section 3-90.

2 (32) Beginning on August 2, 2001 (the effective date of
3 Public Act 92-227), personal property purchased by a lessor
4 who leases the property, under a lease of one year or longer
5 executed or in effect at the time the lessor would otherwise be
6 subject to the tax imposed by this Act, to a governmental body
7 that has been issued an active sales tax exemption
8 identification number by the Department under Section 1g of
9 the Retailers' Occupation Tax Act. If the property is leased
10 in a manner that does not qualify for this exemption or used in
11 any other nonexempt manner, the lessor shall be liable for the
12 tax imposed under this Act or the Service Use Tax Act, as the
13 case may be, based on the fair market value of the property at
14 the time the nonqualifying use occurs. No lessor shall collect
15 or attempt to collect an amount (however designated) that
16 purports to reimburse that lessor for the tax imposed by this
17 Act or the Service Use Tax Act, as the case may be, if the tax
18 has not been paid by the lessor. If a lessor improperly
19 collects any such amount from the lessee, the lessee shall
20 have a legal right to claim a refund of that amount from the
21 lessor. If, however, that amount is not refunded to the lessee
22 for any reason, the lessor is liable to pay that amount to the
23 Department. This paragraph is exempt from the provisions of
24 Section 3-90.

25 (33) On and after July 1, 2003 and through June 30, 2004,
26 the use in this State of motor vehicles of the second division

1 with a gross vehicle weight in excess of 8,000 pounds and that
2 are subject to the commercial distribution fee imposed under
3 Section 3-815.1 of the Illinois Vehicle Code. Beginning on
4 July 1, 2004 and through June 30, 2005, the use in this State
5 of motor vehicles of the second division: (i) with a gross
6 vehicle weight rating in excess of 8,000 pounds; (ii) that are
7 subject to the commercial distribution fee imposed under
8 Section 3-815.1 of the Illinois Vehicle Code; and (iii) that
9 are primarily used for commercial purposes. Through June 30,
10 2005, this exemption applies to repair and replacement parts
11 added after the initial purchase of such a motor vehicle if
12 that motor vehicle is used in a manner that would qualify for
13 the rolling stock exemption otherwise provided for in this
14 Act. For purposes of this paragraph, the term "used for
15 commercial purposes" means the transportation of persons or
16 property in furtherance of any commercial or industrial
17 enterprise, whether for-hire or not.

18 (34) Beginning January 1, 2008, tangible personal property
19 used in the construction or maintenance of a community water
20 supply, as defined under Section 3.145 of the Environmental
21 Protection Act, that is operated by a not-for-profit
22 corporation that holds a valid water supply permit issued
23 under Title IV of the Environmental Protection Act. This
24 paragraph is exempt from the provisions of Section 3-90.

25 (35) Beginning January 1, 2010 and continuing through
26 December 31, 2024, materials, parts, equipment, components,

1 and furnishings incorporated into or upon an aircraft as part
2 of the modification, refurbishment, completion, replacement,
3 repair, or maintenance of the aircraft. This exemption
4 includes consumable supplies used in the modification,
5 refurbishment, completion, replacement, repair, and
6 maintenance of aircraft, but excludes any materials, parts,
7 equipment, components, and consumable supplies used in the
8 modification, replacement, repair, and maintenance of aircraft
9 engines or power plants, whether such engines or power plants
10 are installed or uninstalled upon any such aircraft.
11 "Consumable supplies" include, but are not limited to,
12 adhesive, tape, sandpaper, general purpose lubricants,
13 cleaning solution, latex gloves, and protective films. This
14 exemption applies only to the use of qualifying tangible
15 personal property by persons who modify, refurbish, complete,
16 repair, replace, or maintain aircraft and who (i) hold an Air
17 Agency Certificate and are empowered to operate an approved
18 repair station by the Federal Aviation Administration, (ii)
19 have a Class IV Rating, and (iii) conduct operations in
20 accordance with Part 145 of the Federal Aviation Regulations.
21 The exemption does not include aircraft operated by a
22 commercial air carrier providing scheduled passenger air
23 service pursuant to authority issued under Part 121 or Part
24 129 of the Federal Aviation Regulations. The changes made to
25 this paragraph (35) by Public Act 98-534 are declarative of
26 existing law. It is the intent of the General Assembly that the

1 exemption under this paragraph (35) applies continuously from
2 January 1, 2010 through December 31, 2024; however, no claim
3 for credit or refund is allowed for taxes paid as a result of
4 the disallowance of this exemption on or after January 1, 2015
5 and prior to the effective date of this amendatory Act of the
6 101st General Assembly.

7 (36) Tangible personal property purchased by a
8 public-facilities corporation, as described in Section
9 11-65-10 of the Illinois Municipal Code, for purposes of
10 constructing or furnishing a municipal convention hall, but
11 only if the legal title to the municipal convention hall is
12 transferred to the municipality without any further
13 consideration by or on behalf of the municipality at the time
14 of the completion of the municipal convention hall or upon the
15 retirement or redemption of any bonds or other debt
16 instruments issued by the public-facilities corporation in
17 connection with the development of the municipal convention
18 hall. This exemption includes existing public-facilities
19 corporations as provided in Section 11-65-25 of the Illinois
20 Municipal Code. This paragraph is exempt from the provisions
21 of Section 3-90.

22 (37) Beginning January 1, 2017 and through December 31,
23 2026, menstrual pads, tampons, and menstrual cups.

24 (38) Merchandise that is subject to the Rental Purchase
25 Agreement Occupation and Use Tax. The purchaser must certify
26 that the item is purchased to be rented subject to a rental

1 purchase agreement, as defined in the Rental Purchase
2 Agreement Act, and provide proof of registration under the
3 Rental Purchase Agreement Occupation and Use Tax Act. This
4 paragraph is exempt from the provisions of Section 3-90.

5 (39) Tangible personal property purchased by a purchaser
6 who is exempt from the tax imposed by this Act by operation of
7 federal law. This paragraph is exempt from the provisions of
8 Section 3-90.

9 (40) Qualified tangible personal property used in the
10 construction or operation of a data center that has been
11 granted a certificate of exemption by the Department of
12 Commerce and Economic Opportunity, whether that tangible
13 personal property is purchased by the owner, operator, or
14 tenant of the data center or by a contractor or subcontractor
15 of the owner, operator, or tenant. Data centers that would
16 have qualified for a certificate of exemption prior to January
17 1, 2020 had Public Act 101-31 been in effect may apply for and
18 obtain an exemption for subsequent purchases of computer
19 equipment or enabling software purchased or leased to upgrade,
20 supplement, or replace computer equipment or enabling software
21 purchased or leased in the original investment that would have
22 qualified.

23 The Department of Commerce and Economic Opportunity shall
24 grant a certificate of exemption under this item (40) to
25 qualified data centers as defined by Section 605-1025 of the
26 Department of Commerce and Economic Opportunity Law of the

1 Civil Administrative Code of Illinois.

2 For the purposes of this item (40):

3 "Data center" means a building or a series of
4 buildings rehabilitated or constructed to house working
5 servers in one physical location or multiple sites within
6 the State of Illinois.

7 "Qualified tangible personal property" means:
8 electrical systems and equipment; climate control and
9 chilling equipment and systems; mechanical systems and
10 equipment; monitoring and secure systems; emergency
11 generators; hardware; computers; servers; data storage
12 devices; network connectivity equipment; racks; cabinets;
13 telecommunications cabling infrastructure; raised floor
14 systems; peripheral components or systems; software;
15 mechanical, electrical, or plumbing systems; battery
16 systems; cooling systems and towers; temperature control
17 systems; other cabling; and other data center
18 infrastructure equipment and systems necessary to operate
19 qualified tangible personal property, including fixtures;
20 and component parts of any of the foregoing, including
21 installation, maintenance, repair, refurbishment, and
22 replacement of qualified tangible personal property to
23 generate, transform, transmit, distribute, or manage
24 electricity necessary to operate qualified tangible
25 personal property; and all other tangible personal
26 property that is essential to the operations of a computer

1 data center. The term "qualified tangible personal
2 property" also includes building materials physically
3 incorporated in to the qualifying data center. To document
4 the exemption allowed under this Section, the retailer
5 must obtain from the purchaser a copy of the certificate
6 of eligibility issued by the Department of Commerce and
7 Economic Opportunity.

8 This item (40) is exempt from the provisions of Section
9 3-90.

10 (41) Beginning July 1, 2022, breast pumps, breast pump
11 collection and storage supplies, and breast pump kits. This
12 item (41) is exempt from the provisions of Section 3-90.

13 As used in this item (41), "breast pump" means an
14 electrically or manually-controlled pump device designed or
15 marketed to be used to express milk from a human breast during
16 lactation, including the pump device and any battery, AC
17 adapter, or other power supply unit packaged and sold with the
18 pump device at the time of sale to power the pump device.

19 "Breast pump collection and storage supplies" means items
20 of tangible personal property designed or marketed to be used
21 in conjunction with a breast pump to collect milk expressed
22 from a human breast and to store collected milk until it is
23 ready for consumption. "Breast pump collection and storage
24 supplies" includes, but is not limited to: breast shields and
25 breast shield connectors; breast pump tubes and tubing
26 adapters; breast pump valves and membranes; backflow

1 protectors and backflow protector adaptors; bottles and bottle
2 caps specific to the operation of the breast pump; breast milk
3 storage bags; and other items that may be useful to initiate,
4 support, or sustain breast-feeding using a breast pump during
5 lactation that may be sold separately but are generally sold
6 as part of a breast pump kit.

7 "Breast pump collection and storage supplies" does not
8 include: (1) bottles and bottle caps not specific to the
9 operation of the breast pump, (2) breast pump travel bags and
10 other similar carrying accessories, including ice packs,
11 labels, and other similar products; (3) breast pump cleaning
12 supplies; (4) nursing bras, bra pads, breast shells, and other
13 similar products; and (5) creams, ointments, and other similar
14 products that relieve breastfeeding-related symptoms or
15 conditions of the breasts or nipples, unless sold as part of a
16 breast pump kit pre-packaged by the breast pump manufacturer
17 or distributor.

18 "Breast pump kit" means a kit that contains a breast pump
19 and breast pump collection and storage supplies or other
20 taxable items of tangible personal property that may be useful
21 to initiate, support, or sustain breastfeeding using a breast
22 pump during lactation, so long as the other taxable items of
23 tangible personal property sold with the breast pump kit at
24 the time of sale are less than 10% of the total sales price of
25 the breast pump kit.

26 (Source: P.A. 101-9, eff. 6-5-19; 101-31, eff. 6-28-19;

1 101-81, eff. 7-12-19; 101-629, eff. 2-5-20; 102-16, eff.
2 6-17-21.)

3 Section 10. The Service Use Tax Act is amended by changing
4 Section 3-5 as follows:

5 (35 ILCS 110/3-5)

6 Sec. 3-5. Exemptions. Use of the following tangible
7 personal property is exempt from the tax imposed by this Act:

8 (1) Personal property purchased from a corporation,
9 society, association, foundation, institution, or
10 organization, other than a limited liability company, that is
11 organized and operated as a not-for-profit service enterprise
12 for the benefit of persons 65 years of age or older if the
13 personal property was not purchased by the enterprise for the
14 purpose of resale by the enterprise.

15 (2) Personal property purchased by a non-profit Illinois
16 county fair association for use in conducting, operating, or
17 promoting the county fair.

18 (3) Personal property purchased by a not-for-profit arts
19 or cultural organization that establishes, by proof required
20 by the Department by rule, that it has received an exemption
21 under Section 501(c)(3) of the Internal Revenue Code and that
22 is organized and operated primarily for the presentation or
23 support of arts or cultural programming, activities, or
24 services. These organizations include, but are not limited to,

1 music and dramatic arts organizations such as symphony
2 orchestras and theatrical groups, arts and cultural service
3 organizations, local arts councils, visual arts organizations,
4 and media arts organizations. On and after July 1, 2001 (the
5 effective date of Public Act 92-35), however, an entity
6 otherwise eligible for this exemption shall not make tax-free
7 purchases unless it has an active identification number issued
8 by the Department.

9 (4) Legal tender, currency, medallions, or gold or silver
10 coinage issued by the State of Illinois, the government of the
11 United States of America, or the government of any foreign
12 country, and bullion.

13 (5) Until July 1, 2003 and beginning again on September 1,
14 2004 through August 30, 2014, graphic arts machinery and
15 equipment, including repair and replacement parts, both new
16 and used, and including that manufactured on special order or
17 purchased for lease, certified by the purchaser to be used
18 primarily for graphic arts production. Equipment includes
19 chemicals or chemicals acting as catalysts but only if the
20 chemicals or chemicals acting as catalysts effect a direct and
21 immediate change upon a graphic arts product. Beginning on
22 July 1, 2017, graphic arts machinery and equipment is included
23 in the manufacturing and assembling machinery and equipment
24 exemption under Section 2 of this Act.

25 (6) Personal property purchased from a teacher-sponsored
26 student organization affiliated with an elementary or

1 secondary school located in Illinois.

2 (7) Farm machinery and equipment, both new and used,
3 including that manufactured on special order, certified by the
4 purchaser to be used primarily for production agriculture or
5 State or federal agricultural programs, including individual
6 replacement parts for the machinery and equipment, including
7 machinery and equipment purchased for lease, and including
8 implements of husbandry defined in Section 1-130 of the
9 Illinois Vehicle Code, farm machinery and agricultural
10 chemical and fertilizer spreaders, and nurse wagons required
11 to be registered under Section 3-809 of the Illinois Vehicle
12 Code, but excluding other motor vehicles required to be
13 registered under the Illinois Vehicle Code. Horticultural
14 polyhouses or hoop houses used for propagating, growing, or
15 overwintering plants shall be considered farm machinery and
16 equipment under this item (7). Agricultural chemical tender
17 tanks and dry boxes shall include units sold separately from a
18 motor vehicle required to be licensed and units sold mounted
19 on a motor vehicle required to be licensed if the selling price
20 of the tender is separately stated.

21 Farm machinery and equipment shall include precision
22 farming equipment that is installed or purchased to be
23 installed on farm machinery and equipment including, but not
24 limited to, tractors, harvesters, sprayers, planters, seeders,
25 or spreaders. Precision farming equipment includes, but is not
26 limited to, soil testing sensors, computers, monitors,

1 software, global positioning and mapping systems, and other
2 such equipment.

3 Farm machinery and equipment also includes computers,
4 sensors, software, and related equipment used primarily in the
5 computer-assisted operation of production agriculture
6 facilities, equipment, and activities such as, but not limited
7 to, the collection, monitoring, and correlation of animal and
8 crop data for the purpose of formulating animal diets and
9 agricultural chemicals. This item (7) is exempt from the
10 provisions of Section 3-75.

11 (8) Until June 30, 2013, fuel and petroleum products sold
12 to or used by an air common carrier, certified by the carrier
13 to be used for consumption, shipment, or storage in the
14 conduct of its business as an air common carrier, for a flight
15 destined for or returning from a location or locations outside
16 the United States without regard to previous or subsequent
17 domestic stopovers.

18 Beginning July 1, 2013, fuel and petroleum products sold
19 to or used by an air carrier, certified by the carrier to be
20 used for consumption, shipment, or storage in the conduct of
21 its business as an air common carrier, for a flight that (i) is
22 engaged in foreign trade or is engaged in trade between the
23 United States and any of its possessions and (ii) transports
24 at least one individual or package for hire from the city of
25 origination to the city of final destination on the same
26 aircraft, without regard to a change in the flight number of

1 that aircraft.

2 (9) Proceeds of mandatory service charges separately
3 stated on customers' bills for the purchase and consumption of
4 food and beverages acquired as an incident to the purchase of a
5 service from a serviceman, to the extent that the proceeds of
6 the service charge are in fact turned over as tips or as a
7 substitute for tips to the employees who participate directly
8 in preparing, serving, hosting or cleaning up the food or
9 beverage function with respect to which the service charge is
10 imposed.

11 (10) Until July 1, 2003, oil field exploration, drilling,
12 and production equipment, including (i) rigs and parts of
13 rigs, rotary rigs, cable tool rigs, and workover rigs, (ii)
14 pipe and tubular goods, including casing and drill strings,
15 (iii) pumps and pump-jack units, (iv) storage tanks and flow
16 lines, (v) any individual replacement part for oil field
17 exploration, drilling, and production equipment, and (vi)
18 machinery and equipment purchased for lease; but excluding
19 motor vehicles required to be registered under the Illinois
20 Vehicle Code.

21 (11) Proceeds from the sale of photoprocessing machinery
22 and equipment, including repair and replacement parts, both
23 new and used, including that manufactured on special order,
24 certified by the purchaser to be used primarily for
25 photoprocessing, and including photoprocessing machinery and
26 equipment purchased for lease.

1 (12) Until July 1, 2023, coal and aggregate exploration,
2 mining, off-highway hauling, processing, maintenance, and
3 reclamation equipment, including replacement parts and
4 equipment, and including equipment purchased for lease, but
5 excluding motor vehicles required to be registered under the
6 Illinois Vehicle Code. The changes made to this Section by
7 Public Act 97-767 apply on and after July 1, 2003, but no claim
8 for credit or refund is allowed on or after August 16, 2013
9 (the effective date of Public Act 98-456) for such taxes paid
10 during the period beginning July 1, 2003 and ending on August
11 16, 2013 (the effective date of Public Act 98-456).

12 (13) Semen used for artificial insemination of livestock
13 for direct agricultural production.

14 (14) Horses, or interests in horses, registered with and
15 meeting the requirements of any of the Arabian Horse Club
16 Registry of America, Appaloosa Horse Club, American Quarter
17 Horse Association, United States Trotting Association, or
18 Jockey Club, as appropriate, used for purposes of breeding or
19 racing for prizes. This item (14) is exempt from the
20 provisions of Section 3-75, and the exemption provided for
21 under this item (14) applies for all periods beginning May 30,
22 1995, but no claim for credit or refund is allowed on or after
23 January 1, 2008 (the effective date of Public Act 95-88) for
24 such taxes paid during the period beginning May 30, 2000 and
25 ending on January 1, 2008 (the effective date of Public Act
26 95-88).

1 (15) Computers and communications equipment utilized for
2 any hospital purpose and equipment used in the diagnosis,
3 analysis, or treatment of hospital patients purchased by a
4 lessor who leases the equipment, under a lease of one year or
5 longer executed or in effect at the time the lessor would
6 otherwise be subject to the tax imposed by this Act, to a
7 hospital that has been issued an active tax exemption
8 identification number by the Department under Section 1g of
9 the Retailers' Occupation Tax Act. If the equipment is leased
10 in a manner that does not qualify for this exemption or is used
11 in any other non-exempt manner, the lessor shall be liable for
12 the tax imposed under this Act or the Use Tax Act, as the case
13 may be, based on the fair market value of the property at the
14 time the non-qualifying use occurs. No lessor shall collect or
15 attempt to collect an amount (however designated) that
16 purports to reimburse that lessor for the tax imposed by this
17 Act or the Use Tax Act, as the case may be, if the tax has not
18 been paid by the lessor. If a lessor improperly collects any
19 such amount from the lessee, the lessee shall have a legal
20 right to claim a refund of that amount from the lessor. If,
21 however, that amount is not refunded to the lessee for any
22 reason, the lessor is liable to pay that amount to the
23 Department.

24 (16) Personal property purchased by a lessor who leases
25 the property, under a lease of one year or longer executed or
26 in effect at the time the lessor would otherwise be subject to

1 the tax imposed by this Act, to a governmental body that has
2 been issued an active tax exemption identification number by
3 the Department under Section 1g of the Retailers' Occupation
4 Tax Act. If the property is leased in a manner that does not
5 qualify for this exemption or is used in any other non-exempt
6 manner, the lessor shall be liable for the tax imposed under
7 this Act or the Use Tax Act, as the case may be, based on the
8 fair market value of the property at the time the
9 non-qualifying use occurs. No lessor shall collect or attempt
10 to collect an amount (however designated) that purports to
11 reimburse that lessor for the tax imposed by this Act or the
12 Use Tax Act, as the case may be, if the tax has not been paid
13 by the lessor. If a lessor improperly collects any such amount
14 from the lessee, the lessee shall have a legal right to claim a
15 refund of that amount from the lessor. If, however, that
16 amount is not refunded to the lessee for any reason, the lessor
17 is liable to pay that amount to the Department.

18 (17) Beginning with taxable years ending on or after
19 December 31, 1995 and ending with taxable years ending on or
20 before December 31, 2004, personal property that is donated
21 for disaster relief to be used in a State or federally declared
22 disaster area in Illinois or bordering Illinois by a
23 manufacturer or retailer that is registered in this State to a
24 corporation, society, association, foundation, or institution
25 that has been issued a sales tax exemption identification
26 number by the Department that assists victims of the disaster

1 who reside within the declared disaster area.

2 (18) Beginning with taxable years ending on or after
3 December 31, 1995 and ending with taxable years ending on or
4 before December 31, 2004, personal property that is used in
5 the performance of infrastructure repairs in this State,
6 including but not limited to municipal roads and streets,
7 access roads, bridges, sidewalks, waste disposal systems,
8 water and sewer line extensions, water distribution and
9 purification facilities, storm water drainage and retention
10 facilities, and sewage treatment facilities, resulting from a
11 State or federally declared disaster in Illinois or bordering
12 Illinois when such repairs are initiated on facilities located
13 in the declared disaster area within 6 months after the
14 disaster.

15 (19) Beginning July 1, 1999, game or game birds purchased
16 at a "game breeding and hunting preserve area" as that term is
17 used in the Wildlife Code. This paragraph is exempt from the
18 provisions of Section 3-75.

19 (20) A motor vehicle, as that term is defined in Section
20 1-146 of the Illinois Vehicle Code, that is donated to a
21 corporation, limited liability company, society, association,
22 foundation, or institution that is determined by the
23 Department to be organized and operated exclusively for
24 educational purposes. For purposes of this exemption, "a
25 corporation, limited liability company, society, association,
26 foundation, or institution organized and operated exclusively

1 for educational purposes" means all tax-supported public
2 schools, private schools that offer systematic instruction in
3 useful branches of learning by methods common to public
4 schools and that compare favorably in their scope and
5 intensity with the course of study presented in tax-supported
6 schools, and vocational or technical schools or institutes
7 organized and operated exclusively to provide a course of
8 study of not less than 6 weeks duration and designed to prepare
9 individuals to follow a trade or to pursue a manual,
10 technical, mechanical, industrial, business, or commercial
11 occupation.

12 (21) Beginning January 1, 2000, personal property,
13 including food, purchased through fundraising events for the
14 benefit of a public or private elementary or secondary school,
15 a group of those schools, or one or more school districts if
16 the events are sponsored by an entity recognized by the school
17 district that consists primarily of volunteers and includes
18 parents and teachers of the school children. This paragraph
19 does not apply to fundraising events (i) for the benefit of
20 private home instruction or (ii) for which the fundraising
21 entity purchases the personal property sold at the events from
22 another individual or entity that sold the property for the
23 purpose of resale by the fundraising entity and that profits
24 from the sale to the fundraising entity. This paragraph is
25 exempt from the provisions of Section 3-75.

26 (22) Beginning January 1, 2000 and through December 31,

1 2001, new or used automatic vending machines that prepare and
2 serve hot food and beverages, including coffee, soup, and
3 other items, and replacement parts for these machines.
4 Beginning January 1, 2002 and through June 30, 2003, machines
5 and parts for machines used in commercial, coin-operated
6 amusement and vending business if a use or occupation tax is
7 paid on the gross receipts derived from the use of the
8 commercial, coin-operated amusement and vending machines. This
9 paragraph is exempt from the provisions of Section 3-75.

10 (23) Beginning August 23, 2001 and through June 30, 2016,
11 food for human consumption that is to be consumed off the
12 premises where it is sold (other than alcoholic beverages,
13 soft drinks, and food that has been prepared for immediate
14 consumption) and prescription and nonprescription medicines,
15 drugs, medical appliances, and insulin, urine testing
16 materials, syringes, and needles used by diabetics, for human
17 use, when purchased for use by a person receiving medical
18 assistance under Article V of the Illinois Public Aid Code who
19 resides in a licensed long-term care facility, as defined in
20 the Nursing Home Care Act, or in a licensed facility as defined
21 in the ID/DD Community Care Act, the MC/DD Act, or the
22 Specialized Mental Health Rehabilitation Act of 2013.

23 (24) Beginning on August 2, 2001 (the effective date of
24 Public Act 92-227), computers and communications equipment
25 utilized for any hospital purpose and equipment used in the
26 diagnosis, analysis, or treatment of hospital patients

1 purchased by a lessor who leases the equipment, under a lease
2 of one year or longer executed or in effect at the time the
3 lessor would otherwise be subject to the tax imposed by this
4 Act, to a hospital that has been issued an active tax exemption
5 identification number by the Department under Section 1g of
6 the Retailers' Occupation Tax Act. If the equipment is leased
7 in a manner that does not qualify for this exemption or is used
8 in any other nonexempt manner, the lessor shall be liable for
9 the tax imposed under this Act or the Use Tax Act, as the case
10 may be, based on the fair market value of the property at the
11 time the nonqualifying use occurs. No lessor shall collect or
12 attempt to collect an amount (however designated) that
13 purports to reimburse that lessor for the tax imposed by this
14 Act or the Use Tax Act, as the case may be, if the tax has not
15 been paid by the lessor. If a lessor improperly collects any
16 such amount from the lessee, the lessee shall have a legal
17 right to claim a refund of that amount from the lessor. If,
18 however, that amount is not refunded to the lessee for any
19 reason, the lessor is liable to pay that amount to the
20 Department. This paragraph is exempt from the provisions of
21 Section 3-75.

22 (25) Beginning on August 2, 2001 (the effective date of
23 Public Act 92-227), personal property purchased by a lessor
24 who leases the property, under a lease of one year or longer
25 executed or in effect at the time the lessor would otherwise be
26 subject to the tax imposed by this Act, to a governmental body

1 that has been issued an active tax exemption identification
2 number by the Department under Section 1g of the Retailers'
3 Occupation Tax Act. If the property is leased in a manner that
4 does not qualify for this exemption or is used in any other
5 nonexempt manner, the lessor shall be liable for the tax
6 imposed under this Act or the Use Tax Act, as the case may be,
7 based on the fair market value of the property at the time the
8 nonqualifying use occurs. No lessor shall collect or attempt
9 to collect an amount (however designated) that purports to
10 reimburse that lessor for the tax imposed by this Act or the
11 Use Tax Act, as the case may be, if the tax has not been paid
12 by the lessor. If a lessor improperly collects any such amount
13 from the lessee, the lessee shall have a legal right to claim a
14 refund of that amount from the lessor. If, however, that
15 amount is not refunded to the lessee for any reason, the lessor
16 is liable to pay that amount to the Department. This paragraph
17 is exempt from the provisions of Section 3-75.

18 (26) Beginning January 1, 2008, tangible personal property
19 used in the construction or maintenance of a community water
20 supply, as defined under Section 3.145 of the Environmental
21 Protection Act, that is operated by a not-for-profit
22 corporation that holds a valid water supply permit issued
23 under Title IV of the Environmental Protection Act. This
24 paragraph is exempt from the provisions of Section 3-75.

25 (27) Beginning January 1, 2010 and continuing through
26 December 31, 2024, materials, parts, equipment, components,

1 and furnishings incorporated into or upon an aircraft as part
2 of the modification, refurbishment, completion, replacement,
3 repair, or maintenance of the aircraft. This exemption
4 includes consumable supplies used in the modification,
5 refurbishment, completion, replacement, repair, and
6 maintenance of aircraft, but excludes any materials, parts,
7 equipment, components, and consumable supplies used in the
8 modification, replacement, repair, and maintenance of aircraft
9 engines or power plants, whether such engines or power plants
10 are installed or uninstalled upon any such aircraft.
11 "Consumable supplies" include, but are not limited to,
12 adhesive, tape, sandpaper, general purpose lubricants,
13 cleaning solution, latex gloves, and protective films. This
14 exemption applies only to the use of qualifying tangible
15 personal property transferred incident to the modification,
16 refurbishment, completion, replacement, repair, or maintenance
17 of aircraft by persons who (i) hold an Air Agency Certificate
18 and are empowered to operate an approved repair station by the
19 Federal Aviation Administration, (ii) have a Class IV Rating,
20 and (iii) conduct operations in accordance with Part 145 of
21 the Federal Aviation Regulations. The exemption does not
22 include aircraft operated by a commercial air carrier
23 providing scheduled passenger air service pursuant to
24 authority issued under Part 121 or Part 129 of the Federal
25 Aviation Regulations. The changes made to this paragraph (27)
26 by Public Act 98-534 are declarative of existing law. It is the

1 intent of the General Assembly that the exemption under this
2 paragraph (27) applies continuously from January 1, 2010
3 through December 31, 2024; however, no claim for credit or
4 refund is allowed for taxes paid as a result of the
5 disallowance of this exemption on or after January 1, 2015 and
6 prior to the effective date of this amendatory Act of the 101st
7 General Assembly.

8 (28) Tangible personal property purchased by a
9 public-facilities corporation, as described in Section
10 11-65-10 of the Illinois Municipal Code, for purposes of
11 constructing or furnishing a municipal convention hall, but
12 only if the legal title to the municipal convention hall is
13 transferred to the municipality without any further
14 consideration by or on behalf of the municipality at the time
15 of the completion of the municipal convention hall or upon the
16 retirement or redemption of any bonds or other debt
17 instruments issued by the public-facilities corporation in
18 connection with the development of the municipal convention
19 hall. This exemption includes existing public-facilities
20 corporations as provided in Section 11-65-25 of the Illinois
21 Municipal Code. This paragraph is exempt from the provisions
22 of Section 3-75.

23 (29) Beginning January 1, 2017 and through December 31,
24 2026, menstrual pads, tampons, and menstrual cups.

25 (30) Tangible personal property transferred to a purchaser
26 who is exempt from the tax imposed by this Act by operation of

1 federal law. This paragraph is exempt from the provisions of
2 Section 3-75.

3 (31) Qualified tangible personal property used in the
4 construction or operation of a data center that has been
5 granted a certificate of exemption by the Department of
6 Commerce and Economic Opportunity, whether that tangible
7 personal property is purchased by the owner, operator, or
8 tenant of the data center or by a contractor or subcontractor
9 of the owner, operator, or tenant. Data centers that would
10 have qualified for a certificate of exemption prior to January
11 1, 2020 had this amendatory Act of the 101st General Assembly
12 been in effect, may apply for and obtain an exemption for
13 subsequent purchases of computer equipment or enabling
14 software purchased or leased to upgrade, supplement, or
15 replace computer equipment or enabling software purchased or
16 leased in the original investment that would have qualified.

17 The Department of Commerce and Economic Opportunity shall
18 grant a certificate of exemption under this item (31) to
19 qualified data centers as defined by Section 605-1025 of the
20 Department of Commerce and Economic Opportunity Law of the
21 Civil Administrative Code of Illinois.

22 For the purposes of this item (31):

23 "Data center" means a building or a series of
24 buildings rehabilitated or constructed to house working
25 servers in one physical location or multiple sites within
26 the State of Illinois.

1 "Qualified tangible personal property" means:
2 electrical systems and equipment; climate control and
3 chilling equipment and systems; mechanical systems and
4 equipment; monitoring and secure systems; emergency
5 generators; hardware; computers; servers; data storage
6 devices; network connectivity equipment; racks; cabinets;
7 telecommunications cabling infrastructure; raised floor
8 systems; peripheral components or systems; software;
9 mechanical, electrical, or plumbing systems; battery
10 systems; cooling systems and towers; temperature control
11 systems; other cabling; and other data center
12 infrastructure equipment and systems necessary to operate
13 qualified tangible personal property, including fixtures;
14 and component parts of any of the foregoing, including
15 installation, maintenance, repair, refurbishment, and
16 replacement of qualified tangible personal property to
17 generate, transform, transmit, distribute, or manage
18 electricity necessary to operate qualified tangible
19 personal property; and all other tangible personal
20 property that is essential to the operations of a computer
21 data center. The term "qualified tangible personal
22 property" also includes building materials physically
23 incorporated in to the qualifying data center. To document
24 the exemption allowed under this Section, the retailer
25 must obtain from the purchaser a copy of the certificate
26 of eligibility issued by the Department of Commerce and

1 Economic Opportunity.

2 This item (31) is exempt from the provisions of Section
3 3-75.

4 (32) Beginning July 1, 2022, breast pumps, breast pump
5 collection and storage supplies, and breast pump kits. This
6 item (32) is exempt from the provisions of Section 3-75.

7 As used in this item (32), "breast pump" means an
8 electrically or manually-controlled pump device designed or
9 marketed to be used to express milk from a human breast during
10 lactation, including the pump device and any battery, AC
11 adapter, or other power supply unit packaged and sold with the
12 pump device at the time of sale to power the pump device.

13 "Breast pump collection and storage supplies" means items
14 of tangible personal property designed or marketed to be used
15 in conjunction with a breast pump to collect milk expressed
16 from a human breast and to store collected milk until it is
17 ready for consumption. "Breast pump collection and storage
18 supplies" includes, but is not limited to: breast shields and
19 breast shield connectors; breast pump tubes and tubing
20 adapters; breast pump valves and membranes; backflow
21 protectors and backflow protector adaptors; bottles and bottle
22 caps specific to the operation of the breast pump; breast milk
23 storage bags; and other items that may be useful to initiate,
24 support, or sustain breast-feeding using a breast pump during
25 lactation that may be sold separately but are generally sold
26 as part of a breast pump kit.

1 "Breast pump collection and storage supplies" does not
2 include: (1) bottles and bottle caps not specific to the
3 operation of the breast pump, (2) breast pump travel bags and
4 other similar carrying accessories, including ice packs,
5 labels, and other similar products; (3) breast pump cleaning
6 supplies; (4) nursing bras, bra pads, breast shells, and other
7 similar products; and (5) creams, ointments, and other similar
8 products that relieve breastfeeding-related symptoms or
9 conditions of the breasts or nipples, unless sold as part of a
10 breast pump kit pre-packaged by the breast pump manufacturer
11 or distributor.

12 "Breast pump kit" means a kit that contains a breast pump
13 and breast pump collection and storage supplies or other
14 taxable items of tangible personal property that may be useful
15 to initiate, support, or sustain breastfeeding using a breast
16 pump during lactation, so long as the other taxable items of
17 tangible personal property sold with the breast pump kit at
18 the time of sale are less than 10% of the total sales price of
19 the breast pump kit.

20 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;
21 101-629, eff. 2-5-20; 102-16, eff. 6-17-21.)

22 Section 15. The Service Occupation Tax Act is amended by
23 changing Section 3-5 as follows:

24 (35 ILCS 115/3-5)

1 Sec. 3-5. Exemptions. The following tangible personal
2 property is exempt from the tax imposed by this Act:

3 (1) Personal property sold by a corporation, society,
4 association, foundation, institution, or organization, other
5 than a limited liability company, that is organized and
6 operated as a not-for-profit service enterprise for the
7 benefit of persons 65 years of age or older if the personal
8 property was not purchased by the enterprise for the purpose
9 of resale by the enterprise.

10 (2) Personal property purchased by a not-for-profit
11 Illinois county fair association for use in conducting,
12 operating, or promoting the county fair.

13 (3) Personal property purchased by any not-for-profit arts
14 or cultural organization that establishes, by proof required
15 by the Department by rule, that it has received an exemption
16 under Section 501(c)(3) of the Internal Revenue Code and that
17 is organized and operated primarily for the presentation or
18 support of arts or cultural programming, activities, or
19 services. These organizations include, but are not limited to,
20 music and dramatic arts organizations such as symphony
21 orchestras and theatrical groups, arts and cultural service
22 organizations, local arts councils, visual arts organizations,
23 and media arts organizations. On and after July 1, 2001 (the
24 effective date of Public Act 92-35), however, an entity
25 otherwise eligible for this exemption shall not make tax-free
26 purchases unless it has an active identification number issued

1 by the Department.

2 (4) Legal tender, currency, medallions, or gold or silver
3 coinage issued by the State of Illinois, the government of the
4 United States of America, or the government of any foreign
5 country, and bullion.

6 (5) Until July 1, 2003 and beginning again on September 1,
7 2004 through August 30, 2014, graphic arts machinery and
8 equipment, including repair and replacement parts, both new
9 and used, and including that manufactured on special order or
10 purchased for lease, certified by the purchaser to be used
11 primarily for graphic arts production. Equipment includes
12 chemicals or chemicals acting as catalysts but only if the
13 chemicals or chemicals acting as catalysts effect a direct and
14 immediate change upon a graphic arts product. Beginning on
15 July 1, 2017, graphic arts machinery and equipment is included
16 in the manufacturing and assembling machinery and equipment
17 exemption under Section 2 of this Act.

18 (6) Personal property sold by a teacher-sponsored student
19 organization affiliated with an elementary or secondary school
20 located in Illinois.

21 (7) Farm machinery and equipment, both new and used,
22 including that manufactured on special order, certified by the
23 purchaser to be used primarily for production agriculture or
24 State or federal agricultural programs, including individual
25 replacement parts for the machinery and equipment, including
26 machinery and equipment purchased for lease, and including

1 implements of husbandry defined in Section 1-130 of the
2 Illinois Vehicle Code, farm machinery and agricultural
3 chemical and fertilizer spreaders, and nurse wagons required
4 to be registered under Section 3-809 of the Illinois Vehicle
5 Code, but excluding other motor vehicles required to be
6 registered under the Illinois Vehicle Code. Horticultural
7 polyhouses or hoop houses used for propagating, growing, or
8 overwintering plants shall be considered farm machinery and
9 equipment under this item (7). Agricultural chemical tender
10 tanks and dry boxes shall include units sold separately from a
11 motor vehicle required to be licensed and units sold mounted
12 on a motor vehicle required to be licensed if the selling price
13 of the tender is separately stated.

14 Farm machinery and equipment shall include precision
15 farming equipment that is installed or purchased to be
16 installed on farm machinery and equipment including, but not
17 limited to, tractors, harvesters, sprayers, planters, seeders,
18 or spreaders. Precision farming equipment includes, but is not
19 limited to, soil testing sensors, computers, monitors,
20 software, global positioning and mapping systems, and other
21 such equipment.

22 Farm machinery and equipment also includes computers,
23 sensors, software, and related equipment used primarily in the
24 computer-assisted operation of production agriculture
25 facilities, equipment, and activities such as, but not limited
26 to, the collection, monitoring, and correlation of animal and

1 crop data for the purpose of formulating animal diets and
2 agricultural chemicals. This item (7) is exempt from the
3 provisions of Section 3-55.

4 (8) Until June 30, 2013, fuel and petroleum products sold
5 to or used by an air common carrier, certified by the carrier
6 to be used for consumption, shipment, or storage in the
7 conduct of its business as an air common carrier, for a flight
8 destined for or returning from a location or locations outside
9 the United States without regard to previous or subsequent
10 domestic stopovers.

11 Beginning July 1, 2013, fuel and petroleum products sold
12 to or used by an air carrier, certified by the carrier to be
13 used for consumption, shipment, or storage in the conduct of
14 its business as an air common carrier, for a flight that (i) is
15 engaged in foreign trade or is engaged in trade between the
16 United States and any of its possessions and (ii) transports
17 at least one individual or package for hire from the city of
18 origination to the city of final destination on the same
19 aircraft, without regard to a change in the flight number of
20 that aircraft.

21 (9) Proceeds of mandatory service charges separately
22 stated on customers' bills for the purchase and consumption of
23 food and beverages, to the extent that the proceeds of the
24 service charge are in fact turned over as tips or as a
25 substitute for tips to the employees who participate directly
26 in preparing, serving, hosting or cleaning up the food or

1 beverage function with respect to which the service charge is
2 imposed.

3 (10) Until July 1, 2003, oil field exploration, drilling,
4 and production equipment, including (i) rigs and parts of
5 rigs, rotary rigs, cable tool rigs, and workover rigs, (ii)
6 pipe and tubular goods, including casing and drill strings,
7 (iii) pumps and pump-jack units, (iv) storage tanks and flow
8 lines, (v) any individual replacement part for oil field
9 exploration, drilling, and production equipment, and (vi)
10 machinery and equipment purchased for lease; but excluding
11 motor vehicles required to be registered under the Illinois
12 Vehicle Code.

13 (11) Photoprocessing machinery and equipment, including
14 repair and replacement parts, both new and used, including
15 that manufactured on special order, certified by the purchaser
16 to be used primarily for photoprocessing, and including
17 photoprocessing machinery and equipment purchased for lease.

18 (12) Until July 1, 2023, coal and aggregate exploration,
19 mining, off-highway hauling, processing, maintenance, and
20 reclamation equipment, including replacement parts and
21 equipment, and including equipment purchased for lease, but
22 excluding motor vehicles required to be registered under the
23 Illinois Vehicle Code. The changes made to this Section by
24 Public Act 97-767 apply on and after July 1, 2003, but no claim
25 for credit or refund is allowed on or after August 16, 2013
26 (the effective date of Public Act 98-456) for such taxes paid

1 during the period beginning July 1, 2003 and ending on August
2 16, 2013 (the effective date of Public Act 98-456).

3 (13) Beginning January 1, 1992 and through June 30, 2016,
4 food for human consumption that is to be consumed off the
5 premises where it is sold (other than alcoholic beverages,
6 soft drinks and food that has been prepared for immediate
7 consumption) and prescription and non-prescription medicines,
8 drugs, medical appliances, and insulin, urine testing
9 materials, syringes, and needles used by diabetics, for human
10 use, when purchased for use by a person receiving medical
11 assistance under Article V of the Illinois Public Aid Code who
12 resides in a licensed long-term care facility, as defined in
13 the Nursing Home Care Act, or in a licensed facility as defined
14 in the ID/DD Community Care Act, the MC/DD Act, or the
15 Specialized Mental Health Rehabilitation Act of 2013.

16 (14) Semen used for artificial insemination of livestock
17 for direct agricultural production.

18 (15) Horses, or interests in horses, registered with and
19 meeting the requirements of any of the Arabian Horse Club
20 Registry of America, Appaloosa Horse Club, American Quarter
21 Horse Association, United States Trotting Association, or
22 Jockey Club, as appropriate, used for purposes of breeding or
23 racing for prizes. This item (15) is exempt from the
24 provisions of Section 3-55, and the exemption provided for
25 under this item (15) applies for all periods beginning May 30,
26 1995, but no claim for credit or refund is allowed on or after

1 January 1, 2008 (the effective date of Public Act 95-88) for
2 such taxes paid during the period beginning May 30, 2000 and
3 ending on January 1, 2008 (the effective date of Public Act
4 95-88).

5 (16) Computers and communications equipment utilized for
6 any hospital purpose and equipment used in the diagnosis,
7 analysis, or treatment of hospital patients sold to a lessor
8 who leases the equipment, under a lease of one year or longer
9 executed or in effect at the time of the purchase, to a
10 hospital that has been issued an active tax exemption
11 identification number by the Department under Section 1g of
12 the Retailers' Occupation Tax Act.

13 (17) Personal property sold to a lessor who leases the
14 property, under a lease of one year or longer executed or in
15 effect at the time of the purchase, to a governmental body that
16 has been issued an active tax exemption identification number
17 by the Department under Section 1g of the Retailers'
18 Occupation Tax Act.

19 (18) Beginning with taxable years ending on or after
20 December 31, 1995 and ending with taxable years ending on or
21 before December 31, 2004, personal property that is donated
22 for disaster relief to be used in a State or federally declared
23 disaster area in Illinois or bordering Illinois by a
24 manufacturer or retailer that is registered in this State to a
25 corporation, society, association, foundation, or institution
26 that has been issued a sales tax exemption identification

1 number by the Department that assists victims of the disaster
2 who reside within the declared disaster area.

3 (19) Beginning with taxable years ending on or after
4 December 31, 1995 and ending with taxable years ending on or
5 before December 31, 2004, personal property that is used in
6 the performance of infrastructure repairs in this State,
7 including but not limited to municipal roads and streets,
8 access roads, bridges, sidewalks, waste disposal systems,
9 water and sewer line extensions, water distribution and
10 purification facilities, storm water drainage and retention
11 facilities, and sewage treatment facilities, resulting from a
12 State or federally declared disaster in Illinois or bordering
13 Illinois when such repairs are initiated on facilities located
14 in the declared disaster area within 6 months after the
15 disaster.

16 (20) Beginning July 1, 1999, game or game birds sold at a
17 "game breeding and hunting preserve area" as that term is used
18 in the Wildlife Code. This paragraph is exempt from the
19 provisions of Section 3-55.

20 (21) A motor vehicle, as that term is defined in Section
21 1-146 of the Illinois Vehicle Code, that is donated to a
22 corporation, limited liability company, society, association,
23 foundation, or institution that is determined by the
24 Department to be organized and operated exclusively for
25 educational purposes. For purposes of this exemption, "a
26 corporation, limited liability company, society, association,

1 foundation, or institution organized and operated exclusively
2 for educational purposes" means all tax-supported public
3 schools, private schools that offer systematic instruction in
4 useful branches of learning by methods common to public
5 schools and that compare favorably in their scope and
6 intensity with the course of study presented in tax-supported
7 schools, and vocational or technical schools or institutes
8 organized and operated exclusively to provide a course of
9 study of not less than 6 weeks duration and designed to prepare
10 individuals to follow a trade or to pursue a manual,
11 technical, mechanical, industrial, business, or commercial
12 occupation.

13 (22) Beginning January 1, 2000, personal property,
14 including food, purchased through fundraising events for the
15 benefit of a public or private elementary or secondary school,
16 a group of those schools, or one or more school districts if
17 the events are sponsored by an entity recognized by the school
18 district that consists primarily of volunteers and includes
19 parents and teachers of the school children. This paragraph
20 does not apply to fundraising events (i) for the benefit of
21 private home instruction or (ii) for which the fundraising
22 entity purchases the personal property sold at the events from
23 another individual or entity that sold the property for the
24 purpose of resale by the fundraising entity and that profits
25 from the sale to the fundraising entity. This paragraph is
26 exempt from the provisions of Section 3-55.

1 (23) Beginning January 1, 2000 and through December 31,
2 2001, new or used automatic vending machines that prepare and
3 serve hot food and beverages, including coffee, soup, and
4 other items, and replacement parts for these machines.
5 Beginning January 1, 2002 and through June 30, 2003, machines
6 and parts for machines used in commercial, coin-operated
7 amusement and vending business if a use or occupation tax is
8 paid on the gross receipts derived from the use of the
9 commercial, coin-operated amusement and vending machines. This
10 paragraph is exempt from the provisions of Section 3-55.

11 (24) Beginning on August 2, 2001 (the effective date of
12 Public Act 92-227), computers and communications equipment
13 utilized for any hospital purpose and equipment used in the
14 diagnosis, analysis, or treatment of hospital patients sold to
15 a lessor who leases the equipment, under a lease of one year or
16 longer executed or in effect at the time of the purchase, to a
17 hospital that has been issued an active tax exemption
18 identification number by the Department under Section 1g of
19 the Retailers' Occupation Tax Act. This paragraph is exempt
20 from the provisions of Section 3-55.

21 (25) Beginning on August 2, 2001 (the effective date of
22 Public Act 92-227), personal property sold to a lessor who
23 leases the property, under a lease of one year or longer
24 executed or in effect at the time of the purchase, to a
25 governmental body that has been issued an active tax exemption
26 identification number by the Department under Section 1g of

1 the Retailers' Occupation Tax Act. This paragraph is exempt
2 from the provisions of Section 3-55.

3 (26) Beginning on January 1, 2002 and through June 30,
4 2016, tangible personal property purchased from an Illinois
5 retailer by a taxpayer engaged in centralized purchasing
6 activities in Illinois who will, upon receipt of the property
7 in Illinois, temporarily store the property in Illinois (i)
8 for the purpose of subsequently transporting it outside this
9 State for use or consumption thereafter solely outside this
10 State or (ii) for the purpose of being processed, fabricated,
11 or manufactured into, attached to, or incorporated into other
12 tangible personal property to be transported outside this
13 State and thereafter used or consumed solely outside this
14 State. The Director of Revenue shall, pursuant to rules
15 adopted in accordance with the Illinois Administrative
16 Procedure Act, issue a permit to any taxpayer in good standing
17 with the Department who is eligible for the exemption under
18 this paragraph (26). The permit issued under this paragraph
19 (26) shall authorize the holder, to the extent and in the
20 manner specified in the rules adopted under this Act, to
21 purchase tangible personal property from a retailer exempt
22 from the taxes imposed by this Act. Taxpayers shall maintain
23 all necessary books and records to substantiate the use and
24 consumption of all such tangible personal property outside of
25 the State of Illinois.

26 (27) Beginning January 1, 2008, tangible personal property

1 used in the construction or maintenance of a community water
2 supply, as defined under Section 3.145 of the Environmental
3 Protection Act, that is operated by a not-for-profit
4 corporation that holds a valid water supply permit issued
5 under Title IV of the Environmental Protection Act. This
6 paragraph is exempt from the provisions of Section 3-55.

7 (28) Tangible personal property sold to a
8 public-facilities corporation, as described in Section
9 11-65-10 of the Illinois Municipal Code, for purposes of
10 constructing or furnishing a municipal convention hall, but
11 only if the legal title to the municipal convention hall is
12 transferred to the municipality without any further
13 consideration by or on behalf of the municipality at the time
14 of the completion of the municipal convention hall or upon the
15 retirement or redemption of any bonds or other debt
16 instruments issued by the public-facilities corporation in
17 connection with the development of the municipal convention
18 hall. This exemption includes existing public-facilities
19 corporations as provided in Section 11-65-25 of the Illinois
20 Municipal Code. This paragraph is exempt from the provisions
21 of Section 3-55.

22 (29) Beginning January 1, 2010 and continuing through
23 December 31, 2024, materials, parts, equipment, components,
24 and furnishings incorporated into or upon an aircraft as part
25 of the modification, refurbishment, completion, replacement,
26 repair, or maintenance of the aircraft. This exemption

1 includes consumable supplies used in the modification,
2 refurbishment, completion, replacement, repair, and
3 maintenance of aircraft, but excludes any materials, parts,
4 equipment, components, and consumable supplies used in the
5 modification, replacement, repair, and maintenance of aircraft
6 engines or power plants, whether such engines or power plants
7 are installed or uninstalled upon any such aircraft.
8 "Consumable supplies" include, but are not limited to,
9 adhesive, tape, sandpaper, general purpose lubricants,
10 cleaning solution, latex gloves, and protective films. This
11 exemption applies only to the transfer of qualifying tangible
12 personal property incident to the modification, refurbishment,
13 completion, replacement, repair, or maintenance of an aircraft
14 by persons who (i) hold an Air Agency Certificate and are
15 empowered to operate an approved repair station by the Federal
16 Aviation Administration, (ii) have a Class IV Rating, and
17 (iii) conduct operations in accordance with Part 145 of the
18 Federal Aviation Regulations. The exemption does not include
19 aircraft operated by a commercial air carrier providing
20 scheduled passenger air service pursuant to authority issued
21 under Part 121 or Part 129 of the Federal Aviation
22 Regulations. The changes made to this paragraph (29) by Public
23 Act 98-534 are declarative of existing law. It is the intent of
24 the General Assembly that the exemption under this paragraph
25 (29) applies continuously from January 1, 2010 through
26 December 31, 2024; however, no claim for credit or refund is

1 allowed for taxes paid as a result of the disallowance of this
2 exemption on or after January 1, 2015 and prior to the
3 effective date of this amendatory Act of the 101st General
4 Assembly.

5 (30) Beginning January 1, 2017 and through December 31,
6 2026, menstrual pads, tampons, and menstrual cups.

7 (31) Tangible personal property transferred to a purchaser
8 who is exempt from tax by operation of federal law. This
9 paragraph is exempt from the provisions of Section 3-55.

10 (32) Qualified tangible personal property used in the
11 construction or operation of a data center that has been
12 granted a certificate of exemption by the Department of
13 Commerce and Economic Opportunity, whether that tangible
14 personal property is purchased by the owner, operator, or
15 tenant of the data center or by a contractor or subcontractor
16 of the owner, operator, or tenant. Data centers that would
17 have qualified for a certificate of exemption prior to January
18 1, 2020 had this amendatory Act of the 101st General Assembly
19 been in effect, may apply for and obtain an exemption for
20 subsequent purchases of computer equipment or enabling
21 software purchased or leased to upgrade, supplement, or
22 replace computer equipment or enabling software purchased or
23 leased in the original investment that would have qualified.

24 The Department of Commerce and Economic Opportunity shall
25 grant a certificate of exemption under this item (32) to
26 qualified data centers as defined by Section 605-1025 of the

1 Department of Commerce and Economic Opportunity Law of the
2 Civil Administrative Code of Illinois.

3 For the purposes of this item (32):

4 "Data center" means a building or a series of
5 buildings rehabilitated or constructed to house working
6 servers in one physical location or multiple sites within
7 the State of Illinois.

8 "Qualified tangible personal property" means:
9 electrical systems and equipment; climate control and
10 chilling equipment and systems; mechanical systems and
11 equipment; monitoring and secure systems; emergency
12 generators; hardware; computers; servers; data storage
13 devices; network connectivity equipment; racks; cabinets;
14 telecommunications cabling infrastructure; raised floor
15 systems; peripheral components or systems; software;
16 mechanical, electrical, or plumbing systems; battery
17 systems; cooling systems and towers; temperature control
18 systems; other cabling; and other data center
19 infrastructure equipment and systems necessary to operate
20 qualified tangible personal property, including fixtures;
21 and component parts of any of the foregoing, including
22 installation, maintenance, repair, refurbishment, and
23 replacement of qualified tangible personal property to
24 generate, transform, transmit, distribute, or manage
25 electricity necessary to operate qualified tangible
26 personal property; and all other tangible personal

1 property that is essential to the operations of a computer
2 data center. The term "qualified tangible personal
3 property" also includes building materials physically
4 incorporated in to the qualifying data center. To document
5 the exemption allowed under this Section, the retailer
6 must obtain from the purchaser a copy of the certificate
7 of eligibility issued by the Department of Commerce and
8 Economic Opportunity.

9 This item (32) is exempt from the provisions of Section
10 3-55.

11 (33) Beginning July 1, 2022, breast pumps, breast pump
12 collection and storage supplies, and breast pump kits. This
13 item (33) is exempt from the provisions of Section 3-55.

14 As used in this item (33), "breast pump" means an
15 electrically or manually-controlled pump device designed or
16 marketed to be used to express milk from a human breast during
17 lactation, including the pump device and any battery, AC
18 adapter, or other power supply unit packaged and sold with the
19 pump device at the time of sale to power the pump device.

20 "Breast pump collection and storage supplies" means items
21 of tangible personal property designed or marketed to be used
22 in conjunction with a breast pump to collect milk expressed
23 from a human breast and to store collected milk until it is
24 ready for consumption. "Breast pump collection and storage
25 supplies" includes, but is not limited to: breast shields and
26 breast shield connectors; breast pump tubes and tubing

1 adapters; breast pump valves and membranes; backflow
2 protectors and backflow protector adaptors; bottles and bottle
3 caps specific to the operation of the breast pump; breast milk
4 storage bags; and other items that may be useful to initiate,
5 support, or sustain breast-feeding using a breast pump during
6 lactation that may be sold separately but are generally sold
7 as part of a breast pump kit.

8 "Breast pump collection and storage supplies" does not
9 include: (1) bottles and bottle caps not specific to the
10 operation of the breast pump, (2) breast pump travel bags and
11 other similar carrying accessories, including ice packs,
12 labels, and other similar products; (3) breast pump cleaning
13 supplies; (4) nursing bras, bra pads, breast shells, and other
14 similar products; and (5) creams, ointments, and other similar
15 products that relieve breastfeeding-related symptoms or
16 conditions of the breasts or nipples, unless sold as part of a
17 breast pump kit pre-packaged by the breast pump manufacturer
18 or distributor.

19 "Breast pump kit" means a kit that contains a breast pump
20 and breast pump collection and storage supplies or other
21 taxable items of tangible personal property that may be useful
22 to initiate, support, or sustain breastfeeding using a breast
23 pump during lactation, so long as the other taxable items of
24 tangible personal property sold with the breast pump kit at
25 the time of sale are less than 10% of the total sales price of
26 the breast pump kit.

1 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;
2 101-629, eff. 2-5-20; 102-16, eff. 6-17-21.)

3 Section 20. The Retailers' Occupation Tax Act is amended
4 by changing Section 2-5 as follows:

5 (35 ILCS 120/2-5)

6 Sec. 2-5. Exemptions. Gross receipts from proceeds from
7 the sale of the following tangible personal property are
8 exempt from the tax imposed by this Act:

9 (1) Farm chemicals.

10 (2) Farm machinery and equipment, both new and used,
11 including that manufactured on special order, certified by
12 the purchaser to be used primarily for production
13 agriculture or State or federal agricultural programs,
14 including individual replacement parts for the machinery
15 and equipment, including machinery and equipment purchased
16 for lease, and including implements of husbandry defined
17 in Section 1-130 of the Illinois Vehicle Code, farm
18 machinery and agricultural chemical and fertilizer
19 spreaders, and nurse wagons required to be registered
20 under Section 3-809 of the Illinois Vehicle Code, but
21 excluding other motor vehicles required to be registered
22 under the Illinois Vehicle Code. Horticultural polyhouses
23 or hoop houses used for propagating, growing, or
24 overwintering plants shall be considered farm machinery

1 and equipment under this item (2). Agricultural chemical
2 tender tanks and dry boxes shall include units sold
3 separately from a motor vehicle required to be licensed
4 and units sold mounted on a motor vehicle required to be
5 licensed, if the selling price of the tender is separately
6 stated.

7 Farm machinery and equipment shall include precision
8 farming equipment that is installed or purchased to be
9 installed on farm machinery and equipment including, but
10 not limited to, tractors, harvesters, sprayers, planters,
11 seeders, or spreaders. Precision farming equipment
12 includes, but is not limited to, soil testing sensors,
13 computers, monitors, software, global positioning and
14 mapping systems, and other such equipment.

15 Farm machinery and equipment also includes computers,
16 sensors, software, and related equipment used primarily in
17 the computer-assisted operation of production agriculture
18 facilities, equipment, and activities such as, but not
19 limited to, the collection, monitoring, and correlation of
20 animal and crop data for the purpose of formulating animal
21 diets and agricultural chemicals. This item (2) is exempt
22 from the provisions of Section 2-70.

23 (3) Until July 1, 2003, distillation machinery and
24 equipment, sold as a unit or kit, assembled or installed
25 by the retailer, certified by the user to be used only for
26 the production of ethyl alcohol that will be used for

1 consumption as motor fuel or as a component of motor fuel
2 for the personal use of the user, and not subject to sale
3 or resale.

4 (4) Until July 1, 2003 and beginning again September
5 1, 2004 through August 30, 2014, graphic arts machinery
6 and equipment, including repair and replacement parts,
7 both new and used, and including that manufactured on
8 special order or purchased for lease, certified by the
9 purchaser to be used primarily for graphic arts
10 production. Equipment includes chemicals or chemicals
11 acting as catalysts but only if the chemicals or chemicals
12 acting as catalysts effect a direct and immediate change
13 upon a graphic arts product. Beginning on July 1, 2017,
14 graphic arts machinery and equipment is included in the
15 manufacturing and assembling machinery and equipment
16 exemption under paragraph (14).

17 (5) A motor vehicle that is used for automobile
18 renting, as defined in the Automobile Renting Occupation
19 and Use Tax Act. This paragraph is exempt from the
20 provisions of Section 2-70.

21 (6) Personal property sold by a teacher-sponsored
22 student organization affiliated with an elementary or
23 secondary school located in Illinois.

24 (7) Until July 1, 2003, proceeds of that portion of
25 the selling price of a passenger car the sale of which is
26 subject to the Replacement Vehicle Tax.

1 (8) Personal property sold to an Illinois county fair
2 association for use in conducting, operating, or promoting
3 the county fair.

4 (9) Personal property sold to a not-for-profit arts or
5 cultural organization that establishes, by proof required
6 by the Department by rule, that it has received an
7 exemption under Section 501(c)(3) of the Internal Revenue
8 Code and that is organized and operated primarily for the
9 presentation or support of arts or cultural programming,
10 activities, or services. These organizations include, but
11 are not limited to, music and dramatic arts organizations
12 such as symphony orchestras and theatrical groups, arts
13 and cultural service organizations, local arts councils,
14 visual arts organizations, and media arts organizations.
15 On and after July 1, 2001 (the effective date of Public Act
16 92-35), however, an entity otherwise eligible for this
17 exemption shall not make tax-free purchases unless it has
18 an active identification number issued by the Department.

19 (10) Personal property sold by a corporation, society,
20 association, foundation, institution, or organization,
21 other than a limited liability company, that is organized
22 and operated as a not-for-profit service enterprise for
23 the benefit of persons 65 years of age or older if the
24 personal property was not purchased by the enterprise for
25 the purpose of resale by the enterprise.

26 (11) Personal property sold to a governmental body, to

1 a corporation, society, association, foundation, or
2 institution organized and operated exclusively for
3 charitable, religious, or educational purposes, or to a
4 not-for-profit corporation, society, association,
5 foundation, institution, or organization that has no
6 compensated officers or employees and that is organized
7 and operated primarily for the recreation of persons 55
8 years of age or older. A limited liability company may
9 qualify for the exemption under this paragraph only if the
10 limited liability company is organized and operated
11 exclusively for educational purposes. On and after July 1,
12 1987, however, no entity otherwise eligible for this
13 exemption shall make tax-free purchases unless it has an
14 active identification number issued by the Department.

15 (12) (Blank).

16 (12-5) On and after July 1, 2003 and through June 30,
17 2004, motor vehicles of the second division with a gross
18 vehicle weight in excess of 8,000 pounds that are subject
19 to the commercial distribution fee imposed under Section
20 3-815.1 of the Illinois Vehicle Code. Beginning on July 1,
21 2004 and through June 30, 2005, the use in this State of
22 motor vehicles of the second division: (i) with a gross
23 vehicle weight rating in excess of 8,000 pounds; (ii) that
24 are subject to the commercial distribution fee imposed
25 under Section 3-815.1 of the Illinois Vehicle Code; and
26 (iii) that are primarily used for commercial purposes.

1 Through June 30, 2005, this exemption applies to repair
2 and replacement parts added after the initial purchase of
3 such a motor vehicle if that motor vehicle is used in a
4 manner that would qualify for the rolling stock exemption
5 otherwise provided for in this Act. For purposes of this
6 paragraph, "used for commercial purposes" means the
7 transportation of persons or property in furtherance of
8 any commercial or industrial enterprise whether for-hire
9 or not.

10 (13) Proceeds from sales to owners, lessors, or
11 shippers of tangible personal property that is utilized by
12 interstate carriers for hire for use as rolling stock
13 moving in interstate commerce and equipment operated by a
14 telecommunications provider, licensed as a common carrier
15 by the Federal Communications Commission, which is
16 permanently installed in or affixed to aircraft moving in
17 interstate commerce.

18 (14) Machinery and equipment that will be used by the
19 purchaser, or a lessee of the purchaser, primarily in the
20 process of manufacturing or assembling tangible personal
21 property for wholesale or retail sale or lease, whether
22 the sale or lease is made directly by the manufacturer or
23 by some other person, whether the materials used in the
24 process are owned by the manufacturer or some other
25 person, or whether the sale or lease is made apart from or
26 as an incident to the seller's engaging in the service

1 occupation of producing machines, tools, dies, jigs,
2 patterns, gauges, or other similar items of no commercial
3 value on special order for a particular purchaser. The
4 exemption provided by this paragraph (14) does not include
5 machinery and equipment used in (i) the generation of
6 electricity for wholesale or retail sale; (ii) the
7 generation or treatment of natural or artificial gas for
8 wholesale or retail sale that is delivered to customers
9 through pipes, pipelines, or mains; or (iii) the treatment
10 of water for wholesale or retail sale that is delivered to
11 customers through pipes, pipelines, or mains. The
12 provisions of Public Act 98-583 are declaratory of
13 existing law as to the meaning and scope of this
14 exemption. Beginning on July 1, 2017, the exemption
15 provided by this paragraph (14) includes, but is not
16 limited to, graphic arts machinery and equipment, as
17 defined in paragraph (4) of this Section.

18 (15) Proceeds of mandatory service charges separately
19 stated on customers' bills for purchase and consumption of
20 food and beverages, to the extent that the proceeds of the
21 service charge are in fact turned over as tips or as a
22 substitute for tips to the employees who participate
23 directly in preparing, serving, hosting or cleaning up the
24 food or beverage function with respect to which the
25 service charge is imposed.

26 (16) Tangible personal property sold to a purchaser if

1 the purchaser is exempt from use tax by operation of
2 federal law. This paragraph is exempt from the provisions
3 of Section 2-70.

4 (17) Tangible personal property sold to a common
5 carrier by rail or motor that receives the physical
6 possession of the property in Illinois and that transports
7 the property, or shares with another common carrier in the
8 transportation of the property, out of Illinois on a
9 standard uniform bill of lading showing the seller of the
10 property as the shipper or consignor of the property to a
11 destination outside Illinois, for use outside Illinois.

12 (18) Legal tender, currency, medallions, or gold or
13 silver coinage issued by the State of Illinois, the
14 government of the United States of America, or the
15 government of any foreign country, and bullion.

16 (19) Until July 1, 2003, oil field exploration,
17 drilling, and production equipment, including (i) rigs and
18 parts of rigs, rotary rigs, cable tool rigs, and workover
19 rigs, (ii) pipe and tubular goods, including casing and
20 drill strings, (iii) pumps and pump-jack units, (iv)
21 storage tanks and flow lines, (v) any individual
22 replacement part for oil field exploration, drilling, and
23 production equipment, and (vi) machinery and equipment
24 purchased for lease; but excluding motor vehicles required
25 to be registered under the Illinois Vehicle Code.

26 (20) Photoprocessing machinery and equipment,

1 including repair and replacement parts, both new and used,
2 including that manufactured on special order, certified by
3 the purchaser to be used primarily for photoprocessing,
4 and including photoprocessing machinery and equipment
5 purchased for lease.

6 (21) Until July 1, 2023, coal and aggregate
7 exploration, mining, off-highway hauling, processing,
8 maintenance, and reclamation equipment, including
9 replacement parts and equipment, and including equipment
10 purchased for lease, but excluding motor vehicles required
11 to be registered under the Illinois Vehicle Code. The
12 changes made to this Section by Public Act 97-767 apply on
13 and after July 1, 2003, but no claim for credit or refund
14 is allowed on or after August 16, 2013 (the effective date
15 of Public Act 98-456) for such taxes paid during the
16 period beginning July 1, 2003 and ending on August 16,
17 2013 (the effective date of Public Act 98-456).

18 (22) Until June 30, 2013, fuel and petroleum products
19 sold to or used by an air carrier, certified by the carrier
20 to be used for consumption, shipment, or storage in the
21 conduct of its business as an air common carrier, for a
22 flight destined for or returning from a location or
23 locations outside the United States without regard to
24 previous or subsequent domestic stopovers.

25 Beginning July 1, 2013, fuel and petroleum products
26 sold to or used by an air carrier, certified by the carrier

1 to be used for consumption, shipment, or storage in the
2 conduct of its business as an air common carrier, for a
3 flight that (i) is engaged in foreign trade or is engaged
4 in trade between the United States and any of its
5 possessions and (ii) transports at least one individual or
6 package for hire from the city of origination to the city
7 of final destination on the same aircraft, without regard
8 to a change in the flight number of that aircraft.

9 (23) A transaction in which the purchase order is
10 received by a florist who is located outside Illinois, but
11 who has a florist located in Illinois deliver the property
12 to the purchaser or the purchaser's donee in Illinois.

13 (24) Fuel consumed or used in the operation of ships,
14 barges, or vessels that are used primarily in or for the
15 transportation of property or the conveyance of persons
16 for hire on rivers bordering on this State if the fuel is
17 delivered by the seller to the purchaser's barge, ship, or
18 vessel while it is afloat upon that bordering river.

19 (25) Except as provided in item (25-5) of this
20 Section, a motor vehicle sold in this State to a
21 nonresident even though the motor vehicle is delivered to
22 the nonresident in this State, if the motor vehicle is not
23 to be titled in this State, and if a drive-away permit is
24 issued to the motor vehicle as provided in Section 3-603
25 of the Illinois Vehicle Code or if the nonresident
26 purchaser has vehicle registration plates to transfer to

1 the motor vehicle upon returning to his or her home state.
2 The issuance of the drive-away permit or having the
3 out-of-state registration plates to be transferred is
4 prima facie evidence that the motor vehicle will not be
5 titled in this State.

6 (25-5) The exemption under item (25) does not apply if
7 the state in which the motor vehicle will be titled does
8 not allow a reciprocal exemption for a motor vehicle sold
9 and delivered in that state to an Illinois resident but
10 titled in Illinois. The tax collected under this Act on
11 the sale of a motor vehicle in this State to a resident of
12 another state that does not allow a reciprocal exemption
13 shall be imposed at a rate equal to the state's rate of tax
14 on taxable property in the state in which the purchaser is
15 a resident, except that the tax shall not exceed the tax
16 that would otherwise be imposed under this Act. At the
17 time of the sale, the purchaser shall execute a statement,
18 signed under penalty of perjury, of his or her intent to
19 title the vehicle in the state in which the purchaser is a
20 resident within 30 days after the sale and of the fact of
21 the payment to the State of Illinois of tax in an amount
22 equivalent to the state's rate of tax on taxable property
23 in his or her state of residence and shall submit the
24 statement to the appropriate tax collection agency in his
25 or her state of residence. In addition, the retailer must
26 retain a signed copy of the statement in his or her

1 records. Nothing in this item shall be construed to
2 require the removal of the vehicle from this state
3 following the filing of an intent to title the vehicle in
4 the purchaser's state of residence if the purchaser titles
5 the vehicle in his or her state of residence within 30 days
6 after the date of sale. The tax collected under this Act in
7 accordance with this item (25-5) shall be proportionately
8 distributed as if the tax were collected at the 6.25%
9 general rate imposed under this Act.

10 (25-7) Beginning on July 1, 2007, no tax is imposed
11 under this Act on the sale of an aircraft, as defined in
12 Section 3 of the Illinois Aeronautics Act, if all of the
13 following conditions are met:

14 (1) the aircraft leaves this State within 15 days
15 after the later of either the issuance of the final
16 billing for the sale of the aircraft, or the
17 authorized approval for return to service, completion
18 of the maintenance record entry, and completion of the
19 test flight and ground test for inspection, as
20 required by 14 C.F.R. 91.407;

21 (2) the aircraft is not based or registered in
22 this State after the sale of the aircraft; and

23 (3) the seller retains in his or her books and
24 records and provides to the Department a signed and
25 dated certification from the purchaser, on a form
26 prescribed by the Department, certifying that the

1 requirements of this item (25-7) are met. The
2 certificate must also include the name and address of
3 the purchaser, the address of the location where the
4 aircraft is to be titled or registered, the address of
5 the primary physical location of the aircraft, and
6 other information that the Department may reasonably
7 require.

8 For purposes of this item (25-7):

9 "Based in this State" means hangared, stored, or
10 otherwise used, excluding post-sale customizations as
11 defined in this Section, for 10 or more days in each
12 12-month period immediately following the date of the sale
13 of the aircraft.

14 "Registered in this State" means an aircraft
15 registered with the Department of Transportation,
16 Aeronautics Division, or titled or registered with the
17 Federal Aviation Administration to an address located in
18 this State.

19 This paragraph (25-7) is exempt from the provisions of
20 Section 2-70.

21 (26) Semen used for artificial insemination of
22 livestock for direct agricultural production.

23 (27) Horses, or interests in horses, registered with
24 and meeting the requirements of any of the Arabian Horse
25 Club Registry of America, Appaloosa Horse Club, American
26 Quarter Horse Association, United States Trotting

1 Association, or Jockey Club, as appropriate, used for
2 purposes of breeding or racing for prizes. This item (27)
3 is exempt from the provisions of Section 2-70, and the
4 exemption provided for under this item (27) applies for
5 all periods beginning May 30, 1995, but no claim for
6 credit or refund is allowed on or after January 1, 2008
7 (the effective date of Public Act 95-88) for such taxes
8 paid during the period beginning May 30, 2000 and ending
9 on January 1, 2008 (the effective date of Public Act
10 95-88).

11 (28) Computers and communications equipment utilized
12 for any hospital purpose and equipment used in the
13 diagnosis, analysis, or treatment of hospital patients
14 sold to a lessor who leases the equipment, under a lease of
15 one year or longer executed or in effect at the time of the
16 purchase, to a hospital that has been issued an active tax
17 exemption identification number by the Department under
18 Section 1g of this Act.

19 (29) Personal property sold to a lessor who leases the
20 property, under a lease of one year or longer executed or
21 in effect at the time of the purchase, to a governmental
22 body that has been issued an active tax exemption
23 identification number by the Department under Section 1g
24 of this Act.

25 (30) Beginning with taxable years ending on or after
26 December 31, 1995 and ending with taxable years ending on

1 or before December 31, 2004, personal property that is
2 donated for disaster relief to be used in a State or
3 federally declared disaster area in Illinois or bordering
4 Illinois by a manufacturer or retailer that is registered
5 in this State to a corporation, society, association,
6 foundation, or institution that has been issued a sales
7 tax exemption identification number by the Department that
8 assists victims of the disaster who reside within the
9 declared disaster area.

10 (31) Beginning with taxable years ending on or after
11 December 31, 1995 and ending with taxable years ending on
12 or before December 31, 2004, personal property that is
13 used in the performance of infrastructure repairs in this
14 State, including but not limited to municipal roads and
15 streets, access roads, bridges, sidewalks, waste disposal
16 systems, water and sewer line extensions, water
17 distribution and purification facilities, storm water
18 drainage and retention facilities, and sewage treatment
19 facilities, resulting from a State or federally declared
20 disaster in Illinois or bordering Illinois when such
21 repairs are initiated on facilities located in the
22 declared disaster area within 6 months after the disaster.

23 (32) Beginning July 1, 1999, game or game birds sold
24 at a "game breeding and hunting preserve area" as that
25 term is used in the Wildlife Code. This paragraph is
26 exempt from the provisions of Section 2-70.

1 (33) A motor vehicle, as that term is defined in
2 Section 1-146 of the Illinois Vehicle Code, that is
3 donated to a corporation, limited liability company,
4 society, association, foundation, or institution that is
5 determined by the Department to be organized and operated
6 exclusively for educational purposes. For purposes of this
7 exemption, "a corporation, limited liability company,
8 society, association, foundation, or institution organized
9 and operated exclusively for educational purposes" means
10 all tax-supported public schools, private schools that
11 offer systematic instruction in useful branches of
12 learning by methods common to public schools and that
13 compare favorably in their scope and intensity with the
14 course of study presented in tax-supported schools, and
15 vocational or technical schools or institutes organized
16 and operated exclusively to provide a course of study of
17 not less than 6 weeks duration and designed to prepare
18 individuals to follow a trade or to pursue a manual,
19 technical, mechanical, industrial, business, or commercial
20 occupation.

21 (34) Beginning January 1, 2000, personal property,
22 including food, purchased through fundraising events for
23 the benefit of a public or private elementary or secondary
24 school, a group of those schools, or one or more school
25 districts if the events are sponsored by an entity
26 recognized by the school district that consists primarily

1 of volunteers and includes parents and teachers of the
2 school children. This paragraph does not apply to
3 fundraising events (i) for the benefit of private home
4 instruction or (ii) for which the fundraising entity
5 purchases the personal property sold at the events from
6 another individual or entity that sold the property for
7 the purpose of resale by the fundraising entity and that
8 profits from the sale to the fundraising entity. This
9 paragraph is exempt from the provisions of Section 2-70.

10 (35) Beginning January 1, 2000 and through December
11 31, 2001, new or used automatic vending machines that
12 prepare and serve hot food and beverages, including
13 coffee, soup, and other items, and replacement parts for
14 these machines. Beginning January 1, 2002 and through June
15 30, 2003, machines and parts for machines used in
16 commercial, coin-operated amusement and vending business
17 if a use or occupation tax is paid on the gross receipts
18 derived from the use of the commercial, coin-operated
19 amusement and vending machines. This paragraph is exempt
20 from the provisions of Section 2-70.

21 (35-5) Beginning August 23, 2001 and through June 30,
22 2016, food for human consumption that is to be consumed
23 off the premises where it is sold (other than alcoholic
24 beverages, soft drinks, and food that has been prepared
25 for immediate consumption) and prescription and
26 nonprescription medicines, drugs, medical appliances, and

1 insulin, urine testing materials, syringes, and needles
2 used by diabetics, for human use, when purchased for use
3 by a person receiving medical assistance under Article V
4 of the Illinois Public Aid Code who resides in a licensed
5 long-term care facility, as defined in the Nursing Home
6 Care Act, or a licensed facility as defined in the ID/DD
7 Community Care Act, the MC/DD Act, or the Specialized
8 Mental Health Rehabilitation Act of 2013.

9 (36) Beginning August 2, 2001, computers and
10 communications equipment utilized for any hospital purpose
11 and equipment used in the diagnosis, analysis, or
12 treatment of hospital patients sold to a lessor who leases
13 the equipment, under a lease of one year or longer
14 executed or in effect at the time of the purchase, to a
15 hospital that has been issued an active tax exemption
16 identification number by the Department under Section 1g
17 of this Act. This paragraph is exempt from the provisions
18 of Section 2-70.

19 (37) Beginning August 2, 2001, personal property sold
20 to a lessor who leases the property, under a lease of one
21 year or longer executed or in effect at the time of the
22 purchase, to a governmental body that has been issued an
23 active tax exemption identification number by the
24 Department under Section 1g of this Act. This paragraph is
25 exempt from the provisions of Section 2-70.

26 (38) Beginning on January 1, 2002 and through June 30,

1 2016, tangible personal property purchased from an
2 Illinois retailer by a taxpayer engaged in centralized
3 purchasing activities in Illinois who will, upon receipt
4 of the property in Illinois, temporarily store the
5 property in Illinois (i) for the purpose of subsequently
6 transporting it outside this State for use or consumption
7 thereafter solely outside this State or (ii) for the
8 purpose of being processed, fabricated, or manufactured
9 into, attached to, or incorporated into other tangible
10 personal property to be transported outside this State and
11 thereafter used or consumed solely outside this State. The
12 Director of Revenue shall, pursuant to rules adopted in
13 accordance with the Illinois Administrative Procedure Act,
14 issue a permit to any taxpayer in good standing with the
15 Department who is eligible for the exemption under this
16 paragraph (38). The permit issued under this paragraph
17 (38) shall authorize the holder, to the extent and in the
18 manner specified in the rules adopted under this Act, to
19 purchase tangible personal property from a retailer exempt
20 from the taxes imposed by this Act. Taxpayers shall
21 maintain all necessary books and records to substantiate
22 the use and consumption of all such tangible personal
23 property outside of the State of Illinois.

24 (39) Beginning January 1, 2008, tangible personal
25 property used in the construction or maintenance of a
26 community water supply, as defined under Section 3.145 of

1 the Environmental Protection Act, that is operated by a
2 not-for-profit corporation that holds a valid water supply
3 permit issued under Title IV of the Environmental
4 Protection Act. This paragraph is exempt from the
5 provisions of Section 2-70.

6 (40) Beginning January 1, 2010 and continuing through
7 December 31, 2024, materials, parts, equipment,
8 components, and furnishings incorporated into or upon an
9 aircraft as part of the modification, refurbishment,
10 completion, replacement, repair, or maintenance of the
11 aircraft. This exemption includes consumable supplies used
12 in the modification, refurbishment, completion,
13 replacement, repair, and maintenance of aircraft, but
14 excludes any materials, parts, equipment, components, and
15 consumable supplies used in the modification, replacement,
16 repair, and maintenance of aircraft engines or power
17 plants, whether such engines or power plants are installed
18 or uninstalled upon any such aircraft. "Consumable
19 supplies" include, but are not limited to, adhesive, tape,
20 sandpaper, general purpose lubricants, cleaning solution,
21 latex gloves, and protective films. This exemption applies
22 only to the sale of qualifying tangible personal property
23 to persons who modify, refurbish, complete, replace, or
24 maintain an aircraft and who (i) hold an Air Agency
25 Certificate and are empowered to operate an approved
26 repair station by the Federal Aviation Administration,

1 (ii) have a Class IV Rating, and (iii) conduct operations
2 in accordance with Part 145 of the Federal Aviation
3 Regulations. The exemption does not include aircraft
4 operated by a commercial air carrier providing scheduled
5 passenger air service pursuant to authority issued under
6 Part 121 or Part 129 of the Federal Aviation Regulations.
7 The changes made to this paragraph (40) by Public Act
8 98-534 are declarative of existing law. It is the intent
9 of the General Assembly that the exemption under this
10 paragraph (40) applies continuously from January 1, 2010
11 through December 31, 2024; however, no claim for credit or
12 refund is allowed for taxes paid as a result of the
13 disallowance of this exemption on or after January 1, 2015
14 and prior to the effective date of this amendatory Act of
15 the 101st General Assembly.

16 (41) Tangible personal property sold to a
17 public-facilities corporation, as described in Section
18 11-65-10 of the Illinois Municipal Code, for purposes of
19 constructing or furnishing a municipal convention hall,
20 but only if the legal title to the municipal convention
21 hall is transferred to the municipality without any
22 further consideration by or on behalf of the municipality
23 at the time of the completion of the municipal convention
24 hall or upon the retirement or redemption of any bonds or
25 other debt instruments issued by the public-facilities
26 corporation in connection with the development of the

1 municipal convention hall. This exemption includes
2 existing public-facilities corporations as provided in
3 Section 11-65-25 of the Illinois Municipal Code. This
4 paragraph is exempt from the provisions of Section 2-70.

5 (42) Beginning January 1, 2017, menstrual pads,
6 tampons, and menstrual cups.

7 (43) Merchandise that is subject to the Rental
8 Purchase Agreement Occupation and Use Tax. The purchaser
9 must certify that the item is purchased to be rented
10 subject to a rental purchase agreement, as defined in the
11 Rental Purchase Agreement Act, and provide proof of
12 registration under the Rental Purchase Agreement
13 Occupation and Use Tax Act. This paragraph is exempt from
14 the provisions of Section 2-70.

15 (44) Qualified tangible personal property used in the
16 construction or operation of a data center that has been
17 granted a certificate of exemption by the Department of
18 Commerce and Economic Opportunity, whether that tangible
19 personal property is purchased by the owner, operator, or
20 tenant of the data center or by a contractor or
21 subcontractor of the owner, operator, or tenant. Data
22 centers that would have qualified for a certificate of
23 exemption prior to January 1, 2020 had this amendatory Act
24 of the 101st General Assembly been in effect, may apply
25 for and obtain an exemption for subsequent purchases of
26 computer equipment or enabling software purchased or

1 leased to upgrade, supplement, or replace computer
2 equipment or enabling software purchased or leased in the
3 original investment that would have qualified.

4 The Department of Commerce and Economic Opportunity
5 shall grant a certificate of exemption under this item
6 (44) to qualified data centers as defined by Section
7 605-1025 of the Department of Commerce and Economic
8 Opportunity Law of the Civil Administrative Code of
9 Illinois.

10 For the purposes of this item (44):

11 "Data center" means a building or a series of
12 buildings rehabilitated or constructed to house
13 working servers in one physical location or multiple
14 sites within the State of Illinois.

15 "Qualified tangible personal property" means:
16 electrical systems and equipment; climate control and
17 chilling equipment and systems; mechanical systems and
18 equipment; monitoring and secure systems; emergency
19 generators; hardware; computers; servers; data storage
20 devices; network connectivity equipment; racks;
21 cabinets; telecommunications cabling infrastructure;
22 raised floor systems; peripheral components or
23 systems; software; mechanical, electrical, or plumbing
24 systems; battery systems; cooling systems and towers;
25 temperature control systems; other cabling; and other
26 data center infrastructure equipment and systems

1 necessary to operate qualified tangible personal
2 property, including fixtures; and component parts of
3 any of the foregoing, including installation,
4 maintenance, repair, refurbishment, and replacement of
5 qualified tangible personal property to generate,
6 transform, transmit, distribute, or manage electricity
7 necessary to operate qualified tangible personal
8 property; and all other tangible personal property
9 that is essential to the operations of a computer data
10 center. The term "qualified tangible personal
11 property" also includes building materials physically
12 incorporated in to the qualifying data center. To
13 document the exemption allowed under this Section, the
14 retailer must obtain from the purchaser a copy of the
15 certificate of eligibility issued by the Department of
16 Commerce and Economic Opportunity.

17 This item (44) is exempt from the provisions of
18 Section 2-70.

19 (45) Beginning July 1, 2022, breast pumps, breast pump
20 collection and storage supplies, and breast pump kits.
21 This item (45) is exempt from the provisions of Section
22 2-70.

23 As used in this item (45), "breast pump" means an
24 electrically or manually-controlled pump device designed
25 or marketed to be used to express milk from a human breast
26 during lactation, including the pump device and any

1 battery, AC adapter, or other power supply unit packaged
2 and sold with the pump device at the time of sale to power
3 the pump device.

4 "Breast pump collection and storage supplies" means
5 items of tangible personal property designed or marketed
6 to be used in conjunction with a breast pump to collect
7 milk expressed from a human breast and to store collected
8 milk until it is ready for consumption. "Breast pump
9 collection and storage supplies" includes, but is not
10 limited to: breast shields and breast shield connectors;
11 breast pump tubes and tubing adapters; breast pump valves
12 and membranes; backflow protectors and backflow protector
13 adaptors; bottles and bottle caps specific to the
14 operation of the breast pump; breast milk storage bags;
15 and other items that may be useful to initiate, support,
16 or sustain breast-feeding using a breast pump during
17 lactation that may be sold separately but are generally
18 sold as part of a breast pump kit.

19 "Breast pump collection and storage supplies" does not
20 include: (1) bottles and bottle caps not specific to the
21 operation of the breast pump, (2) breast pump travel bags
22 and other similar carrying accessories, including ice
23 packs, labels, and other similar products; (3) breast pump
24 cleaning supplies; (4) nursing bras, bra pads, breast
25 shells, and other similar products; and (5) creams,
26 ointments, and other similar products that relieve

1 breastfeeding-related symptoms or conditions of the
2 breasts or nipples, unless sold as part of a breast pump
3 kit pre-packaged by the breast pump manufacturer or
4 distributor.

5 "Breast pump kit" means a kit that contains a breast
6 pump and breast pump collection and storage supplies or
7 other taxable items of tangible personal property that may
8 be useful to initiate, support, or sustain breastfeeding
9 using a breast pump during lactation, so long as the other
10 taxable items of tangible personal property sold with the
11 breast pump kit at the time of sale are less than 10% of
12 the total sales price of the breast pump kit.

13 (Source: P.A. 100-22, eff. 7-6-17; 100-321, eff. 8-24-17;
14 100-437, eff. 1-1-18; 100-594, eff. 6-29-18; 100-863, eff.
15 8-14-18; 100-1171, eff. 1-4-19; 101-31, eff. 6-28-19; 101-81,
16 eff. 7-12-19; 101-629, eff. 2-5-20.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.