



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB1739

Introduced 2/26/2021, by Sen. Emil Jones, III

SYNOPSIS AS INTRODUCED:

65 ILCS 5/8-11-1.1	from Ch. 24, par. 8-11-1.1
65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3
65 ILCS 5/8-11-1.4	from Ch. 24, par. 8-11-1.4
65 ILCS 5/8-11-1.5	from Ch. 24, par. 8-11-1.5

Amends the Illinois Municipal Code. Provides that the corporate authorities of a non-home rule municipality may impose, by ordinance or resolution, a municipal retailers' occupation tax, municipal service occupation tax, or municipal use tax in addition to such taxes already imposed by referendum. Provides that the additional taxes may solely be used for costs incurred by the municipality for employer contributions to public employee pension funds pursuant to the Downstate Police Article, the Downstate Firefighter Article, the Illinois Municipal Retirement Fund (IMRF) Article, the Police Officers' Pension Investment Fund Article, or the Firefighters' Pension Investment Fund Article of the Illinois Pension Code. Provides that the additional taxes may not be more than 1% and may be imposed only in 1/4% increments.

LRB102 02848 AWJ 12856 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by
5 changing Sections 8-11-1.1, 8-11-1.3, 8-11-1.4, and 8-11-1.5
6 as follows:

7 (65 ILCS 5/8-11-1.1) (from Ch. 24, par. 8-11-1.1)

8 Sec. 8-11-1.1. Non-home rule municipalities; imposition of
9 taxes.

10 (a) The corporate authorities of a non-home rule
11 municipality may, upon approval of the electors of the
12 municipality pursuant to subsection (b) of this Section,
13 impose by ordinance or resolution the tax authorized in
14 Sections 8-11-1.3, 8-11-1.4 and 8-11-1.5 of this Act.

15 (b) The corporate authorities of the municipality may by
16 ordinance or resolution call for the submission to the
17 electors of the municipality the question of whether the
18 municipality shall impose such tax. Such question shall be
19 certified by the municipal clerk to the election authority in
20 accordance with Section 28-5 of the Election Code and shall be
21 in a form in accordance with Section 16-7 of the Election Code.

22 Notwithstanding any provision of law to the contrary, if
23 the proceeds of the tax may be used for municipal operations

1 pursuant to Section 8-11-1.3, 8-11-1.4, or 8-11-1.5, then the
2 election authority must submit the question in substantially
3 the following form:

4 Shall the corporate authorities of the municipality be
5 authorized to levy a tax at a rate of (rate)% for
6 expenditures on municipal operations, expenditures on
7 public infrastructure, or property tax relief?

8 If a majority of the electors in the municipality voting
9 upon the question vote in the affirmative, such tax shall be
10 imposed.

11 Until January 1, 1992, an ordinance or resolution imposing
12 the tax of not more than 1% hereunder or discontinuing the same
13 shall be adopted and a certified copy thereof, together with a
14 certification that the ordinance or resolution received
15 referendum approval in the case of the imposition of such tax,
16 filed with the Department of Revenue, on or before the first
17 day of June, whereupon the Department shall proceed to
18 administer and enforce the additional tax or to discontinue
19 the tax, as the case may be, as of the first day of September
20 next following such adoption and filing.

21 Beginning January 1, 1992 and through December 31, 1992,
22 an ordinance or resolution imposing or discontinuing the tax
23 hereunder shall be adopted and a certified copy thereof filed
24 with the Department on or before the first day of July,
25 whereupon the Department shall proceed to administer and
26 enforce this Section as of the first day of October next

1 following such adoption and filing.

2 Beginning January 1, 1993, and through September 30, 2002,
3 an ordinance or resolution imposing or discontinuing the tax
4 hereunder shall be adopted and a certified copy thereof filed
5 with the Department on or before the first day of October,
6 whereupon the Department shall proceed to administer and
7 enforce this Section as of the first day of January next
8 following such adoption and filing.

9 Beginning October 1, 2002, and through December 31, 2013,
10 an ordinance or resolution imposing or discontinuing the tax
11 under this Section or effecting a change in the rate of tax
12 must either (i) be adopted and a certified copy of the
13 ordinance or resolution filed with the Department on or before
14 the first day of April, whereupon the Department shall proceed
15 to administer and enforce this Section as of the first day of
16 July next following the adoption and filing; or (ii) be
17 adopted and a certified copy of the ordinance or resolution
18 filed with the Department on or before the first day of
19 October, whereupon the Department shall proceed to administer
20 and enforce this Section as of the first day of January next
21 following the adoption and filing.

22 Beginning January 1, 2014, if an ordinance or resolution
23 imposing the tax under this Section, discontinuing the tax
24 under this Section, or effecting a change in the rate of tax
25 under this Section is adopted, a certified copy thereof,
26 together with a certification that the ordinance or resolution

1 received referendum approval in the case of the imposition of
2 or increase in the rate of such tax, shall be filed with the
3 Department of Revenue, either (i) on or before the first day of
4 May, whereupon the Department shall proceed to administer and
5 enforce this Section as of the first day of July next following
6 the adoption and filing; or (ii) on or before the first day of
7 October, whereupon the Department shall proceed to administer
8 and enforce this Section as of the first day of January next
9 following the adoption and filing.

10 Notwithstanding any provision in this Section to the
11 contrary, if, in a non-home rule municipality with more than
12 150,000 but fewer than 200,000 inhabitants, as determined by
13 the last preceding federal decennial census, an ordinance or
14 resolution under this Section imposes or discontinues a tax or
15 changes the tax rate as of July 1, 2007, then that ordinance or
16 resolution, together with a certification that the ordinance
17 or resolution received referendum approval in the case of the
18 imposition of the tax, must be adopted and a certified copy of
19 that ordinance or resolution must be filed with the Department
20 on or before May 15, 2007, whereupon the Department shall
21 proceed to administer and enforce this Section as of July 1,
22 2007.

23 Notwithstanding any provision in this Section to the
24 contrary, if, in a non-home rule municipality with more than
25 6,500 but fewer than 7,000 inhabitants, as determined by the
26 last preceding federal decennial census, an ordinance or

1 resolution under this Section imposes or discontinues a tax or
2 changes the tax rate on or before May 20, 2009, then that
3 ordinance or resolution, together with a certification that
4 the ordinance or resolution received referendum approval in
5 the case of the imposition of the tax, must be adopted and a
6 certified copy of that ordinance or resolution must be filed
7 with the Department on or before May 20, 2009, whereupon the
8 Department shall proceed to administer and enforce this
9 Section as of July 1, 2009.

10 A non-home rule municipality may file a certified copy of
11 an ordinance or resolution, with a certification that the
12 ordinance or resolution received referendum approval in the
13 case of the imposition of the tax, with the Department of
14 Revenue, as required under this Section, only after October 2,
15 2000.

16 The tax authorized by this Section may not be more than 1%
17 and may be imposed only in 1/4% increments.

18 (c) In addition to the tax authorized by this Section, the
19 corporate authorities of a non-home rule municipality may also
20 impose a tax authorized in Sections 8-11-1.3, 8-11-1.4, and
21 8-11-1.5 of this Division by ordinance or resolution. The tax
22 authorized by this subsection may not be more than 1% and may
23 be imposed only in 1/4% increments. Proceeds from such a tax
24 authorized by this subsection shall be used solely for costs
25 incurred by the municipality for employer contributions to
26 public employee pension funds pursuant to Article 3, Article

1 4, Article 7, Article 22B, or Article 22C of the Illinois
2 Pension Code.

3 (Source: P.A. 98-584, eff. 8-27-13.)

4 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

5 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
6 Occupation Tax Act. The corporate authorities of a non-home
7 rule municipality may impose a tax upon all persons engaged in
8 the business of selling tangible personal property, other than
9 on an item of tangible personal property which is titled and
10 registered by an agency of this State's Government, at retail
11 in the municipality for expenditure on public infrastructure
12 or for property tax relief or both as defined in Section
13 8-11-1.2 if approved by referendum as provided in Section
14 8-11-1.1, of the gross receipts from such sales made in the
15 course of such business. If the tax is approved by referendum
16 on or after July 14, 2010 (the effective date of Public Act
17 96-1057), the corporate authorities of a non-home rule
18 municipality may, until July 1, 2030, use the proceeds of the
19 tax for expenditure on municipal operations, in addition to or
20 in lieu of any expenditure on public infrastructure or for
21 property tax relief. If the tax is approved by ordinance or
22 resolution under subsection (c) of Section 8-11-1.1, the
23 corporate authorities of a non-home rule municipality must use
24 the proceeds of the tax solely for costs incurred by the
25 municipality for employer contributions to public employee

1 pensions funds pursuant to Article 3, Article 4, Article 7,
2 Article 22B, or Article 22C of the Illinois Pension Code. The
3 tax imposed may not be more than 1% and may be imposed only in
4 1/4% increments. The tax may not be imposed on tangible
5 personal property taxed at the 1% rate under the Retailers'
6 Occupation Tax Act. Beginning December 1, 2019, this tax is
7 not imposed on sales of aviation fuel unless the tax revenue is
8 expended for airport-related purposes. If a municipality does
9 not have an airport-related purpose to which it dedicates
10 aviation fuel tax revenue, then aviation fuel is excluded from
11 the tax. Each municipality must comply with the certification
12 requirements for airport-related purposes under Section 2-22
13 of the Retailers' Occupation Tax Act. For purposes of this
14 Section, "airport-related purposes" has the meaning ascribed
15 in Section 6z-20.2 of the State Finance Act. This exclusion
16 for aviation fuel only applies for so long as the revenue use
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
18 binding on the municipality. The tax imposed by a municipality
19 pursuant to this Section and all civil penalties that may be
20 assessed as an incident thereof shall be collected and
21 enforced by the State Department of Revenue. The certificate
22 of registration which is issued by the Department to a
23 retailer under the Retailers' Occupation Tax Act shall permit
24 such retailer to engage in a business which is taxable under
25 any ordinance or resolution enacted pursuant to this Section
26 without registering separately with the Department under such

1 ordinance or resolution or under this Section. The Department
2 shall have full power to administer and enforce this Section;
3 to collect all taxes and penalties due hereunder; to dispose
4 of taxes and penalties so collected in the manner hereinafter
5 provided, and to determine all rights to credit memoranda,
6 arising on account of the erroneous payment of tax or penalty
7 hereunder. In the administration of, and compliance with, this
8 Section, the Department and persons who are subject to this
9 Section shall have the same rights, remedies, privileges,
10 immunities, powers and duties, and be subject to the same
11 conditions, restrictions, limitations, penalties and
12 definitions of terms, and employ the same modes of procedure,
13 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
14 2 through 2-65 (in respect to all provisions therein other
15 than the State rate of tax), 2c, 3 (except as to the
16 disposition of taxes and penalties collected, and except that
17 the retailer's discount is not allowed for taxes paid on
18 aviation fuel that are subject to the revenue use requirements
19 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
20 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
21 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
22 Section 3-7 of the Uniform Penalty and Interest Act as fully as
23 if those provisions were set forth herein.

24 No municipality may impose a tax under this Section unless
25 the municipality also imposes a tax at the same rate under
26 Section 8-11-1.4 of this Code.

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

8 Whenever the Department determines that a refund should be
9 made under this Section to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order to be drawn for the
12 amount specified, and to the person named, in such
13 notification from the Department. Such refund shall be paid by
14 the State Treasurer out of the non-home rule municipal
15 retailers' occupation tax fund or the Local Government
16 Aviation Trust Fund, as appropriate.

17 Except as otherwise provided, the Department shall
18 forthwith pay over to the State Treasurer, ex officio, as
19 trustee, all taxes and penalties collected hereunder for
20 deposit into the Non-Home Rule Municipal Retailers' Occupation
21 Tax Fund. Taxes and penalties collected on aviation fuel sold
22 on or after December 1, 2019, shall be immediately paid over by
23 the Department to the State Treasurer, ex officio, as trustee,
24 for deposit into the Local Government Aviation Trust Fund. The
25 Department shall only pay moneys into the Local Government
26 Aviation Trust Fund under this Section for so long as the

1 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
2 47133 are binding on the municipality.

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

11 After the monthly transfer to the STAR Bonds Revenue Fund,
12 on or before the 25th day of each calendar month, the
13 Department shall prepare and certify to the Comptroller the
14 disbursement of stated sums of money to named municipalities,
15 the municipalities to be those from which retailers have paid
16 taxes or penalties hereunder to the Department during the
17 second preceding calendar month. The amount to be paid to each
18 municipality shall be the amount (not including credit
19 memoranda and not including taxes and penalties collected on
20 aviation fuel sold on or after December 1, 2019) collected
21 hereunder during the second preceding calendar month by the
22 Department plus an amount the Department determines is
23 necessary to offset any amounts which were erroneously paid to
24 a different taxing body, and not including an amount equal to
25 the amount of refunds made during the second preceding
26 calendar month by the Department on behalf of such

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

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

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

5 When certifying the amount of a monthly disbursement to a
6 municipality under this Section, the Department shall increase
7 or decrease such amount by an amount necessary to offset any
8 misallocation of previous disbursements. The offset amount
9 shall be the amount erroneously disbursed within the previous
10 6 months from the time a misallocation is discovered.

11 The Department of Revenue shall implement Public Act
12 91-649 so as to collect the tax on and after January 1, 2002.

13 As used in this Section, "municipal" and "municipality"
14 mean a city, village, or incorporated town, including an
15 incorporated town which has superseded a civil township.

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

18 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
19 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-47, eff.
20 1-1-20; 101-81, eff. 7-12-19; 101-604, eff. 12-13-19.)

21 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

22 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
23 Tax Act. The corporate authorities of a non-home rule
24 municipality may impose a tax upon all persons engaged, in
25 such municipality, in the business of making sales of service

1 for expenditure on public infrastructure or for property tax
2 relief or both as defined in Section 8-11-1.2 if approved by
3 referendum as provided in Section 8-11-1.1, of the selling
4 price of all tangible personal property transferred by such
5 servicemen either in the form of tangible personal property or
6 in the form of real estate as an incident to a sale of service.
7 If the tax is approved by referendum on or after July 14, 2010
8 (the effective date of Public Act 96-1057), the corporate
9 authorities of a non-home rule municipality may, until
10 December 31, 2020, use the proceeds of the tax for expenditure
11 on municipal operations, in addition to or in lieu of any
12 expenditure on public infrastructure or for property tax
13 relief. If the tax is approved by ordinance or resolution
14 under subsection (c) of Section 8-11-1.1, the corporate
15 authorities of a non-home rule municipality must use the
16 proceeds of the tax solely for costs incurred by the
17 municipality for employer contributions to public employee
18 pensions funds pursuant to Article 3, Article 4, Article 7,
19 Article 22B, or Article 22C of the Illinois Pension Code. The
20 tax imposed may not be more than 1% and may be imposed only in
21 1/4% increments. The tax may not be imposed on tangible
22 personal property taxed at the 1% rate under the Service
23 Occupation Tax Act. Beginning December 1, 2019, this tax is
24 not imposed on sales of aviation fuel unless the tax revenue is
25 expended for airport-related purposes. If a municipality does
26 not have an airport-related purpose to which it dedicates

1 aviation fuel tax revenue, then aviation fuel is excluded from
2 the tax. Each municipality must comply with the certification
3 requirements for airport-related purposes under Section 2-22
4 of the Retailers' Occupation Tax Act. For purposes of this
5 Section, "airport-related purposes" has the meaning ascribed
6 in Section 6z-20.2 of the State Finance Act. This exclusion
7 for aviation fuel only applies for so long as the revenue use
8 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
9 binding on the municipality. The tax imposed by a municipality
10 pursuant to this Section and all civil penalties that may be
11 assessed as an incident thereof shall be collected and
12 enforced by the State Department of Revenue. The certificate
13 of registration which is issued by the Department to a
14 retailer under the Retailers' Occupation Tax Act or under the
15 Service Occupation Tax Act shall permit such registrant to
16 engage in a business which is taxable under any ordinance or
17 resolution enacted pursuant to this Section without
18 registering separately with the Department under such
19 ordinance or resolution or under this Section. The Department
20 shall have full power to administer and enforce this Section;
21 to collect all taxes and penalties due hereunder; to dispose
22 of taxes and penalties so collected in the manner hereinafter
23 provided, and to determine all rights to credit memoranda
24 arising on account of the erroneous payment of tax or penalty
25 hereunder. In the administration of, and compliance with, this
26 Section the Department and persons who are subject to this

1 Section shall have the same rights, remedies, privileges,
2 immunities, powers and duties, and be subject to the same
3 conditions, restrictions, limitations, penalties and
4 definitions of terms, and employ the same modes of procedure,
5 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
6 respect to all provisions therein other than the State rate of
7 tax), 4 (except that the reference to the State shall be to the
8 taxing municipality), 5, 7, 8 (except that the jurisdiction to
9 which the tax shall be a debt to the extent indicated in that
10 Section 8 shall be the taxing municipality), 9 (except as to
11 the disposition of taxes and penalties collected, and except
12 that the returned merchandise credit for this municipal tax
13 may not be taken against any State tax, and except that the
14 retailer's discount is not allowed for taxes paid on aviation
15 fuel that are subject to the revenue use requirements of 49
16 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except the
17 reference therein to Section 2b of the Retailers' Occupation
18 Tax Act), 13 (except that any reference to the State shall mean
19 the taxing municipality), the first paragraph of Section 15,
20 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
21 Section 3-7 of the Uniform Penalty and Interest Act, as fully
22 as if those provisions were set forth herein.

23 No municipality may impose a tax under this Section unless
24 the municipality also imposes a tax at the same rate under
25 Section 8-11-1.3 of this Code.

26 Persons subject to any tax imposed pursuant to the

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

8 Whenever the Department determines that a refund should be
9 made under this Section to a claimant instead of issuing
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order to be drawn for the
12 amount specified, and to the person named, in such
13 notification from the Department. Such refund shall be paid by
14 the State Treasurer out of the municipal retailers' occupation
15 tax fund or the Local Government Aviation Trust Fund, as
16 appropriate.

17 Except as otherwise provided in this paragraph, the
18 Department shall forthwith pay over to the State Treasurer, ex
19 officio, as trustee, all taxes and penalties collected
20 hereunder for deposit into the municipal retailers' occupation
21 tax fund. Taxes and penalties collected on aviation fuel sold
22 on or after December 1, 2019, shall be immediately paid over by
23 the Department to the State Treasurer, ex officio, as trustee,
24 for deposit into the Local Government Aviation Trust Fund. The
25 Department shall only pay moneys into the Local Government
26 Aviation Trust Fund under this Section for so long as the

1 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
2 47133 are binding on the municipality.

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

11 After the monthly transfer to the STAR Bonds Revenue Fund,
12 on or before the 25th day of each calendar month, the
13 Department shall prepare and certify to the Comptroller the
14 disbursement of stated sums of money to named municipalities,
15 the municipalities to be those from which suppliers and
16 servicemen have paid taxes or penalties hereunder to the
17 Department during the second preceding calendar month. The
18 amount to be paid to each municipality shall be the amount (not
19 including credit memoranda and not including taxes and
20 penalties collected on aviation fuel sold on or after December
21 1, 2019) collected hereunder during the second preceding
22 calendar month by the Department, and not including an amount
23 equal to the amount of refunds made during the second
24 preceding calendar month by the Department on behalf of such
25 municipality, and not including any amounts that are
26 transferred to the STAR Bonds Revenue Fund, less 1.5% of the

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

14 The Department of Revenue shall implement Public Act
15 91-649 so as to collect the tax on and after January 1, 2002.

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

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

24 This Section shall be known and may be cited as the
25 "Non-Home Rule Municipal Service Occupation Tax Act".

26 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;

1 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81, eff.
2 7-12-19; 101-604, eff. 12-13-19.)

3 (65 ILCS 5/8-11-1.5) (from Ch. 24, par. 8-11-1.5)

4 Sec. 8-11-1.5. Non-Home Rule Municipal Use Tax Act. The
5 corporate authorities of a non-home rule municipality may
6 impose a tax upon the privilege of using, in such
7 municipality, any item of tangible personal property which is
8 purchased at retail from a retailer, and which is titled or
9 registered with an agency of this State's government, based on
10 the selling price of such tangible personal property, as
11 "selling price" is defined in the Use Tax Act, for expenditure
12 on public infrastructure or for property tax relief or both as
13 defined in Section 8-11-1.2, if approved by referendum as
14 provided in Section 8-11-1.1. If the tax is approved by
15 referendum on or after the effective date of this amendatory
16 Act of the 96th General Assembly, the corporate authorities of
17 a non-home rule municipality may, until December 31, 2020, use
18 the proceeds of the tax for expenditure on municipal
19 operations, in addition to or in lieu of any expenditure on
20 public infrastructure or for property tax relief. If the tax
21 is approved by ordinance or resolution under subsection (c) of
22 Section 8-11-1.1, the corporate authorities of a non-home rule
23 municipality must use the proceeds of the tax solely for costs
24 incurred by the municipality for employer contributions to
25 public employee pensions funds pursuant to Article 3, Article

1 4, Article 7, Article 22B, or Article 22C of the Illinois
2 Pension Code. The tax imposed may not be more than 1% and may
3 be imposed only in 1/4% increments. Such tax shall be
4 collected from persons whose Illinois address for title or
5 registration purposes is given as being in such municipality.
6 Such tax shall be collected by the municipality imposing such
7 tax. A non-home rule municipality may not impose and collect
8 the tax prior to January 1, 2002.

9 This Section shall be known and may be cited as the
10 "Non-Home Rule Municipal Use Tax Act".

11 (Source: P.A. 96-1057, eff. 7-14-10; 97-837, eff. 7-20-12.)