



Rep. Martin J. Moylan

**Filed: 5/10/2023**

10300HB0610ham001

LRB103 04195 HLH 61720 a

1 AMENDMENT TO HOUSE BILL 610

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 610 by replacing  
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the  
5 Megaproject Sports and Entertainment Facility Admission Tax  
6 Act.

7 Section 5. Definitions. As used in this Act:

8 "Department" means the Department of Revenue.

9 "Megaproject property" means property covered by a  
10 megaproject certificate issued pursuant to Division 22 of  
11 Article 10 of the Property Tax Code.

12 "Owner" means the owner of a sports and entertainment  
13 facility located on megaproject property.

14 "Person" means any individual, partnership, corporation,  
15 association, governmental subdivision, or public or private  
16 organization.

1 "Sports and entertainment facility" means a stadium,  
2 arena, or other similar structure for the holding of athletic  
3 contests and other events and gatherings, including, but not  
4 limited to, the following: baseball events, football events,  
5 and automobile racing; musical, dramatic, and other artistic,  
6 cultural, or social events; public meetings; and other public  
7 events.

8 Section 10. Tax imposed. Beginning on the first day of the  
9 first month to occur not less than 60 days after the Department  
10 issues a megaproject certificate pursuant to Division 22 of  
11 Article 10 of the Property Tax Code and continuing through the  
12 last day of the calendar month in which the incentive period  
13 expires, as defined in Section 10-910 of the Property Tax  
14 Code, a tax is imposed upon admission to a sports and  
15 entertainment facility located on the megaproject property.  
16 The rate of the tax under this Act is \$3 for each individual  
17 admitted to the sports and entertainment facility. The owner  
18 shall collect and remit the tax imposed under this Act. The tax  
19 under this Act shall be paid on a per-admission basis, except  
20 that an individual who exits a sports and entertainment  
21 facility and reenters that sports and entertainment facility  
22 on the same day shall be subject only to the initial admission  
23 tax. The Department may issue tax-free passes to agents of the  
24 owner, employees of the owner, and other persons who provide  
25 goods and services at the sports and entertainment facility

1 pursuant to a contract or agreement with the owner. Those  
2 tax-free passes shall allow those individuals to access the  
3 sports and entertainment facility without incurring the tax  
4 imposed under this Act.

5 Section 15. Returns.

6 (a) On or before the 25th day of each calendar month, each  
7 person who is required to collect and remit the tax under this  
8 Act shall file a return with the Department stating:

9 (1) the name of the person required to collect and  
10 remit the tax;

11 (2) the address of the person's principal place of  
12 business;

13 (3) the address of the sports and entertainment  
14 facility;

15 (4) the number of taxable admissions to the sports and  
16 entertainment facility during the period covered by the  
17 return;

18 (5) the total amount of tax due under this Act for the  
19 period covered by the return; and

20 (6) such other information as the Department may  
21 require.

22 (b) The person filing the return under this Act shall, at  
23 the time of filing the return, pay to the Department the amount  
24 of tax imposed by this Act.

1           Section 17. Sports Facilities Bond Repayment Trust Fund;  
2           distribution of proceeds.

3           (a) Within 90 days after the effective date of this Act,  
4           the Department shall certify the reimbursement amount to the  
5           State Comptroller and the State Treasurer. For the purposes of  
6           this Section, the reimbursement amount is an amount equal to  
7           the sum of (i) the total amount paid into the Illinois Sports  
8           Facilities Fund under Section 13.1 of the State Revenue  
9           Sharing Act and Section 6 of the Hotel Operators' Occupation  
10          Tax Act on or after June 1, 2001 (the effective date of Public  
11          Act 91-935) and before the effective date of this Act as a  
12          reallocation of moneys due to the City of Chicago from the  
13          Local Government Distributive Fund and (ii) the amount  
14          projected by the Department to be paid into the Illinois  
15          Sports Facilities Fund under Section 13.1 of the State Revenue  
16          Sharing Act and Section 6 of the Hotel Operators' Occupation  
17          Tax Act on or after the effective date of this Act as a  
18          reallocation of moneys due to the City of Chicago from the  
19          Local Government Distributive Fund.

20          (b) The Sports Facilities Bond Repayment Trust Fund is  
21          hereby created as a trust fund to be held outside of the State  
22          Treasury with the State Treasurer, *ex officio*, as custodian.  
23          Moneys in the Trust Fund shall be used solely as provided in  
24          this Section. All deposits into the Trust Fund shall be held in  
25          the Trust Fund by the State Treasurer separate and apart from  
26          all public moneys or funds of this State. Any interest earned

1 on moneys in the Sports Facilities Bond Repayment Trust Fund  
2 shall be deposited into the Sports Facilities Bond Repayment  
3 Trust Fund. Moneys in the Sports Facilities Bond Repayment  
4 Trust Fund shall be paid to the City of Chicago upon order of  
5 the Comptroller and in accordance with the directions  
6 contained in the certification under subsection (a).

7 (c) The proceeds of the tax imposed under this Act shall be  
8 paid into the Sports Facilities Bond Repayment Trust Fund  
9 until the total reimbursement amount has been paid into the  
10 Sports Facilities Bond Repayment Trust Fund. Once the total  
11 reimbursement amount has been deposited into the Sports  
12 Facilities Bond Repayment Trust Fund, the proceeds of the tax  
13 under this Act shall be paid into the Common School Fund.

14 Section 20. Incorporation of the Retailers' Occupation Tax  
15 Act and the Uniform Penalty and Interest Act. The Department  
16 shall administer and collect the admission tax imposed by this  
17 Act, to the extent practicable, in a manner consistent with  
18 the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g,  
19 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the Retailers' Occupation  
20 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
21 Act.

22 Section 25. Rulemaking. The Department shall adopt rules  
23 necessary for the implementation of this Act.

1 Section 900. The State Finance Act is amended by adding  
2 Sections 5.990 and 6z-139 as follows:

3 (30 ILCS 105/5.990 new)

4 Sec. 5.990. The Arlington Megaproject Infrastructure Fund.

5 (30 ILCS 105/6z-139 new)

6 Sec. 6z-139. The Arlington Megaproject Infrastructure  
7 Fund.

8 (a) The Arlington Megaproject Infrastructure Fund is  
9 created as a special fund in the State treasury. The entities  
10 receiving disbursements under subsection (b) of this Section  
11 may use funds received from the Arlington Megaproject  
12 Infrastructure Fund only for capital projects and  
13 infrastructure improvements. All interest earned on moneys in  
14 the Fund shall be deposited into the Fund. The Fund shall not  
15 be subject to administrative charges or chargebacks,  
16 including, but not limited to, those authorized under Section  
17 8h.

18 (b) On or before the last day of each month, the State  
19 Treasurer and the State Comptroller shall distribute the  
20 available balance in the Arlington Megaproject Infrastructure  
21 Fund as follows:

22 (1) 30% to the Village of Arlington Heights;

23 (2) 14% to the Village of Palatine;

24 (3) 14% to the City of Rolling Meadows;

- 1           (4) 6% to Cook County;  
2           (5) 6% to the Village of Buffalo Grove;  
3           (6) 6% to the Village of Elk Grove Village;  
4           (7) 6% to the Village of Mount Prospect;  
5           (8) 6% to the City of Prospect Heights;  
6           (9) 6% to the Village of Schaumburg; and  
7           (10) 6% to the Village of Wheeling.

8           Section 905. The Use Tax Act is amended by changing  
9           Sections 3-5 and 9 as follows:

10           (35 ILCS 105/3-5)

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

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

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

23           (3) Personal property purchased by a not-for-profit arts  
24           or cultural organization that establishes, by proof required

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

14 (4) Personal property purchased by a governmental body, by  
15 a corporation, society, association, foundation, or  
16 institution organized and operated exclusively for charitable,  
17 religious, or educational purposes, or by a not-for-profit  
18 corporation, society, association, foundation, institution, or  
19 organization that has no compensated officers or employees and  
20 that is organized and operated primarily for the recreation of  
21 persons 55 years of age or older. A limited liability company  
22 may qualify for the exemption under this paragraph only if the  
23 limited liability company is organized and operated  
24 exclusively for educational purposes. On and after July 1,  
25 1987, however, no entity otherwise eligible for this exemption  
26 shall make tax-free purchases unless it has an active



1 exemption identification number issued by the Department.

2 (5) Until July 1, 2003, a passenger car that is a  
3 replacement vehicle to the extent that the purchase price of  
4 the car is subject to the Replacement Vehicle Tax.

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

18 (7) Farm chemicals.

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

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

26 (10) A motor vehicle that is used for automobile renting,

1 as defined in the Automobile Renting Occupation and Use Tax  
2 Act.

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

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

1 limited to, soil testing sensors, computers, monitors,  
2 software, global positioning and mapping systems, and other  
3 such equipment.

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

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

19 Beginning July 1, 2013, fuel and petroleum products sold  
20 to or used by an air carrier, certified by the carrier to be  
21 used for consumption, shipment, or storage in the conduct of  
22 its business as an air common carrier, for a flight that (i) is  
23 engaged in foreign trade or is engaged in trade between the  
24 United States and any of its possessions and (ii) transports  
25 at least one individual or package for hire from the city of  
26 origination to the city of final destination on the same

1 aircraft, without regard to a change in the flight number of  
2 that aircraft.

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

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

26 (16) Until July 1, 2028, coal and aggregate exploration,

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

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

17 (18) Manufacturing and assembling machinery and equipment  
18 used primarily in the process of manufacturing or assembling  
19 tangible personal property for wholesale or retail sale or  
20 lease, whether that sale or lease is made directly by the  
21 manufacturer or by some other person, whether the materials  
22 used in the process are owned by the manufacturer or some other  
23 person, or whether that sale or lease is made apart from or as  
24 an incident to the seller's engaging in the service occupation  
25 of producing machines, tools, dies, jigs, patterns, gauges, or  
26 other similar items of no commercial value on special order

1 for a particular purchaser. The exemption provided by this  
2 paragraph (18) includes production related tangible personal  
3 property, as defined in Section 3-50, purchased on or after  
4 July 1, 2019. The exemption provided by this paragraph (18)  
5 does not include machinery and equipment used in (i) the  
6 generation of electricity for wholesale or retail sale; (ii)  
7 the 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 of  
10 water for wholesale or retail sale that is delivered to  
11 customers through pipes, pipelines, or mains. The provisions  
12 of Public Act 98-583 are declaratory of existing law as to the  
13 meaning and scope of this exemption. Beginning on July 1,  
14 2017, the exemption provided by this paragraph (18) includes,  
15 but is not limited to, graphic arts machinery and equipment,  
16 as defined in paragraph (6) of this Section.

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

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

24 (21) Horses, or interests in horses, registered with and  
25 meeting the requirements of any of the Arabian Horse Club  
26 Registry of America, Appaloosa Horse Club, American Quarter

1 Horse Association, United States Trotting Association, or  
2 Jockey Club, as appropriate, used for purposes of breeding or  
3 racing for prizes. This item (21) is exempt from the  
4 provisions of Section 3-90, and the exemption provided for  
5 under this item (21) applies for all periods beginning May 30,  
6 1995, but no claim for credit or refund is allowed on or after  
7 January 1, 2008 for such taxes paid during the period  
8 beginning May 30, 2000 and ending on January 1, 2008.

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

1 collects any such amount from the lessee, the lessee shall  
2 have a legal right to claim a refund of that amount from the  
3 lessor. If, however, that amount is not refunded to the lessee  
4 for any reason, the lessor is liable to pay that amount to the  
5 Department.

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



1           (24) Beginning with taxable years ending on or after  
2           December 31, 1995 and ending with taxable years ending on or  
3           before December 31, 2004, personal property that is donated  
4           for disaster relief to be used in a State or federally declared  
5           disaster area in Illinois or bordering Illinois by a  
6           manufacturer or retailer that is registered in this State to a  
7           corporation, society, association, foundation, or institution  
8           that has been issued a sales tax exemption identification  
9           number by the Department that assists victims of the disaster  
10          who reside within the declared disaster area.

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

24          (26) Beginning July 1, 1999, game or game birds purchased  
25          at a "game breeding and hunting preserve area" as that term is  
26          used in the Wildlife Code. This paragraph is exempt from the

1 provisions of Section 3-90.

2 (27) A motor vehicle, as that term is defined in Section  
3 1-146 of the Illinois Vehicle Code, that is donated to a  
4 corporation, limited liability company, society, association,  
5 foundation, or institution that is determined by the  
6 Department to be organized and operated exclusively for  
7 educational purposes. For purposes of this exemption, "a  
8 corporation, limited liability company, society, association,  
9 foundation, or institution organized and operated exclusively  
10 for educational purposes" means all tax-supported public  
11 schools, private schools that offer systematic instruction in  
12 useful branches of learning by methods common to public  
13 schools and that compare favorably in their scope and  
14 intensity with the course of study presented in tax-supported  
15 schools, and vocational or technical schools or institutes  
16 organized and operated exclusively to provide a course of  
17 study of 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 (28) Beginning January 1, 2000, personal property,  
22 including food, purchased through fundraising events for the  
23 benefit of a public or private elementary or secondary school,  
24 a group of those schools, or one or more school districts if  
25 the events are sponsored by an entity recognized by the school  
26 district that consists primarily of volunteers and includes

1 parents and teachers of the school children. This paragraph  
2 does not apply to fundraising events (i) for the benefit of  
3 private home instruction or (ii) for which the fundraising  
4 entity purchases the personal property sold at the events from  
5 another individual or entity that sold the property for the  
6 purpose of resale by the fundraising entity and that profits  
7 from the sale to the fundraising entity. This paragraph is  
8 exempt from the provisions of Section 3-90.

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

19 (30) Beginning January 1, 2001 and through June 30, 2016,  
20 food for human consumption that is to be consumed off the  
21 premises where it is sold (other than alcoholic beverages,  
22 soft drinks, and food that has been prepared for immediate  
23 consumption) and prescription and nonprescription medicines,  
24 drugs, medical appliances, and insulin, urine testing  
25 materials, syringes, and needles used by diabetics, for human  
26 use, when purchased for use by a person receiving medical

1 assistance under Article V of the Illinois Public Aid Code who  
2 resides in a licensed long-term care facility, as defined in  
3 the Nursing Home Care Act, or in a licensed facility as defined  
4 in the ID/DD Community Care Act, the MC/DD Act, or the  
5 Specialized Mental Health Rehabilitation Act of 2013.

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

1 lessor. If, however, that amount is not refunded to the lessee  
2 for any reason, the lessor is liable to pay that amount to the  
3 Department. This paragraph is exempt from the provisions of  
4 Section 3-90.

5 (32) Beginning on August 2, 2001 (the effective date of  
6 Public Act 92-227), personal property purchased by a lessor  
7 who leases the property, under a lease of one year or longer  
8 executed or in effect at the time the lessor would otherwise be  
9 subject to the tax imposed by this Act, to a governmental body  
10 that has been issued an active sales tax exemption  
11 identification number by the Department under Section 1g of  
12 the Retailers' Occupation Tax Act. If the property is leased  
13 in a manner that does not qualify for this exemption or used in  
14 any other nonexempt manner, the lessor shall be liable for the  
15 tax imposed under this Act or the Service Use Tax Act, as the  
16 case may be, based on the fair market value of the property at  
17 the time the nonqualifying use occurs. No lessor shall collect  
18 or attempt to collect an amount (however designated) that  
19 purports to reimburse that lessor for the tax imposed by this  
20 Act or the Service Use Tax Act, as the case may be, if the tax  
21 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 (33) On and after July 1, 2003 and through June 30, 2004,  
3 the use in this State of motor vehicles of the second division  
4 with a gross vehicle weight in excess of 8,000 pounds and that  
5 are subject to the commercial distribution fee imposed under  
6 Section 3-815.1 of the Illinois Vehicle Code. Beginning on  
7 July 1, 2004 and through June 30, 2005, the use in this State  
8 of motor vehicles of the second division: (i) with a gross  
9 vehicle weight rating in excess of 8,000 pounds; (ii) that are  
10 subject to the commercial distribution fee imposed under  
11 Section 3-815.1 of the Illinois Vehicle Code; and (iii) that  
12 are primarily used for commercial purposes. Through June 30,  
13 2005, this exemption applies to repair and replacement parts  
14 added after the initial purchase of such a motor vehicle if  
15 that motor vehicle is used in a manner that would qualify for  
16 the rolling stock exemption otherwise provided for in this  
17 Act. For purposes of this paragraph, the term "used for  
18 commercial purposes" means the transportation of persons or  
19 property in furtherance of any commercial or industrial  
20 enterprise, whether for-hire or not.

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

1 paragraph is exempt from the provisions of Section 3-90.

2 (35) Beginning January 1, 2010 and continuing through  
3 December 31, 2024, materials, parts, equipment, components,  
4 and furnishings incorporated into or upon an aircraft as part  
5 of the modification, refurbishment, completion, replacement,  
6 repair, or maintenance of the aircraft. This exemption  
7 includes consumable supplies used in the modification,  
8 refurbishment, completion, replacement, repair, and  
9 maintenance of aircraft, but excludes any materials, parts,  
10 equipment, components, and consumable supplies used in the  
11 modification, replacement, repair, and maintenance of aircraft  
12 engines or power plants, whether such engines or power plants  
13 are installed or uninstalled upon any such aircraft.  
14 "Consumable supplies" include, but are not limited to,  
15 adhesive, tape, sandpaper, general purpose lubricants,  
16 cleaning solution, latex gloves, and protective films. This  
17 exemption applies only to the use of qualifying tangible  
18 personal property by persons who modify, refurbish, complete,  
19 repair, replace, or maintain aircraft and who (i) hold an Air  
20 Agency Certificate and are empowered to operate an approved  
21 repair station by the Federal Aviation Administration, (ii)  
22 have a Class IV Rating, and (iii) conduct operations in  
23 accordance with Part 145 of the Federal Aviation Regulations.  
24 The exemption does not include aircraft operated by a  
25 commercial air carrier providing scheduled passenger air  
26 service pursuant to authority issued under Part 121 or Part

1 129 of the Federal Aviation Regulations. The changes made to  
2 this paragraph (35) by Public Act 98-534 are declarative of  
3 existing law. It is the intent of the General Assembly that the  
4 exemption under this paragraph (35) applies continuously from  
5 January 1, 2010 through December 31, 2024; however, no claim  
6 for credit or refund is allowed for taxes paid as a result of  
7 the disallowance of this exemption on or after January 1, 2015  
8 and prior to February 5, 2020 (the effective date of Public Act  
9 101-629) ~~this amendatory Act of the 101st General Assembly.~~

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

25 (37) Beginning January 1, 2017 and through December 31,  
26 2026, menstrual pads, tampons, and menstrual cups.



1           (38) Merchandise that is subject to the Rental Purchase  
2 Agreement Occupation and Use Tax. The purchaser must certify  
3 that the item is purchased to be rented subject to a rental  
4 purchase agreement, as defined in the Rental Purchase  
5 Agreement Act, and provide proof of registration under the  
6 Rental Purchase Agreement Occupation and Use Tax Act. This  
7 paragraph is exempt from the provisions of Section 3-90.

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

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

26           The Department of Commerce and Economic Opportunity shall

1 grant a certificate of exemption under this item (40) to  
2 qualified data centers as defined by Section 605-1025 of the  
3 Department of Commerce and Economic Opportunity Law of the  
4 Civil Administrative Code of Illinois.

5 For the purposes of this item (40):

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

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

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

11 This item (40) is exempt from the provisions of Section  
12 3-90.

13 (41) Beginning July 1, 2022, breast pumps, breast pump  
14 collection and storage supplies, and breast pump kits. This  
15 item (41) is exempt from the provisions of Section 3-90. As  
16 used in this item (41):

17 "Breast pump" means an electrically controlled or  
18 manually controlled pump device designed or marketed to be  
19 used to express milk from a human breast during lactation,  
20 including the pump device and any battery, AC adapter, or  
21 other power supply unit that is used to power the pump  
22 device and is packaged and sold with the pump device at the  
23 time of sale.

24 "Breast pump collection and storage supplies" means  
25 items of tangible personal property designed or marketed  
26 to be used in conjunction with a breast pump to collect

1 milk expressed from a human breast and to store collected  
2 milk until it is ready for consumption.

3 "Breast pump collection and storage supplies"  
4 includes, but is not limited to: breast shields and breast  
5 shield connectors; breast pump tubes and tubing adapters;  
6 breast pump valves and membranes; backflow protectors and  
7 backflow protector adaptors; bottles and bottle caps  
8 specific to the operation of the breast pump; and breast  
9 milk storage bags.

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

22 "Breast pump kit" means a kit that: (1) contains no  
23 more than a breast pump, breast pump collection and  
24 storage supplies, a rechargeable battery for operating the  
25 breast pump, a breastmilk cooler, bottle stands, ice  
26 packs, and a breast pump carrying case; and (2) is

1 pre-packaged as a breast pump kit by the breast pump  
2 manufacturer or distributor.

3 (42) ~~(41)~~ Tangible personal property sold by or on behalf  
4 of the State Treasurer pursuant to the Revised Uniform  
5 Unclaimed Property Act. This item (42) ~~(41)~~ is exempt from the  
6 provisions of Section 3-90.

7 (43) Qualified tangible personal property used in the  
8 construction or operation of a megaproject for which a  
9 certificate has been issued by the Department under Division  
10 22 of Article 10 of the Property Tax Code, whether that  
11 tangible personal property is purchased by the owner,  
12 operator, or tenant of the megaproject or by a contractor or  
13 subcontractor of the owner, operator, or tenant.

14 As used in this item (43):

15 "Megaproject" has the meaning ascribed to that term in  
16 Section 10-910 of the Property Tax Code.

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

1 equipment and systems necessary to operate qualified tangible  
2 personal property, including fixtures; and component parts of  
3 those items, including installation, maintenance, repair,  
4 refurbishment, and replacement of qualified tangible personal  
5 property to generate, transform, transmit, distribute, or  
6 manage electricity necessary to operate qualified tangible  
7 personal property; and all other tangible personal property  
8 that is essential to the operations of a megaproject. The term  
9 "qualified tangible personal property" also includes building  
10 materials to be incorporated into the megaproject. To document  
11 the exemption allowed under this Section, the retailer,  
12 contractor or subcontractor or supplier must obtain from the  
13 purchaser a copy of the certificate issued by the Department  
14 of Revenue for the megaproject as described and defined in  
15 Division 22 of Article 10 of the Property Tax Code.

16 This item (43) is exempt from the provisions of Section  
17 3-90.

18 (Source: P.A. 101-9, eff. 6-5-19; 101-31, eff. 6-28-19;  
19 101-81, eff. 7-12-19; 101-629, eff. 2-5-20; 102-16, eff.  
20 6-17-21; 102-700, Article 70, Section 70-5, eff. 4-19-22;  
21 102-700, Article 75, Section 75-5, eff. 4-19-22; 102-1026,  
22 eff. 5-27-22; revised 8-1-22.)

23 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

24 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
25 and trailers that are required to be registered with an agency

1 of this State, each retailer required or authorized to collect  
2 the tax imposed by this Act shall pay to the Department the  
3 amount of such tax (except as otherwise provided) at the time  
4 when he is required to file his return for the period during  
5 which such tax was collected, less a discount of 2.1% prior to  
6 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
7 per calendar year, whichever is greater, which is allowed to  
8 reimburse the retailer for expenses incurred in collecting the  
9 tax, keeping records, preparing and filing returns, remitting  
10 the tax and supplying data to the Department on request. When  
11 determining the discount allowed under this Section, retailers  
12 shall include the amount of tax that would have been due at the  
13 6.25% rate but for the 1.25% rate imposed on sales tax holiday  
14 items under Public Act 102-700 ~~this amendatory Act of the~~  
15 ~~102nd General Assembly~~. The discount under this Section is not  
16 allowed for the 1.25% portion of taxes paid on aviation fuel  
17 that is subject to the revenue use requirements of 49 U.S.C.  
18 47107(b) and 49 U.S.C. 47133. When determining the discount  
19 allowed under this Section, retailers shall include the amount  
20 of tax that would have been due at the 1% rate but for the 0%  
21 rate imposed under Public Act 102-700 ~~this amendatory Act of~~  
22 ~~the 102nd General Assembly~~. In the case of retailers who  
23 report and pay the tax on a transaction by transaction basis,  
24 as provided in this Section, such discount shall be taken with  
25 each such tax remittance instead of when such retailer files  
26 his periodic return. The discount allowed under this Section

1 is allowed only for returns that are filed in the manner  
2 required by this Act. The Department may disallow the discount  
3 for retailers whose certificate of registration is revoked at  
4 the time the return is filed, but only if the Department's  
5 decision to revoke the certificate of registration has become  
6 final. A retailer need not remit that part of any tax collected  
7 by him to the extent that he is required to remit and does  
8 remit the tax imposed by the Retailers' Occupation Tax Act,  
9 with respect to the sale of the same property.

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

20 Except as provided in this Section, on or before the  
21 twentieth day of each calendar month, such retailer shall file  
22 a return for the preceding calendar month. Such return shall  
23 be filed on forms prescribed by the Department and shall  
24 furnish such information as the Department may reasonably  
25 require. The return shall include the gross receipts on food  
26 for human consumption that is to be consumed off the premises



1 where it is sold (other than alcoholic beverages, food  
2 consisting of or infused with adult use cannabis, soft drinks,  
3 and food that has been prepared for immediate consumption)  
4 which were received during the preceding calendar month,  
5 quarter, or year, as appropriate, and upon which tax would  
6 have been due but for the 0% rate imposed under Public Act  
7 102-700 ~~this amendatory Act of the 102nd General Assembly~~. The  
8 return shall also include the amount of tax that would have  
9 been due on food for human consumption that is to be consumed  
10 off the premises where it is sold (other than alcoholic  
11 beverages, food consisting of or infused with adult use  
12 cannabis, soft drinks, and food that has been prepared for  
13 immediate consumption) but for the 0% rate imposed under  
14 Public Act 102-700 ~~this amendatory Act of the 102nd General~~  
15 ~~Assembly~~.

16 On and after January 1, 2018, except for returns required  
17 to be filed prior to January 1, 2023 for motor vehicles,  
18 watercraft, aircraft, and trailers that are required to be  
19 registered with an agency of this State, with respect to  
20 retailers whose annual gross receipts average \$20,000 or more,  
21 all returns required to be filed pursuant to this Act shall be  
22 filed electronically. On and after January 1, 2023, with  
23 respect to retailers whose annual gross receipts average  
24 \$20,000 or more, all returns required to be filed pursuant to  
25 this Act, including, but not limited to, returns for motor  
26 vehicles, watercraft, aircraft, and trailers that are required

1 to be registered with an agency of this State, shall be filed  
2 electronically. Retailers who demonstrate that they do not  
3 have access to the Internet or demonstrate hardship in filing  
4 electronically may petition the Department to waive the  
5 electronic filing requirement.

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

13 1. The name of the seller;

14 2. The address of the principal place of business from  
15 which he engages in the business of selling tangible  
16 personal property at retail in this State;

17 3. The total amount of taxable receipts received by  
18 him during the preceding calendar month from sales of  
19 tangible personal property by him during such preceding  
20 calendar month, including receipts from charge and time  
21 sales, but less all deductions allowed by law;

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

24 5. The amount of tax due;

25 5-5. The signature of the taxpayer; and

26 6. Such other reasonable information as the Department

1           may require.

2           Each retailer required or authorized to collect the tax  
3 imposed by this Act on aviation fuel sold at retail in this  
4 State during the preceding calendar month shall, instead of  
5 reporting and paying tax on aviation fuel as otherwise  
6 required by this Section, report and pay such tax on a separate  
7 aviation fuel tax return. The requirements related to the  
8 return shall be as otherwise provided in this Section.  
9 Notwithstanding any other provisions of this Act to the  
10 contrary, retailers collecting tax on aviation fuel shall file  
11 all aviation fuel tax returns and shall make all aviation fuel  
12 tax payments by electronic means in the manner and form  
13 required by the Department. For purposes of this Section,  
14 "aviation fuel" means jet fuel and aviation gasoline.

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

19           Notwithstanding any other provision of this Act to the  
20 contrary, retailers subject to tax on cannabis shall file all  
21 cannabis tax returns and shall make all cannabis tax payments  
22 by electronic means in the manner and form required by the  
23 Department.

24           Beginning October 1, 1993, a taxpayer who has an average  
25 monthly tax liability of \$150,000 or more shall make all  
26 payments required by rules of the Department by electronic

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

23 Before August 1 of each year beginning in 1993, the  
24 Department shall notify all taxpayers required to make  
25 payments by electronic funds transfer. All taxpayers required  
26 to make payments by electronic funds transfer shall make those

1 payments for a minimum of one year beginning on October 1.

2 Any taxpayer not required to make payments by electronic  
3 funds transfer may make payments by electronic funds transfer  
4 with the permission of the Department.

5 All taxpayers required to make payment by electronic funds  
6 transfer and any taxpayers authorized to voluntarily make  
7 payments by electronic funds transfer shall make those  
8 payments in the manner authorized by the Department.

9 The Department shall adopt such rules as are necessary to  
10 effectuate a program of electronic funds transfer and the  
11 requirements of this Section.

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

1 month by the 20th day of the month next following the month  
2 during which such tax liability is incurred and shall make  
3 payment to the Department on or before the 7th, 15th, 22nd and  
4 last day of the month during which such liability is incurred.  
5 If the month during which such tax liability is incurred began  
6 prior to January 1, 1985, each payment shall be in an amount  
7 equal to 1/4 of the taxpayer's actual liability for the month  
8 or an amount set by the Department not to exceed 1/4 of the  
9 average monthly liability of the taxpayer to the Department  
10 for the preceding 4 complete calendar quarters (excluding the  
11 month of highest liability and the month of lowest liability  
12 in such 4 quarter period). If the month during which such tax  
13 liability is incurred begins on or after January 1, 1985, and  
14 prior to January 1, 1987, each payment shall be in an amount  
15 equal to 22.5% of the taxpayer's actual liability for the  
16 month or 27.5% of the taxpayer's liability for the same  
17 calendar month of the preceding year. If the month during  
18 which such tax liability is incurred begins on or after  
19 January 1, 1987, and prior to January 1, 1988, each payment  
20 shall be in an amount equal to 22.5% of the taxpayer's actual  
21 liability for the month or 26.25% of the taxpayer's liability  
22 for the same calendar month of the preceding year. If the month  
23 during which such tax liability is incurred begins on or after  
24 January 1, 1988, and prior to January 1, 1989, or begins on or  
25 after January 1, 1996, each payment shall be in an amount equal  
26 to 22.5% of the taxpayer's actual liability for the month or

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

1 the making of quarter monthly payments to the Department shall  
2 continue until such taxpayer's average monthly liability to  
3 the Department during the preceding 4 complete calendar  
4 quarters (excluding the month of highest liability and the  
5 month of lowest liability) is less than \$19,000 or until such  
6 taxpayer's average monthly liability to the Department as  
7 computed for each calendar quarter of the 4 preceding complete  
8 calendar quarter period is less than \$20,000. However, if a  
9 taxpayer can show the Department that a substantial change in  
10 the taxpayer's business has occurred which causes the taxpayer  
11 to anticipate that his average monthly tax liability for the  
12 reasonably foreseeable future will fall below the \$20,000  
13 threshold stated above, then such taxpayer may petition the  
14 Department for a change in such taxpayer's reporting status.  
15 The Department shall change such taxpayer's reporting status  
16 unless it finds that such change is seasonal in nature and not  
17 likely to be long term. Quarter monthly payment status shall  
18 be determined under this paragraph as if the rate reduction to  
19 1.25% in Public Act 102-700 ~~this amendatory Act of the 102nd~~  
20 ~~General Assembly~~ on sales tax holiday items had not occurred.  
21 For quarter monthly payments due on or after July 1, 2023 and  
22 through June 30, 2024, "25% of the taxpayer's liability for  
23 the same calendar month of the preceding year" shall be  
24 determined as if the rate reduction to 1.25% in Public Act  
25 102-700 ~~this amendatory Act of the 102nd General Assembly~~ on  
26 sales tax holiday items had not occurred. Quarter monthly



1 payment status shall be determined under this paragraph as if  
2 the rate reduction to 0% in Public Act 102-700 ~~this amendatory~~  
3 ~~Act of the 102nd General Assembly~~ on food for human  
4 consumption that is to be consumed off the premises where it is  
5 sold (other than alcoholic beverages, food consisting of or  
6 infused with adult use cannabis, soft drinks, and food that  
7 has been prepared for immediate consumption) had not occurred.  
8 For quarter monthly payments due under this paragraph on or  
9 after July 1, 2023 and through June 30, 2024, "25% of the  
10 taxpayer's liability for the same calendar month of the  
11 preceding year" shall be determined as if the rate reduction  
12 to 0% in Public Act 102-700 ~~this amendatory Act of the 102nd~~  
13 ~~General Assembly~~ had not occurred. If any such quarter monthly  
14 payment is not paid at the time or in the amount required by  
15 this Section, then the taxpayer shall be liable for penalties  
16 and interest on the difference between the minimum amount due  
17 and the amount of such quarter monthly payment actually and  
18 timely paid, except insofar as the taxpayer has previously  
19 made payments for that month to the Department in excess of the  
20 minimum payments previously due as provided in this Section.  
21 The Department shall make reasonable rules and regulations to  
22 govern the quarter monthly payment amount and quarter monthly  
23 payment dates for taxpayers who file on other than a calendar  
24 monthly basis.

25 If any such payment provided for in this Section exceeds  
26 the taxpayer's liabilities under this Act, the Retailers'

1 Occupation Tax Act, the Service Occupation Tax Act and the  
2 Service Use Tax Act, as shown by an original monthly return,  
3 the Department shall issue to the taxpayer a credit memorandum  
4 no later than 30 days after the date of payment, which  
5 memorandum may be submitted by the taxpayer to the Department  
6 in payment of tax liability subsequently to be remitted by the  
7 taxpayer to the Department or be assigned by the taxpayer to a  
8 similar taxpayer under this Act, the Retailers' Occupation Tax  
9 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
10 in accordance with reasonable rules and regulations to be  
11 prescribed by the Department, except that if such excess  
12 payment is shown on an original monthly return and is made  
13 after December 31, 1986, no credit memorandum shall be issued,  
14 unless requested by the taxpayer. If no such request is made,  
15 the taxpayer may credit such excess payment against tax  
16 liability subsequently to be remitted by the taxpayer to the  
17 Department under this Act, the Retailers' Occupation Tax Act,  
18 the Service Occupation Tax Act or the Service Use Tax Act, in  
19 accordance with reasonable rules and regulations prescribed by  
20 the Department. If the Department subsequently determines that  
21 all or any part of the credit taken was not actually due to the  
22 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall  
23 be reduced by 2.1% or 1.75% of the difference between the  
24 credit taken and that actually due, and the taxpayer shall be  
25 liable for penalties and interest on such difference.

26 If the retailer is otherwise required to file a monthly

1 return and if the retailer's average monthly tax liability to  
2 the Department does not exceed \$200, the Department may  
3 authorize his returns to be filed on a quarter annual basis,  
4 with the return for January, February, and March of a given  
5 year being due by April 20 of such year; with the return for  
6 April, May and June of a given year being due by July 20 of  
7 such year; with the return for July, August and September of a  
8 given year being due by October 20 of such year, and with the  
9 return for October, November and December of a given year  
10 being due by January 20 of the following year.

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

17 Such quarter annual and annual returns, as to form and  
18 substance, shall be subject to the same requirements as  
19 monthly returns.

20 Notwithstanding any other provision in this Act concerning  
21 the time within which a retailer may file his return, in the  
22 case of any retailer who ceases to engage in a kind of business  
23 which makes him responsible for filing returns under this Act,  
24 such retailer shall file a final return under this Act with the  
25 Department not more than one month after discontinuing such  
26 business.

1           In addition, with respect to motor vehicles, watercraft,  
2 aircraft, and trailers that are required to be registered with  
3 an agency of this State, except as otherwise provided in this  
4 Section, every retailer selling this kind of tangible personal  
5 property shall file, with the Department, upon a form to be  
6 prescribed and supplied by the Department, a separate return  
7 for each such item of tangible personal property which the  
8 retailer sells, except that if, in the same transaction, (i) a  
9 retailer of aircraft, watercraft, motor vehicles or trailers  
10 transfers more than one aircraft, watercraft, motor vehicle or  
11 trailer to another aircraft, watercraft, motor vehicle or  
12 trailer retailer for the purpose of resale or (ii) a retailer  
13 of aircraft, watercraft, motor vehicles, or trailers transfers  
14 more than one aircraft, watercraft, motor vehicle, or trailer  
15 to a purchaser for use as a qualifying rolling stock as  
16 provided in Section 3-55 of this Act, then that seller may  
17 report the transfer of all the aircraft, watercraft, motor  
18 vehicles or trailers involved in that transaction to the  
19 Department on the same uniform invoice-transaction reporting  
20 return form. For purposes of this Section, "watercraft" means  
21 a Class 2, Class 3, or Class 4 watercraft as defined in Section  
22 3-2 of the Boat Registration and Safety Act, a personal  
23 watercraft, or any boat equipped with an inboard motor.

24           In addition, with respect to motor vehicles, watercraft,  
25 aircraft, and trailers that are required to be registered with  
26 an agency of this State, every person who is engaged in the

1 business of leasing or renting such items and who, in  
2 connection with such business, sells any such item to a  
3 retailer for the purpose of resale is, notwithstanding any  
4 other provision of this Section to the contrary, authorized to  
5 meet the return-filing requirement of this Act by reporting  
6 the transfer of all the aircraft, watercraft, motor vehicles,  
7 or trailers transferred for resale during a month to the  
8 Department on the same uniform invoice-transaction reporting  
9 return form on or before the 20th of the month following the  
10 month in which the transfer takes place. Notwithstanding any  
11 other provision of this Act to the contrary, all returns filed  
12 under this paragraph must be filed by electronic means in the  
13 manner and form as required by the Department.

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

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

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

26 Such transaction reporting return shall be filed not later

1 than 20 days after the date of delivery of the item that is  
2 being sold, but may be filed by the retailer at any time sooner  
3 than that if he chooses to do so. The transaction reporting  
4 return and tax remittance or proof of exemption from the tax  
5 that is imposed by this Act may be transmitted to the  
6 Department by way of the State agency with which, or State  
7 officer with whom, the tangible personal property must be  
8 titled or registered (if titling or registration is required)  
9 if the Department and such agency or State officer determine  
10 that this procedure will expedite the processing of  
11 applications for title or registration.

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

25 No retailer's failure or refusal to remit tax under this  
26 Act precludes a user, who has paid the proper tax to the

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

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

25 Where a retailer collects the tax with respect to the  
26 selling price of tangible personal property which he sells and



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

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

23 If experience indicates such action to be practicable, the  
24 Department may prescribe and furnish a combination or joint  
25 return which will enable retailers, who are required to file  
26 returns hereunder and also under the Retailers' Occupation Tax

1 Act, to furnish all the return information required by both  
2 Acts on the one form.

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

8 Notwithstanding any provision of law to the contrary,  
9 beginning on the first day of the first month after the  
10 Arlington Megaproject is established under Division 22 of  
11 Article 10 of the Property Tax Code, all taxes collected under  
12 this Act from persons located within the Arlington Megaproject  
13 shall be deposited into the Arlington Megaproject  
14 Infrastructure Fund.

15 Beginning January 1, 1990, each month the Department shall  
16 pay into the State and Local Sales Tax Reform Fund, a special  
17 fund in the State Treasury which is hereby created, the net  
18 revenue realized for the preceding month from the 1% tax  
19 imposed under this Act.

20 Beginning January 1, 1990, each month the Department shall  
21 pay into the County and Mass Transit District Fund 4% of the  
22 net revenue realized for the preceding month from the 6.25%  
23 general rate on the selling price of tangible personal  
24 property which is purchased outside Illinois at retail from a  
25 retailer and which is titled or registered by an agency of this  
26 State's government.

1           Beginning January 1, 1990, each month the Department shall  
2 pay into the State and Local Sales Tax Reform Fund, a special  
3 fund in the State Treasury, 20% of the net revenue realized for  
4 the preceding month from the 6.25% general rate on the selling  
5 price of tangible personal property, other than (i) tangible  
6 personal property which is purchased outside Illinois at  
7 retail from a retailer and which is titled or registered by an  
8 agency of this State's government and (ii) aviation fuel sold  
9 on or after December 1, 2019. This exception for aviation fuel  
10 only applies for so long as the revenue use requirements of 49  
11 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

12           For aviation fuel sold on or after December 1, 2019, each  
13 month the Department shall pay into the State Aviation Program  
14 Fund 20% of the net revenue realized for the preceding month  
15 from the 6.25% general rate on the selling price of aviation  
16 fuel, less an amount estimated by the Department to be  
17 required for refunds of the 20% portion of the tax on aviation  
18 fuel under this Act, which amount shall be deposited into the  
19 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
20 pay moneys into the State Aviation Program Fund and the  
21 Aviation Fuels Sales Tax Refund Fund under this Act for so long  
22 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
23 U.S.C. 47133 are binding on the State.

24           Beginning August 1, 2000, each month the Department shall  
25 pay into the State and Local Sales Tax Reform Fund 100% of the  
26 net revenue realized for the preceding month from the 1.25%

1 rate on the selling price of motor fuel and gasohol. If, in any  
2 month, the tax on sales tax holiday items, as defined in  
3 Section 3-6, is imposed at the rate of 1.25%, then the  
4 Department shall pay 100% of the net revenue realized for that  
5 month from the 1.25% rate on the selling price of sales tax  
6 holiday items into the State and Local Sales Tax Reform Fund.

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

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

21 Beginning July 1, 2011, each month the Department shall  
22 pay into the Clean Air Act Permit Fund 80% of the net revenue  
23 realized for the preceding month from the 6.25% general rate  
24 on the selling price of sorbents used in Illinois in the  
25 process of sorbent injection as used to comply with the  
26 Environmental Protection Act or the federal Clean Air Act, but

1 the total payment into the Clean Air Act Permit Fund under this  
2 Act and the Retailers' Occupation Tax Act shall not exceed  
3 \$2,000,000 in any fiscal year.

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

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

24 Of the remainder of the moneys received by the Department  
25 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
26 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on

1 and after July 1, 1989, 3.8% thereof shall be paid into the  
2 Build Illinois Fund; provided, however, that if in any fiscal  
3 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
4 may be, of the moneys received by the Department and required  
5 to be paid into the Build Illinois Fund pursuant to Section 3  
6 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
7 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
8 Service Occupation Tax Act, such Acts being hereinafter called  
9 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
10 may be, of moneys being hereinafter called the "Tax Act  
11 Amount", and (2) the amount transferred to the Build Illinois  
12 Fund from the State and Local Sales Tax Reform Fund shall be  
13 less than the Annual Specified Amount (as defined in Section 3  
14 of the Retailers' Occupation Tax Act), an amount equal to the  
15 difference shall be immediately paid into the Build Illinois  
16 Fund from other moneys received by the Department pursuant to  
17 the Tax Acts; and further provided, that if on the last  
18 business day of any month the sum of (1) the Tax Act Amount  
19 required to be deposited into the Build Illinois Bond Account  
20 in the Build Illinois Fund during such month and (2) the amount  
21 transferred during such month to the Build Illinois Fund from  
22 the State and Local Sales Tax Reform Fund shall have been less  
23 than 1/12 of the Annual Specified Amount, an amount equal to  
24 the difference shall be immediately paid into the Build  
25 Illinois Fund from other moneys received by the Department  
26 pursuant to the Tax Acts; and, further provided, that in no

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

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

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

| Fiscal Year | Total Deposit |
|-------------|---------------|
| 1993        | \$0           |
| 1994        | 53,000,000    |



|    |      |             |
|----|------|-------------|
| 1  | 1995 | 58,000,000  |
| 2  | 1996 | 61,000,000  |
| 3  | 1997 | 64,000,000  |
| 4  | 1998 | 68,000,000  |
| 5  | 1999 | 71,000,000  |
| 6  | 2000 | 75,000,000  |
| 7  | 2001 | 80,000,000  |
| 8  | 2002 | 93,000,000  |
| 9  | 2003 | 99,000,000  |
| 10 | 2004 | 103,000,000 |
| 11 | 2005 | 108,000,000 |
| 12 | 2006 | 113,000,000 |
| 13 | 2007 | 119,000,000 |
| 14 | 2008 | 126,000,000 |
| 15 | 2009 | 132,000,000 |
| 16 | 2010 | 139,000,000 |
| 17 | 2011 | 146,000,000 |
| 18 | 2012 | 153,000,000 |
| 19 | 2013 | 161,000,000 |
| 20 | 2014 | 170,000,000 |
| 21 | 2015 | 179,000,000 |
| 22 | 2016 | 189,000,000 |
| 23 | 2017 | 199,000,000 |
| 24 | 2018 | 210,000,000 |
| 25 | 2019 | 221,000,000 |
| 26 | 2020 | 233,000,000 |

|    |      |             |
|----|------|-------------|
| 1  | 2021 | 300,000,000 |
| 2  | 2022 | 300,000,000 |
| 3  | 2023 | 300,000,000 |
| 4  | 2024 | 300,000,000 |
| 5  | 2025 | 300,000,000 |
| 6  | 2026 | 300,000,000 |
| 7  | 2027 | 375,000,000 |
| 8  | 2028 | 375,000,000 |
| 9  | 2029 | 375,000,000 |
| 10 | 2030 | 375,000,000 |
| 11 | 2031 | 375,000,000 |
| 12 | 2032 | 375,000,000 |
| 13 | 2033 | 375,000,000 |
| 14 | 2034 | 375,000,000 |
| 15 | 2035 | 375,000,000 |
| 16 | 2036 | 450,000,000 |

17                   and  
18                    each fiscal year  
19                   thereafter that bonds  
20                   are outstanding under  
21                   Section 13.2 of the  
22                   Metropolitan Pier and  
23                   Exposition Authority Act,  
24                   but not after fiscal year 2060.

25                   Beginning July 20, 1993 and in each month of each fiscal  
26                   year thereafter, one-eighth of the amount requested in the

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

12 Subject to payment of amounts into the Capital Projects  
13 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,  
14 and the McCormick Place Expansion Project Fund pursuant to the  
15 preceding paragraphs or in any amendments thereto hereafter  
16 enacted, for aviation fuel sold on or after December 1, 2019,  
17 the Department shall each month deposit into the Aviation Fuel  
18 Sales Tax Refund Fund an amount estimated by the Department to  
19 be required for refunds of the 80% portion of the tax on  
20 aviation fuel under this Act. The Department shall only  
21 deposit moneys into the Aviation Fuel Sales Tax Refund Fund  
22 under this paragraph for so long as the revenue use  
23 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
24 binding on the State.

25 Subject to payment of amounts into the Build Illinois Fund  
26 and the McCormick Place Expansion Project Fund pursuant to the

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

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

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

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

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

21 Subject to successful execution and delivery of a  
22 public-private agreement between the public agency and private  
23 entity and completion of the civic build, beginning on July 1,  
24 2023, of the remainder of the moneys received by the  
25 Department under the Use Tax Act, the Service Use Tax Act, the  
26 Service Occupation Tax Act, and this Act, the Department shall

1 deposit the following specified deposits in the aggregate from  
 2 collections under the Use Tax Act, the Service Use Tax Act, the  
 3 Service Occupation Tax Act, and the Retailers' Occupation Tax  
 4 Act, as required under Section 8.25g of the State Finance Act  
 5 for distribution consistent with the Public-Private  
 6 Partnership for Civic and Transit Infrastructure Project Act.  
 7 The moneys received by the Department pursuant to this Act and  
 8 required to be deposited into the Civic and Transit  
 9 Infrastructure Fund are subject to the pledge, claim, and  
 10 charge set forth in Section 25-55 of the Public-Private  
 11 Partnership for Civic and Transit Infrastructure Project Act.  
 12 As used in this paragraph, "civic build", "private entity",  
 13 "public-private agreement", and "public agency" have the  
 14 meanings provided in Section 25-10 of the Public-Private  
 15 Partnership for Civic and Transit Infrastructure Project Act.

| 16 | Fiscal Year..... | Total Deposit |
|----|------------------|---------------|
| 17 | 2024 .....       | \$200,000,000 |
| 18 | 2025 .....       | \$206,000,000 |
| 19 | 2026 .....       | \$212,200,000 |
| 20 | 2027 .....       | \$218,500,000 |
| 21 | 2028 .....       | \$225,100,000 |
| 22 | 2029 .....       | \$288,700,000 |
| 23 | 2030 .....       | \$298,900,000 |
| 24 | 2031 .....       | \$309,300,000 |
| 25 | 2032 .....       | \$320,100,000 |
| 26 | 2033 .....       | \$331,200,000 |

|    |      |       |               |
|----|------|-------|---------------|
| 1  | 2034 | ..... | \$341,200,000 |
| 2  | 2035 | ..... | \$351,400,000 |
| 3  | 2036 | ..... | \$361,900,000 |
| 4  | 2037 | ..... | \$372,800,000 |
| 5  | 2038 | ..... | \$384,000,000 |
| 6  | 2039 | ..... | \$395,500,000 |
| 7  | 2040 | ..... | \$407,400,000 |
| 8  | 2041 | ..... | \$419,600,000 |
| 9  | 2042 | ..... | \$432,200,000 |
| 10 | 2043 | ..... | \$445,100,000 |

11           Beginning July 1, 2021 and until July 1, 2022, subject to  
12 the payment of amounts into the State and Local Sales Tax  
13 Reform Fund, the Build Illinois Fund, the McCormick Place  
14 Expansion Project Fund, the Illinois Tax Increment Fund, the  
15 Energy Infrastructure Fund, and the Tax Compliance and  
16 Administration Fund as provided in this Section, the  
17 Department shall pay each month into the Road Fund the amount  
18 estimated to represent 16% of the net revenue realized from  
19 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
20 2022 and until July 1, 2023, subject to the payment of amounts  
21 into the State and Local Sales Tax Reform Fund, the Build  
22 Illinois Fund, the McCormick Place Expansion Project Fund, the  
23 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
24 and the Tax Compliance and Administration Fund as provided in  
25 this Section, the Department shall pay each month into the  
26 Road Fund the amount estimated to represent 32% of the net

1 revenue realized from the taxes imposed on motor fuel and  
2 gasohol. Beginning July 1, 2023 and until July 1, 2024,  
3 subject to the payment of amounts into the State and Local  
4 Sales Tax Reform Fund, the Build Illinois Fund, the McCormick  
5 Place Expansion Project Fund, the Illinois Tax Increment Fund,  
6 the Energy Infrastructure Fund, and the Tax Compliance and  
7 Administration Fund as provided in this Section, the  
8 Department shall pay each month into the Road Fund the amount  
9 estimated to represent 48% of the net revenue realized from  
10 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
11 2024 and until July 1, 2025, subject to the payment of amounts  
12 into the State and Local Sales Tax Reform Fund, the Build  
13 Illinois Fund, the McCormick Place Expansion Project Fund, the  
14 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
15 and the Tax Compliance and Administration Fund as provided in  
16 this Section, the Department shall pay each month into the  
17 Road Fund the amount estimated to represent 64% of the net  
18 revenue realized from the taxes imposed on motor fuel and  
19 gasohol. Beginning on July 1, 2025, subject to the payment of  
20 amounts into the State and Local Sales Tax Reform Fund, the  
21 Build Illinois Fund, the McCormick Place Expansion Project  
22 Fund, the Illinois Tax Increment Fund, the Energy  
23 Infrastructure Fund, and the Tax Compliance and Administration  
24 Fund as provided in this Section, the Department shall pay  
25 each month into the Road Fund the amount estimated to  
26 represent 80% of the net revenue realized from the taxes



1 imposed on motor fuel and gasohol. As used in this paragraph  
2 "motor fuel" has the meaning given to that term in Section 1.1  
3 of the Motor Fuel Tax Law, and "gasohol" has the meaning given  
4 to that term in Section 3-40 of this Act.

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

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

18 Net revenue realized for a month shall be the revenue  
19 collected by the State pursuant to this Act, less the amount  
20 paid out during that month as refunds to taxpayers for  
21 overpayment of liability.

22 For greater simplicity of administration, manufacturers,  
23 importers and wholesalers whose products are sold at retail in  
24 Illinois by numerous retailers, and who wish to do so, may  
25 assume the responsibility for accounting and paying to the  
26 Department all tax accruing under this Act with respect to

1 such sales, if the retailers who are affected do not make  
2 written objection to the Department to this arrangement.

3 (Source: P.A. 101-10, Article 15, Section 15-10, eff. 6-5-19;  
4 101-10, Article 25, Section 25-105, eff. 6-5-19; 101-27, eff.  
5 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;  
6 101-636, eff. 6-10-20; 102-700, Article 60, Section 60-15,  
7 eff. 4-19-22; 102-700, Article 65, Section 65-5, eff. 4-19-22;  
8 102-1019, eff. 1-1-23; revised 12-13-22.)

9 Section 910. The Service Use Tax Act is amended by  
10 changing Sections 3-5 and 9 as follows:

11 (35 ILCS 110/3-5)

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

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

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

24 (3) Personal property purchased by a not-for-profit arts

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

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

19 (5) Until July 1, 2003 and beginning again on September 1,  
20 2004 through August 30, 2014, graphic arts machinery and  
21 equipment, including repair and replacement parts, both new  
22 and used, and including that manufactured on special order or  
23 purchased for lease, certified by the purchaser to be used  
24 primarily for graphic arts production. Equipment includes  
25 chemicals or chemicals acting as catalysts but only if the  
26 chemicals or chemicals acting as catalysts effect a direct and

1 immediate change upon a graphic arts product. Beginning on  
2 July 1, 2017, graphic arts machinery and equipment is included  
3 in the manufacturing and assembling machinery and equipment  
4 exemption under Section 2 of this Act.

5 (6) Personal property purchased from a teacher-sponsored  
6 student organization affiliated with an elementary or  
7 secondary school located in Illinois.

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

1 Farm machinery and equipment shall include precision  
2 farming equipment that is installed or purchased to be  
3 installed on farm machinery and equipment including, but not  
4 limited to, tractors, harvesters, sprayers, planters, seeders,  
5 or spreaders. Precision farming equipment includes, but is not  
6 limited to, soil testing sensors, computers, monitors,  
7 software, global positioning and mapping systems, and other  
8 such equipment.

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

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

24 Beginning July 1, 2013, fuel and petroleum products sold  
25 to or used by an air carrier, certified by the carrier to be  
26 used for consumption, shipment, or storage in the conduct of

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

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

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

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

7 (12) Until July 1, 2028, coal and aggregate exploration,  
8 mining, off-highway hauling, processing, maintenance, and  
9 reclamation equipment, including replacement parts and  
10 equipment, and including equipment purchased for lease, but  
11 excluding motor vehicles required to be registered under the  
12 Illinois Vehicle Code. The changes made to this Section by  
13 Public Act 97-767 apply on and after July 1, 2003, but no claim  
14 for credit or refund is allowed on or after August 16, 2013  
15 (the effective date of Public Act 98-456) for such taxes paid  
16 during the period beginning July 1, 2003 and ending on August  
17 16, 2013 (the effective date of Public Act 98-456).

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

20 (14) Horses, or interests in horses, registered with and  
21 meeting the requirements of any of the Arabian Horse Club  
22 Registry of America, Appaloosa Horse Club, American Quarter  
23 Horse Association, United States Trotting Association, or  
24 Jockey Club, as appropriate, used for purposes of breeding or  
25 racing for prizes. This item (14) is exempt from the  
26 provisions of Section 3-75, and the exemption provided for

1 under this item (14) applies for all periods beginning May 30,  
2 1995, but no claim for credit or refund is allowed on or after  
3 January 1, 2008 (the effective date of Public Act 95-88) for  
4 such taxes paid during the period beginning May 30, 2000 and  
5 ending on January 1, 2008 (the effective date of Public Act  
6 95-88).

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



1 however, that amount is not refunded to the lessee for any  
2 reason, the lessor is liable to pay that amount to the  
3 Department.

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

24 (17) 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 (18) 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 (19) 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 3-75.

25 (20) 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 (21) 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 3-75.

6 (22) 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 3-75.

16 (23) Beginning August 23, 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 (24) 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 Use Tax Act, as the case  
16 may be, based on the fair market value of the property at the  
17 time the nonqualifying use occurs. No lessor shall collect or  
18 attempt to collect an amount (however designated) that  
19 purports to reimburse that lessor for the tax imposed by this  
20 Act or the Use Tax Act, as the case may be, if the tax has not  
21 been paid by the lessor. If a lessor improperly collects any  
22 such amount from the lessee, the lessee shall have a legal  
23 right to claim a refund of that amount from the lessor. If,  
24 however, that amount is not refunded to the lessee for any  
25 reason, the lessor is liable to pay that amount to the  
26 Department. This paragraph is exempt from the provisions of

1 Section 3-75.

2 (25) 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 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 is used in any other  
11 nonexempt manner, the lessor shall be liable for the tax  
12 imposed under this Act or the Use Tax Act, as the case may be,  
13 based on the fair market value of the property at the time the  
14 nonqualifying use occurs. No lessor shall collect or attempt  
15 to collect an amount (however designated) that purports to  
16 reimburse that lessor for the tax imposed by this Act or the  
17 Use Tax Act, as the case may be, if the tax has not been paid  
18 by the lessor. If a lessor improperly collects any such amount  
19 from the lessee, the lessee shall have a legal right to claim a  
20 refund of that amount from the lessor. If, however, that  
21 amount is not refunded to the lessee for any reason, the lessor  
22 is liable to pay that amount to the Department. This paragraph  
23 is exempt from the provisions of Section 3-75.

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

1 Protection Act, that is operated by a not-for-profit  
2 corporation that holds a valid water supply permit issued  
3 under Title IV of the Environmental Protection Act. This  
4 paragraph is exempt from the provisions of Section 3-75.

5 (27) Beginning January 1, 2010 and continuing through  
6 December 31, 2024, materials, parts, equipment, components,  
7 and furnishings incorporated into or upon an aircraft as part  
8 of the modification, refurbishment, completion, replacement,  
9 repair, or maintenance of the aircraft. This exemption  
10 includes consumable supplies used in the modification,  
11 refurbishment, completion, replacement, repair, and  
12 maintenance of aircraft, but excludes any materials, parts,  
13 equipment, components, and consumable supplies used in the  
14 modification, replacement, repair, and maintenance of aircraft  
15 engines or power plants, whether such engines or power plants  
16 are installed or uninstalled upon any such aircraft.  
17 "Consumable supplies" include, but are not limited to,  
18 adhesive, tape, sandpaper, general purpose lubricants,  
19 cleaning solution, latex gloves, and protective films. This  
20 exemption applies only to the use of qualifying tangible  
21 personal property transferred incident to the modification,  
22 refurbishment, completion, replacement, repair, or maintenance  
23 of aircraft by persons who (i) hold an Air Agency Certificate  
24 and are empowered to operate an approved repair station by the  
25 Federal Aviation Administration, (ii) have a Class IV Rating,  
26 and (iii) conduct operations in accordance with Part 145 of

1 the Federal Aviation Regulations. The exemption does not  
2 include aircraft operated by a commercial air carrier  
3 providing scheduled passenger air service pursuant to  
4 authority issued under Part 121 or Part 129 of the Federal  
5 Aviation Regulations. The changes made to this paragraph (27)  
6 by Public Act 98-534 are declarative of existing law. It is the  
7 intent of the General Assembly that the exemption under this  
8 paragraph (27) applies continuously from January 1, 2010  
9 through December 31, 2024; however, no claim for credit or  
10 refund is allowed for taxes paid as a result of the  
11 disallowance of this exemption on or after January 1, 2015 and  
12 prior to February 5, 2020 (the effective date of Public Act  
13 101-629) ~~this amendatory Act of the 101st General Assembly.~~

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



1 Municipal Code. This paragraph is exempt from the provisions  
2 of Section 3-75.

3 (29) Beginning January 1, 2017 and through December 31,  
4 2026, menstrual pads, tampons, and menstrual cups.

5 (30) Tangible personal property transferred to 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 3-75.

9 (31) 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 ~~this amendatory Act of the 101st~~  
18 ~~General Assembly~~ been in effect, may apply for and obtain an  
19 exemption for subsequent purchases of computer equipment or  
20 enabling software purchased or leased to upgrade, supplement,  
21 or replace computer equipment or enabling software purchased  
22 or leased in the original investment that would have  
23 qualified.

24 The Department of Commerce and Economic Opportunity shall  
25 grant a certificate of exemption under this item (31) 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 (31):

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 (31) is exempt from the provisions of Section  
10 3-75.

11 (32) Beginning July 1, 2022, breast pumps, breast pump  
12 collection and storage supplies, and breast pump kits. This  
13 item (32) is exempt from the provisions of Section 3-75. As  
14 used in this item (32):

15 "Breast pump" means an electrically controlled or  
16 manually controlled pump device designed or marketed to be  
17 used to express milk from a human breast during lactation,  
18 including the pump device and any battery, AC adapter, or  
19 other power supply unit that is used to power the pump  
20 device and is packaged and sold with the pump device at the  
21 time of sale.

22 "Breast pump collection and storage supplies" means  
23 items of tangible personal property designed or marketed  
24 to be used in conjunction with a breast pump to collect  
25 milk expressed from a human breast and to store collected  
26 milk until it is ready for consumption.

1 "Breast pump collection and storage supplies"  
2 includes, but is not limited to: breast shields and breast  
3 shield connectors; breast pump tubes and tubing adapters;  
4 breast pump valves and membranes; backflow protectors and  
5 backflow protector adaptors; bottles and bottle caps  
6 specific to the operation of the breast pump; and breast  
7 milk storage bags.

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  
11 and other similar carrying accessories, including ice  
12 packs, labels, and other similar products; (3) breast pump  
13 cleaning supplies; (4) nursing bras, bra pads, breast  
14 shells, and other similar products; and (5) creams,  
15 ointments, and other similar products that relieve  
16 breastfeeding-related symptoms or conditions of the  
17 breasts or nipples, unless sold as part of a breast pump  
18 kit that is pre-packaged by the breast pump manufacturer  
19 or distributor.

20 "Breast pump kit" means a kit that: (1) contains no  
21 more than a breast pump, breast pump collection and  
22 storage supplies, a rechargeable battery for operating the  
23 breast pump, a breastmilk cooler, bottle stands, ice  
24 packs, and a breast pump carrying case; and (2) is  
25 pre-packaged as a breast pump kit by the breast pump  
26 manufacturer or distributor.

1        (33) ~~(32)~~ Tangible personal property sold by or on behalf  
2 of the State Treasurer pursuant to the Revised Uniform  
3 Unclaimed Property Act. This item (33) ~~(32)~~ is exempt from the  
4 provisions of Section 3-75.

5        (34) Qualified tangible personal property used in the  
6 construction or operation of a megaproject for which a  
7 certificate has been issued by the Department of Revenue as  
8 described and defined in Division 22 of Article 10 of the  
9 Property Tax Code, whether that tangible personal property is  
10 purchased by the owner, operator, or tenant of the megaproject  
11 or by a contractor or subcontractor of the owner, operator, or  
12 tenant.

13        For the purposes of this item (34):

14        "Megaproject" has the meaning ascribed to that term in  
15 Section 10-910 of the Property Tax Code.

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

1 personal property, including fixtures; and component parts of  
2 any of the foregoing, including installation, maintenance,  
3 repair, refurbishment, and replacement of qualified tangible  
4 personal property to generate, transform, transmit,  
5 distribute, or manage electricity necessary to operate  
6 qualified tangible personal property; and all other tangible  
7 personal property that is essential to the operations of a  
8 megaproject. The term "qualified tangible personal property"  
9 also includes building materials to be incorporated into the  
10 megaproject. To document the exemption allowed under this  
11 Section, the retailer, contractor or subcontractor or supplier  
12 must obtain from the purchaser a copy of the certificate  
13 issued by the Department of Revenue for the megaproject as  
14 described and defined in Division 22 of Article 10 of the  
15 Property Tax Code.

16 This item (34) is exempt from the provisions of Section  
17 3-75.

18 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;  
19 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-700, Article  
20 70, Section 70-10, eff. 4-19-22; 102-700, Article 75, Section  
21 75-10, eff. 4-19-22; 102-1026, eff. 5-27-22; revised 8-3-22.)

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

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

1 is required to file his return for the period during which such  
2 tax was collected, less a discount of 2.1% prior to January 1,  
3 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar  
4 year, whichever is greater, which is allowed to reimburse the  
5 serviceman for expenses incurred in collecting the tax,  
6 keeping records, preparing and filing returns, remitting the  
7 tax and supplying data to the Department on request. When  
8 determining the discount allowed under this Section,  
9 servicemen shall include the amount of tax that would have  
10 been due at the 1% rate but for the 0% rate imposed under this  
11 amendatory Act of the 102nd General Assembly. The discount  
12 under this Section is not allowed for the 1.25% portion of  
13 taxes paid on aviation fuel that is subject to the revenue use  
14 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. The  
15 discount allowed under this Section is allowed only for  
16 returns that are filed in the manner required by this Act. The  
17 Department may disallow the discount for servicemen whose  
18 certificate of registration is revoked at the time the return  
19 is filed, but only if the Department's decision to revoke the  
20 certificate of registration has become final. A serviceman  
21 need not remit that part of any tax collected by him to the  
22 extent that he is required to pay and does pay the tax imposed  
23 by the Service Occupation Tax Act with respect to his sale of  
24 service involving the incidental transfer by him of the same  
25 property.

26 Except as provided hereinafter in this Section, on or

1 before the twentieth day of each calendar month, such  
2 serviceman shall file a return for the preceding calendar  
3 month in accordance with reasonable Rules and Regulations to  
4 be promulgated by the Department. Such return shall be filed  
5 on a form prescribed by the Department and shall contain such  
6 information as the Department may reasonably require. The  
7 return shall include the gross receipts which were received  
8 during the preceding calendar month or quarter on the  
9 following items upon which tax would have been due but for the  
10 0% rate imposed under this amendatory Act of the 102nd General  
11 Assembly: (i) food for human consumption that is to be  
12 consumed off the premises where it is sold (other than  
13 alcoholic beverages, food consisting of or infused with adult  
14 use cannabis, soft drinks, and food that has been prepared for  
15 immediate consumption); and (ii) food prepared for immediate  
16 consumption and transferred incident to a sale of service  
17 subject to this Act or the Service Occupation Tax Act by an  
18 entity licensed under the Hospital Licensing Act, the Nursing  
19 Home Care Act, the Assisted Living and Shared Housing Act, the  
20 ID/DD Community Care Act, the MC/DD Act, the Specialized  
21 Mental Health Rehabilitation Act of 2013, or the Child Care  
22 Act of 1969, or an entity that holds a permit issued pursuant  
23 to the Life Care Facilities Act. The return shall also include  
24 the amount of tax that would have been due on the items listed  
25 in the previous sentence but for the 0% rate imposed under this  
26 amendatory Act of the 102nd General Assembly.



1           On and after January 1, 2018, with respect to servicemen  
2 whose annual gross receipts average \$20,000 or more, all  
3 returns required to be filed pursuant to this Act shall be  
4 filed electronically. Servicemen who demonstrate that they do  
5 not have access to the Internet or demonstrate hardship in  
6 filing electronically may petition the Department to waive the  
7 electronic filing requirement.

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

15           1. The name of the seller;

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

19           3. The total amount of taxable receipts received by  
20 him during the preceding calendar month, including  
21 receipts from charge and time sales, but less all  
22 deductions allowed by law;

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

25           5. The amount of tax due;

26           5-5. The signature of the taxpayer; and

1           6. Such other reasonable information as the Department  
2           may require.

3           Each serviceman required or authorized to collect the tax  
4           imposed by this Act on aviation fuel transferred as an  
5           incident of a sale of service in this State during the  
6           preceding calendar month shall, instead of reporting and  
7           paying tax on aviation fuel as otherwise required by this  
8           Section, report and pay such tax on a separate aviation fuel  
9           tax return. The requirements related to the return shall be as  
10          otherwise provided in this Section. Notwithstanding any other  
11          provisions of this Act to the contrary, servicemen collecting  
12          tax on aviation fuel shall file all aviation fuel tax returns  
13          and shall make all aviation fuel tax payments by electronic  
14          means in the manner and form required by the Department. For  
15          purposes of this Section, "aviation fuel" means jet fuel and  
16          aviation gasoline.

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

21          Notwithstanding any other provision of this Act to the  
22          contrary, servicemen subject to tax on cannabis shall file all  
23          cannabis tax returns and shall make all cannabis tax payments  
24          by electronic means in the manner and form required by the  
25          Department.

26          Beginning October 1, 1993, a taxpayer who has an average

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

25 Before August 1 of each year beginning in 1993, the  
26 Department shall notify all taxpayers required to make

1 payments by electronic funds transfer. All taxpayers required  
2 to make payments by electronic funds transfer shall make those  
3 payments for a minimum of one year beginning on October 1.

4 Any taxpayer not required to make payments by electronic  
5 funds transfer may make payments by electronic funds transfer  
6 with the permission of the Department.

7 All taxpayers required to make payment by electronic funds  
8 transfer and any taxpayers authorized to voluntarily make  
9 payments by electronic funds transfer shall make those  
10 payments in the manner authorized by the Department.

11 The Department shall adopt such rules as are necessary to  
12 effectuate a program of electronic funds transfer and the  
13 requirements of this Section.

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

25 If the serviceman is otherwise required to file a monthly  
26 or quarterly return and if the serviceman's average monthly

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

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

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

15 Where a serviceman collects the tax with respect to the  
16 selling price of property which he sells and the purchaser  
17 thereafter returns such property and the serviceman refunds  
18 the selling price thereof to the purchaser, such serviceman  
19 shall also refund, to the purchaser, the tax so collected from  
20 the purchaser. When filing his return for the period in which  
21 he refunds such tax to the purchaser, the serviceman may  
22 deduct the amount of the tax so refunded by him to the  
23 purchaser from any other Service Use Tax, Service Occupation  
24 Tax, retailers' occupation tax or use tax which such  
25 serviceman may be required to pay or remit to the Department,  
26 as shown by such return, provided that the amount of the tax to

1 be deducted shall previously have been remitted to the  
2 Department by such serviceman. If the serviceman shall not  
3 previously have remitted the amount of such tax to the  
4 Department, he shall be entitled to no deduction hereunder  
5 upon refunding such tax to the purchaser.

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

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

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

22 Notwithstanding any provision of law to the contrary,  
23 beginning on the first day of the first month after the  
24 Arlington Megaproject is established under Division 22 of  
25 Article 10 of the Property Tax Code, all taxes collected under  
26 this Act from persons located within the Arlington Megaproject

1 shall be deposited into the Arlington Megaproject  
2 Infrastructure Fund.

3 Beginning January 1, 1990, each month the Department shall  
4 pay into the State and Local Tax Reform Fund, a special fund in  
5 the State Treasury, the net revenue realized for the preceding  
6 month from the 1% tax imposed under this Act.

7 Beginning January 1, 1990, each month the Department shall  
8 pay into the State and Local Sales Tax Reform Fund 20% of the  
9 net revenue realized for the preceding month from the 6.25%  
10 general rate on transfers of tangible personal property, other  
11 than (i) tangible personal property which is purchased outside  
12 Illinois at retail from a retailer and which is titled or  
13 registered by an agency of this State's government and (ii)  
14 aviation fuel sold on or after December 1, 2019. This  
15 exception for aviation fuel only applies for so long as the  
16 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
17 47133 are binding on the State.

18 For aviation fuel sold on or after December 1, 2019, each  
19 month the Department shall pay into the State Aviation Program  
20 Fund 20% of the net revenue realized for the preceding month  
21 from the 6.25% general rate on the selling price of aviation  
22 fuel, less an amount estimated by the Department to be  
23 required for refunds of the 20% portion of the tax on aviation  
24 fuel under this Act, which amount shall be deposited into the  
25 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
26 pay moneys into the State Aviation Program Fund and the

1 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
2 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
3 U.S.C. 47133 are binding on the State.

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

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

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



1 average monthly claims for payment by the fund and the average  
2 monthly revenues deposited into the fund, excluding payments  
3 made pursuant to this paragraph.

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

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

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

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

23 Subject to payment of amounts into the Build Illinois Fund  
24 as provided in the preceding paragraph or in any amendment  
25 thereto hereafter enacted, the following specified monthly  
26 installment of the amount requested in the certificate of the

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

| 9  | Fiscal Year | Total Deposit |
|----|-------------|---------------|
| 10 | 1993        | \$0           |
| 11 | 1994        | 53,000,000    |
| 12 | 1995        | 58,000,000    |
| 13 | 1996        | 61,000,000    |
| 14 | 1997        | 64,000,000    |
| 15 | 1998        | 68,000,000    |
| 16 | 1999        | 71,000,000    |
| 17 | 2000        | 75,000,000    |
| 18 | 2001        | 80,000,000    |
| 19 | 2002        | 93,000,000    |
| 20 | 2003        | 99,000,000    |
| 21 | 2004        | 103,000,000   |
| 22 | 2005        | 108,000,000   |
| 23 | 2006        | 113,000,000   |
| 24 | 2007        | 119,000,000   |
| 25 | 2008        | 126,000,000   |

|    |      |             |
|----|------|-------------|
| 1  | 2009 | 132,000,000 |
| 2  | 2010 | 139,000,000 |
| 3  | 2011 | 146,000,000 |
| 4  | 2012 | 153,000,000 |
| 5  | 2013 | 161,000,000 |
| 6  | 2014 | 170,000,000 |
| 7  | 2015 | 179,000,000 |
| 8  | 2016 | 189,000,000 |
| 9  | 2017 | 199,000,000 |
| 10 | 2018 | 210,000,000 |
| 11 | 2019 | 221,000,000 |
| 12 | 2020 | 233,000,000 |
| 13 | 2021 | 300,000,000 |
| 14 | 2022 | 300,000,000 |
| 15 | 2023 | 300,000,000 |
| 16 | 2024 | 300,000,000 |
| 17 | 2025 | 300,000,000 |
| 18 | 2026 | 300,000,000 |
| 19 | 2027 | 375,000,000 |
| 20 | 2028 | 375,000,000 |
| 21 | 2029 | 375,000,000 |
| 22 | 2030 | 375,000,000 |
| 23 | 2031 | 375,000,000 |
| 24 | 2032 | 375,000,000 |
| 25 | 2033 | 375,000,000 |
| 26 | 2034 | 375,000,000 |

|   |      |             |
|---|------|-------------|
| 1 | 2035 | 375,000,000 |
| 2 | 2036 | 450,000,000 |

3 and

4 each fiscal year

5 thereafter that bonds

6 are outstanding under

7 Section 13.2 of the

8 Metropolitan Pier and

9 Exposition Authority Act,

10 but not after fiscal year 2060.

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

24 Subject to payment of amounts into the Capital Projects  
25 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,  
26 and the McCormick Place Expansion Project Fund pursuant to the

1 preceding paragraphs or in any amendments thereto hereafter  
2 enacted, for aviation fuel sold on or after December 1, 2019,  
3 the Department shall each month deposit into the Aviation Fuel  
4 Sales Tax Refund Fund an amount estimated by the Department to  
5 be required for refunds of the 80% portion of the tax on  
6 aviation fuel under this Act. The Department shall only  
7 deposit moneys into the Aviation Fuel Sales Tax Refund Fund  
8 under this paragraph for so long as the revenue use  
9 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
10 binding on the State.

11 Subject to payment of amounts into the Build Illinois Fund  
12 and the McCormick Place Expansion Project Fund pursuant to the  
13 preceding paragraphs or in any amendments thereto hereafter  
14 enacted, beginning July 1, 1993 and ending on September 30,  
15 2013, the Department shall each month pay into the Illinois  
16 Tax Increment Fund 0.27% of 80% of the net revenue realized for  
17 the preceding month from the 6.25% general rate on the selling  
18 price of tangible personal property.

19 Subject to payment of amounts into the Build Illinois Fund  
20 and the McCormick Place Expansion Project Fund pursuant to the  
21 preceding paragraphs or in any amendments thereto hereafter  
22 enacted, beginning with the receipt of the first report of  
23 taxes paid by an eligible business and continuing for a  
24 25-year period, the Department shall each month pay into the  
25 Energy Infrastructure Fund 80% of the net revenue realized  
26 from the 6.25% general rate on the selling price of

1 Illinois-mined coal that was sold to an eligible business. For  
2 purposes of this paragraph, the term "eligible business" means  
3 a new electric generating facility certified pursuant to  
4 Section 605-332 of the Department of Commerce and Economic  
5 Opportunity Law of the Civil Administrative Code of Illinois.

6 Subject to payment of amounts into the Build Illinois  
7 Fund, the McCormick Place Expansion Project Fund, the Illinois  
8 Tax Increment Fund, and the Energy Infrastructure Fund  
9 pursuant to the preceding paragraphs or in any amendments to  
10 this Section hereafter enacted, beginning on the first day of  
11 the first calendar month to occur on or after August 26, 2014  
12 (the effective date of Public Act 98-1098), each month, from  
13 the collections made under Section 9 of the Use Tax Act,  
14 Section 9 of the Service Use Tax Act, Section 9 of the Service  
15 Occupation Tax Act, and Section 3 of the Retailers' Occupation  
16 Tax Act, the Department shall pay into the Tax Compliance and  
17 Administration Fund, to be used, subject to appropriation, to  
18 fund additional auditors and compliance personnel at the  
19 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
20 the cash receipts collected during the preceding fiscal year  
21 by the Audit Bureau of the Department under the Use Tax Act,  
22 the Service Use Tax Act, the Service Occupation Tax Act, the  
23 Retailers' Occupation Tax Act, and associated local occupation  
24 and use taxes administered by the Department.

25 Subject to payments of amounts into the Build Illinois  
26 Fund, the McCormick Place Expansion Project Fund, the Illinois



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

7 Subject to successful execution and delivery of a  
8 public-private agreement between the public agency and private  
9 entity and completion of the civic build, beginning on July 1,  
10 2023, of the remainder of the moneys received by the  
11 Department under the Use Tax Act, the Service Use Tax Act, the  
12 Service Occupation Tax Act, and this Act, the Department shall  
13 deposit the following specified deposits in the aggregate from  
14 collections under the Use Tax Act, the Service Use Tax Act, the  
15 Service Occupation Tax Act, and the Retailers' Occupation Tax  
16 Act, as required under Section 8.25g of the State Finance Act  
17 for distribution consistent with the Public-Private  
18 Partnership for Civic and Transit Infrastructure Project Act.  
19 The moneys received by the Department pursuant to this Act and  
20 required to be deposited into the Civic and Transit  
21 Infrastructure Fund are subject to the pledge, claim, and  
22 charge set forth in Section 25-55 of the Public-Private  
23 Partnership for Civic and Transit Infrastructure Project Act.  
24 As used in this paragraph, "civic build", "private entity",  
25 "public-private agreement", and "public agency" have the  
26 meanings provided in Section 25-10 of the Public-Private

## 1 Partnership for Civic and Transit Infrastructure Project Act.

| 2  | Fiscal Year..... | Total Deposit |
|----|------------------|---------------|
| 3  | 2024 .....       | \$200,000,000 |
| 4  | 2025 .....       | \$206,000,000 |
| 5  | 2026 .....       | \$212,200,000 |
| 6  | 2027 .....       | \$218,500,000 |
| 7  | 2028 .....       | \$225,100,000 |
| 8  | 2029 .....       | \$288,700,000 |
| 9  | 2030 .....       | \$298,900,000 |
| 10 | 2031 .....       | \$309,300,000 |
| 11 | 2032 .....       | \$320,100,000 |
| 12 | 2033 .....       | \$331,200,000 |
| 13 | 2034 .....       | \$341,200,000 |
| 14 | 2035 .....       | \$351,400,000 |
| 15 | 2036 .....       | \$361,900,000 |
| 16 | 2037 .....       | \$372,800,000 |
| 17 | 2038 .....       | \$384,000,000 |
| 18 | 2039 .....       | \$395,500,000 |
| 19 | 2040 .....       | \$407,400,000 |
| 20 | 2041 .....       | \$419,600,000 |
| 21 | 2042 .....       | \$432,200,000 |
| 22 | 2043 .....       | \$445,100,000 |

23 Beginning July 1, 2021 and until July 1, 2022, subject to  
24 the payment of amounts into the State and Local Sales Tax  
25 Reform Fund, the Build Illinois Fund, the McCormick Place  
26 Expansion Project Fund, the Illinois Tax Increment Fund, the

1 Energy Infrastructure Fund, and the Tax Compliance and  
2 Administration Fund as provided in this Section, the  
3 Department shall pay each month into the Road Fund the amount  
4 estimated to represent 16% of the net revenue realized from  
5 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
6 2022 and until July 1, 2023, subject to the payment of amounts  
7 into the State and Local Sales Tax Reform Fund, the Build  
8 Illinois Fund, the McCormick Place Expansion Project Fund, the  
9 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
10 and the Tax Compliance and Administration Fund as provided in  
11 this Section, the Department shall pay each month into the  
12 Road Fund the amount estimated to represent 32% of the net  
13 revenue realized from the taxes imposed on motor fuel and  
14 gasohol. Beginning July 1, 2023 and until July 1, 2024,  
15 subject to the payment of amounts into the State and Local  
16 Sales Tax Reform Fund, the Build Illinois Fund, the McCormick  
17 Place Expansion Project Fund, the Illinois Tax Increment Fund,  
18 the Energy Infrastructure Fund, and the Tax Compliance and  
19 Administration Fund as provided in this Section, the  
20 Department shall pay each month into the Road Fund the amount  
21 estimated to represent 48% of the net revenue realized from  
22 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
23 2024 and until July 1, 2025, subject to the payment of amounts  
24 into the State and Local Sales Tax Reform Fund, the Build  
25 Illinois Fund, the McCormick Place Expansion Project Fund, the  
26 Illinois Tax Increment Fund, the Energy Infrastructure Fund,

1 and the Tax Compliance and Administration Fund as provided in  
2 this Section, the Department shall pay each month into the  
3 Road Fund the amount estimated to represent 64% of the net  
4 revenue realized from the taxes imposed on motor fuel and  
5 gasohol. Beginning on July 1, 2025, subject to the payment of  
6 amounts into the State and Local Sales Tax Reform Fund, the  
7 Build Illinois Fund, the McCormick Place Expansion Project  
8 Fund, the Illinois Tax Increment Fund, the Energy  
9 Infrastructure Fund, and the Tax Compliance and Administration  
10 Fund as provided in this Section, the Department shall pay  
11 each month into the Road Fund the amount estimated to  
12 represent 80% of the net revenue realized from the taxes  
13 imposed on motor fuel and gasohol. As used in this paragraph  
14 "motor fuel" has the meaning given to that term in Section 1.1  
15 of the Motor Fuel Tax Law, and "gasohol" has the meaning given  
16 to that term in Section 3-40 of the Use Tax Act.

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

24 As soon as possible after the first day of each month, upon  
25 certification of the Department of Revenue, the Comptroller  
26 shall order transferred and the Treasurer shall transfer from

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

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

9 (Source: P.A. 101-10, Article 15, Section 15-15, eff. 6-5-19;  
10 101-10, Article 25, Section 25-110, eff. 6-5-19; 101-27, eff.  
11 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;  
12 101-636, eff. 6-10-20; 102-700, eff. 4-19-22.)

13 Section 915. The Service Occupation Tax Act is amended by  
14 changing Sections 3-5 and 9 as follows:

15 (35 ILCS 115/3-5)

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

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

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

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

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

23           (5) Until July 1, 2003 and beginning again on September 1,  
24 2004 through August 30, 2014, graphic arts machinery and  
25 equipment, including repair and replacement parts, both new  
26 and used, and including that manufactured on special order or

1 purchased for lease, certified by the purchaser to be used  
2 primarily for graphic arts production. Equipment includes  
3 chemicals or chemicals acting as catalysts but only if the  
4 chemicals or chemicals acting as catalysts effect a direct and  
5 immediate change upon a graphic arts product. Beginning on  
6 July 1, 2017, graphic arts machinery and equipment is included  
7 in the manufacturing and assembling machinery and equipment  
8 exemption under Section 2 of this Act.

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

12 (7) Farm machinery and equipment, both new and used,  
13 including that manufactured on special order, certified by the  
14 purchaser to be used primarily for production agriculture or  
15 State or federal agricultural programs, including individual  
16 replacement parts for the machinery and equipment, including  
17 machinery and equipment purchased for lease, and including  
18 implements of husbandry defined in Section 1-130 of the  
19 Illinois Vehicle Code, farm machinery and agricultural  
20 chemical and fertilizer spreaders, and nurse wagons required  
21 to be registered under Section 3-809 of the Illinois Vehicle  
22 Code, but excluding other motor vehicles required to be  
23 registered under the Illinois Vehicle Code. Horticultural  
24 polyhouses or hoop houses used for propagating, growing, or  
25 overwintering plants shall be considered farm machinery and  
26 equipment under this item (7). Agricultural chemical tender

1 tanks and dry boxes shall include units sold separately from a  
2 motor vehicle required to be licensed and units sold mounted  
3 on a motor vehicle required to be licensed if the selling price  
4 of the tender is separately stated.

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

13 Farm machinery and equipment also includes computers,  
14 sensors, software, and related equipment used primarily in the  
15 computer-assisted operation of production agriculture  
16 facilities, equipment, and activities such as, but not limited  
17 to, the collection, monitoring, and correlation of animal and  
18 crop data for the purpose of formulating animal diets and  
19 agricultural chemicals. This item (7) is exempt from the  
20 provisions of Section 3-55.

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



1 domestic stopovers.

2 Beginning July 1, 2013, fuel and petroleum products sold  
3 to or used by an air carrier, certified by the carrier to be  
4 used for consumption, shipment, or storage in the conduct of  
5 its business as an air common carrier, for a flight that (i) is  
6 engaged in foreign trade or is engaged in trade between the  
7 United States and any of its possessions and (ii) transports  
8 at least one individual or package for hire from the city of  
9 origination to the city of final destination on the same  
10 aircraft, without regard to a change in the flight number of  
11 that aircraft.

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

20 (10) Until July 1, 2003, oil field exploration, drilling,  
21 and production equipment, including (i) rigs and parts of  
22 rigs, rotary rigs, cable tool rigs, and workover rigs, (ii)  
23 pipe and tubular goods, including casing and drill strings,  
24 (iii) pumps and pump-jack units, (iv) storage tanks and flow  
25 lines, (v) any individual replacement part for oil field  
26 exploration, drilling, and production equipment, and (vi)

1 machinery and equipment purchased for lease; but excluding  
2 motor vehicles required to be registered under the Illinois  
3 Vehicle Code.

4 (11) Photoprocessing machinery and equipment, including  
5 repair and replacement parts, both new and used, including  
6 that manufactured on special order, certified by the purchaser  
7 to be used primarily for photoprocessing, and including  
8 photoprocessing machinery and equipment purchased for lease.

9 (12) Until July 1, 2028, coal and aggregate exploration,  
10 mining, off-highway hauling, processing, maintenance, and  
11 reclamation equipment, including replacement parts and  
12 equipment, and including equipment purchased for lease, but  
13 excluding motor vehicles required to be registered under the  
14 Illinois Vehicle Code. The changes made to this Section by  
15 Public Act 97-767 apply on and after July 1, 2003, but no claim  
16 for credit or refund is allowed on or after August 16, 2013  
17 (the effective date of Public Act 98-456) for such taxes paid  
18 during the period beginning July 1, 2003 and ending on August  
19 16, 2013 (the effective date of Public Act 98-456).

20 (13) Beginning January 1, 1992 and through June 30, 2016,  
21 food for human consumption that is to be consumed off the  
22 premises where it is sold (other than alcoholic beverages,  
23 soft drinks and food that has been prepared for immediate  
24 consumption) and prescription and non-prescription medicines,  
25 drugs, medical appliances, and insulin, urine testing  
26 materials, syringes, and needles used by diabetics, for human

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

7 (14) Semen used for artificial insemination of livestock  
8 for direct agricultural production.

9 (15) Horses, or interests in horses, registered with and  
10 meeting the requirements of any of the Arabian Horse Club  
11 Registry of America, Appaloosa Horse Club, American Quarter  
12 Horse Association, United States Trotting Association, or  
13 Jockey Club, as appropriate, used for purposes of breeding or  
14 racing for prizes. This item (15) is exempt from the  
15 provisions of Section 3-55, and the exemption provided for  
16 under this item (15) applies for all periods beginning May 30,  
17 1995, but no claim for credit or refund is allowed on or after  
18 January 1, 2008 (the effective date of Public Act 95-88) for  
19 such taxes paid during the period beginning May 30, 2000 and  
20 ending on January 1, 2008 (the effective date of Public Act  
21 95-88).

22 (16) Computers and communications equipment utilized for  
23 any hospital purpose and equipment used in the diagnosis,  
24 analysis, or treatment of hospital patients sold to a lessor  
25 who leases the equipment, under a lease of one year or longer  
26 executed or in effect at the time of the purchase, to a

1 hospital that has been issued an active tax exemption  
2 identification number by the Department under Section 1g of  
3 the Retailers' Occupation Tax Act.

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

10 (18) Beginning with taxable years ending on or after  
11 December 31, 1995 and ending with taxable years ending on or  
12 before December 31, 2004, personal property that is donated  
13 for disaster relief to be used in a State or federally declared  
14 disaster area in Illinois or bordering Illinois by a  
15 manufacturer or retailer that is registered in this State to a  
16 corporation, society, association, foundation, or institution  
17 that has been issued a sales tax exemption identification  
18 number by the Department that assists victims of the disaster  
19 who reside within the declared disaster area.

20 (19) Beginning with taxable years ending on or after  
21 December 31, 1995 and ending with taxable years ending on or  
22 before December 31, 2004, personal property that is used in  
23 the performance of infrastructure repairs in this State,  
24 including but not limited to municipal roads and streets,  
25 access roads, bridges, sidewalks, waste disposal systems,  
26 water and sewer line extensions, water distribution and

1 purification facilities, storm water drainage and retention  
2 facilities, and sewage treatment facilities, resulting from a  
3 State or federally declared disaster in Illinois or bordering  
4 Illinois when such repairs are initiated on facilities located  
5 in the declared disaster area within 6 months after the  
6 disaster.

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

11 (21) A motor vehicle, as that term is defined in Section  
12 1-146 of the Illinois Vehicle Code, that is donated to a  
13 corporation, limited liability company, society, association,  
14 foundation, or institution that is determined by the  
15 Department to be organized and operated exclusively for  
16 educational purposes. For purposes of this exemption, "a  
17 corporation, limited liability company, society, association,  
18 foundation, or institution organized and operated exclusively  
19 for educational purposes" means all tax-supported public  
20 schools, private schools that offer systematic instruction in  
21 useful branches of learning by methods common to public  
22 schools and that compare favorably in their scope and  
23 intensity with the course of study presented in tax-supported  
24 schools, and vocational or technical schools or institutes  
25 organized and operated exclusively to provide a course of  
26 study of not less than 6 weeks duration and designed to prepare

1 individuals to follow a trade or to pursue a manual,  
2 technical, mechanical, industrial, business, or commercial  
3 occupation.

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

18 (23) Beginning January 1, 2000 and through December 31,  
19 2001, new or used automatic vending machines that prepare and  
20 serve hot food and beverages, including coffee, soup, and  
21 other items, and replacement parts for these machines.  
22 Beginning January 1, 2002 and through June 30, 2003, machines  
23 and parts for machines used in commercial, coin-operated  
24 amusement and vending business if a use or occupation tax is  
25 paid on the gross receipts derived from the use of the  
26 commercial, coin-operated amusement and vending machines. This

1 paragraph is exempt from the provisions of Section 3-55.

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

12 (25) Beginning on August 2, 2001 (the effective date of  
13 Public Act 92-227), personal property sold to a lessor who  
14 leases the property, under a lease of one year or longer  
15 executed or in effect at the time of the purchase, to a  
16 governmental body that has been issued an active tax exemption  
17 identification number by the Department under Section 1g of  
18 the Retailers' Occupation Tax Act. This paragraph is exempt  
19 from the provisions of Section 3-55.

20 (26) Beginning on January 1, 2002 and through June 30,  
21 2016, tangible personal property purchased from an Illinois  
22 retailer by a taxpayer engaged in centralized purchasing  
23 activities in Illinois who will, upon receipt of the property  
24 in Illinois, temporarily store the property in Illinois (i)  
25 for the purpose of subsequently transporting it outside this  
26 State for use or consumption thereafter solely outside this

1 State or (ii) for the purpose of being processed, fabricated,  
2 or manufactured into, attached to, or incorporated into other  
3 tangible personal property to be transported outside this  
4 State and thereafter used or consumed solely outside this  
5 State. The Director of Revenue shall, pursuant to rules  
6 adopted in accordance with the Illinois Administrative  
7 Procedure Act, issue a permit to any taxpayer in good standing  
8 with the Department who is eligible for the exemption under  
9 this paragraph (26). The permit issued under this paragraph  
10 (26) shall authorize the holder, to the extent and in the  
11 manner specified in the rules adopted under this Act, to  
12 purchase tangible personal property from a retailer exempt  
13 from the taxes imposed by this Act. Taxpayers shall maintain  
14 all necessary books and records to substantiate the use and  
15 consumption of all such tangible personal property outside of  
16 the State of Illinois.

17 (27) Beginning January 1, 2008, tangible personal property  
18 used in the construction or maintenance of a community water  
19 supply, as defined under Section 3.145 of the Environmental  
20 Protection Act, that is operated by a not-for-profit  
21 corporation that holds a valid water supply permit issued  
22 under Title IV of the Environmental Protection Act. This  
23 paragraph is exempt from the provisions of Section 3-55.

24 (28) Tangible personal property sold to a  
25 public-facilities corporation, as described in Section  
26 11-65-10 of the Illinois Municipal Code, for purposes of



1 constructing or furnishing a municipal convention hall, but  
2 only if the legal title to the municipal convention hall is  
3 transferred to the municipality without any further  
4 consideration by or on behalf of the municipality at the time  
5 of the completion of the municipal convention hall or upon the  
6 retirement or redemption of any bonds or other debt  
7 instruments issued by the public-facilities corporation in  
8 connection with the development of the municipal convention  
9 hall. This exemption includes existing public-facilities  
10 corporations as provided in Section 11-65-25 of the Illinois  
11 Municipal Code. This paragraph is exempt from the provisions  
12 of Section 3-55.

13 (29) Beginning January 1, 2010 and continuing through  
14 December 31, 2024, materials, parts, equipment, components,  
15 and furnishings incorporated into or upon an aircraft as part  
16 of the modification, refurbishment, completion, replacement,  
17 repair, or maintenance of the aircraft. This exemption  
18 includes consumable supplies used in the modification,  
19 refurbishment, completion, replacement, repair, and  
20 maintenance of aircraft, but excludes any materials, parts,  
21 equipment, components, and consumable supplies used in the  
22 modification, replacement, repair, and maintenance of aircraft  
23 engines or power plants, whether such engines or power plants  
24 are installed or uninstalled upon any such aircraft.  
25 "Consumable supplies" include, but are not limited to,  
26 adhesive, tape, sandpaper, general purpose lubricants,

1 cleaning solution, latex gloves, and protective films. This  
2 exemption applies only to the transfer of qualifying tangible  
3 personal property incident to the modification, refurbishment,  
4 completion, replacement, repair, or maintenance of an aircraft  
5 by persons who (i) hold an Air Agency Certificate and are  
6 empowered to operate an approved repair station by the Federal  
7 Aviation Administration, (ii) have a Class IV Rating, and  
8 (iii) conduct operations in accordance with Part 145 of the  
9 Federal Aviation Regulations. The exemption does not include  
10 aircraft operated by a commercial air carrier providing  
11 scheduled passenger air service pursuant to authority issued  
12 under Part 121 or Part 129 of the Federal Aviation  
13 Regulations. The changes made to this paragraph (29) by Public  
14 Act 98-534 are declarative of existing law. It is the intent of  
15 the General Assembly that the exemption under this paragraph  
16 (29) applies continuously from January 1, 2010 through  
17 December 31, 2024; however, no claim for credit or refund is  
18 allowed for taxes paid as a result of the disallowance of this  
19 exemption on or after January 1, 2015 and prior to February 5,  
20 2020 (the effective date of Public Act 101-629) ~~this~~  
21 ~~amendatory Act of the 101st General Assembly.~~

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

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

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

16           The Department of Commerce and Economic Opportunity shall  
17 grant a certificate of exemption under this item (32) to  
18 qualified data centers as defined by Section 605-1025 of the  
19 Department of Commerce and Economic Opportunity Law of the  
20 Civil Administrative Code of Illinois.

21           For the purposes of this item (32):

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

26           "Qualified tangible personal property" means:

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

1           This item (32) is exempt from the provisions of Section  
2 3-55.

3           (33) Beginning July 1, 2022, breast pumps, breast pump  
4 collection and storage supplies, and breast pump kits. This  
5 item (33) is exempt from the provisions of Section 3-55. As  
6 used in this item (33):

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

14           "Breast pump collection and storage supplies" means  
15 items of tangible personal property designed or marketed  
16 to be used in conjunction with a breast pump to collect  
17 milk expressed from a human breast and to store collected  
18 milk until it is ready for consumption.

19           "Breast pump collection and storage supplies"  
20 includes, but is not limited to: breast shields and breast  
21 shield connectors; breast pump tubes and tubing adapters;  
22 breast pump valves and membranes; backflow protectors and  
23 backflow protector adaptors; bottles and bottle caps  
24 specific to the operation of the breast pump; and breast  
25 milk storage bags.

26           "Breast pump collection and storage supplies" does not

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

12 "Breast pump kit" means a kit that: (1) contains no  
13 more than a breast pump, breast pump collection and  
14 storage supplies, a rechargeable battery for operating the  
15 breast pump, a breastmilk cooler, bottle stands, ice  
16 packs, and a breast pump carrying case; and (2) is  
17 pre-packaged as a breast pump kit by the breast pump  
18 manufacturer or distributor.

19 (34) ~~(33)~~ Tangible personal property sold by or on behalf  
20 of the State Treasurer pursuant to the Revised Uniform  
21 Unclaimed Property Act. This item (34) ~~(33)~~ is exempt from the  
22 provisions of Section 3-55.

23 (35) Qualified tangible personal property used in the  
24 construction or operation of a megaproject for which a  
25 certificate has been issued by the Department of Revenue as  
26 described and defined in Division 22 of Article 10 of the

1 Property Tax Code, whether that tangible personal property is  
2 purchased by the owner, operator, or tenant of the megaproject  
3 or by a contractor or subcontractor of the owner, operator, or  
4 tenant.

5 For the purposes of this item (35):

6 "Megaproject" has the meaning ascribed to that term in  
7 Section 10-910 of the Property Tax Code.

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

1 also includes building materials to be incorporated into the  
2 megaproject. To document the exemption allowed under this  
3 Section, the retailer, contractor or subcontractor or supplier  
4 must obtain from the purchaser a copy of the certificate  
5 issued by the Department of Revenue for the megaproject as  
6 described and defined in Division 22 of Article 10 of the  
7 Property Tax Code.

8 This item (35) is exempt from the provisions of Section  
9 3-55.

10 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;  
11 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-700, Article  
12 70, Section 70-15, eff. 4-19-22; 102-700, Article 75, Section  
13 75-15, eff. 4-19-22; 102-1026, eff. 5-27-22; revised 8-9-22.)

14 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

15 Sec. 9. Each serviceman required or authorized to collect  
16 the tax herein imposed shall pay to the Department the amount  
17 of such tax at the time when he is required to file his return  
18 for the period during which such tax was collectible, less a  
19 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
20 after January 1, 1990, or \$5 per calendar year, whichever is  
21 greater, which is allowed to reimburse the serviceman for  
22 expenses incurred in collecting the tax, keeping records,  
23 preparing and filing returns, remitting the tax and supplying  
24 data to the Department on request. When determining the  
25 discount allowed under this Section, servicemen shall include



1 the amount of tax that would have been due at the 1% rate but  
2 for the 0% rate imposed under this amendatory Act of the 102nd  
3 General Assembly. The discount under this Section is not  
4 allowed for the 1.25% portion of taxes paid on aviation fuel  
5 that is subject to the revenue use requirements of 49 U.S.C.  
6 47107(b) and 49 U.S.C. 47133. The discount allowed under this  
7 Section is allowed only for returns that are filed in the  
8 manner required by this Act. The Department may disallow the  
9 discount for servicemen whose certificate of registration is  
10 revoked at the time the return is filed, but only if the  
11 Department's decision to revoke the certificate of  
12 registration has become final.

13 Where such tangible personal property is sold under a  
14 conditional sales contract, or under any other form of sale  
15 wherein the payment of the principal sum, or a part thereof, is  
16 extended beyond the close of the period for which the return is  
17 filed, the serviceman, in collecting the tax may collect, for  
18 each tax return period, only the tax applicable to the part of  
19 the selling price actually received during such tax return  
20 period.

21 Except as provided hereinafter in this Section, on or  
22 before the twentieth day of each calendar month, such  
23 serviceman shall file a return for the preceding calendar  
24 month in accordance with reasonable rules and regulations to  
25 be promulgated by the Department of Revenue. Such return shall  
26 be filed on a form prescribed by the Department and shall

1 contain such information as the Department may reasonably  
2 require. The return shall include the gross receipts which  
3 were received during the preceding calendar month or quarter  
4 on the following items upon which tax would have been due but  
5 for the 0% rate imposed under this amendatory Act of the 102nd  
6 General Assembly: (i) food for human consumption that is to be  
7 consumed off the premises where it is sold (other than  
8 alcoholic beverages, food consisting of or infused with adult  
9 use cannabis, soft drinks, and food that has been prepared for  
10 immediate consumption); and (ii) food prepared for immediate  
11 consumption and transferred incident to a sale of service  
12 subject to this Act or the Service Use Tax Act by an entity  
13 licensed under the Hospital Licensing Act, the Nursing Home  
14 Care Act, the Assisted Living and Shared Housing Act, the  
15 ID/DD Community Care Act, the MC/DD Act, the Specialized  
16 Mental Health Rehabilitation Act of 2013, or the Child Care  
17 Act of 1969, or an entity that holds a permit issued pursuant  
18 to the Life Care Facilities Act. The return shall also include  
19 the amount of tax that would have been due on the items listed  
20 in the previous sentence but for the 0% rate imposed under this  
21 amendatory Act of the 102nd General Assembly.

22 On and after January 1, 2018, with respect to servicemen  
23 whose annual gross receipts average \$20,000 or more, all  
24 returns required to be filed pursuant to this Act shall be  
25 filed electronically. Servicemen who demonstrate that they do  
26 not have access to the Internet or demonstrate hardship in

1 filing electronically may petition the Department to waive the  
2 electronic filing requirement.

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

10 1. The name of the seller;

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

14 3. The total amount of taxable receipts received by  
15 him during the preceding calendar month, including  
16 receipts from charge and time sales, but less all  
17 deductions allowed by law;

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

20 5. The amount of tax due;

21 5-5. The signature of the taxpayer; and

22 6. Such other reasonable information as the Department  
23 may require.

24 Each serviceman required or authorized to collect the tax  
25 herein imposed on aviation fuel acquired as an incident to the  
26 purchase of a service in this State during the preceding

1 calendar month shall, instead of reporting and paying tax as  
2 otherwise required by this Section, report and pay such tax on  
3 a separate aviation fuel tax return. The requirements related  
4 to the return shall be as otherwise provided in this Section.  
5 Notwithstanding any other provisions of this Act to the  
6 contrary, servicemen transferring aviation fuel incident to  
7 sales of service shall file all aviation fuel tax returns and  
8 shall make all aviation fuel tax payments by electronic means  
9 in the manner and form required by the Department. For  
10 purposes of this Section, "aviation fuel" means jet fuel and  
11 aviation gasoline.

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

16 Notwithstanding any other provision of this Act to the  
17 contrary, servicemen subject to tax on cannabis shall file all  
18 cannabis tax returns and shall make all cannabis tax payments  
19 by electronic means in the manner and form required by the  
20 Department.

21 Prior to October 1, 2003, and on and after September 1,  
22 2004 a serviceman may accept a Manufacturer's Purchase Credit  
23 certification from a purchaser in satisfaction of Service Use  
24 Tax as provided in Section 3-70 of the Service Use Tax Act if  
25 the purchaser provides the appropriate documentation as  
26 required by Section 3-70 of the Service Use Tax Act. A

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

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

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

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

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

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

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

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

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

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

26 The Department shall adopt such rules as are necessary to

1 effectuate a program of electronic funds transfer and the  
2 requirements of this Section.

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

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



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

5           Notwithstanding any provision of law to the contrary,  
6 beginning on the first day of the first month after the  
7 Arlington Megaproject is established under Division 22 of  
8 Article 10 of the Property Tax Code, all taxes collected under  
9 this Act from persons located within the Arlington Megaproject  
10 shall be deposited into the Arlington Megaproject  
11 Infrastructure Fund.

12           Beginning January 1, 1990, each month the Department shall  
13 pay into the Local Government Tax Fund the revenue realized  
14 for the preceding month from the 1% tax imposed under this Act.

15           Beginning January 1, 1990, each month the Department shall  
16 pay into the County and Mass Transit District Fund 4% of the  
17 revenue realized for the preceding month from the 6.25%  
18 general rate on sales of tangible personal property other than  
19 aviation fuel sold on or after December 1, 2019. This  
20 exception for aviation fuel only applies for so long as the  
21 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
22 47133 are binding on the State.

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

1           Beginning January 1, 1990, each month the Department shall  
2 pay into the Local Government Tax Fund 16% of the revenue  
3 realized for the preceding month from the 6.25% general rate  
4 on transfers of tangible personal property other than aviation  
5 fuel sold on or after December 1, 2019. This exception for  
6 aviation fuel only applies for so long as the revenue use  
7 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
8 binding on the State.

9           For aviation fuel sold on or after December 1, 2019, each  
10 month the Department shall pay into the State Aviation Program  
11 Fund 20% of the net revenue realized for the preceding month  
12 from the 6.25% general rate on the selling price of aviation  
13 fuel, less an amount estimated by the Department to be  
14 required for refunds of the 20% portion of the tax on aviation  
15 fuel under this Act, which amount shall be deposited into the  
16 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
17 pay moneys into the State Aviation Program Fund and the  
18 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
19 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
20 U.S.C. 47133 are binding on the State.

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

25           Beginning October 1, 2009, each month the Department shall  
26 pay into the Capital Projects Fund an amount that is equal to

1 an amount estimated by the Department to represent 80% of the  
2 net revenue realized for the preceding month from the sale of  
3 candy, grooming and hygiene products, and soft drinks that had  
4 been taxed at a rate of 1% prior to September 1, 2009 but that  
5 are now taxed at 6.25%.

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

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

26 Of the remainder of the moneys received by the Department

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

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

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

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

| 1  | Fiscal Year | Total Deposit |
|----|-------------|---------------|
| 2  | 1993        | \$0           |
| 3  | 1994        | 53,000,000    |
| 4  | 1995        | 58,000,000    |
| 5  | 1996        | 61,000,000    |
| 6  | 1997        | 64,000,000    |
| 7  | 1998        | 68,000,000    |
| 8  | 1999        | 71,000,000    |
| 9  | 2000        | 75,000,000    |
| 10 | 2001        | 80,000,000    |
| 11 | 2002        | 93,000,000    |
| 12 | 2003        | 99,000,000    |
| 13 | 2004        | 103,000,000   |
| 14 | 2005        | 108,000,000   |
| 15 | 2006        | 113,000,000   |
| 16 | 2007        | 119,000,000   |
| 17 | 2008        | 126,000,000   |
| 18 | 2009        | 132,000,000   |
| 19 | 2010        | 139,000,000   |
| 20 | 2011        | 146,000,000   |
| 21 | 2012        | 153,000,000   |
| 22 | 2013        | 161,000,000   |
| 23 | 2014        | 170,000,000   |
| 24 | 2015        | 179,000,000   |
| 25 | 2016        | 189,000,000   |
| 26 | 2017        | 199,000,000   |

|    |      |             |
|----|------|-------------|
| 1  | 2018 | 210,000,000 |
| 2  | 2019 | 221,000,000 |
| 3  | 2020 | 233,000,000 |
| 4  | 2021 | 300,000,000 |
| 5  | 2022 | 300,000,000 |
| 6  | 2023 | 300,000,000 |
| 7  | 2024 | 300,000,000 |
| 8  | 2025 | 300,000,000 |
| 9  | 2026 | 300,000,000 |
| 10 | 2027 | 375,000,000 |
| 11 | 2028 | 375,000,000 |
| 12 | 2029 | 375,000,000 |
| 13 | 2030 | 375,000,000 |
| 14 | 2031 | 375,000,000 |
| 15 | 2032 | 375,000,000 |
| 16 | 2033 | 375,000,000 |
| 17 | 2034 | 375,000,000 |
| 18 | 2035 | 375,000,000 |
| 19 | 2036 | 450,000,000 |

20                   and  
21                   each fiscal year  
22                   thereafter that bonds  
23                   are outstanding under  
24                   Section 13.2 of the  
25                   Metropolitan Pier and  
26                   Exposition Authority Act,



1 but not after fiscal year 2060.

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

15 Subject to payment of amounts into the Capital Projects  
16 Fund, the Build Illinois Fund, and the McCormick Place  
17 Expansion Project Fund pursuant to the preceding paragraphs or  
18 in any amendments thereto hereafter enacted, for aviation fuel  
19 sold on or after December 1, 2019, the Department shall each  
20 month deposit into the Aviation Fuel Sales Tax Refund Fund an  
21 amount estimated by the Department to be required for refunds  
22 of the 80% portion of the tax on aviation fuel under this Act.  
23 The Department shall only deposit moneys into the Aviation  
24 Fuel Sales Tax Refund Fund under this paragraph for so long as  
25 the revenue use requirements of 49 U.S.C. 47107(b) and 49  
26 U.S.C. 47133 are binding on the State.

1           Subject to payment of amounts into the Build Illinois Fund  
2 and the McCormick Place Expansion Project Fund pursuant to the  
3 preceding paragraphs or in any amendments thereto hereafter  
4 enacted, beginning July 1, 1993 and ending on September 30,  
5 2013, the Department shall each month pay into the Illinois  
6 Tax Increment Fund 0.27% of 80% of the net revenue realized for  
7 the preceding month from the 6.25% general rate on the selling  
8 price of tangible personal property.

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

22           Subject to payment of amounts into the Build Illinois  
23 Fund, the McCormick Place Expansion Project Fund, the Illinois  
24 Tax Increment Fund, and the Energy Infrastructure Fund  
25 pursuant to the preceding paragraphs or in any amendments to  
26 this Section hereafter enacted, beginning on the first day of

1 the first calendar month to occur on or after August 26, 2014  
2 (the effective date of Public Act 98-1098), each month, from  
3 the collections made under Section 9 of the Use Tax Act,  
4 Section 9 of the Service Use Tax Act, Section 9 of the Service  
5 Occupation Tax Act, and Section 3 of the Retailers' Occupation  
6 Tax Act, the Department shall pay into the Tax Compliance and  
7 Administration Fund, to be used, subject to appropriation, to  
8 fund additional auditors and compliance personnel at the  
9 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
10 the cash receipts collected during the preceding fiscal year  
11 by the Audit Bureau of the Department under the Use Tax Act,  
12 the Service Use Tax Act, the Service Occupation Tax Act, the  
13 Retailers' Occupation Tax Act, and associated local occupation  
14 and use taxes administered by the Department.

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

23 Subject to successful execution and delivery of a  
24 public-private agreement between the public agency and private  
25 entity and completion of the civic build, beginning on July 1,  
26 2023, of the remainder of the moneys received by the

1 Department under the Use Tax Act, the Service Use Tax Act, the  
 2 Service Occupation Tax Act, and this Act, the Department shall  
 3 deposit the following specified deposits in the aggregate from  
 4 collections under the Use Tax Act, the Service Use Tax Act, the  
 5 Service Occupation Tax Act, and the Retailers' Occupation Tax  
 6 Act, as required under Section 8.25g of the State Finance Act  
 7 for distribution consistent with the Public-Private  
 8 Partnership for Civic and Transit Infrastructure Project Act.  
 9 The moneys received by the Department pursuant to this Act and  
 10 required to be deposited into the Civic and Transit  
 11 Infrastructure Fund are subject to the pledge, claim and  
 12 charge set forth in Section 25-55 of the Public-Private  
 13 Partnership for Civic and Transit Infrastructure Project Act.  
 14 As used in this paragraph, "civic build", "private entity",  
 15 "public-private agreement", and "public agency" have the  
 16 meanings provided in Section 25-10 of the Public-Private  
 17 Partnership for Civic and Transit Infrastructure Project Act.

| 18 | Fiscal Year..... | Total Deposit |
|----|------------------|---------------|
| 19 | 2024 .....       | \$200,000,000 |
| 20 | 2025 .....       | \$206,000,000 |
| 21 | 2026 .....       | \$212,200,000 |
| 22 | 2027 .....       | \$218,500,000 |
| 23 | 2028 .....       | \$225,100,000 |
| 24 | 2029 .....       | \$288,700,000 |
| 25 | 2030 .....       | \$298,900,000 |
| 26 | 2031 .....       | \$309,300,000 |

|    |      |       |               |
|----|------|-------|---------------|
| 1  | 2032 | ..... | \$320,100,000 |
| 2  | 2033 | ..... | \$331,200,000 |
| 3  | 2034 | ..... | \$341,200,000 |
| 4  | 2035 | ..... | \$351,400,000 |
| 5  | 2036 | ..... | \$361,900,000 |
| 6  | 2037 | ..... | \$372,800,000 |
| 7  | 2038 | ..... | \$384,000,000 |
| 8  | 2039 | ..... | \$395,500,000 |
| 9  | 2040 | ..... | \$407,400,000 |
| 10 | 2041 | ..... | \$419,600,000 |
| 11 | 2042 | ..... | \$432,200,000 |
| 12 | 2043 | ..... | \$445,100,000 |

13           Beginning July 1, 2021 and until July 1, 2022, subject to  
14 the payment of amounts into the County and Mass Transit  
15 District Fund, the Local Government Tax Fund, the Build  
16 Illinois Fund, the McCormick Place Expansion Project Fund, the  
17 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
18 and the Tax Compliance and Administration Fund as provided in  
19 this Section, the Department shall pay each month into the  
20 Road Fund the amount estimated to represent 16% of the net  
21 revenue realized from the taxes imposed on motor fuel and  
22 gasohol. Beginning July 1, 2022 and until July 1, 2023,  
23 subject to the payment of amounts into the County and Mass  
24 Transit District Fund, the Local Government Tax Fund, the  
25 Build Illinois Fund, the McCormick Place Expansion Project  
26 Fund, the Illinois Tax Increment Fund, the Energy

1 Infrastructure Fund, and the Tax Compliance and Administration  
2 Fund as provided in this Section, the Department shall pay  
3 each month into the Road Fund the amount estimated to  
4 represent 32% of the net revenue realized from the taxes  
5 imposed on motor fuel and gasohol. Beginning July 1, 2023 and  
6 until July 1, 2024, subject to the payment of amounts into the  
7 County and Mass Transit District Fund, the Local Government  
8 Tax Fund, the Build Illinois Fund, the McCormick Place  
9 Expansion Project Fund, the Illinois Tax Increment Fund, the  
10 Energy Infrastructure Fund, and the Tax Compliance and  
11 Administration Fund as provided in this Section, the  
12 Department shall pay each month into the Road Fund the amount  
13 estimated to represent 48% of the net revenue realized from  
14 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
15 2024 and until July 1, 2025, subject to the payment of amounts  
16 into the County and Mass Transit District Fund, the Local  
17 Government Tax Fund, the Build Illinois Fund, the McCormick  
18 Place Expansion Project Fund, the Illinois Tax Increment Fund,  
19 the Energy Infrastructure Fund, and the Tax Compliance and  
20 Administration Fund as provided in this Section, the  
21 Department shall pay each month into the Road Fund the amount  
22 estimated to represent 64% of the net revenue realized from  
23 the taxes imposed on motor fuel and gasohol. Beginning on July  
24 1, 2025, subject to the payment of amounts into the County and  
25 Mass Transit District Fund, the Local Government Tax Fund, the  
26 Build Illinois Fund, the McCormick Place Expansion Project

1 Fund, the Illinois Tax Increment Fund, the Energy  
2 Infrastructure Fund, and the Tax Compliance and Administration  
3 Fund as provided in this Section, the Department shall pay  
4 each month into the Road Fund the amount estimated to  
5 represent 80% of the net revenue realized from the taxes  
6 imposed on motor fuel and gasohol. As used in this paragraph  
7 "motor fuel" has the meaning given to that term in Section 1.1  
8 of the Motor Fuel Tax Law, and "gasohol" has the meaning given  
9 to that term in Section 3-40 of the Use Tax Act.

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

17 The Department may, upon separate written notice to a  
18 taxpayer, require the taxpayer to prepare and file with the  
19 Department on a form prescribed by the Department within not  
20 less than 60 days after receipt of the notice an annual  
21 information return for the tax year specified in the notice.  
22 Such annual return to the Department shall include a statement  
23 of gross receipts as shown by the taxpayer's last Federal  
24 income tax return. If the total receipts of the business as  
25 reported in the Federal income tax return do not agree with the  
26 gross receipts reported to the Department of Revenue for the

1 same period, the taxpayer shall attach to his annual return a  
2 schedule showing a reconciliation of the 2 amounts and the  
3 reasons for the difference. The taxpayer's annual return to  
4 the Department shall also disclose the cost of goods sold by  
5 the taxpayer during the year covered by such return, opening  
6 and closing inventories of such goods for such year, cost of  
7 goods used from stock or taken from stock and given away by the  
8 taxpayer during such year, pay roll information of the  
9 taxpayer's business during such year and any additional  
10 reasonable information which the Department deems would be  
11 helpful in determining the accuracy of the monthly, quarterly  
12 or annual returns filed by such taxpayer as hereinbefore  
13 provided for in this Section.

14 If the annual information return required by this Section  
15 is not filed when and as required, the taxpayer shall be liable  
16 as follows:

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

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



1           The chief executive officer, proprietor, owner or highest  
2 ranking manager shall sign the annual return to certify the  
3 accuracy of the information contained therein. Any person who  
4 willfully signs the annual return containing false or  
5 inaccurate information shall be guilty of perjury and punished  
6 accordingly. The annual return form prescribed by the  
7 Department shall include a warning that the person signing the  
8 return may be liable for perjury.

9           The foregoing portion of this Section concerning the  
10 filing of an annual information return shall not apply to a  
11 serviceman who is not required to file an income tax return  
12 with the United States Government.

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

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

24           For greater simplicity of administration, it shall be  
25 permissible for manufacturers, importers and wholesalers whose  
26 products are sold by numerous servicemen in Illinois, and who

1 wish to do so, to assume the responsibility for accounting and  
2 paying to the Department all tax accruing under this Act with  
3 respect to such sales, if the servicemen who are affected do  
4 not make written objection to the Department to this  
5 arrangement.

6 (Source: P.A. 101-10, Article 15, Section 15-20, eff. 6-5-19;  
7 101-10, Article 25, Section 25-115, eff. 6-5-19; 101-27, eff.  
8 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;  
9 101-636, eff. 6-10-20; 102-700, eff. 4-19-22.)

10 Section 920. The Retailers' Occupation Tax Act is amended  
11 by changing Sections 2-5 and 3 as follows:

12 (35 ILCS 120/2-5)

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

16 (1) Farm chemicals.

17 (2) Farm machinery and equipment, both new and used,  
18 including that manufactured on special order, certified by  
19 the purchaser to be used primarily for production  
20 agriculture or State or federal agricultural programs,  
21 including individual replacement parts for the machinery  
22 and equipment, including machinery and equipment purchased  
23 for lease, and including implements of husbandry defined  
24 in Section 1-130 of the Illinois Vehicle Code, farm

1 machinery and agricultural chemical and fertilizer  
2 spreaders, and nurse wagons required to be registered  
3 under Section 3-809 of the Illinois Vehicle Code, but  
4 excluding other motor vehicles required to be registered  
5 under the Illinois Vehicle Code. Horticultural polyhouses  
6 or hoop houses used for propagating, growing, or  
7 overwintering plants shall be considered farm machinery  
8 and equipment under this item (2). Agricultural chemical  
9 tender tanks and dry boxes shall include units sold  
10 separately from a motor vehicle required to be licensed  
11 and units sold mounted on a motor vehicle required to be  
12 licensed, if the selling price of the tender is separately  
13 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  
17 not limited to, tractors, harvesters, sprayers, planters,  
18 seeders, or spreaders. Precision farming equipment  
19 includes, but is not limited to, soil testing sensors,  
20 computers, monitors, software, global positioning and  
21 mapping systems, and other such equipment.

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

1 animal and crop data for the purpose of formulating animal  
2 diets and agricultural chemicals. This item (2) is exempt  
3 from the provisions of Section 2-70.

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

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

24 (5) A motor vehicle that is used for automobile  
25 renting, as defined in the Automobile Renting Occupation  
26 and Use Tax Act. This paragraph is exempt from the

1 provisions of Section 2-70.

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

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

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

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

26 (10) Personal property sold by a corporation, society,

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

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

22 (12) (Blank).

23 (12-5) On and after July 1, 2003 and through June 30,  
24 2004, motor vehicles of the second division with a gross  
25 vehicle weight in excess of 8,000 pounds that are subject  
26 to the commercial distribution fee imposed under Section

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

17 (13) Proceeds from sales to owners, lessors, or  
18 shippers of tangible personal property that is utilized by  
19 interstate carriers for hire for use as rolling stock  
20 moving in interstate commerce and equipment operated by a  
21 telecommunications provider, licensed as a common carrier  
22 by the Federal Communications Commission, which is  
23 permanently installed in or affixed to aircraft moving in  
24 interstate commerce.

25 (14) Machinery and equipment that will be used by the  
26 purchaser, or a lessee of the purchaser, primarily in the

1 process of manufacturing or assembling tangible personal  
2 property for wholesale or retail sale or lease, whether  
3 the sale or lease is made directly by the manufacturer or  
4 by some other person, whether the materials used in the  
5 process are owned by the manufacturer or some other  
6 person, or whether the sale or lease is made apart from or  
7 as an incident to the seller's engaging in the service  
8 occupation of producing machines, tools, dies, jigs,  
9 patterns, gauges, or other similar items of no commercial  
10 value on special order for a particular purchaser. The  
11 exemption provided by this paragraph (14) does not include  
12 machinery and equipment used in (i) the generation of  
13 electricity for wholesale or retail sale; (ii) the  
14 generation or treatment of natural or artificial gas for  
15 wholesale or retail sale that is delivered to customers  
16 through pipes, pipelines, or mains; or (iii) the treatment  
17 of water for wholesale or retail sale that is delivered to  
18 customers through pipes, pipelines, or mains. The  
19 provisions of Public Act 98-583 are declaratory of  
20 existing law as to the meaning and scope of this  
21 exemption. Beginning on July 1, 2017, the exemption  
22 provided by this paragraph (14) includes, but is not  
23 limited to, graphic arts machinery and equipment, as  
24 defined in paragraph (4) of this Section.

25 (15) Proceeds of mandatory service charges separately  
26 stated on customers' bills for purchase and consumption of



1 food and beverages, to the extent that the proceeds of the  
2 service charge are in fact turned over as tips or as a  
3 substitute for tips to the employees who participate  
4 directly in preparing, serving, hosting or cleaning up the  
5 food or beverage function with respect to which the  
6 service charge is imposed.

7 (16) Tangible personal property sold to a purchaser if  
8 the purchaser is exempt from use tax by operation of  
9 federal law. This paragraph is exempt from the provisions  
10 of Section 2-70.

11 (17) Tangible personal property sold to a common  
12 carrier by rail or motor that receives the physical  
13 possession of the property in Illinois and that transports  
14 the property, or shares with another common carrier in the  
15 transportation of the property, out of Illinois on a  
16 standard uniform bill of lading showing the seller of the  
17 property as the shipper or consignor of the property to a  
18 destination outside Illinois, for use outside Illinois.

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

23 (19) Until July 1, 2003, oil field exploration,  
24 drilling, and production equipment, including (i) rigs and  
25 parts of rigs, rotary rigs, cable tool rigs, and workover  
26 rigs, (ii) pipe and tubular goods, including casing and

1 drill strings, (iii) pumps and pump-jack units, (iv)  
2 storage tanks and flow lines, (v) any individual  
3 replacement part for oil field exploration, drilling, and  
4 production equipment, and (vi) machinery and equipment  
5 purchased for lease; but excluding motor vehicles required  
6 to be registered under the Illinois Vehicle Code.

7 (20) Photoprocessing machinery and equipment,  
8 including repair and replacement parts, both new and used,  
9 including that manufactured on special order, certified by  
10 the purchaser to be used primarily for photoprocessing,  
11 and including photoprocessing machinery and equipment  
12 purchased for lease.

13 (21) Until July 1, 2028, coal and aggregate  
14 exploration, mining, off-highway hauling, processing,  
15 maintenance, and reclamation equipment, including  
16 replacement parts and equipment, and including equipment  
17 purchased for lease, but excluding motor vehicles required  
18 to be registered under the Illinois Vehicle Code. The  
19 changes made to this Section by Public Act 97-767 apply on  
20 and after July 1, 2003, but no claim for credit or refund  
21 is allowed on or after August 16, 2013 (the effective date  
22 of Public Act 98-456) for such taxes paid during the  
23 period beginning July 1, 2003 and ending on August 16,  
24 2013 (the effective date of Public Act 98-456).

25 (22) Until June 30, 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 destined for or returning from a location or  
4 locations outside the United States without regard to  
5 previous or subsequent domestic stopovers.

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

16 (23) A transaction in which the purchase order is  
17 received by a florist who is located outside Illinois, but  
18 who has a florist located in Illinois deliver the property  
19 to the purchaser or the purchaser's donee in Illinois.

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

26 (25) Except as provided in item (25-5) of this

1 Section, a motor vehicle sold in this State to a  
2 nonresident even though the motor vehicle is delivered to  
3 the nonresident in this State, if the motor vehicle is not  
4 to be titled in this State, and if a drive-away permit is  
5 issued to the motor vehicle as provided in Section 3-603  
6 of the Illinois Vehicle Code or if the nonresident  
7 purchaser has vehicle registration plates to transfer to  
8 the motor vehicle upon returning to his or her home state.  
9 The issuance of the drive-away permit or having the  
10 out-of-state registration plates to be transferred is  
11 prima facie evidence that the motor vehicle will not be  
12 titled in this State.

13 (25-5) The exemption under item (25) does not apply if  
14 the state in which the motor vehicle will be titled does  
15 not allow a reciprocal exemption for a motor vehicle sold  
16 and delivered in that state to an Illinois resident but  
17 titled in Illinois. The tax collected under this Act on  
18 the sale of a motor vehicle in this State to a resident of  
19 another state that does not allow a reciprocal exemption  
20 shall be imposed at a rate equal to the state's rate of tax  
21 on taxable property in the state in which the purchaser is  
22 a resident, except that the tax shall not exceed the tax  
23 that would otherwise be imposed under this Act. At the  
24 time of the sale, the purchaser shall execute a statement,  
25 signed under penalty of perjury, of his or her intent to  
26 title the vehicle in the state in which the purchaser is a

1 resident within 30 days after the sale and of the fact of  
2 the payment to the State of Illinois of tax in an amount  
3 equivalent to the state's rate of tax on taxable property  
4 in his or her state of residence and shall submit the  
5 statement to the appropriate tax collection agency in his  
6 or her state of residence. In addition, the retailer must  
7 retain a signed copy of the statement in his or her  
8 records. Nothing in this item shall be construed to  
9 require the removal of the vehicle from this state  
10 following the filing of an intent to title the vehicle in  
11 the purchaser's state of residence if the purchaser titles  
12 the vehicle in his or her state of residence within 30 days  
13 after the date of sale. The tax collected under this Act in  
14 accordance with this item (25-5) shall be proportionately  
15 distributed as if the tax were collected at the 6.25%  
16 general rate imposed under this Act.

17 (25-7) Beginning on July 1, 2007, no tax is imposed  
18 under this Act on the sale of an aircraft, as defined in  
19 Section 3 of the Illinois Aeronautics Act, if all of the  
20 following conditions are met:

21 (1) the aircraft leaves this State within 15 days  
22 after the later of either the issuance of the final  
23 billing for the sale of the aircraft, or the  
24 authorized approval for return to service, completion  
25 of the maintenance record entry, and completion of the  
26 test flight and ground test for inspection, as

1 required by 14 CFR ~~C.F.R.~~ 91.407;

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

4 (3) the seller retains in his or her books and  
5 records and provides to the Department a signed and  
6 dated certification from the purchaser, on a form  
7 prescribed by the Department, certifying that the  
8 requirements of this item (25-7) are met. The  
9 certificate must also include the name and address of  
10 the purchaser, the address of the location where the  
11 aircraft is to be titled or registered, the address of  
12 the primary physical location of the aircraft, and  
13 other information that the Department may reasonably  
14 require.

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

16 "Based in this State" means hangared, stored, or  
17 otherwise used, excluding post-sale customizations as  
18 defined in this Section, for 10 or more days in each  
19 12-month period immediately following the date of the sale  
20 of the aircraft.

21 "Registered in this State" means an aircraft  
22 registered with the Department of Transportation,  
23 Aeronautics Division, or titled or registered with the  
24 Federal Aviation Administration to an address located in  
25 this State.

26 This paragraph (25-7) is exempt from the provisions of

1 Section 2-70.

2 (26) Semen used for artificial insemination of  
3 livestock for direct agricultural production.

4 (27) Horses, or interests in horses, registered with  
5 and meeting the requirements of any of the Arabian Horse  
6 Club Registry of America, Appaloosa Horse Club, American  
7 Quarter Horse Association, United States Trotting  
8 Association, or Jockey Club, as appropriate, used for  
9 purposes of breeding or racing for prizes. This item (27)  
10 is exempt from the provisions of Section 2-70, and the  
11 exemption provided for under this item (27) applies for  
12 all periods beginning May 30, 1995, but no claim for  
13 credit or refund is allowed on or after January 1, 2008  
14 (the effective date of Public Act 95-88) for such taxes  
15 paid during the period beginning May 30, 2000 and ending  
16 on January 1, 2008 (the effective date of Public Act  
17 95-88).

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

26 (29) Personal property sold to a lessor who leases the

1 property, under a lease of one year or longer executed or  
2 in effect at the time of the purchase, to a governmental  
3 body that has been issued an active tax exemption  
4 identification number by the Department under Section 1g  
5 of this Act.

6 (30) Beginning with taxable years ending on or after  
7 December 31, 1995 and ending with taxable years ending on  
8 or before December 31, 2004, personal property that is  
9 donated for disaster relief to be used in a State or  
10 federally declared disaster area in Illinois or bordering  
11 Illinois by a manufacturer or retailer that is registered  
12 in this State to a corporation, society, association,  
13 foundation, or institution that has been issued a sales  
14 tax exemption identification number by the Department that  
15 assists victims of the disaster who reside within the  
16 declared disaster area.

17 (31) Beginning with taxable years ending on or after  
18 December 31, 1995 and ending with taxable years ending on  
19 or before December 31, 2004, personal property that is  
20 used in the performance of infrastructure repairs in this  
21 State, including but not limited to municipal roads and  
22 streets, access roads, bridges, sidewalks, waste disposal  
23 systems, water and sewer line extensions, water  
24 distribution and purification facilities, storm water  
25 drainage and retention facilities, and sewage treatment  
26 facilities, resulting from a State or federally declared



1 disaster in Illinois or bordering Illinois when such  
2 repairs are initiated on facilities located in the  
3 declared disaster area within 6 months after the disaster.

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

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

1 occupation.

2 (34) Beginning January 1, 2000, personal property,  
3 including food, purchased through fundraising events for  
4 the benefit of a public or private elementary or secondary  
5 school, a group of those schools, or one or more school  
6 districts if the events are sponsored by an entity  
7 recognized by the school district that consists primarily  
8 of volunteers and includes parents and teachers of the  
9 school children. This paragraph does not apply to  
10 fundraising events (i) for the benefit of private home  
11 instruction or (ii) for which the fundraising entity  
12 purchases the personal property sold at the events from  
13 another individual or entity that sold the property for  
14 the purpose of resale by the fundraising entity and that  
15 profits from the sale to the fundraising entity. This  
16 paragraph is exempt from the provisions of Section 2-70.

17 (35) Beginning January 1, 2000 and through December  
18 31, 2001, new or used automatic vending machines that  
19 prepare and serve hot food and beverages, including  
20 coffee, soup, and other items, and replacement parts for  
21 these machines. Beginning January 1, 2002 and through June  
22 30, 2003, machines and parts for machines used in  
23 commercial, coin-operated amusement and vending business  
24 if a use or occupation tax is paid on the gross receipts  
25 derived from the use of the commercial, coin-operated  
26 amusement and vending machines. This paragraph is exempt

1 from the provisions of Section 2-70.

2 (35-5) Beginning August 23, 2001 and through June 30,  
3 2016, food for human consumption that is to be consumed  
4 off the premises where it is sold (other than alcoholic  
5 beverages, soft drinks, and food that has been prepared  
6 for immediate consumption) and prescription and  
7 nonprescription medicines, drugs, medical appliances, and  
8 insulin, urine testing materials, syringes, and needles  
9 used by diabetics, for human use, when purchased for use  
10 by a person receiving medical assistance under Article V  
11 of the Illinois Public Aid Code who resides in a licensed  
12 long-term care facility, as defined in the Nursing Home  
13 Care Act, or a licensed facility as defined in the ID/DD  
14 Community Care Act, the MC/DD Act, or the Specialized  
15 Mental Health Rehabilitation Act of 2013.

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

26 (37) Beginning August 2, 2001, personal property sold

1 to a lessor who leases the property, under a lease of one  
2 year or longer executed or in effect at the time of the  
3 purchase, to a governmental body that has been issued an  
4 active tax exemption identification number by the  
5 Department under Section 1g of this Act. This paragraph is  
6 exempt from the provisions of Section 2-70.

7 (38) Beginning on January 1, 2002 and through June 30,  
8 2016, tangible personal property purchased from an  
9 Illinois retailer by a taxpayer engaged in centralized  
10 purchasing activities in Illinois who will, upon receipt  
11 of the property in Illinois, temporarily store the  
12 property in Illinois (i) for the purpose of subsequently  
13 transporting it outside this State for use or consumption  
14 thereafter solely outside this State or (ii) for the  
15 purpose of being processed, fabricated, or manufactured  
16 into, attached to, or incorporated into other tangible  
17 personal property to be transported outside this State and  
18 thereafter used or consumed solely outside this State. The  
19 Director of Revenue shall, pursuant to rules adopted in  
20 accordance with the Illinois Administrative Procedure Act,  
21 issue a permit to any taxpayer in good standing with the  
22 Department who is eligible for the exemption under this  
23 paragraph (38). The permit issued under this paragraph  
24 (38) shall authorize the holder, to the extent and in the  
25 manner specified in the rules adopted under this Act, to  
26 purchase tangible personal property from a retailer exempt

1 from the taxes imposed by this Act. Taxpayers shall  
2 maintain all necessary books and records to substantiate  
3 the use and consumption of all such tangible personal  
4 property outside of the State of Illinois.

5 (39) Beginning January 1, 2008, tangible personal  
6 property used in the construction or maintenance of a  
7 community water supply, as defined under Section 3.145 of  
8 the Environmental Protection Act, that is operated by a  
9 not-for-profit corporation that holds a valid water supply  
10 permit issued under Title IV of the Environmental  
11 Protection Act. This paragraph is exempt from the  
12 provisions of Section 2-70.

13 (40) Beginning January 1, 2010 and continuing through  
14 December 31, 2024, materials, parts, equipment,  
15 components, and furnishings incorporated into or upon an  
16 aircraft as part of the modification, refurbishment,  
17 completion, replacement, repair, or maintenance of the  
18 aircraft. This exemption includes consumable supplies used  
19 in the modification, refurbishment, completion,  
20 replacement, repair, and maintenance of aircraft, but  
21 excludes any materials, parts, equipment, components, and  
22 consumable supplies used in the modification, replacement,  
23 repair, and maintenance of aircraft engines or power  
24 plants, whether such engines or power plants are installed  
25 or uninstalled upon any such aircraft. "Consumable  
26 supplies" include, but are not limited to, adhesive, tape,

1 sandpaper, general purpose lubricants, cleaning solution,  
2 latex gloves, and protective films. This exemption applies  
3 only to the sale of qualifying tangible personal property  
4 to persons who modify, refurbish, complete, replace, or  
5 maintain an aircraft and who (i) hold an Air Agency  
6 Certificate and are empowered to operate an approved  
7 repair station by the Federal Aviation Administration,  
8 (ii) have a Class IV Rating, and (iii) conduct operations  
9 in accordance with Part 145 of the Federal Aviation  
10 Regulations. The exemption does not include aircraft  
11 operated by a commercial air carrier providing scheduled  
12 passenger air service pursuant to authority issued under  
13 Part 121 or Part 129 of the Federal Aviation Regulations.  
14 The changes made to this paragraph (40) by Public Act  
15 98-534 are declarative of existing law. It is the intent  
16 of the General Assembly that the exemption under this  
17 paragraph (40) applies continuously from January 1, 2010  
18 through December 31, 2024; however, no claim for credit or  
19 refund is allowed for taxes paid as a result of the  
20 disallowance of this exemption on or after January 1, 2015  
21 and prior to February 5, 2020 (the effective date of  
22 Public Act 101-629) ~~this amendatory Act of the 101st~~  
23 ~~General Assembly.~~

24 (41) Tangible personal property sold to a  
25 public-facilities corporation, as described in Section  
26 11-65-10 of the Illinois Municipal Code, for purposes of

1 constructing or furnishing a municipal convention hall,  
2 but only if the legal title to the municipal convention  
3 hall is transferred to the municipality without any  
4 further consideration by or on behalf of the municipality  
5 at the time of the completion of the municipal convention  
6 hall or upon the retirement or redemption of any bonds or  
7 other debt instruments issued by the public-facilities  
8 corporation in connection with the development of the  
9 municipal convention hall. This exemption includes  
10 existing public-facilities corporations as provided in  
11 Section 11-65-25 of the Illinois Municipal Code. This  
12 paragraph is exempt from the provisions of Section 2-70.

13 (42) Beginning January 1, 2017 and through December  
14 31, 2026, menstrual pads, tampons, and menstrual cups.

15 (43) Merchandise that is subject to the Rental  
16 Purchase Agreement Occupation and Use Tax. The purchaser  
17 must certify that the item is purchased to be rented  
18 subject to a rental purchase agreement, as defined in the  
19 Rental Purchase Agreement Act, and provide proof of  
20 registration under the Rental Purchase Agreement  
21 Occupation and Use Tax Act. This paragraph is exempt from  
22 the provisions of Section 2-70.

23 (44) Qualified tangible personal property used in the  
24 construction or operation of a data center that has been  
25 granted a certificate of exemption by the Department of  
26 Commerce and Economic Opportunity, whether that tangible

1 personal property is purchased by the owner, operator, or  
2 tenant of the data center or by a contractor or  
3 subcontractor of the owner, operator, or tenant. Data  
4 centers that would have qualified for a certificate of  
5 exemption prior to January 1, 2020 had Public Act 101-31  
6 ~~this amendatory Act of the 101st General Assembly~~ been in  
7 effect, may apply for and obtain an exemption for  
8 subsequent purchases of computer equipment or enabling  
9 software purchased or leased to upgrade, supplement, or  
10 replace computer equipment or enabling software purchased  
11 or leased in the original investment that would have  
12 qualified.

13 The Department of Commerce and Economic Opportunity  
14 shall grant a certificate of exemption under this item  
15 (44) to qualified data centers as defined by Section  
16 605-1025 of the Department of Commerce and Economic  
17 Opportunity Law of the Civil Administrative Code of  
18 Illinois.

19 For the purposes of this item (44):

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

24 "Qualified tangible personal property" means:  
25 electrical systems and equipment; climate control and  
26 chilling equipment and systems; mechanical systems and



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

26 This item (44) is exempt from the provisions of

1 Section 2-70.

2 (45) Beginning January 1, 2020 and through December  
3 31, 2020, sales of tangible personal property made by a  
4 marketplace seller over a marketplace for which tax is due  
5 under this Act but for which use tax has been collected and  
6 remitted to the Department by a marketplace facilitator  
7 under Section 2d of the Use Tax Act are exempt from tax  
8 under this Act. A marketplace seller claiming this  
9 exemption shall maintain books and records demonstrating  
10 that the use tax on such sales has been collected and  
11 remitted by a marketplace facilitator. Marketplace sellers  
12 that have properly remitted tax under this Act on such  
13 sales may file a claim for credit as provided in Section 6  
14 of this Act. No claim is allowed, however, for such taxes  
15 for which a credit or refund has been issued to the  
16 marketplace facilitator under the Use Tax Act, or for  
17 which the marketplace facilitator has filed a claim for  
18 credit or refund under the Use Tax Act.

19 (46) Beginning July 1, 2022, breast pumps, breast pump  
20 collection and storage supplies, and breast pump kits.  
21 This item (46) is exempt from the provisions of Section  
22 2-70. As used in this item (46):

23 "Breast pump" means an electrically controlled or  
24 manually controlled pump device designed or marketed to be  
25 used to express milk from a human breast during lactation,  
26 including the pump device and any battery, AC adapter, or

1 other power supply unit that is used to power the pump  
2 device and is packaged and sold with the pump device at the  
3 time of sale.

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.

9 "Breast pump collection and storage supplies"  
10 includes, but is not limited to: breast shields and breast  
11 shield connectors; breast pump tubes and tubing adapters;  
12 breast pump valves and membranes; backflow protectors and  
13 backflow protector adaptors; bottles and bottle caps  
14 specific to the operation of the breast pump; and breast  
15 milk storage bags.

16 "Breast pump collection and storage supplies" does not  
17 include: (1) bottles and bottle caps not specific to the  
18 operation of the breast pump; (2) breast pump travel bags  
19 and other similar carrying accessories, including ice  
20 packs, labels, and other similar products; (3) breast pump  
21 cleaning supplies; (4) nursing bras, bra pads, breast  
22 shells, and other similar products; and (5) creams,  
23 ointments, and other similar products that relieve  
24 breastfeeding-related symptoms or conditions of the  
25 breasts or nipples, unless sold as part of a breast pump  
26 kit that is pre-packaged by the breast pump manufacturer

1 or distributor.

2 "Breast pump kit" means a kit that: (1) contains no  
3 more than a breast pump, breast pump collection and  
4 storage supplies, a rechargeable battery for operating the  
5 breast pump, a breastmilk cooler, bottle stands, ice  
6 packs, and a breast pump carrying case; and (2) is  
7 pre-packaged as a breast pump kit by the breast pump  
8 manufacturer or distributor.

9 (47) ~~(46)~~ Tangible personal property sold by or on  
10 behalf of the State Treasurer pursuant to the Revised  
11 Uniform Unclaimed Property Act. This item (47) ~~(46)~~ is  
12 exempt from the provisions of Section 2-70.

13 (48) Qualified tangible personal property used in the  
14 construction or operation of a megaproject for which a  
15 certificate has been issued by the Department of Revenue  
16 as described and defined in Division 22 of Article 10 of  
17 the Property Tax Code, whether that tangible personal  
18 property is purchased by the owner, operator, or tenant of  
19 the megaproject or by a contractor or subcontractor of the  
20 owner, operator, or tenant. For the purposes of this item  
21 (48):

22 "Megaproject" has the meaning ascribed to that term in  
23 Section 10-910 of the Property Tax Code.

24 "Qualified tangible personal property" means:  
25 electrical systems and equipment; climate control and  
26 chilling equipment and systems; mechanical systems and

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

1           This item (48) is exempt from the provisions of  
2           Section 2-70.

3           (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;  
4           101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-634, eff.  
5           8-27-21; 102-700, Article 70, Section 70-20, eff. 4-19-22;  
6           102-700, Article 75, Section 75-20, eff. 4-19-22; 102-813,  
7           eff. 5-13-22; 102-1026, eff. 5-27-22; revised 8-15-22.)

8           (35 ILCS 120/3) (from Ch. 120, par. 442)

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

14                 1. The name of the seller;

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

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

25                 4. Total amount received by him during the preceding

1 calendar month or quarter on charge and time sales of  
2 tangible personal property, and from services furnished,  
3 by him prior to the month or quarter for which the return  
4 is filed;

5 5. Deductions allowed by law;

6 6. Gross receipts which were received by him during  
7 the preceding calendar month or quarter and upon the basis  
8 of which the tax is imposed, including gross receipts on  
9 food for human consumption that is to be consumed off the  
10 premises where it is sold (other than alcoholic beverages,  
11 food consisting of or infused with adult use cannabis,  
12 soft drinks, and food that has been prepared for immediate  
13 consumption) which were received during the preceding  
14 calendar month or quarter and upon which tax would have  
15 been due but for the 0% rate imposed under Public Act  
16 102-700 ~~this amendatory Act of the 102nd General Assembly;~~

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

19 8. The amount of tax due, including the amount of tax  
20 that would have been due on food for human consumption  
21 that is to be consumed off the premises where it is sold  
22 (other than alcoholic beverages, food consisting of or  
23 infused with adult use cannabis, soft drinks, and food  
24 that has been prepared for immediate consumption) but for  
25 the 0% rate imposed under Public Act 102-700 ~~this~~  
26 ~~amendatory Act of the 102nd General Assembly;~~

1           9. The signature of the taxpayer; and

2           10. Such other reasonable information as the  
3           Department may require.

4           On and after January 1, 2018, except for returns required  
5           to be filed prior to January 1, 2023 for motor vehicles,  
6           watercraft, aircraft, and trailers that are required to be  
7           registered with an agency of this State, with respect to  
8           retailers whose annual gross receipts average \$20,000 or more,  
9           all returns required to be filed pursuant to this Act shall be  
10          filed electronically. On and after January 1, 2023, with  
11          respect to retailers whose annual gross receipts average  
12          \$20,000 or more, all returns required to be filed pursuant to  
13          this Act, including, but not limited to, returns for motor  
14          vehicles, watercraft, aircraft, and trailers that are required  
15          to be registered with an agency of this State, shall be filed  
16          electronically. Retailers who demonstrate that they do not  
17          have access to the Internet or demonstrate hardship in filing  
18          electronically may petition the Department to waive the  
19          electronic filing requirement.

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

24          Each return shall be accompanied by the statement of  
25          prepaid tax issued pursuant to Section 2e for which credit is  
26          claimed.



1           Prior to October 1, 2003, and on and after September 1,  
2 2004 a retailer may accept a Manufacturer's Purchase Credit  
3 certification from a purchaser in satisfaction of Use Tax as  
4 provided in Section 3-85 of the Use Tax Act if the purchaser  
5 provides the appropriate documentation as required by Section  
6 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
7 certification, accepted by a retailer prior to October 1, 2003  
8 and on and after September 1, 2004 as provided in Section 3-85  
9 of the Use Tax Act, may be used by that retailer to satisfy  
10 Retailers' Occupation Tax liability in the amount claimed in  
11 the certification, not to exceed 6.25% of the receipts subject  
12 to tax from a qualifying purchase. A Manufacturer's Purchase  
13 Credit reported on any original or amended return filed under  
14 this Act after October 20, 2003 for reporting periods prior to  
15 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
16 Credit reported on annual returns due on or after January 1,  
17 2005 will be disallowed for periods prior to September 1,  
18 2004. No Manufacturer's Purchase Credit may be used after  
19 September 30, 2003 through August 31, 2004 to satisfy any tax  
20 liability imposed under this Act, including any audit  
21 liability.

22           The Department may require returns to be filed on a  
23 quarterly basis. If so required, a return for each calendar  
24 quarter shall be filed on or before the twentieth day of the  
25 calendar month following the end of such calendar quarter. The  
26 taxpayer shall also file a return with the Department for each

1 of the first two months of each calendar quarter, on or before  
2 the twentieth day of the following calendar month, stating:

3 1. The name of the seller;

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

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

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

14 5. The amount of tax due; and

15 6. Such other reasonable information as the Department  
16 may require.

17 Every person engaged in the business of selling aviation  
18 fuel at retail in this State during the preceding calendar  
19 month shall, instead of reporting and paying tax as otherwise  
20 required by this Section, report and pay such tax on a separate  
21 aviation fuel tax return. The requirements related to the  
22 return shall be as otherwise provided in this Section.  
23 Notwithstanding any other provisions of this Act to the  
24 contrary, retailers selling aviation fuel shall file all  
25 aviation fuel tax returns and shall make all aviation fuel tax  
26 payments by electronic means in the manner and form required

1 by the Department. For purposes of this Section, "aviation  
2 fuel" means jet fuel and aviation gasoline.

3 Beginning on October 1, 2003, any person who is not a  
4 licensed distributor, importing distributor, or manufacturer,  
5 as defined in the Liquor Control Act of 1934, but is engaged in  
6 the business of selling, at retail, alcoholic liquor shall  
7 file a statement with the Department of Revenue, in a format  
8 and at a time prescribed by the Department, showing the total  
9 amount paid for alcoholic liquor purchased during the  
10 preceding month and such other information as is reasonably  
11 required by the Department. The Department may adopt rules to  
12 require that this statement be filed in an electronic or  
13 telephonic format. Such rules may provide for exceptions from  
14 the filing requirements of this paragraph. For the purposes of  
15 this paragraph, the term "alcoholic liquor" shall have the  
16 meaning prescribed in the Liquor Control Act of 1934.

17 Beginning on October 1, 2003, every distributor, importing  
18 distributor, and manufacturer of alcoholic liquor as defined  
19 in the Liquor Control Act of 1934, shall file a statement with  
20 the Department of Revenue, no later than the 10th day of the  
21 month for the preceding month during which transactions  
22 occurred, by electronic means, showing the total amount of  
23 gross receipts from the sale of alcoholic liquor sold or  
24 distributed during the preceding month to purchasers;  
25 identifying the purchaser to whom it was sold or distributed;  
26 the purchaser's tax registration number; and such other

1 information reasonably required by the Department. A  
2 distributor, importing distributor, or manufacturer of  
3 alcoholic liquor must personally deliver, mail, or provide by  
4 electronic means to each retailer listed on the monthly  
5 statement a report containing a cumulative total of that  
6 distributor's, importing distributor's, or manufacturer's  
7 total sales of alcoholic liquor to that retailer no later than  
8 the 10th day of the month for the preceding month during which  
9 the transaction occurred. The distributor, importing  
10 distributor, or manufacturer shall notify the retailer as to  
11 the method by which the distributor, importing distributor, or  
12 manufacturer will provide the sales information. If the  
13 retailer is unable to receive the sales information by  
14 electronic means, the distributor, importing distributor, or  
15 manufacturer shall furnish the sales information by personal  
16 delivery or by mail. For purposes of this paragraph, the term  
17 "electronic means" includes, but is not limited to, the use of  
18 a secure Internet website, e-mail, or facsimile.

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

23 Notwithstanding any other provision of this Act to the  
24 contrary, retailers subject to tax on cannabis shall file all  
25 cannabis tax returns and shall make all cannabis tax payments  
26 by electronic means in the manner and form required by the

1 Department.

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

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

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

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

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

16           Any amount which is required to be shown or reported on any  
17 return or other document under this Act shall, if such amount  
18 is not a whole-dollar amount, be increased to the nearest  
19 whole-dollar amount in any case where the fractional part of a  
20 dollar is 50 cents or more, and decreased to the nearest  
21 whole-dollar amount where the fractional part of a dollar is  
22 less than 50 cents.

23           If the retailer is otherwise required to file a monthly  
24 return and if the retailer's average monthly tax liability to  
25 the Department does not exceed \$200, the Department may  
26 authorize his returns to be filed on a quarter annual basis,

1 with the return for January, February and March of a given year  
2 being due by April 20 of such year; with the return for April,  
3 May and June of a given year being due by July 20 of such year;  
4 with the return for July, August and September of a given year  
5 being due by October 20 of such year, and with the return for  
6 October, November and December of a given year being due by  
7 January 20 of the following year.

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

14 Such quarter annual and annual returns, as to form and  
15 substance, shall be subject to the same requirements as  
16 monthly returns.

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

24 Where the same person has more than one business  
25 registered with the Department under separate registrations  
26 under this Act, such person may not file each return that is

1 due as a single return covering all such registered  
2 businesses, but shall file separate returns for each such  
3 registered business.

4 In addition, with respect to motor vehicles, watercraft,  
5 aircraft, and trailers that are required to be registered with  
6 an agency of this State, except as otherwise provided in this  
7 Section, every retailer selling this kind of tangible personal  
8 property shall file, with the Department, upon a form to be  
9 prescribed and supplied by the Department, a separate return  
10 for each such item of tangible personal property which the  
11 retailer sells, except that if, in the same transaction, (i) a  
12 retailer of aircraft, watercraft, motor vehicles or trailers  
13 transfers more than one aircraft, watercraft, motor vehicle or  
14 trailer to another aircraft, watercraft, motor vehicle  
15 retailer or trailer retailer for the purpose of resale or (ii)  
16 a retailer of aircraft, watercraft, motor vehicles, or  
17 trailers transfers more than one aircraft, watercraft, motor  
18 vehicle, or trailer to a purchaser for use as a qualifying  
19 rolling stock as provided in Section 2-5 of this Act, then that  
20 seller may report the transfer of all aircraft, watercraft,  
21 motor vehicles or trailers involved in that transaction to the  
22 Department on the same uniform invoice-transaction reporting  
23 return form. For purposes of this Section, "watercraft" means  
24 a Class 2, Class 3, or Class 4 watercraft as defined in Section  
25 3-2 of the Boat Registration and Safety Act, a personal  
26 watercraft, or any boat equipped with an inboard motor.



1           In addition, with respect to motor vehicles, watercraft,  
2           aircraft, and trailers that are required to be registered with  
3           an agency of this State, every person who is engaged in the  
4           business of leasing or renting such items and who, in  
5           connection with such business, sells any such item to a  
6           retailer for the purpose of resale is, notwithstanding any  
7           other provision of this Section to the contrary, authorized to  
8           meet the return-filing requirement of this Act by reporting  
9           the transfer of all the aircraft, watercraft, motor vehicles,  
10          or trailers transferred for resale during a month to the  
11          Department on the same uniform invoice-transaction reporting  
12          return form on or before the 20th of the month following the  
13          month in which the transfer takes place. Notwithstanding any  
14          other provision of this Act to the contrary, all returns filed  
15          under this paragraph must be filed by electronic means in the  
16          manner and form as required by the Department.

17          Any retailer who sells only motor vehicles, watercraft,  
18          aircraft, or trailers that are required to be registered with  
19          an agency of this State, so that all retailers' occupation tax  
20          liability is required to be reported, and is reported, on such  
21          transaction reporting returns and who is not otherwise  
22          required to file monthly or quarterly returns, need not file  
23          monthly or quarterly returns. However, those retailers shall  
24          be required to file returns on an annual basis.

25          The transaction reporting return, in the case of motor  
26          vehicles or trailers that are required to be registered with

1 an agency of this State, shall be the same document as the  
2 Uniform Invoice referred to in Section 5-402 of the Illinois  
3 Vehicle Code and must show the name and address of the seller;  
4 the name and address of the purchaser; the amount of the  
5 selling price including the amount allowed by the retailer for  
6 traded-in property, if any; the amount allowed by the retailer  
7 for the traded-in tangible personal property, if any, to the  
8 extent to which Section 1 of this Act allows an exemption for  
9 the value of traded-in property; the balance payable after  
10 deducting such trade-in allowance from the total selling  
11 price; the amount of tax due from the retailer with respect to  
12 such transaction; the amount of tax collected from the  
13 purchaser by the retailer on such transaction (or satisfactory  
14 evidence that such tax is not due in that particular instance,  
15 if that is claimed to be the fact); the place and date of the  
16 sale; a sufficient identification of the property sold; such  
17 other information as is required in Section 5-402 of the  
18 Illinois Vehicle Code, and such other information as the  
19 Department may reasonably require.

20 The transaction reporting return in the case of watercraft  
21 or aircraft must show the name and address of the seller; the  
22 name and address of the purchaser; the amount of the selling  
23 price including the amount allowed by the retailer for  
24 traded-in property, if any; the amount allowed by the retailer  
25 for the traded-in tangible personal property, if any, to the  
26 extent to which Section 1 of this Act allows an exemption for

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

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

23 With each such transaction reporting return, the retailer  
24 shall remit the proper amount of tax due (or shall submit  
25 satisfactory evidence that the sale is not taxable if that is  
26 the case), to the Department or its agents, whereupon the

1 Department shall issue, in the purchaser's name, a use tax  
2 receipt (or a certificate of exemption if the Department is  
3 satisfied that the particular sale is tax exempt) which such  
4 purchaser may submit to the agency with which, or State  
5 officer with whom, he must title or register the tangible  
6 personal property that is involved (if titling or registration  
7 is required) in support of such purchaser's application for an  
8 Illinois certificate or other evidence of title or  
9 registration to such tangible personal property.

10 No retailer's failure or refusal to remit tax under this  
11 Act precludes a user, who has paid the proper tax to the  
12 retailer, from obtaining his certificate of title or other  
13 evidence of title or registration (if titling or registration  
14 is required) upon satisfying the Department that such user has  
15 paid the proper tax (if tax is due) to the retailer. The  
16 Department shall adopt appropriate rules to carry out the  
17 mandate of this paragraph.

18 If the user who would otherwise pay tax to the retailer  
19 wants the transaction reporting return filed and the payment  
20 of the tax or proof of exemption made to the Department before  
21 the retailer is willing to take these actions and such user has  
22 not paid the tax to the retailer, such user may certify to the  
23 fact of such delay by the retailer and may (upon the Department  
24 being satisfied of the truth of such certification) transmit  
25 the information required by the transaction reporting return  
26 and the remittance for tax or proof of exemption directly to

1 the Department and obtain his tax receipt or exemption  
2 determination, in which event the transaction reporting return  
3 and tax remittance (if a tax payment was required) shall be  
4 credited by the Department to the proper retailer's account  
5 with the Department, but without the 2.1% or 1.75% discount  
6 provided for in this Section being allowed. When the user pays  
7 the tax directly to the Department, he shall pay the tax in the  
8 same amount and in the same form in which it would be remitted  
9 if the tax had been remitted to the Department by the retailer.

10 Refunds made by the seller during the preceding return  
11 period to purchasers, on account of tangible personal property  
12 returned to the seller, shall be allowed as a deduction under  
13 subdivision 5 of his monthly or quarterly return, as the case  
14 may be, in case the seller had theretofore included the  
15 receipts from the sale of such tangible personal property in a  
16 return filed by him and had paid the tax imposed by this Act  
17 with respect to such receipts.

18 Where the seller is a corporation, the return filed on  
19 behalf of such corporation shall be signed by the president,  
20 vice-president, secretary or treasurer or by the properly  
21 accredited agent of such corporation.

22 Where the seller is a limited liability company, the  
23 return filed on behalf of the limited liability company shall  
24 be signed by a manager, member, or properly accredited agent  
25 of the limited liability company.

26 Except as provided in this Section, the retailer filing

1 the return under this Section shall, at the time of filing such  
2 return, pay to the Department the amount of tax imposed by this  
3 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
4 on and after January 1, 1990, or \$5 per calendar year,  
5 whichever is greater, which is allowed to reimburse the  
6 retailer for the expenses incurred in keeping records,  
7 preparing and filing returns, remitting the tax and supplying  
8 data to the Department on request. On and after January 1,  
9 2021, a certified service provider, as defined in the Leveling  
10 the Playing Field for Illinois Retail Act, filing the return  
11 under this Section on behalf of a remote retailer shall, at the  
12 time of such return, pay to the Department the amount of tax  
13 imposed by this Act less a discount of 1.75%. A remote retailer  
14 using a certified service provider to file a return on its  
15 behalf, as provided in the Leveling the Playing Field for  
16 Illinois Retail Act, is not eligible for the discount. When  
17 determining the discount allowed under this Section, retailers  
18 shall include the amount of tax that would have been due at the  
19 1% rate but for the 0% rate imposed under Public Act 102-700  
20 ~~this amendatory Act of the 102nd General Assembly~~. When  
21 determining the discount allowed under this Section, retailers  
22 shall include the amount of tax that would have been due at the  
23 6.25% rate but for the 1.25% rate imposed on sales tax holiday  
24 items under Public Act 102-700 ~~this amendatory Act of the~~  
25 ~~102nd General Assembly~~. The discount under this Section is not  
26 allowed for the 1.25% portion of taxes paid on aviation fuel

1 that is subject to the revenue use requirements of 49 U.S.C.  
2 47107(b) and 49 U.S.C. 47133. Any prepayment made pursuant to  
3 Section 2d of this Act shall be included in the amount on which  
4 such 2.1% or 1.75% discount is computed. In the case of  
5 retailers who report and pay the tax on a transaction by  
6 transaction basis, as provided in this Section, such discount  
7 shall be taken with each such tax remittance instead of when  
8 such retailer files his periodic return. The discount allowed  
9 under this Section is allowed only for returns that are filed  
10 in the manner required by this Act. The Department may  
11 disallow the discount for retailers whose certificate of  
12 registration is revoked at the time the return is filed, but  
13 only if the Department's decision to revoke the certificate of  
14 registration has become final.

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

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



1 liability for the month or 26.25% of the taxpayer's liability  
2 for the same calendar month of the preceding year. If the month  
3 during which such tax liability is incurred begins on or after  
4 January 1, 1988, and prior to January 1, 1989, or begins on or  
5 after January 1, 1996, each payment shall be in an amount equal  
6 to 22.5% of the taxpayer's actual liability for the month or  
7 25% of the taxpayer's liability for the same calendar month of  
8 the preceding year. If the month during which such tax  
9 liability is incurred begins on or after January 1, 1989, and  
10 prior to January 1, 1996, each payment shall be in an amount  
11 equal to 22.5% of the taxpayer's actual liability for the  
12 month or 25% of the taxpayer's liability for the same calendar  
13 month of the preceding year or 100% of the taxpayer's actual  
14 liability for the quarter monthly reporting period. The amount  
15 of such quarter monthly payments shall be credited against the  
16 final tax liability of the taxpayer's return for that month.  
17 Before October 1, 2000, once applicable, the requirement of  
18 the making of quarter monthly payments to the Department by  
19 taxpayers having an average monthly tax liability of \$10,000  
20 or more as determined in the manner provided above shall  
21 continue until such taxpayer's average monthly liability to  
22 the Department during the preceding 4 complete calendar  
23 quarters (excluding the month of highest liability and the  
24 month of lowest liability) is less than \$9,000, or until such  
25 taxpayer's average monthly liability to the Department as  
26 computed for each calendar quarter of the 4 preceding complete

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

1 likely to be long term. Quarter monthly payment status shall  
2 be determined under this paragraph as if the rate reduction to  
3 0% in Public Act 102-700 ~~this amendatory Act of the 102nd~~  
4 ~~General Assembly~~ on food for human consumption that is to be  
5 consumed off the premises where it is sold (other than  
6 alcoholic beverages, food consisting of or infused with adult  
7 use cannabis, soft drinks, and food that has been prepared for  
8 immediate consumption) had not occurred. For quarter monthly  
9 payments due under this paragraph on or after July 1, 2023 and  
10 through June 30, 2024, "25% of the taxpayer's liability for  
11 the same calendar month of the preceding year" shall be  
12 determined as if the rate reduction to 0% in Public Act 102-700  
13 ~~this amendatory Act of the 102nd General Assembly~~ had not  
14 occurred. Quarter monthly payment status shall be determined  
15 under this paragraph as if the rate reduction to 1.25% in  
16 Public Act 102-700 ~~this amendatory Act of the 102nd General~~  
17 ~~Assembly~~ on sales tax holiday items had not occurred. For  
18 quarter monthly payments due on or after July 1, 2023 and  
19 through June 30, 2024, "25% of the taxpayer's liability for  
20 the same calendar month of the preceding year" shall be  
21 determined as if the rate reduction to 1.25% in Public Act  
22 102-700 ~~this amendatory Act of the 102nd General Assembly~~ on  
23 sales tax holiday items had not occurred. If any such quarter  
24 monthly payment is not paid at the time or in the amount  
25 required by this Section, then the taxpayer shall be liable  
26 for penalties and interest on the difference between the

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

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

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

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

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

23 If any payment provided for in this Section exceeds the  
24 taxpayer's liabilities under this Act, the Use Tax Act, the  
25 Service Occupation Tax Act and the Service Use Tax Act, as  
26 shown on an original monthly return, the Department shall, if

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

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

24 Notwithstanding any provision of law to the contrary,  
25 beginning on the first day of the first month after the  
26 Arlington Megaproject is established under Division 22 of

1 Article 10 of the Property Tax Code, all taxes collected under  
2 this Act from persons located within the Arlington Megaproject  
3 shall be deposited into the Arlington Megaproject  
4 Infrastructure Fund.

5 Beginning January 1, 1990, each month the Department shall  
6 pay into the Local Government Tax Fund, a special fund in the  
7 State treasury which is hereby created, the net revenue  
8 realized for the preceding month from the 1% tax imposed under  
9 this Act.

10 Beginning January 1, 1990, each month the Department shall  
11 pay into the County and Mass Transit District Fund, a special  
12 fund in the State treasury which is hereby created, 4% of the  
13 net revenue realized for the preceding month from the 6.25%  
14 general rate other than aviation fuel sold on or after  
15 December 1, 2019. This exception for aviation fuel only  
16 applies for so long as the revenue use requirements of 49  
17 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

18 Beginning August 1, 2000, each month the Department shall  
19 pay into the County and Mass Transit District Fund 20% of the  
20 net revenue realized for the preceding month from the 1.25%  
21 rate on the selling price of motor fuel and gasohol. If, in any  
22 month, the tax on sales tax holiday items, as defined in  
23 Section 2-8, is imposed at the rate of 1.25%, then the  
24 Department shall pay 20% of the net revenue realized for that  
25 month from the 1.25% rate on the selling price of sales tax  
26 holiday items into the County and Mass Transit District Fund.



1           Beginning January 1, 1990, each month the Department shall  
2 pay into the Local Government Tax Fund 16% of the net revenue  
3 realized for the preceding month from the 6.25% general rate  
4 on the selling price of tangible personal property other than  
5 aviation fuel sold on or after December 1, 2019. This  
6 exception for aviation fuel only applies for so long as the  
7 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
8 47133 are binding on the State.

9           For aviation fuel sold on or after December 1, 2019, each  
10 month the Department shall pay into the State Aviation Program  
11 Fund 20% of the net revenue realized for the preceding month  
12 from the 6.25% general rate on the selling price of aviation  
13 fuel, less an amount estimated by the Department to be  
14 required for refunds of the 20% portion of the tax on aviation  
15 fuel under this Act, which amount shall be deposited into the  
16 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
17 pay moneys into the State Aviation Program Fund and the  
18 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
19 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
20 U.S.C. 47133 are binding on the State.

21           Beginning August 1, 2000, each month the Department shall  
22 pay into the Local Government Tax Fund 80% of the net revenue  
23 realized for the preceding month from the 1.25% rate on the  
24 selling price of motor fuel and gasohol. If, in any month, the  
25 tax on sales tax holiday items, as defined in Section 2-8, is  
26 imposed at the rate of 1.25%, then the Department shall pay 80%

1 of the net revenue realized for that month from the 1.25% rate  
2 on the selling price of sales tax holiday items into the Local  
3 Government Tax Fund.

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

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

20 Beginning July 1, 2013, each month the Department shall  
21 pay into the Underground Storage Tank Fund from the proceeds  
22 collected under this Act, the Use Tax Act, the Service Use Tax  
23 Act, and the Service Occupation Tax Act an amount equal to the  
24 average monthly deficit in the Underground Storage Tank Fund  
25 during the prior year, as certified annually by the Illinois  
26 Environmental Protection Agency, but the total payment into

1 the Underground Storage Tank Fund under this Act, the Use Tax  
2 Act, the Service Use Tax Act, and the Service Occupation Tax  
3 Act shall not exceed \$18,000,000 in any State fiscal year. As  
4 used in this paragraph, the "average monthly deficit" shall be  
5 equal to the difference between the average monthly claims for  
6 payment by the fund and the average monthly revenues deposited  
7 into the fund, excluding payments made pursuant to this  
8 paragraph.

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

14 Of the remainder of the moneys received by the Department  
15 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
16 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
17 and after July 1, 1989, 3.8% thereof shall be paid into the  
18 Build Illinois Fund; provided, however, that if in any fiscal  
19 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
20 may be, of the moneys received by the Department and required  
21 to be paid into the Build Illinois Fund pursuant to this Act,  
22 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax  
23 Act, and Section 9 of the Service Occupation Tax Act, such Acts  
24 being hereinafter called the "Tax Acts" and such aggregate of  
25 2.2% or 3.8%, as the case may be, of moneys being hereinafter  
26 called the "Tax Act Amount", and (2) the amount transferred to

1 the Build Illinois Fund from the State and Local Sales Tax  
2 Reform Fund shall be less than the Annual Specified Amount (as  
3 hereinafter defined), an amount equal to the difference shall  
4 be immediately paid into the Build Illinois Fund from other  
5 moneys received by the Department pursuant to the Tax Acts;  
6 the "Annual Specified Amount" means the amounts specified  
7 below for fiscal years 1986 through 1993:

| 8  | Fiscal Year | Annual Specified Amount |
|----|-------------|-------------------------|
| 9  | 1986        | \$54,800,000            |
| 10 | 1987        | \$76,650,000            |
| 11 | 1988        | \$80,480,000            |
| 12 | 1989        | \$88,510,000            |
| 13 | 1990        | \$115,330,000           |
| 14 | 1991        | \$145,470,000           |
| 15 | 1992        | \$182,730,000           |
| 16 | 1993        | \$206,520,000;          |

17 and means the Certified Annual Debt Service Requirement (as  
18 defined in Section 13 of the Build Illinois Bond Act) or the  
19 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
20 each fiscal year thereafter; and further provided, that if on  
21 the last business day of any month the sum of (1) the Tax Act  
22 Amount required to be deposited into the Build Illinois Bond  
23 Account in the Build Illinois Fund during such month and (2)  
24 the amount transferred to the Build Illinois Fund from the  
25 State and Local Sales Tax Reform Fund shall have been less than  
26 1/12 of the Annual Specified Amount, an amount equal to the

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

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

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

26 Fiscal Year

Total Deposit

|    |      |             |
|----|------|-------------|
| 1  | 1993 | \$0         |
| 2  | 1994 | 53,000,000  |
| 3  | 1995 | 58,000,000  |
| 4  | 1996 | 61,000,000  |
| 5  | 1997 | 64,000,000  |
| 6  | 1998 | 68,000,000  |
| 7  | 1999 | 71,000,000  |
| 8  | 2000 | 75,000,000  |
| 9  | 2001 | 80,000,000  |
| 10 | 2002 | 93,000,000  |
| 11 | 2003 | 99,000,000  |
| 12 | 2004 | 103,000,000 |
| 13 | 2005 | 108,000,000 |
| 14 | 2006 | 113,000,000 |
| 15 | 2007 | 119,000,000 |
| 16 | 2008 | 126,000,000 |
| 17 | 2009 | 132,000,000 |
| 18 | 2010 | 139,000,000 |
| 19 | 2011 | 146,000,000 |
| 20 | 2012 | 153,000,000 |
| 21 | 2013 | 161,000,000 |
| 22 | 2014 | 170,000,000 |
| 23 | 2015 | 179,000,000 |
| 24 | 2016 | 189,000,000 |
| 25 | 2017 | 199,000,000 |
| 26 | 2018 | 210,000,000 |

|    |      |             |
|----|------|-------------|
| 1  | 2019 | 221,000,000 |
| 2  | 2020 | 233,000,000 |
| 3  | 2021 | 300,000,000 |
| 4  | 2022 | 300,000,000 |
| 5  | 2023 | 300,000,000 |
| 6  | 2024 | 300,000,000 |
| 7  | 2025 | 300,000,000 |
| 8  | 2026 | 300,000,000 |
| 9  | 2027 | 375,000,000 |
| 10 | 2028 | 375,000,000 |
| 11 | 2029 | 375,000,000 |
| 12 | 2030 | 375,000,000 |
| 13 | 2031 | 375,000,000 |
| 14 | 2032 | 375,000,000 |
| 15 | 2033 | 375,000,000 |
| 16 | 2034 | 375,000,000 |
| 17 | 2035 | 375,000,000 |
| 18 | 2036 | 450,000,000 |

19                   and  
20                    each fiscal year  
21                   thereafter that bonds  
22                   are outstanding under  
23                   Section 13.2 of the  
24                   Metropolitan Pier and  
25                   Exposition Authority Act,  
26                   but not after fiscal year 2060.



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

14           Subject to payment of amounts into the Capital Projects  
15 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,  
16 and the McCormick Place Expansion Project Fund pursuant to the  
17 preceding paragraphs or in any amendments thereto hereafter  
18 enacted, for aviation fuel sold on or after December 1, 2019,  
19 the Department shall each month deposit into the Aviation Fuel  
20 Sales Tax Refund Fund an amount estimated by the Department to  
21 be required for refunds of the 80% portion of the tax on  
22 aviation fuel under this Act. The Department shall only  
23 deposit moneys into the Aviation Fuel Sales Tax Refund Fund  
24 under this paragraph for so long as the revenue use  
25 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
26 binding on the State.

1           Subject to payment of amounts into the Build Illinois Fund  
2 and the McCormick Place Expansion Project Fund pursuant to the  
3 preceding paragraphs or in any amendments thereto hereafter  
4 enacted, beginning July 1, 1993 and ending on September 30,  
5 2013, the Department shall each month pay into the Illinois  
6 Tax Increment Fund 0.27% of 80% of the net revenue realized for  
7 the preceding month from the 6.25% general rate on the selling  
8 price of tangible personal property.

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

22           Subject to payment of amounts into the Build Illinois  
23 Fund, the McCormick Place Expansion Project Fund, the Illinois  
24 Tax Increment Fund, and the Energy Infrastructure Fund  
25 pursuant to the preceding paragraphs or in any amendments to  
26 this Section hereafter enacted, beginning on the first day of

1 the first calendar month to occur on or after August 26, 2014  
2 (the effective date of Public Act 98-1098), each month, from  
3 the collections made under Section 9 of the Use Tax Act,  
4 Section 9 of the Service Use Tax Act, Section 9 of the Service  
5 Occupation Tax Act, and Section 3 of the Retailers' Occupation  
6 Tax Act, the Department shall pay into the Tax Compliance and  
7 Administration Fund, to be used, subject to appropriation, to  
8 fund additional auditors and compliance personnel at the  
9 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
10 the cash receipts collected during the preceding fiscal year  
11 by the Audit Bureau of the Department under the Use Tax Act,  
12 the Service Use Tax Act, the Service Occupation Tax Act, the  
13 Retailers' Occupation Tax Act, and associated local occupation  
14 and use taxes administered by the Department.

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

23 Subject to successful execution and delivery of a  
24 public-private agreement between the public agency and private  
25 entity and completion of the civic build, beginning on July 1,  
26 2023, of the remainder of the moneys received by the

1 Department under the Use Tax Act, the Service Use Tax Act, the  
 2 Service Occupation Tax Act, and this Act, the Department shall  
 3 deposit the following specified deposits in the aggregate from  
 4 collections under the Use Tax Act, the Service Use Tax Act, the  
 5 Service Occupation Tax Act, and the Retailers' Occupation Tax  
 6 Act, as required under Section 8.25g of the State Finance Act  
 7 for distribution consistent with the Public-Private  
 8 Partnership for Civic and Transit Infrastructure Project Act.  
 9 The moneys received by the Department pursuant to this Act and  
 10 required to be deposited into the Civic and Transit  
 11 Infrastructure Fund are subject to the pledge, claim and  
 12 charge set forth in Section 25-55 of the Public-Private  
 13 Partnership for Civic and Transit Infrastructure Project Act.  
 14 As used in this paragraph, "civic build", "private entity",  
 15 "public-private agreement", and "public agency" have the  
 16 meanings provided in Section 25-10 of the Public-Private  
 17 Partnership for Civic and Transit Infrastructure Project Act.

| 18 | Fiscal Year..... | Total Deposit |
|----|------------------|---------------|
| 19 | 2024 .....       | \$200,000,000 |
| 20 | 2025 .....       | \$206,000,000 |
| 21 | 2026 .....       | \$212,200,000 |
| 22 | 2027 .....       | \$218,500,000 |
| 23 | 2028 .....       | \$225,100,000 |
| 24 | 2029 .....       | \$288,700,000 |
| 25 | 2030 .....       | \$298,900,000 |
| 26 | 2031 .....       | \$309,300,000 |

|    |      |       |               |
|----|------|-------|---------------|
| 1  | 2032 | ..... | \$320,100,000 |
| 2  | 2033 | ..... | \$331,200,000 |
| 3  | 2034 | ..... | \$341,200,000 |
| 4  | 2035 | ..... | \$351,400,000 |
| 5  | 2036 | ..... | \$361,900,000 |
| 6  | 2037 | ..... | \$372,800,000 |
| 7  | 2038 | ..... | \$384,000,000 |
| 8  | 2039 | ..... | \$395,500,000 |
| 9  | 2040 | ..... | \$407,400,000 |
| 10 | 2041 | ..... | \$419,600,000 |
| 11 | 2042 | ..... | \$432,200,000 |
| 12 | 2043 | ..... | \$445,100,000 |

13           Beginning July 1, 2021 and until July 1, 2022, subject to  
14 the payment of amounts into the County and Mass Transit  
15 District Fund, the Local Government Tax Fund, the Build  
16 Illinois Fund, the McCormick Place Expansion Project Fund, the  
17 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
18 and the Tax Compliance and Administration Fund as provided in  
19 this Section, the Department shall pay each month into the  
20 Road Fund the amount estimated to represent 16% of the net  
21 revenue realized from the taxes imposed on motor fuel and  
22 gasohol. Beginning July 1, 2022 and until July 1, 2023,  
23 subject to the payment of amounts into the County and Mass  
24 Transit District Fund, the Local Government Tax Fund, the  
25 Build Illinois Fund, the McCormick Place Expansion Project  
26 Fund, the Illinois Tax Increment Fund, the Energy

1 Infrastructure Fund, and the Tax Compliance and Administration  
2 Fund as provided in this Section, the Department shall pay  
3 each month into the Road Fund the amount estimated to  
4 represent 32% of the net revenue realized from the taxes  
5 imposed on motor fuel and gasohol. Beginning July 1, 2023 and  
6 until July 1, 2024, subject to the payment of amounts into the  
7 County and Mass Transit District Fund, the Local Government  
8 Tax Fund, the Build Illinois Fund, the McCormick Place  
9 Expansion Project Fund, the Illinois Tax Increment Fund, the  
10 Energy Infrastructure Fund, and the Tax Compliance and  
11 Administration Fund as provided in this Section, the  
12 Department shall pay each month into the Road Fund the amount  
13 estimated to represent 48% of the net revenue realized from  
14 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
15 2024 and until July 1, 2025, subject to the payment of amounts  
16 into the County and Mass Transit District Fund, the Local  
17 Government Tax Fund, the Build Illinois Fund, the McCormick  
18 Place Expansion Project Fund, the Illinois Tax Increment Fund,  
19 the Energy Infrastructure Fund, and the Tax Compliance and  
20 Administration Fund as provided in this Section, the  
21 Department shall pay each month into the Road Fund the amount  
22 estimated to represent 64% of the net revenue realized from  
23 the taxes imposed on motor fuel and gasohol. Beginning on July  
24 1, 2025, subject to the payment of amounts into the County and  
25 Mass Transit District Fund, the Local Government Tax Fund, the  
26 Build Illinois Fund, the McCormick Place Expansion Project

1 Fund, the Illinois Tax Increment Fund, the Energy  
2 Infrastructure Fund, and the Tax Compliance and Administration  
3 Fund as provided in this Section, the Department shall pay  
4 each month into the Road Fund the amount estimated to  
5 represent 80% of the net revenue realized from the taxes  
6 imposed on motor fuel and gasohol. As used in this paragraph  
7 "motor fuel" has the meaning given to that term in Section 1.1  
8 of the Motor Fuel Tax Law, and "gasohol" has the meaning given  
9 to that term in Section 3-40 of the Use Tax Act.

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

16 The Department may, upon separate written notice to a  
17 taxpayer, require the taxpayer to prepare and file with the  
18 Department on a form prescribed by the Department within not  
19 less than 60 days after receipt of the notice an annual  
20 information return for the tax year specified in the notice.  
21 Such annual return to the Department shall include a statement  
22 of gross receipts as shown by the retailer's last Federal  
23 income tax return. If the total receipts of the business as  
24 reported in the Federal income tax return do not agree with the  
25 gross receipts reported to the Department of Revenue for the  
26 same period, the retailer shall attach to his annual return a

1 schedule showing a reconciliation of the 2 amounts and the  
2 reasons for the difference. The retailer's annual return to  
3 the Department shall also disclose the cost of goods sold by  
4 the retailer during the year covered by such return, opening  
5 and closing inventories of such goods for such year, costs of  
6 goods used from stock or taken from stock and given away by the  
7 retailer during such year, payroll information of the  
8 retailer's business during such year and any additional  
9 reasonable information which the Department deems would be  
10 helpful in determining the accuracy of the monthly, quarterly  
11 or annual returns filed by such retailer as provided for in  
12 this Section.

13 If the annual information return required by this Section  
14 is not filed when and as required, the taxpayer shall be liable  
15 as follows:

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

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

26 The chief executive officer, proprietor, owner or highest



1 ranking manager shall sign the annual return to certify the  
2 accuracy of the information contained therein. Any person who  
3 willfully signs the annual return containing false or  
4 inaccurate information shall be guilty of perjury and punished  
5 accordingly. The annual return form prescribed by the  
6 Department shall include a warning that the person signing the  
7 return may be liable for perjury.

8 The provisions of this Section concerning the filing of an  
9 annual information return do not apply to a retailer who is not  
10 required to file an income tax return with the United States  
11 Government.

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

19 Net revenue realized for a month shall be the revenue  
20 collected by the State pursuant to this Act, less the amount  
21 paid out during that month as refunds to taxpayers for  
22 overpayment of liability.

23 For greater simplicity of administration, manufacturers,  
24 importers and wholesalers whose products are sold at retail in  
25 Illinois by numerous retailers, and who wish to do so, may  
26 assume the responsibility for accounting and paying to the

1 Department all tax accruing under this Act with respect to  
2 such sales, if the retailers who are affected do not make  
3 written objection to the Department to this arrangement.

4 Any person who promotes, organizes, provides retail  
5 selling space for concessionaires or other types of sellers at  
6 the Illinois State Fair, DuQuoin State Fair, county fairs,  
7 local fairs, art shows, flea markets and similar exhibitions  
8 or events, including any transient merchant as defined by  
9 Section 2 of the Transient Merchant Act of 1987, is required to  
10 file a report with the Department providing the name of the  
11 merchant's business, the name of the person or persons engaged  
12 in merchant's business, the permanent address and Illinois  
13 Retailers Occupation Tax Registration Number of the merchant,  
14 the dates and location of the event and other reasonable  
15 information that the Department may require. The report must  
16 be filed not later than the 20th day of the month next  
17 following the month during which the event with retail sales  
18 was held. Any person who fails to file a report required by  
19 this Section commits a business offense and is subject to a  
20 fine not to exceed \$250.

21 Any person engaged in the business of selling tangible  
22 personal property at retail as a concessionaire or other type  
23 of seller at the Illinois State Fair, county fairs, art shows,  
24 flea markets and similar exhibitions or events, or any  
25 transient merchants, as defined by Section 2 of the Transient  
26 Merchant Act of 1987, may be required to make a daily report of

1 the amount of such sales to the Department and to make a daily  
2 payment of the full amount of tax due. The Department shall  
3 impose this requirement when it finds that there is a  
4 significant risk of loss of revenue to the State at such an  
5 exhibition or event. Such a finding shall be based on evidence  
6 that a substantial number of concessionaires or other sellers  
7 who are not residents of Illinois will be engaging in the  
8 business of selling tangible personal property at retail at  
9 the exhibition or event, or other evidence of a significant  
10 risk of loss of revenue to the State. The Department shall  
11 notify concessionaires and other sellers affected by the  
12 imposition of this requirement. In the absence of notification  
13 by the Department, the concessionaires and other sellers shall  
14 file their returns as otherwise required in this Section.

15 (Source: P.A. 101-10, Article 15, Section 15-25, eff. 6-5-19;  
16 101-10, Article 25, Section 25-120, eff. 6-5-19; 101-27, eff.  
17 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;  
18 101-636, eff. 6-10-20; 102-634, eff. 8-27-21; 102-700, Article  
19 60, Section 60-30, eff. 4-19-22; 102-700, Article 65, Section  
20 65-10, eff. 4-19-22; 102-813, eff. 5-13-22; 102-1019, eff.  
21 1-1-23; revised 12-13-22.)

22 Section 923. The Hotel Operators' Occupation Tax Act is  
23 amended by changing Section 6 as follows:

24 (35 ILCS 145/6) (from Ch. 120, par. 481b.36)

1           Sec. 6. Filing of returns and distribution of proceeds.  
2       Except as provided hereinafter in this Section, on or before  
3       the last day of each calendar month, every person engaged in  
4       the business of renting, leasing or letting rooms in a hotel in  
5       this State during the preceding calendar month shall file a  
6       return with the Department, stating:

7           1. The name of the operator;

8           2. His residence address and the address of his  
9       principal place of business and the address of the  
10      principal place of business (if that is a different  
11      address) from which he engages in the business of renting,  
12      leasing or letting rooms in a hotel in this State;

13          3. Total amount of rental receipts received by him  
14      during the preceding calendar month from renting, leasing  
15      or letting rooms during such preceding calendar month;

16          4. Total amount of rental receipts received by him  
17      during the preceding calendar month from renting, leasing  
18      or letting rooms to permanent residents during such  
19      preceding calendar month;

20          5. Total amount of other exclusions from gross rental  
21      receipts allowed by this Act;

22          6. Gross rental receipts which were received by him  
23      during the preceding calendar month and upon the basis of  
24      which the tax is imposed;

25          7. The amount of tax due;

26          8. Such other reasonable information as the Department

1           may require.

2           If the operator's average monthly tax liability to the  
3 Department does not exceed \$200, the Department may authorize  
4 his returns to be filed on a quarter annual basis, with the  
5 return for January, February and March of a given year being  
6 due by April 30 of such year; with the return for April, May  
7 and June of a given year being due by July 31 of such year;  
8 with the return for July, August and September of a given year  
9 being due by October 31 of such year, and with the return for  
10 October, November and December of a given year being due by  
11 January 31 of the following year.

12           If the operator's average monthly tax liability to the  
13 Department does not exceed \$50, the Department may authorize  
14 his returns to be filed on an annual basis, with the return for  
15 a given year being due by January 31 of the following year.

16           Such quarter annual and annual returns, as to form and  
17 substance, shall be subject to the same requirements as  
18 monthly returns.

19           Notwithstanding any other provision in this Act concerning  
20 the time within which an operator may file his return, in the  
21 case of any operator who ceases to engage in a kind of business  
22 which makes him responsible for filing returns under this Act,  
23 such operator shall file a final return under this Act with the  
24 Department not more than 1 month after discontinuing such  
25 business.

26           Where the same person has more than 1 business registered

1 with the Department under separate registrations under this  
2 Act, such person shall not file each return that is due as a  
3 single return covering all such registered businesses, but  
4 shall file separate returns for each such registered business.

5 In his return, the operator shall determine the value of  
6 any consideration other than money received by him in  
7 connection with the renting, leasing or letting of rooms in  
8 the course of his business and he shall include such value in  
9 his return. Such determination shall be subject to review and  
10 revision by the Department in the manner hereinafter provided  
11 for the correction of returns.

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

16 The person filing the return herein provided for shall, at  
17 the time of filing such return, pay to the Department the  
18 amount of tax herein imposed. The operator filing the return  
19 under this Section shall, at the time of filing such return,  
20 pay to the Department the amount of tax imposed by this Act  
21 less a discount of 2.1% or \$25 per calendar year, whichever is  
22 greater, which is allowed to reimburse the operator for the  
23 expenses incurred in keeping records, preparing and filing  
24 returns, remitting the tax and supplying data to the  
25 Department on request.

26 If any payment provided for in this Section exceeds the

1 operator's liabilities under this Act, as shown on an original  
2 return, the Department may authorize the operator to credit  
3 such excess payment against liability subsequently to be  
4 remitted to the Department under this Act, in accordance with  
5 reasonable rules adopted by the Department. If the Department  
6 subsequently determines that all or any part of the credit  
7 taken was not actually due to the operator, the operator's  
8 discount shall be reduced by an amount equal to the difference  
9 between the discount as applied to the credit taken and that  
10 actually due, and that operator shall be liable for penalties  
11 and interest on such difference.

12 Notwithstanding any provision of law to the contrary,  
13 beginning on the first day of the first month after the  
14 Arlington Megaproject is established under Division 22 of  
15 Article 10 of the Property Tax Code, all taxes collected under  
16 this Act from hotels located within the Arlington Megaproject  
17 shall be deposited into the Arlington Megaproject  
18 Infrastructure Fund.

19 Of the remaining proceeds, there ~~There~~ shall be deposited  
20 in the Build Illinois Fund in the State Treasury for each State  
21 fiscal year 40% of the amount of total net proceeds from the  
22 tax imposed by subsection (a) of Section 3. Of the remaining  
23 60%, \$5,000,000 shall be deposited in the Illinois Sports  
24 Facilities Fund and credited to the Subsidy Account each  
25 fiscal year by making monthly deposits in the amount of 1/8 of  
26 \$5,000,000 plus cumulative deficiencies in such deposits for

1 prior months, and an additional \$8,000,000 shall be deposited  
2 in the Illinois Sports Facilities Fund and credited to the  
3 Advance Account each fiscal year by making monthly deposits in  
4 the amount of 1/8 of \$8,000,000 plus any cumulative  
5 deficiencies in such deposits for prior months; provided, that  
6 for fiscal years ending after June 30, 2001, the amount to be  
7 so deposited into the Illinois Sports Facilities Fund and  
8 credited to the Advance Account each fiscal year shall be  
9 increased from \$8,000,000 to the then applicable Advance  
10 Amount and the required monthly deposits beginning with July  
11 2001 shall be in the amount of 1/8 of the then applicable  
12 Advance Amount plus any cumulative deficiencies in those  
13 deposits for prior months. (The deposits of the additional  
14 \$8,000,000 or the then applicable Advance Amount, as  
15 applicable, during each fiscal year shall be treated as  
16 advances of funds to the Illinois Sports Facilities Authority  
17 for its corporate purposes to the extent paid to the Authority  
18 or its trustee and shall be repaid into the General Revenue  
19 Fund in the State Treasury by the State Treasurer on behalf of  
20 the Authority pursuant to Section 19 of the Illinois Sports  
21 Facilities Authority Act, as amended. If in any fiscal year  
22 the full amount of the then applicable Advance Amount is not  
23 repaid into the General Revenue Fund, then the deficiency  
24 shall be paid from the amount in the Local Government  
25 Distributive Fund that would otherwise be allocated to the  
26 City of Chicago under the State Revenue Sharing Act.)



1           For purposes of the foregoing paragraph, the term "Advance  
2 Amount" means, for fiscal year 2002, \$22,179,000, and for  
3 subsequent fiscal years through fiscal year 2033, 105.615% of  
4 the Advance Amount for the immediately preceding fiscal year,  
5 rounded up to the nearest \$1,000.

6           Of the remaining 60% of the amount of total net proceeds  
7 prior to August 1, 2011 from the tax imposed by subsection (a)  
8 of Section 3 after all required deposits in the Illinois  
9 Sports Facilities Fund, the amount equal to 8% of the net  
10 revenue realized from this Act plus an amount equal to 8% of  
11 the net revenue realized from any tax imposed under Section  
12 4.05 of the Chicago World's Fair-1992 Authority Act during the  
13 preceding month shall be deposited in the Local Tourism Fund  
14 each month for purposes authorized by Section 605-705 of the  
15 Department of Commerce and Economic Opportunity Law (20 ILCS  
16 605/605-705). Of the remaining 60% of the amount of total net  
17 proceeds beginning on August 1, 2011 from the tax imposed by  
18 subsection (a) of Section 3 after all required deposits in the  
19 Illinois Sports Facilities Fund, an amount equal to 8% of the  
20 net revenue realized from this Act plus an amount equal to 8%  
21 of the net revenue realized from any tax imposed under Section  
22 4.05 of the Chicago World's Fair-1992 Authority Act during the  
23 preceding month shall be deposited as follows: 18% of such  
24 amount shall be deposited into the Chicago Travel Industry  
25 Promotion Fund for the purposes described in subsection (n) of  
26 Section 5 of the Metropolitan Pier and Exposition Authority

1 Act and the remaining 82% of such amount shall be deposited  
2 into the Local Tourism Fund each month for purposes authorized  
3 by Section 605-705 of the Department of Commerce and Economic  
4 Opportunity Law. Beginning on August 1, 1999 and ending on  
5 July 31, 2011, an amount equal to 4.5% of the net revenue  
6 realized from the Hotel Operators' Occupation Tax Act during  
7 the preceding month shall be deposited into the International  
8 Tourism Fund for the purposes authorized in Section 605-707 of  
9 the Department of Commerce and Economic Opportunity Law.  
10 Beginning on August 1, 2011, an amount equal to 4.5% of the net  
11 revenue realized from this Act during the preceding month  
12 shall be deposited as follows: 55% of such amount shall be  
13 deposited into the Chicago Travel Industry Promotion Fund for  
14 the purposes described in subsection (n) of Section 5 of the  
15 Metropolitan Pier and Exposition Authority Act and the  
16 remaining 45% of such amount deposited into the International  
17 Tourism Fund for the purposes authorized in Section 605-707 of  
18 the Department of Commerce and Economic Opportunity Law. "Net  
19 revenue realized for a month" means the revenue collected by  
20 the State under that Act during the previous month less the  
21 amount paid out during that same month as refunds to taxpayers  
22 for overpayment of liability under that Act.

23 After making all these deposits, all other proceeds of the  
24 tax imposed under subsection (a) of Section 3 shall be  
25 deposited in the Tourism Promotion Fund in the State Treasury.  
26 All moneys received by the Department from the additional tax

1 imposed under subsection (b) of Section 3 shall be deposited  
2 into the Build Illinois Fund in the State Treasury.

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

22 If the annual information return required by this Section  
23 is not filed when and as required the taxpayer shall be liable  
24 for a penalty in an amount determined in accordance with  
25 Section 3-4 of the Uniform Penalty and Interest Act until such  
26 return is filed as required, the penalty to be assessed and

1 collected in the same manner as any other penalty provided for  
2 in this Act.

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

11 The foregoing portion of this Section concerning the  
12 filing of an annual information return shall not apply to an  
13 operator who is not required to file an income tax return with  
14 the United States Government.

15 (Source: P.A. 102-16, eff. 6-17-21.)

16 Section 925. The Property Tax Code is amended by adding  
17 Division 22 to Article 10 as follows:

18 (35 ILCS 200/Art. 10 Div. 22 heading new)

19 Division 22. Megaprojects

20 (35 ILCS 200/10-900 new)

21 Sec. 10-900. Findings. The State's economy is highly  
22 vulnerable to other states that have major financial incentive  
23 programs and competitive tax incentives. Certain businesses

1 and commercial operations that generate significant economic  
2 activity bear a disproportionately high property tax burden  
3 compared to their impact on government services and compared  
4 to their positive economic benefits to the State and the local  
5 economy and their derivative benefits to taxing districts. To  
6 incentivize the significant capital investment and economic  
7 activity of certain large-scale businesses and industrial and  
8 commercial operations, the State finds that a valuation  
9 procedure for real property taxes on special properties, known  
10 as megaprojects, will reduce barriers to investment and  
11 economic activity in Illinois. The General Assembly finds that  
12 it is in the best interest of Illinois to establish a new  
13 category of valuation for megaprojects that recognizes their  
14 complexity and encourages local development at underutilized  
15 properties.

16 (35 ILCS 200/10-910 new)

17 Sec. 10-910. Megaproject Assessment Freeze and Payment  
18 Law; definitions. This Division 22 may be cited as the  
19 Megaproject Assessment Freeze and Payment Law.

20 As used in this Division:

21 "Assessment officer" means the chief county assessment  
22 officer of the county in which the megaproject is located.

23 "Assessment period" means the period beginning on the  
24 first day of the calendar year after the calendar year in which  
25 a megaproject is placed in service and ending on the date when

1 the megaproject no longer qualifies as a megaproject under  
2 this Division.

3 "Base tax year" means the tax year prior to the first  
4 calendar year during which the Department issues a megaproject  
5 certificate under this Division.

6 "Base year" means:

7 (1) the calendar year prior to the calendar year in  
8 which the Department issues the megaproject certificate,  
9 if the Department issues a megaproject certificate for a  
10 project located on the property without granting  
11 preliminary approval for the project pursuant to Section  
12 10-940; or

13 (2) the calendar year prior to the calendar year in  
14 which the Department grants that preliminary approval, if  
15 the Department grants preliminary approval pursuant to  
16 Section 10-940 for a megaproject located on the property.

17 "Base year valuation" means the assessed value, in the  
18 base year, of the property comprising the megaproject.

19 "Company" means one or more entities whose aggregate  
20 investment in the megaproject meets the minimum investment  
21 required under this Division. "Company" includes a company  
22 affiliate unless the context clearly indicates otherwise.

23 "Company affiliate" means an entity that joins with or is  
24 an affiliate of a company and that participates in the  
25 investment in, or financing of, a megaproject.

26 "Department" means the Department of Revenue.

1       "Eligible costs" means all costs incurred by or on behalf  
2 of, or allocated to, a company, prior to the Department's  
3 issuance of the megaproject certificate or during the  
4 investment period, to create or construct a megaproject.

5 "Eligible costs" includes, without limitation:

6       (1) the purchase, site preparation, renovation,  
7 rehabilitation, and construction of land, buildings,  
8 structures, equipment, and furnishings used for or in the  
9 megaproject;

10       (2) any goods or services for the megaproject that are  
11 purchased and capitalized under generally accepted  
12 accounting principles, including any organizational costs  
13 and research and development costs incurred in Illinois;

14       (3) capitalized lease costs for land, buildings,  
15 structures, and equipment valued at their present value  
16 using the interest rate at which the company borrows funds  
17 prevailing at the time the company entered into the lease;

18       (4) infrastructure development costs;

19       (5) debt service and project financing costs;

20       (6) noncapitalized research and development costs;

21       (7) job training and education costs;

22       (8) lease and relocation costs; and

23       (9) amounts expended by a company or company affiliate  
24 as a nonresponsible party pursuant to a voluntary program  
25 of site remediation, including amounts expended to obtain  
26 a certification of completion, if completion of

1       remediation is certified by the Illinois Environmental  
2       Protection Agency.

3       "Entity" means a sole proprietorship, partnership, firm,  
4       corporation, limited liability company, association, or other  
5       business enterprise.

6       "Incentive agreement" means an agreement between a company  
7       and a local municipality obligating the company to make the  
8       special payment under this Division, in addition to paying  
9       property taxes, during the incentive period for a megaproject.

10       "Incentive period" means the period beginning on the first  
11       day of the calendar year after the calendar year in which the  
12       megaproject is placed in service and each calendar year  
13       thereafter until the earlier of (i) the expiration or  
14       termination of the incentive agreement or (ii) the revocation  
15       of the megaproject certificate.

16       "Inducement resolution" means a resolution adopted by the  
17       local municipality setting forth the commitment of the local  
18       municipality to enter into an incentive agreement.

19       "Investment period" means the period ending 7 years after  
20       the date on which the Department issues the megaproject  
21       certificate, or such other longer period of time as the local  
22       municipality and the company may agree to, not to exceed an  
23       initial period of 10 years.

24       "Local municipality" means the city, village, or  
25       incorporated town in which the megaproject is located or, if  
26       the megaproject is located in an unincorporated area, the



1 county in which the megaproject is located.

2 "Megaproject" means a project that satisfies the minimum  
3 investment, investment period, and other requirements of this  
4 Division.

5 "Megaproject certificate" means a certificate issued by  
6 the Department that authorizes an assessment freeze as  
7 provided in this Division.

8 "Minimum investment" means an investment in the  
9 megaproject of at least \$500,000,000 in eligible costs within  
10 the investment period.

11 "Minority person" means a person who is a citizen or  
12 lawful permanent resident of the United States and who is any  
13 of the following:

14 (1) American Indian or Alaska Native (a person having  
15 origins in any of the original peoples of North and South  
16 America, including Central America, and who maintains  
17 tribal affiliation or community attachment).

18 (2) Asian (a person having origins in any of the  
19 original peoples of the Far East, Southeast Asia, or the  
20 Indian subcontinent, including, but not limited to,  
21 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,  
22 the Philippine Islands, Thailand, and Vietnam).

23 (3) Black or African American (a person having origins  
24 in any of the black racial groups of Africa).

25 (4) Hispanic or Latino (a person of Cuban, Mexican,  
26 Puerto Rican, South or Central American, or other Spanish

1 culture or origin, regardless of race).

2 (5) Middle Eastern or North African.

3 (6) Native Hawaiian or Other Pacific Islander (a  
4 person having origins in any of the original peoples of  
5 Hawaii, Guam, Samoa, or other Pacific Islands).

6 "Minority-owned business" means a business that is at  
7 least 51% owned by one or more minority persons, or in the case  
8 of a corporation, at least 51% of the stock in which is owned  
9 by one or more minority persons; and the management and daily  
10 business operations of which are controlled by one or more of  
11 the minority individuals who own it.

12 "Placed in service" means that construction of the  
13 megaproject is substantially complete, which may be evidenced  
14 by issuance of a certificate of occupancy for the megaproject  
15 by the local municipality or any other governmental body  
16 having jurisdiction over construction of the megaproject or,  
17 if no certificate of occupancy is required as to the  
18 megaproject, commencement of operations at the megaproject  
19 site.

20 "Project" means modification to or construction on land,  
21 buildings, and other improvements on the land, including  
22 water, sewage treatment and disposal facilities, air pollution  
23 control facilities, and all other machinery, apparatus,  
24 equipment, office facilities, related infrastructure, and  
25 furnishings that are considered necessary, suitable, or useful  
26 by a company, including all such property subject to

1 assessment under the Property Tax Code.

2 "Special payment" means the annual amount paid in addition  
3 to property taxes paid during the incentive period as provided  
4 in the incentive agreement.

5 "Taxing district" has the meaning set forth in Section  
6 1-150.

7 "Termination date" means the last day of a calendar year  
8 that is no later than the 23rd year following the first  
9 calendar year in which a megaproject is placed in service. A  
10 company may apply to the local municipality prior to the  
11 termination date for an extension of the termination date  
12 beyond the 23rd year for up to 17 additional years, for a total  
13 of 40 years. The corporate authorities of the local  
14 municipality shall approve an extension of the termination  
15 date by resolution upon a finding of substantial public  
16 benefit. A copy of the resolution must be delivered to the  
17 Department within 30 days of the date the resolution was  
18 adopted. If the incentive agreement is terminated under  
19 Section 10-937, then the termination date is the date the  
20 agreement is terminated.

21 (35 ILCS 200/10-912 new)

22 Sec. 10-912. Express authorization for megaproject. The  
23 Department may issue a megaproject certificate for a  
24 megaproject in the Village of Arlington Heights. The  
25 megaproject authorized by this Section may be referred to as

1 the Arlington Megaproject.

2 (35 ILCS 200/10-912.1 new)

3 Sec. 10-912.1. Arlington Megaproject Oversight Board.

4 (a) There is hereby established the Arlington Megaproject  
5 Oversight Board. As used in this Section, "Megaproject Board"  
6 means the Arlington Megaproject Oversight Board.

7 (b) The voting members of the Megaproject Board are as  
8 follows:

9 (1) The Mayor of the Village of Arlington Heights or  
10 his or her designee, who shall be the chairperson of the  
11 Board.

12 (2) The Mayor of the City of Rolling Meadows or his or  
13 her designee.

14 (3) The Mayor of the Village of Palatine or his or her  
15 designee.

16 (4) The Executive Director of the Salt Creek Rural  
17 Park District or his or her designee.

18 (5) The Superintendent of Township High School  
19 District 214 or his or her designee.

20 (6) The Superintendent of Township High School  
21 District 211 or his or her designee.

22 (7) The Superintendent of Community Consolidated  
23 School District 15 or his or her designee.

24 (c) The nonvoting, advisory members of the Megaproject  
25 Board are as follows:

1           (1) The President of the Cook County Board of  
2           Commissioners or his or her designee.

3           (2) The Mayor of the Village of Buffalo Grove or his or  
4           her designee.

5           (3) The Mayor of the Village of Elk Grove Village or  
6           his or her designee.

7           (4) The Mayor of the Village of Mount Prospect or his  
8           or her designee.

9           (5) The Mayor of the City of Prospect Heights or his or  
10           her designee.

11           (6) The Mayor of the Village of Schaumburg or his or  
12           her designee.

13           (7) The Mayor of the Village of Wheeling or his or her  
14           designee.

15           (8) The Secretary of Transportation or his or her  
16           designee.

17           (9) The Executive Director of the Suburban Bus  
18           Division of the Regional Transportation Authority or his  
19           or her designee.

20           (10) The Executive Director of the Illinois State Toll  
21           Highway Authority or his or her designee.

22           (11) The members of the General Assembly serving  
23           Representative Districts 51, 53, 54, 55, 56, 57, and 59  
24           and Legislative Districts 26, 27, 28, 29, and 30.

25           (d) The voting members of the Megaproject Board constitute  
26           a public body that is subject to the Open Meetings Act.

1       (e) Four voting members of the Megaproject Board shall  
2 constitute a quorum. Actions of the Megaproject Board must  
3 receive the affirmative vote of at least 4 voting members. The  
4 Megaproject Board shall determine the times and places of its  
5 meetings. The voting and nonvoting members of the Megaproject  
6 Board shall serve without compensation, but they are entitled  
7 to reimbursement by the Village of Arlington Heights for  
8 reasonable expenses incurred in the performance of their  
9 official duties.

10       (f) The Arlington Heights Village Clerk shall serve as the  
11 Secretary of the Megaproject Board.

12       (g) The Village of Arlington Heights shall provide  
13 administrative and other support to the Megaproject Board.

14       (h) Prior to the Village of Arlington Heights entering  
15 into, amending, or terminating an incentive agreement pursuant  
16 to this Division, the incentive agreement, amendment, or  
17 termination must be approved by resolution of the Megaproject  
18 Board. The requirement of this subsection is in addition to  
19 all other requirements of Sections 10-920 and 10-925 of this  
20 Act.

21       (i) The Megaproject Board may meet periodically at the  
22 call of the chairperson of the Megaproject Board to conduct  
23 oversight of the Arlington Megaproject and to provide  
24 recommendations related to the Arlington Megaproject.

25       (j) In the event the provisions of this Section conflict  
26 with the provisions of Division 22 of Article 10 of this Act,

1 the provisions of this Section shall control.

2 (k) The Village of Arlington Heights may not regulate the  
3 Arlington Megaproject in a manner inconsistent with this  
4 Section. This Section is a limitation under subsection (i) of  
5 Section 6 of Article VII of the Illinois Constitution on the  
6 concurrent exercise by home rule units of powers and functions  
7 exercised by the State.

8 (35 ILCS 200/10-915 new)

9 Sec. 10-915. Valuation during incentive period;  
10 eligibility.

11 (a) Property certified by the Department as megaproject  
12 property pursuant to this Division is eligible for an  
13 assessment freeze, as provided in this Division, eliminating  
14 from consideration, for assessment purposes during the  
15 incentive period, the value added to the property by the  
16 project and limiting the total valuation of the property  
17 during the incentive period to the base year valuation. If the  
18 company does not anticipate completing the project within the  
19 investment period, then the local municipality may approve one  
20 or more extensions of time to complete the project. However,  
21 the local municipality may not extend the project for a period  
22 that exceeds 5 years after the last day of the investment  
23 period. Unless approved as part of the original incentive  
24 agreement, the corporate authorities may approve an extension  
25 under this subsection by resolution, a copy of which must be

1 delivered to the Department within 30 days after the date the  
2 resolution is adopted.

3 (b) To qualify for a megaproject certificate, the company  
4 must:

5 (1) make the minimum investment in the megaproject  
6 during the investment period; minimum investment  
7 requirements shall be construed broadly for purposes of  
8 this Division;

9 (2) enter into an incentive agreement with the local  
10 municipality as described in this Division;

11 (3) enter into a project labor agreement with the  
12 applicable local building trades council prior to the  
13 commencement of any demolition, building construction, or  
14 building renovation related to the project;

15 (4) establish the goal of awarding 20% of the total  
16 dollar amount of contracts that are related to the project  
17 and are awarded by the company during each calendar year  
18 to minority-owned businesses;

19 (5) in order to protect employment opportunities and  
20 minimize job displacement, make written offers of  
21 employment, and require all vendors and contractors  
22 engaged in the post-construction operations to make  
23 written offers of employment, to all persons displaced  
24 from prior relevant employment as a consequence of the  
25 megaproject and to hire those employees who accept  
26 employment prior to hiring additional employees; and



1           (6) enter into a labor peace agreement with any bona  
2           fide labor organization representing or attempting to  
3           represent its post-construction operations employees,  
4           including those employees employed by subcontractors or  
5           vendors of the company; as used in this paragraph (6),  
6           "labor peace agreement" means an agreement with any bona  
7           fide labor organization that, at a minimum, includes the  
8           following to protect the State's proprietary interest:

9                   (A) a prohibition on the labor organization from  
10                   engaging in picketing, work stoppages, boycotts, and  
11                   any other economic interference with the company's  
12                   business during the term of the labor agreement; and

13                   (B) a provision that both parties will submit to  
14                   binding arbitration for all outstanding matters not  
15                   agreed upon within 120 days of the from the date that a  
16                   labor organization becomes recognized as bargaining  
17                   representative of the bargaining unit.

18           (c) For purposes of this Division, if a single company  
19           enters into a financing arrangement of the type described in  
20           subsection (b) of Section 10-950, the investment in or  
21           financing of the property by a developer, lessor, financing  
22           entity, or other third party in accordance with this  
23           arrangement is considered investment by the company.  
24           Investment by a related person to the company is considered  
25           investment by the company.

1 (35 ILCS 200/10-920 new)

2 Sec. 10-920. Incentive agreement; assessment freeze for  
3 megaprojects; incentive period; inducement resolution;  
4 location of the project; criteria to qualify.

5 (a) To obtain the benefits provided in this Division, the  
6 company shall apply in writing to the local municipality to  
7 enter into an incentive agreement with the municipality, in  
8 the form and manner required by the local municipality, and  
9 shall certify the facts asserted in the application.

10 (b) The corporate authorities of the local municipality,  
11 prior to entering into an incentive agreement under this  
12 Section, shall hold a public hearing to consider the  
13 application. The amount and terms of the proposed special  
14 payment and the duration of the incentive agreement shall be  
15 considered at the public hearing.

16 (c) Copies of the completed application shall be provided  
17 to each taxing district for which property taxes were assessed  
18 on the property for the immediately preceding tax year. Those  
19 copies shall be provided at least 30 days prior to the  
20 scheduled public hearing at which the corporate authorities of  
21 the local municipality will consider the application.

22 (d) The company and the local municipality shall enter  
23 into an incentive agreement requiring the special payment  
24 described in Section 10-925. The corporate authorities of the  
25 local municipality shall adopt an ordinance approving the  
26 incentive agreement.

1       (e) If an incentive agreement is not executed within 5  
2 years after the local municipality's adoption of an inducement  
3 resolution, expenditures incurred by the company more than 5  
4 years prior to the execution of the incentive agreement shall  
5 not qualify as part of the minimum investment.

6       (f) To be eligible to enter into an incentive agreement  
7 under this Division, the company must commit to a project that  
8 meets the minimum investment set forth in this Division.

9       (35 ILCS 200/10-925 new)

10       Sec. 10-925. Contents of incentive agreement.

11       (a) The incentive agreement under Section 10-920 must  
12 require the company to pay, or be responsible for the payment  
13 of, an annual special payment to the local municipality,  
14 beginning with the first tax year for which the assessment  
15 freeze under this Division is applied to the megaproject. The  
16 amount of the special payment shall be established by the  
17 local municipality in the incentive agreement and may be a  
18 fixed amount for the duration of the incentive period or may be  
19 subject to adjustment (downward or upward) based on factors  
20 memorialized in the incentive agreement.

21       (b) The incentive agreement shall obligate the company to  
22 operate the megaproject at the designated project location for  
23 a minimum of 20 years.

24       (c) The incentive agreement may contain such other terms  
25 and conditions as are mutually agreeable to the local

1 municipality and the company and are consistent with the  
2 requirements of this Division, including, without limitation,  
3 operational and job creation requirements.

4 (d) In addition, all incentive agreements entered into  
5 pursuant to Section 10-920 must include, as the first portion  
6 of the document, a recapitulation of the remaining contents of  
7 the document which includes, but is not limited to, the  
8 following:

9 (1) the legal name of each party to the agreement;

10 (2) the street address of the project and the property  
11 subject to the agreement;

12 (3) the agreed minimum investment;

13 (4) the term of the agreement;

14 (5) a schedule showing the amount of the special  
15 payment and its calculation for each year of the  
16 agreement;

17 (6) a schedule showing the amount to be distributed  
18 annually to each affected taxing district, which amount  
19 shall be a percentage of the special payment equal to the  
20 taxing district's proportionate share of property taxes  
21 due and payable for the base tax year;

22 (7) any other feature or aspect of the agreement that  
23 may affect the calculation of items (5) and (6) of this  
24 subsection; and

25 (8) an identification of the party or parties to the  
26 agreement who are responsible for updating the information

1           contained in the summary document.

2           (35 ILCS 200/10-930 new)

3           Sec. 10-930. Installment bills; distribution of special  
4 payments.

5           (a) The local municipality shall prepare a bill for each  
6 installment of the special payment according to the schedule  
7 set forth in paragraph (5) of subsection (d) of Section  
8 10-925, or as modified pursuant to paragraph (7) of subsection  
9 (d) of Section 10-925, and that payment must be distributed to  
10 the affected taxing entities according to the schedule in  
11 paragraph (6) of subsection (d) of Section 10-925 or as  
12 modified in paragraph (7) of subsection (d) of Section 10-925.

13           (b) Distribution to taxing districts of the special  
14 payments associated with a megaproject must be made within 30  
15 days after receipt by the local municipality of the special  
16 payment amounts.

17           (c) Misallocations of the distribution of the special  
18 payments may be corrected by adjusting later distributions,  
19 but these adjustments must be made in the next succeeding year  
20 following identification and resolution of the misallocation.  
21 To the extent that distributions have been made improperly in  
22 previous years, claims for adjustment must be made within one  
23 year of the distribution.

24           (35 ILCS 200/10-935 new)

1       Sec. 10-935. Use of revenues. A taxing district that  
2 receives and retains revenues from a special payment under  
3 this Division may use all or a portion of the revenues for the  
4 purposes of financing the issuance of revenue bonds.

5           (35 ILCS 200/10-937 new)

6       Sec. 10-937. Termination of incentive agreement; automatic  
7 termination; minimum level of investment required to remain  
8 qualified for assessment freeze.

9       (a) The local municipality and the company may mutually  
10 agree to terminate the incentive agreement at any time. From  
11 the date of termination, the megaproject is subject to  
12 assessment on the basis of the then current fair cash value.

13       (b) An incentive agreement shall be terminated if the  
14 company fails to satisfy the minimum investment level provided  
15 in this Division. If the incentive agreement is terminated  
16 under this subsection, the megaproject is subject to  
17 assessment on the basis of the then current fair cash value  
18 beginning in the tax year during which the termination occurs.

19       (c) An incentive agreement shall terminate if, at any  
20 time, the company no longer has the minimum level of  
21 investment as provided in this Division, without regard to  
22 depreciation.

23           (35 ILCS 200/10-940 new)

24       Sec. 10-940. Megaproject applications; certification as a

1 megaproject and revocation of certification.

2 (a) The Department shall receive applications for  
3 megaproject certificates under this Division in a form and  
4 manner provided by the Department by rule. The Department  
5 shall promptly notify the assessment officer when the  
6 Department receives an application under this Section. The  
7 Department's rules shall provide that an applicant may request  
8 preliminary approval of the megaproject before the project  
9 begins, before the applicant has entered into a fully executed  
10 incentive agreement with the local municipality, or before the  
11 project has been placed in service.

12 (b) An applicant for a megaproject certificate under this  
13 Division must provide evidence to the Department of a fully  
14 executed incentive agreement between the company and the local  
15 municipality as described in this Division.

16 (c) An applicant for a megaproject certificate under this  
17 Division must provide evidence to the Department of a fully  
18 executed project labor agreement entered into with the  
19 applicable local building trades council prior to the  
20 commencement of any demolition, building construction, or  
21 building renovation at the project. If the demolition,  
22 building construction, or building renovation begins after the  
23 application is approved, then the applicant must transmit a  
24 copy of the fully executed project labor agreement to the  
25 Department as soon as possible after the agreement is  
26 executed.

1       (d) An applicant for a megaproject certificate under this  
2 Division must provide evidence to the Department that the  
3 company has established the goal of awarding 20% of the total  
4 dollar amount of contracts awarded during each calendar year  
5 by the company, that are related to the project, to  
6 minority-owned businesses.

7       (e) The Department shall approve an application for a  
8 megaproject certificate if the Department finds that the  
9 project meets the requirements of this Division.

10       (f) Upon approval of the application, the Department shall  
11 issue a megaproject certificate to the applicant and transmit  
12 a copy to the assessment officer. The certificate shall  
13 identify the property on which the megaproject is located.

14       (g) For each calendar year following issuance of the  
15 megaproject certificate, until the minimum investment  
16 requirements have been met and the megaproject has been placed  
17 in service, the company shall deliver a report to the  
18 Department on the status of construction or creation of the  
19 megaproject and the amount of minimum investment made in the  
20 megaproject during the preceding calendar year. If the  
21 Department determines, in accordance with the Administrative  
22 Review Law and the Illinois Administrative Procedure Act, that  
23 a project for which a certificate has been issued has not met  
24 the minimum investment requirements of this Division within  
25 the investment period, the Department shall revoke the  
26 certificate by written notice to the taxpayer of record and



1 transmit a copy of the revocation to the assessment officer.

2 (h) If the local municipality notifies the Department that  
3 the incentive agreement between the company and the local  
4 municipality has been terminated, the Department shall revoke  
5 the certificate by written notice to the taxpayer of record  
6 and transmit a copy of the revocation to the assessment  
7 officer.

8 (i) In addition to all other requirements of this Section,  
9 the Department may issue a megaproject certificate only if the  
10 megaproject is expressly authorized by Section 10-912.

11 (j) An applicant for a megaproject certificate under this  
12 Division must provide evidence to the Department of the fully  
13 executed labor peace agreements entered into with any bona  
14 fide labor organization representing or attempting to  
15 represent its post-construction operations employees prior to  
16 the Department approving an application or granting  
17 preliminary approval of a megaproject certificate.

18 (35 ILCS 200/10-945 new)

19 Sec. 10-945. Computation of valuation.

20 (a) Upon receipt of the megaproject certificate from the  
21 Department, the assessment officer shall determine the base  
22 year valuation and shall make a notation on each statement of  
23 assessment during the assessment period that the valuation of  
24 the project is based upon the issuance of a megaproject  
25 certificate.

1       (b) Upon revocation of a megaproject certificate, the  
2 assessment officer shall compute the assessed valuation of the  
3 project on the basis of the then current fair cash value of the  
4 property.

5           (35 ILCS 200/10-950 new)

6       Sec. 10-950. Transfers of interest in a megaproject;  
7 sale-leaseback arrangement; requirements.

8       (a) Subject to the terms of the incentive agreement  
9 between the company and the local municipality, ownership of  
10 or any interest in the megaproject and any and all related  
11 project property, including, without limitation, transfers of  
12 indirect beneficial interests and equity interests in a  
13 company owning a megaproject, shall not affect the assessment  
14 freeze or the validity of the megaproject certificate issued  
15 under this Division. Notwithstanding the provisions of this  
16 subsection, the incentive agreement shall be a covenant  
17 running with the land.

18       (b) A company may enter into lending, financing, security,  
19 leasing, or similar arrangements, or a succession of such  
20 arrangements, with a financing entity concerning all or part  
21 of a project, including, without limitation, a sale-leaseback  
22 arrangement, equipment lease, build-to-suit lease, synthetic  
23 lease, nordic lease, defeased tax benefit, or transfer lease,  
24 an assignment, sublease, or similar arrangement, or succession  
25 of those arrangements, with one or more financing entities

1 concerning all or part of a project, regardless of the  
2 identity of the income tax or fee owner of the megaproject.  
3 Neither the original transfer to the financing entity nor the  
4 later transfer from the financing entity back to the company,  
5 pursuant to terms in the sale-leaseback agreement, shall  
6 affect the assessment freeze or the validity of the  
7 megaproject certificate issued under this Division, regardless  
8 of whether the income tax basis is changed for income tax  
9 purposes.

10 (c) The Department must receive notice of all transfers  
11 undertaken with respect to other projects. Notice shall be  
12 made in writing within 60 days after the transfer, identifying  
13 each transferee and containing other information required by  
14 the Department with the appropriate returns. Failure to meet  
15 this notice requirement does not adversely affect the  
16 assessment freeze.

17 (35 ILCS 200/10-955 new)

18 Sec. 10-955. Minimum investment by company affiliates. To  
19 be eligible for the benefits of this Division, a company must  
20 invest the minimum investment. Investments by company  
21 affiliates during the investment period may be applied toward  
22 the minimum investment under this Division regardless of  
23 whether the company affiliate was part of the project. To  
24 qualify for the assessment freeze, the minimum investments  
25 must be located at the megaproject.

1 (35 ILCS 200/10-960 new)

2 Sec. 10-960. Projects to be valued at fair cash value for  
3 purposes of bonded indebtedness and limitations on property  
4 tax extensions. Projects to which an assessment freeze applies  
5 pursuant to this Division shall be valued at their fair cash  
6 value for purposes of calculating a municipality's general  
7 obligation bond limits and a taxing district's limitation on  
8 tax extensions.

9 (35 ILCS 200/10-965 new)

10 Sec. 10-965. Abatements. Any taxing district, upon a  
11 majority vote of its governing authority, may, after the  
12 determination of the assessed valuation as set forth in this  
13 Division, order the clerk of the appropriate municipality or  
14 county to abate any portion of real property taxes otherwise  
15 levied or extended by the taxing district on a megaproject.

16 (35 ILCS 200/10-970 new)

17 Sec. 10-970. Filing of returns, contracts, and other  
18 information; due date of payments and returns.

19 (a) The company and the local municipality shall file  
20 notices, reports, and other information as required by the  
21 Department.

22 (b) Special payments are due at the same time as property  
23 tax payments and property tax returns are due for the

1 megaproject property.

2 (c) Failure to make a timely special payment results in  
3 the assessment of penalties as if the payment were a  
4 delinquent property tax payment or return.

5 (d) Within 30 days after the date of execution of an  
6 incentive agreement, a copy of the incentive agreement must be  
7 filed with the Department, the county assessor, and the county  
8 auditor for the county in which the megaproject is located.

9 (35 ILCS 200/10-980 new)

10 Sec. 10-980. Rules. The Department may issue rulings and  
11 adopt rules as necessary to carry out the purpose of this  
12 Division.

13 (35 ILCS 200/10-990 new)

14 Sec. 10-990. Invalidity. If all or any part of this  
15 Division is determined to be unconstitutional or otherwise  
16 unenforceable by a court of competent jurisdiction, a company  
17 has 180 days from the date of the determination to transfer  
18 title to a megaproject to an authorized economic development  
19 authority, which may qualify for property tax assessment under  
20 this Division or which may be exempt from property taxes.

21 Section 930. The Sports Wagering Act is amended by  
22 changing Section 25-90 as follows:

1 (230 ILCS 45/25-90)

2 Sec. 25-90. Tax; Sports Wagering Fund.

3 (a) For the privilege of holding a license to operate  
4 sports wagering under this Act, this State shall impose and  
5 collect 15% of a master sports wagering licensee's adjusted  
6 gross sports wagering receipts from sports wagering. The  
7 accrual method of accounting shall be used for purposes of  
8 calculating the amount of the tax owed by the licensee.

9 The taxes levied and collected pursuant to this subsection  
10 (a) are due and payable to the Board no later than the last day  
11 of the month following the calendar month in which the  
12 adjusted gross sports wagering receipts were received and the  
13 tax obligation was accrued.

14 (a-5) In addition to the tax imposed under subsection (a)  
15 of this Section, for the privilege of holding a license to  
16 operate sports wagering under this Act, the State shall impose  
17 and collect 2% of the adjusted gross receipts from sports  
18 wagers that are placed within a home rule county with a  
19 population of over 3,000,000 inhabitants, which shall be paid,  
20 subject to appropriation from the General Assembly, from the  
21 Sports Wagering Fund to that home rule county for the purpose  
22 of enhancing the county's criminal justice system.

23 (a-6) In addition to the taxes imposed under subsections  
24 (a) and (a-5) of this Section, the State shall impose and  
25 collect a tax equal to 3% of the adjusted gross sports wagering  
26 receipts from sports wagers that are placed within the

1 Arlington Megaproject established under Division 22 of Article  
2 10 of the Property Tax Code. All moneys collected under this  
3 subsection (a-6) shall be deposited into the Arlington  
4 Megaproject Infrastructure Fund.

5 (b) The Sports Wagering Fund is hereby created as a  
6 special fund in the State treasury. Except as otherwise  
7 provided in this Act, all moneys collected under this Act by  
8 the Board shall be deposited into the Sports Wagering Fund. On  
9 the 25th of each month, any moneys remaining in the Sports  
10 Wagering Fund in excess of the anticipated monthly  
11 expenditures from the Fund through the next month, as  
12 certified by the Board to the State Comptroller, shall be  
13 transferred by the State Comptroller and the State Treasurer  
14 to the Capital Projects Fund.

15 (c) Beginning with July 2021, and on a monthly basis  
16 thereafter, the Board shall certify to the State Comptroller  
17 the amount of license fees collected in the month for initial  
18 licenses issued under this Act, except for occupational  
19 licenses. As soon after certification as practicable, the  
20 State Comptroller shall direct and the State Treasurer shall  
21 transfer the certified amount from the Sports Wagering Fund to  
22 the Rebuild Illinois Projects Fund.

23 (Source: P.A. 101-31, eff. 6-28-19; 102-16, eff. 6-17-21;  
24 102-687, eff. 12-17-21.)

25 Section 935. The Liquor Control Act of 1934 is amended by

1 adding Section 8-15 as follows:

2 (235 ILCS 5/8-15 new)

3 Sec. 8-15. Arlington Megaproject. Notwithstanding any  
4 provision of law to the contrary, beginning on the first day of  
5 the first month after the Arlington Megaproject is established  
6 under Division 22 of Article 10 of the Property Tax Code, all  
7 taxes collected under this Act from persons located within the  
8 Arlington Megaproject shall be deposited into the Arlington  
9 Megaproject Infrastructure Fund.

10 Section 997. Severability. The provisions of this Act are  
11 severable under Section 1.31 of the Statute on Statutes.

12 Section 999. Effective date. This Act takes effect June 1,  
13 2023."