



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

**HB4040**

Introduced 4/20/2023, by Rep. Martin J. Moylan - Nabeela Syed  
- Jonathan Carroll, Mary Gill, Joyce Mason, et al.

#### **SYNOPSIS AS INTRODUCED:**

See Index

Creates the Megaproject Sports and Entertainment Facility Admission Tax Act. Imposes a tax of \$3 for each individual admitted to a sports and entertainment facility located on megaproject property. Contains provisions concerning the distribution of the proceeds of the tax. Amends the Property Tax Code. Provides that certain property may be certified by the Department of Revenue as containing a megaproject. Provides that a "megaproject" is a project with respect to which a company makes a specified investment during a specified investment period. Provides that the Department of Revenue may issue a megaproject certificate only for a megaproject in the Village of Arlington Heights. Provides that the megaproject property is eligible for an assessment freeze. Provides that megaproject property may be granted an abatement. Provides that a company that operates a megaproject shall enter into an agreement with the municipality in which the project is located to make certain special payments. Creates the Arlington Megaproject Oversight Board. Provides that the incentive agreement must be approved by resolution of the Arlington Megaproject Oversight Board. Amends the State Finance Act making conforming changes. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that qualified tangible personal property used in the construction or operation of a megaproject is exempt from the taxes imposed under those Acts. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, the Retailers' Occupation Tax Act, the Hotel Operators' Occupation Tax Act, and the Liquor Control Act of 1934. Provides that certain tax proceeds from megaproject property shall be deposited into the Arlington Megaproject Infrastructure Fund. Makes other changes. Effective June 1, 2023.

LRB103 31628 HLH 60767 b

1 AN ACT concerning revenue.

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

4 Section 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.

17 "Sports and entertainment facility" means a stadium,  
18 arena, or other similar structure for the holding of athletic  
19 contests and other events and gatherings, including, but not  
20 limited to, the following: baseball events, football events,  
21 and automobile racing; musical, dramatic, and other artistic,  
22 cultural, or social events; public meetings; and other public  
23 events.

1           Section 10. Tax imposed. Beginning on the first day of the  
2 first month to occur not less than 60 days after the Department  
3 issues a megaproject certificate pursuant to Division 22 of  
4 Article 10 of the Property Tax Code and continuing through the  
5 last day of the calendar month in which the incentive period  
6 expires, as defined in Section 10-910 of the Property Tax  
7 Code, a tax is imposed upon admission to a sports and  
8 entertainment facility located on the megaproject property.  
9 The rate of the tax under this Act is \$3 for each individual  
10 admitted to the sports and entertainment facility. The owner  
11 shall collect and remit the tax imposed under this Act. The tax  
12 under this Act shall be paid on a per-admission basis, except  
13 that an individual who exits a sports and entertainment  
14 facility and reenters that sports and entertainment facility  
15 on the same day shall be subject only to the initial admission  
16 tax. The Department may issue tax-free passes to agents of the  
17 owner, employees of the owner, and other persons who provide  
18 goods and services at the sports and entertainment facility  
19 pursuant to a contract or agreement with the owner. Those  
20 tax-free passes shall allow those individuals to access the  
21 sports and entertainment facility without incurring the tax  
22 imposed under this Act.

23           Section 15. Returns.

24           (a) On or before the 25th day of each calendar month, each

1 person who is required to collect and remit the tax under this  
2 Act shall file a return with the Department stating:

3 (1) the name of the person required to collect and  
4 remit the tax;

5 (2) the address of the person's principal place of  
6 business;

7 (3) the address of the sports and entertainment  
8 facility;

9 (4) the number of taxable admissions to the sports and  
10 entertainment facility during the period covered by the  
11 return;

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

14 (6) such other information as the Department may  
15 require.

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

19 Section 17. Sports Facilities Bond Repayment Trust Fund;  
20 distribution of proceeds.

21 (a) Within 90 days after the effective date of this Act,  
22 the Department shall certify the reimbursement amount to the  
23 State Comptroller and the State Treasurer. For the purposes of  
24 this Section, the reimbursement amount is an amount equal to  
25 the sum of (i) the total amount paid into the Illinois Sports

1 Facilities Fund under Section 13.1 of the State Revenue  
2 Sharing Act and Section 6 of the Hotel Operators' Occupation  
3 Tax Act on or after June 1, 2001 (the effective date of Public  
4 Act 91-935) and before the effective date of this Act as a  
5 reallocation of moneys due to the City of Chicago from the  
6 Local Government Distributive Fund and (ii) the amount  
7 projected by the Department to be paid into the Illinois  
8 Sports 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 the effective date of this Act as a  
11 reallocation of moneys due to the City of Chicago from the  
12 Local Government Distributive Fund.

13 (b) The Sports Facilities Bond Repayment Trust Fund is  
14 hereby created as a trust fund to be held outside of the State  
15 Treasury with the State Treasurer, *ex officio*, as custodian.  
16 Moneys in the Trust Fund shall be used solely as provided in  
17 this Section. All deposits into the Trust Fund shall be held in  
18 the Trust Fund by the State Treasurer separate and apart from  
19 all public moneys or funds of this State. Any interest earned  
20 on moneys in the Sports Facilities Bond Repayment Trust Fund  
21 shall be deposited into the Sports Facilities Bond Repayment  
22 Trust Fund. Moneys in the Sports Facilities Bond Repayment  
23 Trust Fund shall be paid to the City of Chicago upon order of  
24 the Comptroller and in accordance with the directions  
25 contained in the certification under subsection (a).

26 (c) The proceeds of the tax imposed under this Act shall be

1 paid into the Sports Facilities Bond Repayment Trust Fund  
2 until the total reimbursement amount has been paid into the  
3 Sports Facilities Bond Repayment Trust Fund. Once the total  
4 reimbursement amount has been deposited into the Sports  
5 Facilities Bond Repayment Trust Fund, the proceeds of the tax  
6 under this Act shall be paid into the Common School Fund.

7 Section 20. Incorporation of the Retailers' Occupation Tax  
8 Act and the Uniform Penalty and Interest Act. The Department  
9 shall administer and collect the admission tax imposed by this  
10 Act, to the extent practicable, in a manner consistent with  
11 the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g,  
12 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the Retailers' Occupation  
13 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
14 Act.

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

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

19 (30 ILCS 105/5.990 new)

20 Sec. 5.990. The Arlington Megaproject Infrastructure Fund.

21 (30 ILCS 105/6z-139 new)

1       Sec. 6z-139. The Arlington Megaproject Infrastructure  
2 Fund.

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

13       (b) On or before the last day of each month, the State  
14 Treasurer and the State Comptroller shall distribute the  
15 available balance in the Arlington Megaproject Infrastructure  
16 Fund as follows:

17           (1) 35% to the Village of Arlington Heights;

18           (2) 10% to Cook County;

19           (6) 10% to the Village of Palatine;

20           (8) 10% to the City of Rolling Meadows; and

21           (3) 7% to the Village of Buffalo Grove;

22           (4) 7% to the Village of Elk Grove Village;

23           (5) 7% to the Village of Mount Prospect;

24           (7) 7% to the City of Prospect Heights;

25           (9) 7% to the Village of Wheeling.

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

3 (35 ILCS 105/3-5)

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

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

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

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



1 and media arts organizations. On and after July 1, 2001 (the  
2 effective date of Public Act 92-35), however, an entity  
3 otherwise eligible for this exemption shall not make tax-free  
4 purchases unless it has an active identification number issued  
5 by the Department.

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

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

23 (6) 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,

1 certified by the purchaser to be used primarily for graphic  
2 arts production, and including machinery and equipment  
3 purchased for lease. Equipment includes chemicals or chemicals  
4 acting as catalysts but only if the chemicals or chemicals  
5 acting as catalysts effect a direct and immediate change upon  
6 a graphic arts product. Beginning on July 1, 2017, graphic  
7 arts machinery and equipment is included in the manufacturing  
8 and assembling machinery and equipment exemption under  
9 paragraph (18).

10 (7) Farm chemicals.

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

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

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

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

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

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

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

1 crop data for the purpose of formulating animal diets and  
2 agricultural chemicals. This item (11) is exempt from the  
3 provisions of Section 3-90.

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

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

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

1 hosting or cleaning up the food or beverage function with  
2 respect to which the service charge is imposed.

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

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

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

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

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

9 (18) Manufacturing and assembling machinery and equipment  
10 used primarily in the process of manufacturing or assembling  
11 tangible personal property for wholesale or retail sale or  
12 lease, whether that sale or lease is made directly by the  
13 manufacturer or by some other person, whether the materials  
14 used in the process are owned by the manufacturer or some other  
15 person, or whether that sale or lease is made apart from or as  
16 an incident to the seller's engaging in the service occupation  
17 of producing machines, tools, dies, jigs, patterns, gauges, or  
18 other similar items of no commercial value on special order  
19 for a particular purchaser. The exemption provided by this  
20 paragraph (18) includes production related tangible personal  
21 property, as defined in Section 3-50, purchased on or after  
22 July 1, 2019. The exemption provided by this paragraph (18)  
23 does not include machinery and equipment used in (i) the  
24 generation of electricity for wholesale or retail sale; (ii)  
25 the generation or treatment of natural or artificial gas for  
26 wholesale or retail sale that is delivered to customers

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

9 (19) Personal property delivered to a purchaser or  
10 purchaser's donee inside Illinois when the purchase order for  
11 that personal property was received by a florist located  
12 outside Illinois who has a florist located inside Illinois  
13 deliver the personal property.

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

16 (21) Horses, or interests in horses, registered with and  
17 meeting the requirements of any of the Arabian Horse Club  
18 Registry of America, Appaloosa Horse Club, American Quarter  
19 Horse Association, United States Trotting Association, or  
20 Jockey Club, as appropriate, used for purposes of breeding or  
21 racing for prizes. This item (21) is exempt from the  
22 provisions of Section 3-90, and the exemption provided for  
23 under this item (21) applies for all periods beginning May 30,  
24 1995, but no claim for credit or refund is allowed on or after  
25 January 1, 2008 for such taxes paid during the period  
26 beginning May 30, 2000 and ending on January 1, 2008.

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

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



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

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

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

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

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

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

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

13 (28) Beginning January 1, 2000, personal property,  
14 including food, purchased through fundraising events for the  
15 benefit of a public or private elementary or secondary school,  
16 a group of those schools, or one or more school districts if  
17 the events are sponsored by an entity recognized by the school  
18 district that consists primarily of volunteers and includes  
19 parents and teachers of the school children. This paragraph  
20 does not apply to fundraising events (i) for the benefit of  
21 private home instruction or (ii) for which the fundraising  
22 entity purchases the personal property sold at the events from  
23 another individual or entity that sold the property for the  
24 purpose of resale by the fundraising entity and that profits  
25 from the sale to the fundraising entity. This paragraph is  
26 exempt from the provisions of Section 3-90.

1           (29) Beginning January 1, 2000 and through December 31,  
2           2001, new or used automatic vending machines that prepare and  
3           serve hot food and beverages, including coffee, soup, and  
4           other items, and replacement parts for these machines.  
5           Beginning January 1, 2002 and through June 30, 2003, machines  
6           and parts for machines used in commercial, coin-operated  
7           amusement and vending business if a use or occupation tax is  
8           paid on the gross receipts derived from the use of the  
9           commercial, coin-operated amusement and vending machines. This  
10          paragraph is exempt from the provisions of Section 3-90.

11          (30) Beginning January 1, 2001 and through June 30, 2016,  
12          food for human consumption that is to be consumed off the  
13          premises where it is sold (other than alcoholic beverages,  
14          soft drinks, and food that has been prepared for immediate  
15          consumption) and prescription and nonprescription medicines,  
16          drugs, medical appliances, and insulin, urine testing  
17          materials, syringes, and needles used by diabetics, for human  
18          use, when purchased for use by a person receiving medical  
19          assistance under Article V of the Illinois Public Aid Code who  
20          resides in a licensed long-term care facility, as defined in  
21          the Nursing Home Care Act, or in a licensed facility as defined  
22          in the ID/DD Community Care Act, the MC/DD Act, or the  
23          Specialized Mental Health Rehabilitation Act of 2013.

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

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

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

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

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

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

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

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

1 maintenance of aircraft, but excludes any materials, parts,  
2 equipment, components, and consumable supplies used in the  
3 modification, replacement, repair, and maintenance of aircraft  
4 engines or power plants, whether such engines or power plants  
5 are installed or uninstalled upon any such aircraft.  
6 "Consumable supplies" include, but are not limited to,  
7 adhesive, tape, sandpaper, general purpose lubricants,  
8 cleaning solution, latex gloves, and protective films. This  
9 exemption applies only to the use of qualifying tangible  
10 personal property by persons who modify, refurbish, complete,  
11 repair, replace, or maintain aircraft and who (i) hold an Air  
12 Agency Certificate and are empowered to operate an approved  
13 repair station by the Federal Aviation Administration, (ii)  
14 have a Class IV Rating, and (iii) conduct operations in  
15 accordance with Part 145 of the Federal Aviation Regulations.  
16 The exemption does not include aircraft operated by a  
17 commercial air carrier providing scheduled passenger air  
18 service pursuant to authority issued under Part 121 or Part  
19 129 of the Federal Aviation Regulations. The changes made to  
20 this paragraph (35) by Public Act 98-534 are declarative of  
21 existing law. It is the intent of the General Assembly that the  
22 exemption under this paragraph (35) applies continuously from  
23 January 1, 2010 through December 31, 2024; however, no claim  
24 for credit or refund is allowed for taxes paid as a result of  
25 the disallowance of this exemption on or after January 1, 2015  
26 and prior to February 5, 2020 (the effective date of Public Act



1 ~~101-629) this amendatory Act of the 101st General Assembly.~~

2 (36) Tangible personal property purchased by a  
3 public-facilities corporation, as described in Section  
4 11-65-10 of the Illinois Municipal Code, for purposes of  
5 constructing or furnishing a municipal convention hall, but  
6 only if the legal title to the municipal convention hall is  
7 transferred to the municipality without any further  
8 consideration by or on behalf of the municipality at the time  
9 of the completion of the municipal convention hall or upon the  
10 retirement or redemption of any bonds or other debt  
11 instruments issued by the public-facilities corporation in  
12 connection with the development of the municipal convention  
13 hall. This exemption includes existing public-facilities  
14 corporations as provided in Section 11-65-25 of the Illinois  
15 Municipal Code. This paragraph is exempt from the provisions  
16 of Section 3-90.

17 (37) Beginning January 1, 2017 and through December 31,  
18 2026, menstrual pads, tampons, and menstrual cups.

19 (38) Merchandise that is subject to the Rental Purchase  
20 Agreement Occupation and Use Tax. The purchaser must certify  
21 that the item is purchased to be rented subject to a rental  
22 purchase agreement, as defined in the Rental Purchase  
23 Agreement Act, and provide proof of registration under the  
24 Rental Purchase Agreement Occupation and Use Tax Act. This  
25 paragraph is exempt from the provisions of Section 3-90.

26 (39) Tangible personal property purchased by a purchaser

1 who is exempt from the tax imposed by this Act by operation of  
2 federal law. This paragraph is exempt from the provisions of  
3 Section 3-90.

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

18 The Department of Commerce and Economic Opportunity shall  
19 grant a certificate of exemption under this item (40) to  
20 qualified data centers as defined by Section 605-1025 of the  
21 Department of Commerce and Economic Opportunity Law of the  
22 Civil Administrative Code of Illinois.

23 For the purposes of this item (40):

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

1 the State of Illinois.

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

1 of eligibility issued by the Department of Commerce and  
2 Economic Opportunity.

3 This item (40) is exempt from the provisions of Section  
4 3-90.

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

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

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

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

1 milk storage bags.

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

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

21 (42) ~~(41)~~ Tangible personal property sold by or on behalf  
22 of the State Treasurer pursuant to the Revised Uniform  
23 Unclaimed Property Act. This item (42) ~~(41)~~ is exempt from the  
24 provisions of Section 3-90.

25 (43) Qualified tangible personal property used in the  
26 construction or operation of a megaproject for which a

1 certificate has been issued by the Department under Division  
2 22 of Article 10 of the Property Tax Code, whether that  
3 tangible personal property is purchased by the owner,  
4 operator, or tenant of the megaproject or by a contractor or  
5 subcontractor of the owner, operator, or tenant.

6 As used in this item (43):

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

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

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

8 This item (43) is exempt from the provisions of Section  
9 3-90.

10 (Source: P.A. 101-9, eff. 6-5-19; 101-31, eff. 6-28-19;  
11 101-81, eff. 7-12-19; 101-629, eff. 2-5-20; 102-16, eff.  
12 6-17-21; 102-700, Article 70, Section 70-5, eff. 4-19-22;  
13 102-700, Article 75, Section 75-5, eff. 4-19-22; 102-1026,  
14 eff. 5-27-22; revised 8-1-22.)

15 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

16 Sec. 9. Except as to motor vehicles, watercraft, aircraft,  
17 and trailers that are required to be registered with an agency  
18 of this State, each retailer required or authorized to collect  
19 the tax imposed by this Act shall pay to the Department the  
20 amount of such tax (except as otherwise provided) at the time  
21 when he is required to file his return for the period during  
22 which such tax was collected, less a discount of 2.1% prior to  
23 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5  
24 per calendar year, whichever is greater, which is allowed to  
25 reimburse the retailer for expenses incurred in collecting the

1 tax, keeping records, preparing and filing returns, remitting  
2 the tax and supplying data to the Department on request. When  
3 determining the discount allowed under this Section, retailers  
4 shall include the amount of tax that would have been due at the  
5 6.25% rate but for the 1.25% rate imposed on sales tax holiday  
6 items under Public Act 102-700 ~~this amendatory Act of the~~  
7 ~~102nd General Assembly~~. The discount under this Section is not  
8 allowed for the 1.25% portion of taxes paid on aviation fuel  
9 that is subject to the revenue use requirements of 49 U.S.C.  
10 47107(b) and 49 U.S.C. 47133. When determining the discount  
11 allowed under this Section, retailers shall include the amount  
12 of tax that would have been due at the 1% rate but for the 0%  
13 rate imposed under Public Act 102-700 ~~this amendatory Act of~~  
14 ~~the 102nd General Assembly~~. In the case of retailers who  
15 report and pay the tax on a transaction by transaction basis,  
16 as provided in this Section, such discount shall be taken with  
17 each such tax remittance instead of when such retailer files  
18 his periodic return. The discount allowed under this Section  
19 is allowed only for returns that are filed in the manner  
20 required by this Act. The Department may disallow the discount  
21 for retailers whose certificate of registration is revoked at  
22 the time the return is filed, but only if the Department's  
23 decision to revoke the certificate of registration has become  
24 final. A retailer need not remit that part of any tax collected  
25 by him to the extent that he is required to remit and does  
26 remit the tax imposed by the Retailers' Occupation Tax Act,



1 with respect to the sale of the same property.

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

12 Except as provided in this Section, on or before the  
13 twentieth day of each calendar month, such retailer shall file  
14 a return for the preceding calendar month. Such return shall  
15 be filed on forms prescribed by the Department and shall  
16 furnish such information as the Department may reasonably  
17 require. The return shall include the gross receipts on food  
18 for human consumption that is to be consumed off the premises  
19 where it is sold (other than alcoholic beverages, food  
20 consisting of or infused with adult use cannabis, soft drinks,  
21 and food that has been prepared for immediate consumption)  
22 which were received during the preceding calendar month,  
23 quarter, or year, as appropriate, and upon which tax would  
24 have been due but for the 0% rate imposed under Public Act  
25 102-700 ~~this amendatory Act of the 102nd General Assembly~~. The  
26 return shall also include the amount of tax that would have

1 been due on food for human consumption that is to be consumed  
2 off the premises where it is sold (other than alcoholic  
3 beverages, food consisting of or infused with adult use  
4 cannabis, soft drinks, and food that has been prepared for  
5 immediate consumption) but for the 0% rate imposed under  
6 Public Act 102-700 ~~this amendatory Act of the 102nd General~~  
7 ~~Assembly.~~

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

24 The Department may require returns to be filed on a  
25 quarterly basis. If so required, a return for each calendar  
26 quarter shall be filed on or before the twentieth day of the

1 calendar month following the end of such calendar quarter. The  
2 taxpayer shall also file a return with the Department for each  
3 of the first two months of each calendar quarter, on or before  
4 the twentieth day of the following calendar month, stating:

5 1. The name of the seller;

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

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

14 4. The amount of credit provided in Section 2d of this  
15 Act;

16 5. The amount of tax due;

17 5-5. The signature of the taxpayer; and

18 6. Such other reasonable information as the Department  
19 may require.

20 Each retailer required or authorized to collect the tax  
21 imposed by this Act on aviation fuel sold at retail in this  
22 State during the preceding calendar month shall, instead of  
23 reporting and paying tax on aviation fuel as otherwise  
24 required by this Section, report and pay such tax on a separate  
25 aviation fuel tax return. The requirements related to the  
26 return shall be as otherwise provided in this Section.

1 Notwithstanding any other provisions of this Act to the  
2 contrary, retailers collecting tax on aviation fuel shall file  
3 all aviation fuel tax returns and shall make all aviation fuel  
4 tax payments by electronic means in the manner and form  
5 required by the Department. For purposes of this Section,  
6 "aviation fuel" means jet fuel and aviation gasoline.

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

11 Notwithstanding any other provision of this Act to the  
12 contrary, retailers subject to tax on cannabis shall file all  
13 cannabis tax returns and shall make all cannabis tax payments  
14 by electronic means in the manner and form required by the  
15 Department.

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

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

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

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

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

1           The Department shall adopt such rules as are necessary to  
2 effectuate a program of electronic funds transfer and the  
3 requirements of this Section.

4           Before October 1, 2000, if the taxpayer's average monthly  
5 tax liability to the Department under this Act, the Retailers'  
6 Occupation Tax Act, the Service Occupation Tax Act, the  
7 Service Use Tax Act was \$10,000 or more during the preceding 4  
8 complete calendar quarters, he shall file a return with the  
9 Department each month by the 20th day of the month next  
10 following the month during which such tax liability is  
11 incurred and shall make payments to the Department on or  
12 before the 7th, 15th, 22nd and last day of the month during  
13 which such liability is incurred. On and after October 1,  
14 2000, if the taxpayer's average monthly tax liability to the  
15 Department under this Act, the Retailers' Occupation Tax Act,  
16 the Service Occupation Tax Act, and the Service Use Tax Act was  
17 \$20,000 or more during the preceding 4 complete calendar  
18 quarters, he shall file a return with the Department each  
19 month by the 20th day of the month next following the month  
20 during which such tax liability is incurred and shall make  
21 payment to the Department on or before the 7th, 15th, 22nd and  
22 last day of the month during which such liability is incurred.  
23 If the month during which such tax liability is incurred began  
24 prior to January 1, 1985, each payment shall be in an amount  
25 equal to 1/4 of the taxpayer's actual liability for the month  
26 or an amount set by the Department not to exceed 1/4 of the

1 average monthly liability of the taxpayer to the Department  
2 for the preceding 4 complete calendar quarters (excluding the  
3 month of highest liability and the month of lowest liability  
4 in such 4 quarter period). If the month during which such tax  
5 liability is incurred begins on or after January 1, 1985, and  
6 prior to January 1, 1987, each payment shall be in an amount  
7 equal to 22.5% of the taxpayer's actual liability for the  
8 month or 27.5% of the taxpayer's liability for the same  
9 calendar month of the preceding year. If the month during  
10 which such tax liability is incurred begins on or after  
11 January 1, 1987, and prior to January 1, 1988, each payment  
12 shall be in an amount equal to 22.5% of the taxpayer's actual  
13 liability for the month or 26.25% of the taxpayer's liability  
14 for the same calendar month of the preceding year. If the month  
15 during which such tax liability is incurred begins on or after  
16 January 1, 1988, and prior to January 1, 1989, or begins on or  
17 after January 1, 1996, each payment shall be in an amount equal  
18 to 22.5% of the taxpayer's actual liability for the month or  
19 25% of the taxpayer's liability for the same calendar month of  
20 the preceding year. If the month during which such tax  
21 liability is incurred begins on or after January 1, 1989, and  
22 prior to January 1, 1996, each payment shall be in an amount  
23 equal to 22.5% of the taxpayer's actual liability for the  
24 month or 25% of the taxpayer's liability for the same calendar  
25 month of the preceding year or 100% of the taxpayer's actual  
26 liability for the quarter monthly reporting period. The amount

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



1 taxpayer can show the Department that a substantial change in  
2 the taxpayer's business has occurred which causes the taxpayer  
3 to anticipate that his average monthly tax liability for the  
4 reasonably foreseeable future will fall below the \$20,000  
5 threshold stated above, then such taxpayer may petition the  
6 Department for a change in such taxpayer's reporting status.  
7 The Department shall change such taxpayer's reporting status  
8 unless it finds that such change is seasonal in nature and not  
9 likely to be long term. Quarter monthly payment status shall  
10 be determined under this paragraph as if the rate reduction to  
11 1.25% in Public Act 102-700 ~~this amendatory Act of the 102nd~~  
12 ~~General Assembly~~ on sales tax holiday items had not occurred.  
13 For quarter monthly payments due on or after July 1, 2023 and  
14 through June 30, 2024, "25% of the taxpayer's liability for  
15 the same calendar month of the preceding year" shall be  
16 determined as if the rate reduction to 1.25% in Public Act  
17 102-700 ~~this amendatory Act of the 102nd General Assembly~~ on  
18 sales tax holiday items had not occurred. Quarter monthly  
19 payment status shall be determined under this paragraph as if  
20 the rate reduction to 0% in Public Act 102-700 ~~this amendatory~~  
21 ~~Act of the 102nd General Assembly~~ on food for human  
22 consumption that is to be consumed off the premises where it is  
23 sold (other than alcoholic beverages, food consisting of or  
24 infused with adult use cannabis, soft drinks, and food that  
25 has been prepared for immediate consumption) had not occurred.  
26 For quarter monthly payments due under this paragraph on or

1 after July 1, 2023 and through June 30, 2024, "25% of the  
2 taxpayer's liability for the same calendar month of the  
3 preceding year" shall be determined as if the rate reduction  
4 to 0% in Public Act 102-700 ~~this amendatory Act of the 102nd~~  
5 ~~General Assembly~~ had not occurred. If any such quarter monthly  
6 payment is not paid at the time or in the amount required by  
7 this Section, then the taxpayer shall be liable for penalties  
8 and interest on the difference between the minimum amount due  
9 and the amount of such quarter monthly payment actually and  
10 timely paid, except insofar as the taxpayer has previously  
11 made payments for that month to the Department in excess of the  
12 minimum payments previously due as provided in this Section.  
13 The Department shall make reasonable rules and regulations to  
14 govern the quarter monthly payment amount and quarter monthly  
15 payment dates for taxpayers who file on other than a calendar  
16 monthly basis.

17 If any such payment provided for in this Section exceeds  
18 the taxpayer's liabilities under this Act, the Retailers'  
19 Occupation Tax Act, the Service Occupation Tax Act and the  
20 Service Use Tax Act, as shown by an original monthly return,  
21 the Department shall issue to the taxpayer a credit memorandum  
22 no later than 30 days after the date of payment, which  
23 memorandum may be submitted by the taxpayer to the Department  
24 in payment of tax liability subsequently to be remitted by the  
25 taxpayer to the Department or be assigned by the taxpayer to a  
26 similar taxpayer under this Act, the Retailers' Occupation Tax

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

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

1 return for October, November and December of a given year  
2 being due by January 20 of the following year.

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

9 Such quarter annual and annual returns, as to form and  
10 substance, shall be subject to the same requirements as  
11 monthly returns.

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

19 In addition, with respect to motor vehicles, watercraft,  
20 aircraft, and trailers that are required to be registered with  
21 an agency of this State, except as otherwise provided in this  
22 Section, every retailer selling this kind of tangible personal  
23 property shall file, with the Department, upon a form to be  
24 prescribed and supplied by the Department, a separate return  
25 for each such item of tangible personal property which the  
26 retailer sells, except that if, in the same transaction, (i) a

1 retailer of aircraft, watercraft, motor vehicles or trailers  
2 transfers more than one aircraft, watercraft, motor vehicle or  
3 trailer to another aircraft, watercraft, motor vehicle or  
4 trailer retailer for the purpose of resale or (ii) a retailer  
5 of aircraft, watercraft, motor vehicles, or trailers transfers  
6 more than one aircraft, watercraft, motor vehicle, or trailer  
7 to a purchaser for use as a qualifying rolling stock as  
8 provided in Section 3-55 of this Act, then that seller may  
9 report the transfer of all the aircraft, watercraft, motor  
10 vehicles or trailers involved in that transaction to the  
11 Department on the same uniform invoice-transaction reporting  
12 return form. For purposes of this Section, "watercraft" means  
13 a Class 2, Class 3, or Class 4 watercraft as defined in Section  
14 3-2 of the Boat Registration and Safety Act, a personal  
15 watercraft, or any boat equipped with an inboard motor.

16 In addition, with respect to motor vehicles, watercraft,  
17 aircraft, and trailers that are required to be registered with  
18 an agency of this State, every person who is engaged in the  
19 business of leasing or renting such items and who, in  
20 connection with such business, sells any such item to a  
21 retailer for the purpose of resale is, notwithstanding any  
22 other provision of this Section to the contrary, authorized to  
23 meet the return-filing requirement of this Act by reporting  
24 the transfer of all the aircraft, watercraft, motor vehicles,  
25 or trailers transferred for resale during a month to the  
26 Department on the same uniform invoice-transaction reporting

1 return form on or before the 20th of the month following the  
2 month in which the transfer takes place. Notwithstanding any  
3 other provision of this Act to the contrary, all returns filed  
4 under this paragraph must be filed by electronic means in the  
5 manner and form as required by the Department.

6 The transaction reporting return in the case of motor  
7 vehicles or trailers that are required to be registered with  
8 an agency of this State, shall be the same document as the  
9 Uniform Invoice referred to in Section 5-402 of the Illinois  
10 Vehicle Code and must show the name and address of the seller;  
11 the name and address of the purchaser; the amount of the  
12 selling 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; such  
24 other information as is required in Section 5-402 of the  
25 Illinois Vehicle Code, and such other information as the  
26 Department may reasonably require.

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

18          Such transaction reporting return shall be filed not later  
19          than 20 days after the date of delivery of the item that is  
20          being sold, but may be filed by the retailer at any time sooner  
21          than that if he chooses to do so. The transaction reporting  
22          return and tax remittance or proof of exemption from the tax  
23          that is imposed by this Act may be transmitted to the  
24          Department by way of the State agency with which, or State  
25          officer with whom, the tangible personal property must be  
26          titled or registered (if titling or registration is required)

1 if the Department and such agency or State officer determine  
2 that this procedure will expedite the processing of  
3 applications for title or registration.

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

17 No retailer's failure or refusal to remit tax under this  
18 Act precludes a user, who has paid the proper tax to the  
19 retailer, from obtaining his certificate of title or other  
20 evidence of title or registration (if titling or registration  
21 is required) upon satisfying the Department that such user has  
22 paid the proper tax (if tax is due) to the retailer. The  
23 Department shall adopt appropriate rules to carry out the  
24 mandate of this paragraph.

25 If the user who would otherwise pay tax to the retailer  
26 wants the transaction reporting return filed and the payment



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

17 Where a retailer collects the tax with respect to the  
18 selling price of tangible personal property which he sells and  
19 the purchaser thereafter returns such tangible personal  
20 property and the retailer refunds the selling price thereof to  
21 the purchaser, such retailer shall also refund, to the  
22 purchaser, the tax so collected from the purchaser. When  
23 filing his return for the period in which he refunds such tax  
24 to the purchaser, the retailer may deduct the amount of the tax  
25 so refunded by him to the purchaser from any other use tax  
26 which such retailer may be required to pay or remit to the

1 Department, as shown by such return, if the amount of the tax  
2 to be deducted was previously remitted to the Department by  
3 such retailer. If the retailer has not previously remitted the  
4 amount of such tax to the Department, he is entitled to no  
5 deduction under this Act upon refunding such tax to the  
6 purchaser.

7 Any retailer filing a return under this Section shall also  
8 include (for the purpose of paying tax thereon) the total tax  
9 covered by such return upon the selling price of tangible  
10 personal property purchased by him at retail from a retailer,  
11 but as to which the tax imposed by this Act was not collected  
12 from the retailer filing such return, and such retailer shall  
13 remit the amount of such tax to the Department when filing such  
14 return.

15 If experience indicates such action to be practicable, the  
16 Department may prescribe and furnish a combination or joint  
17 return which will enable retailers, who are required to file  
18 returns hereunder and also under the Retailers' Occupation Tax  
19 Act, to furnish all the return information required by both  
20 Acts on the one form.

21 Where the retailer has more than one business registered  
22 with the Department under separate registration under this  
23 Act, such retailer may not file each return that is due as a  
24 single return covering all such registered businesses, but  
25 shall file separate returns for each such registered business.

26 Notwithstanding any provision of law to the contrary,

1 beginning on the first day of the first month after the  
2 Arlington Megaproject is established under Division 22 of  
3 Article 10 of the Property Tax Code, all taxes collected under  
4 this Act from persons located within the Arlington Megaproject  
5 shall be deposited into the Arlington Megaproject  
6 Infrastructure Fund.

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

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

19       Beginning January 1, 1990, each month the Department shall  
20 pay into the State and Local Sales Tax Reform Fund, a special  
21 fund in the State Treasury, 20% of the net revenue realized for  
22 the preceding month from the 6.25% general rate on the selling  
23 price of tangible personal property, other than (i) tangible  
24 personal property which is purchased outside Illinois at  
25 retail from a retailer and which is titled or registered by an  
26 agency of this State's government and (ii) aviation fuel sold

1 on or after December 1, 2019. This exception for aviation fuel  
2 only applies for so long as the revenue use requirements of 49  
3 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

16 Beginning August 1, 2000, each month the Department shall  
17 pay into the State and Local Sales Tax Reform Fund 100% of the  
18 net revenue realized for the preceding month from the 1.25%  
19 rate on the selling price of motor fuel and gasohol. If, in any  
20 month, the tax on sales tax holiday items, as defined in  
21 Section 3-6, is imposed at the rate of 1.25%, then the  
22 Department shall pay 100% of the net revenue realized for that  
23 month from the 1.25% rate on the selling price of sales tax  
24 holiday items into the State and Local Sales Tax Reform Fund.

25 Beginning January 1, 1990, each month the Department shall  
26 pay into the Local Government Tax Fund 16% of the net revenue

1 realized for the preceding month from the 6.25% general rate  
2 on the selling price of tangible personal property which is  
3 purchased outside Illinois at retail from a retailer and which  
4 is titled or registered by an agency of this State's  
5 government.

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

13 Beginning July 1, 2011, each month the Department shall  
14 pay into the Clean Air Act Permit Fund 80% of the net revenue  
15 realized for the preceding month from the 6.25% general rate  
16 on the selling price of sorbents used in Illinois in the  
17 process of sorbent injection as used to comply with the  
18 Environmental Protection Act or the federal Clean Air Act, but  
19 the total payment into the Clean Air Act Permit Fund under this  
20 Act and the Retailers' Occupation Tax Act shall not exceed  
21 \$2,000,000 in any fiscal year.

22 Beginning July 1, 2013, each month the Department shall  
23 pay into the Underground Storage Tank Fund from the proceeds  
24 collected under this Act, the Service Use Tax Act, the Service  
25 Occupation Tax Act, and the Retailers' Occupation Tax Act an  
26 amount equal to the average monthly deficit in the Underground

1 Storage Tank Fund during the prior year, as certified annually  
2 by the Illinois Environmental Protection Agency, but the total  
3 payment into the Underground Storage Tank Fund under this Act,  
4 the Service Use Tax Act, the Service Occupation Tax Act, and  
5 the Retailers' Occupation Tax Act shall not exceed \$18,000,000  
6 in any State fiscal year. As used in this paragraph, the  
7 "average monthly deficit" shall be equal to the difference  
8 between the average monthly claims for payment by the fund and  
9 the average monthly revenues deposited into the fund,  
10 excluding payments made pursuant to this paragraph.

11 Beginning July 1, 2015, of the remainder of the moneys  
12 received by the Department under this Act, the Service Use Tax  
13 Act, the Service Occupation Tax Act, and the Retailers'  
14 Occupation Tax Act, each month the Department shall deposit  
15 \$500,000 into the State Crime Laboratory Fund.

16 Of the remainder of the moneys received by the Department  
17 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
18 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
19 and after July 1, 1989, 3.8% thereof shall be paid into the  
20 Build Illinois Fund; provided, however, that if in any fiscal  
21 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
22 may be, of the moneys received by the Department and required  
23 to be paid into the Build Illinois Fund pursuant to Section 3  
24 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
25 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
26 Service Occupation Tax Act, such Acts being hereinafter called

1 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
2 may be, of moneys being hereinafter called the "Tax Act  
3 Amount", and (2) the amount transferred to the Build Illinois  
4 Fund from the State and Local Sales Tax Reform Fund shall be  
5 less than the Annual Specified Amount (as defined in Section 3  
6 of the Retailers' Occupation Tax Act), an amount equal to the  
7 difference shall be immediately paid into the Build Illinois  
8 Fund from other moneys received by the Department pursuant to  
9 the Tax Acts; and further provided, that if on the last  
10 business day of any month the sum of (1) the Tax Act Amount  
11 required to be deposited into the Build Illinois Bond Account  
12 in the Build Illinois Fund during such month and (2) the amount  
13 transferred during such month to the Build Illinois Fund from  
14 the State and Local Sales Tax Reform Fund shall have been less  
15 than 1/12 of the Annual Specified Amount, an amount equal to  
16 the difference shall be immediately paid into the Build  
17 Illinois Fund from other moneys received by the Department  
18 pursuant to the Tax Acts; and, further provided, that in no  
19 event shall the payments required under the preceding proviso  
20 result in aggregate payments into the Build Illinois Fund  
21 pursuant to this clause (b) for any fiscal year in excess of  
22 the greater of (i) the Tax Act Amount or (ii) the Annual  
23 Specified Amount for such fiscal year; and, further provided,  
24 that the amounts payable into the Build Illinois Fund under  
25 this clause (b) shall be payable only until such time as the  
26 aggregate amount on deposit under each trust indenture

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



1 into the Build Illinois Fund are subject to the pledge, claim  
2 and charge set forth in Section 12 of the Build Illinois Bond  
3 Act.

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

16	Fiscal Year	Total Deposit
17	1993	\$0
18	1994	53,000,000
19	1995	58,000,000
20	1996	61,000,000
21	1997	64,000,000
22	1998	68,000,000
23	1999	71,000,000
24	2000	75,000,000
25	2001	80,000,000
26	2002	93,000,000

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	300,000,000
20	2022	300,000,000
21	2023	300,000,000
22	2024	300,000,000
23	2025	300,000,000
24	2026	300,000,000
25	2027	375,000,000
26	2028	375,000,000

1	2029	375,000,000
2	2030	375,000,000
3	2031	375,000,000
4	2032	375,000,000
5	2033	375,000,000
6	2034	375,000,000
7	2035	375,000,000
8	2036	450,000,000

9 and

10 each fiscal year  
11 thereafter that bonds  
12 are outstanding under  
13 Section 13.2 of the  
14 Metropolitan Pier and  
15 Exposition Authority Act,  
16 but not after fiscal year 2060.

17 Beginning July 20, 1993 and in each month of each fiscal  
18 year thereafter, one-eighth of the amount requested in the  
19 certificate of the Chairman of the Metropolitan Pier and  
20 Exposition Authority for that fiscal year, less the amount  
21 deposited into the McCormick Place Expansion Project Fund by  
22 the State Treasurer in the respective month under subsection  
23 (g) of Section 13 of the Metropolitan Pier and Exposition  
24 Authority Act, plus cumulative deficiencies in the deposits  
25 required under this Section for previous months and years,  
26 shall be deposited into the McCormick Place Expansion Project

1 Fund, until the full amount requested for the fiscal year, but  
2 not in excess of the amount specified above as "Total  
3 Deposit", has been deposited.

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

17 Subject to payment of amounts into the Build Illinois Fund  
18 and the McCormick Place Expansion Project Fund pursuant to the  
19 preceding paragraphs or in any amendments thereto hereafter  
20 enacted, beginning July 1, 1993 and ending on September 30,  
21 2013, the Department shall each month pay into the Illinois  
22 Tax Increment Fund 0.27% of 80% of the net revenue realized for  
23 the preceding month from the 6.25% general rate on the selling  
24 price of tangible personal property.

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 with the receipt of the first report of  
3 taxes paid by an eligible business and continuing for a  
4 25-year period, the Department shall each month pay into the  
5 Energy Infrastructure Fund 80% of the net revenue realized  
6 from the 6.25% general rate on the selling price of  
7 Illinois-mined coal that was sold to an eligible business. For  
8 purposes of this paragraph, the term "eligible business" means  
9 a new electric generating facility certified pursuant to  
10 Section 605-332 of the Department of Commerce and Economic  
11 Opportunity Law of the Civil Administrative Code of Illinois.

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

1 by the Audit Bureau of the Department under the Use Tax Act,  
2 the Service Use Tax Act, the Service Occupation Tax Act, the  
3 Retailers' Occupation Tax Act, and associated local occupation  
4 and use taxes administered by the Department.

5 Subject to payments of amounts into the Build Illinois  
6 Fund, the McCormick Place Expansion Project Fund, the Illinois  
7 Tax Increment Fund, the Energy Infrastructure Fund, and the  
8 Tax Compliance and Administration Fund as provided in this  
9 Section, beginning on July 1, 2018 the Department shall pay  
10 each month into the Downstate Public Transportation Fund the  
11 moneys required to be so paid under Section 2-3 of the  
12 Downstate Public Transportation Act.

13 Subject to successful execution and delivery of a  
14 public-private agreement between the public agency and private  
15 entity and completion of the civic build, beginning on July 1,  
16 2023, of the remainder of the moneys received by the  
17 Department under the Use Tax Act, the Service Use Tax Act, the  
18 Service Occupation Tax Act, and this Act, the Department shall  
19 deposit the following specified deposits in the aggregate from  
20 collections under the Use Tax Act, the Service Use Tax Act, the  
21 Service Occupation Tax Act, and the Retailers' Occupation Tax  
22 Act, as required under Section 8.25g of the State Finance Act  
23 for distribution consistent with the Public-Private  
24 Partnership for Civic and Transit Infrastructure Project Act.  
25 The moneys received by the Department pursuant to this Act and  
26 required to be deposited into the Civic and Transit

1 Infrastructure Fund are subject to the pledge, claim, and  
 2 charge set forth in Section 25-55 of the Public-Private  
 3 Partnership for Civic and Transit Infrastructure Project Act.  
 4 As used in this paragraph, "civic build", "private entity",  
 5 "public-private agreement", and "public agency" have the  
 6 meanings provided in Section 25-10 of the Public-Private  
 7 Partnership for Civic and Transit Infrastructure Project Act.

8	Fiscal Year.....	Total Deposit
9	2024 .....	\$200,000,000
10	2025 .....	\$206,000,000
11	2026 .....	\$212,200,000
12	2027 .....	\$218,500,000
13	2028 .....	\$225,100,000
14	2029 .....	\$288,700,000
15	2030 .....	\$298,900,000
16	2031 .....	\$309,300,000
17	2032 .....	\$320,100,000
18	2033 .....	\$331,200,000
19	2034 .....	\$341,200,000
20	2035 .....	\$351,400,000
21	2036 .....	\$361,900,000
22	2037 .....	\$372,800,000
23	2038 .....	\$384,000,000
24	2039 .....	\$395,500,000
25	2040 .....	\$407,400,000
26	2041 .....	\$419,600,000

1           2042 ..... \$432,200,000

2           2043 ..... \$445,100,000

3           Beginning July 1, 2021 and until July 1, 2022, subject to  
4 the payment of amounts into the State and Local Sales Tax  
5 Reform Fund, the Build Illinois Fund, the McCormick Place  
6 Expansion Project Fund, the Illinois Tax Increment Fund, the  
7 Energy Infrastructure Fund, and the Tax Compliance and  
8 Administration Fund as provided in this Section, the  
9 Department shall pay each month into the Road Fund the amount  
10 estimated to represent 16% of the net revenue realized from  
11 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
12 2022 and until July 1, 2023, subject to the payment of amounts  
13 into the State and Local Sales Tax Reform Fund, the Build  
14 Illinois Fund, the McCormick Place Expansion Project Fund, the  
15 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
16 and the Tax Compliance and Administration Fund as provided in  
17 this Section, the Department shall pay each month into the  
18 Road Fund the amount estimated to represent 32% of the net  
19 revenue realized from the taxes imposed on motor fuel and  
20 gasohol. Beginning July 1, 2023 and until July 1, 2024,  
21 subject to the payment of amounts into the State and Local  
22 Sales Tax Reform Fund, the Build Illinois Fund, the McCormick  
23 Place Expansion Project Fund, the Illinois Tax Increment Fund,  
24 the Energy Infrastructure Fund, and the Tax Compliance and  
25 Administration Fund as provided in this Section, the  
26 Department shall pay each month into the Road Fund the amount



1 estimated to represent 48% of the net revenue realized from  
2 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
3 2024 and until July 1, 2025, subject to the payment of amounts  
4 into the State and Local Sales Tax Reform Fund, the Build  
5 Illinois Fund, the McCormick Place Expansion Project Fund, the  
6 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
7 and the Tax Compliance and Administration Fund as provided in  
8 this Section, the Department shall pay each month into the  
9 Road Fund the amount estimated to represent 64% of the net  
10 revenue realized from the taxes imposed on motor fuel and  
11 gasohol. Beginning on July 1, 2025, subject to the payment of  
12 amounts into the State and Local Sales Tax Reform Fund, the  
13 Build Illinois Fund, the McCormick Place Expansion Project  
14 Fund, the Illinois Tax Increment Fund, the Energy  
15 Infrastructure Fund, and the Tax Compliance and Administration  
16 Fund as provided in this Section, the Department shall pay  
17 each month into the Road Fund the amount estimated to  
18 represent 80% of the net revenue realized from the taxes  
19 imposed on motor fuel and gasohol. As used in this paragraph  
20 "motor fuel" has the meaning given to that term in Section 1.1  
21 of the Motor Fuel Tax Law, and "gasohol" has the meaning given  
22 to that term in Section 3-40 of this Act.

23 Of the remainder of the moneys received by the Department  
24 pursuant to this Act, 75% thereof shall be paid into the State  
25 Treasury and 25% shall be reserved in a special account and  
26 used only for the transfer to the Common School Fund as part of

1 the monthly transfer from the General Revenue Fund in  
2 accordance with Section 8a of the State Finance Act.

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

10 Net revenue realized for a month shall be the revenue  
11 collected by the State pursuant to this Act, less the amount  
12 paid out during that month as refunds to taxpayers for  
13 overpayment of liability.

14 For greater simplicity of administration, manufacturers,  
15 importers and wholesalers whose products are sold at retail in  
16 Illinois by numerous retailers, and who wish to do so, may  
17 assume the responsibility for accounting and paying to the  
18 Department all tax accruing under this Act with respect to  
19 such sales, if the retailers who are affected do not make  
20 written objection to the Department to this arrangement.

21 (Source: P.A. 101-10, Article 15, Section 15-10, eff. 6-5-19;  
22 101-10, Article 25, Section 25-105, eff. 6-5-19; 101-27, eff.  
23 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;  
24 101-636, eff. 6-10-20; 102-700, Article 60, Section 60-15,  
25 eff. 4-19-22; 102-700, Article 65, Section 65-5, eff. 4-19-22;  
26 102-1019, eff. 1-1-23; revised 12-13-22.)

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

3           (35 ILCS 110/3-5)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (9) Proceeds of mandatory service charges separately

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

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

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

25 (12) Until July 1, 2028, coal and aggregate exploration,  
26 mining, off-highway hauling, processing, maintenance, and

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

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

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

25 (15) Computers and communications equipment utilized for  
26 any hospital purpose and equipment used in the diagnosis,



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

22 (16) Personal property purchased by a lessor who leases  
23 the property, under a lease of one year or longer executed or  
24 in effect at the time the lessor would otherwise be subject to  
25 the tax imposed by this Act, to a governmental body that has  
26 been issued an active tax exemption identification number by

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

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

26 (18) Beginning with taxable years ending on or after

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

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

17 (20) A motor vehicle, as that term is defined in Section  
18 1-146 of the Illinois Vehicle Code, that is donated to a  
19 corporation, limited liability company, society, association,  
20 foundation, or institution that is determined by the  
21 Department to be organized and operated exclusively for  
22 educational purposes. For purposes of this exemption, "a  
23 corporation, limited liability company, society, association,  
24 foundation, or institution organized and operated exclusively  
25 for educational purposes" means all tax-supported public  
26 schools, private schools that offer systematic instruction in

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

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

24 (22) Beginning January 1, 2000 and through December 31,  
25 2001, new or used automatic vending machines that prepare and  
26 serve hot food and beverages, including coffee, soup, and

1 other items, and replacement parts for these machines.  
2 Beginning January 1, 2002 and through June 30, 2003, machines  
3 and parts for machines used in commercial, coin-operated  
4 amusement and vending business if a use or occupation tax is  
5 paid on the gross receipts derived from the use of the  
6 commercial, coin-operated amusement and vending machines. This  
7 paragraph is exempt from the provisions of Section 3-75.

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

21 (24) Beginning on August 2, 2001 (the effective date of  
22 Public Act 92-227), computers and communications equipment  
23 utilized for any hospital purpose and equipment used in the  
24 diagnosis, analysis, or treatment of hospital patients  
25 purchased by a lessor who leases the equipment, under a lease  
26 of one year or longer executed or in effect at the time the

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

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

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

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

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

1 repair, or maintenance of the aircraft. This exemption  
2 includes consumable supplies used in the modification,  
3 refurbishment, completion, replacement, repair, and  
4 maintenance of aircraft, but excludes any materials, parts,  
5 equipment, components, and consumable supplies used in the  
6 modification, replacement, repair, and maintenance of aircraft  
7 engines or power plants, whether such engines or power plants  
8 are installed or uninstalled upon any such aircraft.  
9 "Consumable supplies" include, but are not limited to,  
10 adhesive, tape, sandpaper, general purpose lubricants,  
11 cleaning solution, latex gloves, and protective films. This  
12 exemption applies only to the use of qualifying tangible  
13 personal property transferred incident to the modification,  
14 refurbishment, completion, replacement, repair, or maintenance  
15 of aircraft by persons who (i) hold an Air Agency Certificate  
16 and are empowered to operate an approved repair station by the  
17 Federal Aviation Administration, (ii) have a Class IV Rating,  
18 and (iii) conduct operations in accordance with Part 145 of  
19 the Federal Aviation Regulations. The exemption does not  
20 include aircraft operated by a commercial air carrier  
21 providing scheduled passenger air service pursuant to  
22 authority issued under Part 121 or Part 129 of the Federal  
23 Aviation Regulations. The changes made to this paragraph (27)  
24 by Public Act 98-534 are declarative of existing law. It is the  
25 intent of the General Assembly that the exemption under this  
26 paragraph (27) applies continuously from January 1, 2010



1 through December 31, 2024; however, no claim for credit or  
2 refund is allowed for taxes paid as a result of the  
3 disallowance of this exemption on or after January 1, 2015 and  
4 prior to February 5, 2020 (the effective date of Public Act  
5 101-629) ~~this amendatory Act of the 101st General Assembly.~~

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

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

23 (30) Tangible personal property transferred to a purchaser  
24 who is exempt from the tax imposed by this Act by operation of  
25 federal law. This paragraph is exempt from the provisions of  
26 Section 3-75.

1           (31) 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 (31) 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 (31):

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

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

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

23 (34) 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 (34):

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 (34) is exempt from the provisions of Section  
9 3-75.

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 70-10, eff. 4-19-22; 102-700, Article 75, Section  
13 75-10, eff. 4-19-22; 102-1026, eff. 5-27-22; revised 8-3-22.)

14 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

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 (except as otherwise provided) at the time when he  
18 is required to file his return for the period during which such  
19 tax was collected, less a discount of 2.1% prior to January 1,  
20 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar  
21 year, whichever is greater, which is allowed to reimburse the  
22 serviceman for expenses incurred in collecting the tax,  
23 keeping records, preparing and filing returns, remitting the  
24 tax and supplying data to the Department on request. When  
25 determining the discount allowed under this Section,

1 servicemen shall include the amount of tax that would have  
2 been due at the 1% rate but for the 0% rate imposed under this  
3 amendatory Act of the 102nd General Assembly. The discount  
4 under this Section is not allowed for the 1.25% portion of  
5 taxes paid on aviation fuel that is subject to the revenue use  
6 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. The  
7 discount allowed under this Section is allowed only for  
8 returns that are filed in the manner required by this Act. The  
9 Department may disallow the discount for servicemen whose  
10 certificate of registration is revoked at the time the return  
11 is filed, but only if the Department's decision to revoke the  
12 certificate of registration has become final. A serviceman  
13 need not remit that part of any tax collected by him to the  
14 extent that he is required to pay and does pay the tax imposed  
15 by the Service Occupation Tax Act with respect to his sale of  
16 service involving the incidental transfer by him of the same  
17 property.

18 Except as provided hereinafter in this Section, on or  
19 before the twentieth day of each calendar month, such  
20 serviceman shall file a return for the preceding calendar  
21 month in accordance with reasonable Rules and Regulations to  
22 be promulgated by the Department. Such return shall be filed  
23 on a form prescribed by the Department and shall contain such  
24 information as the Department may reasonably require. The  
25 return shall include the gross receipts which were received  
26 during the preceding calendar month or quarter on the



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

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

26 The Department may require returns to be filed on a

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

7 1. The name of the seller;

8 2. The address of the principal place of business from  
9 which he engages in business as a serviceman in this  
10 State;

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

15 4. The amount of credit provided in Section 2d of this  
16 Act;

17 5. The amount of tax due;

18 5-5. The signature of the taxpayer; and

19 6. Such other reasonable information as the Department  
20 may require.

21 Each serviceman required or authorized to collect the tax  
22 imposed by this Act on aviation fuel transferred as an  
23 incident of a sale of service in this State during the  
24 preceding calendar month shall, instead of reporting and  
25 paying tax on aviation fuel as otherwise required by this  
26 Section, report and pay such tax on a separate aviation fuel

1 tax return. The requirements related to the return shall be as  
2 otherwise provided in this Section. Notwithstanding any other  
3 provisions of this Act to the contrary, servicemen collecting  
4 tax on aviation fuel shall file all aviation fuel tax returns  
5 and shall make all aviation fuel tax payments by electronic  
6 means in the manner and form required by the Department. For  
7 purposes of this Section, "aviation fuel" means jet fuel and  
8 aviation gasoline.

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

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

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

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

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

22 Any taxpayer not required to make payments by electronic  
23 funds transfer may make payments by electronic funds transfer  
24 with the permission of the Department.

25 All taxpayers required to make payment by electronic funds  
26 transfer and any taxpayers authorized to voluntarily make

1 payments by electronic funds transfer shall make those  
2 payments in the manner authorized by the Department.

3 The Department shall adopt such rules as are necessary to  
4 effectuate a program of electronic funds transfer and the  
5 requirements of this Section.

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

17 If the serviceman is otherwise required to file a monthly  
18 or quarterly return and if the serviceman's average monthly  
19 tax liability to the Department does not exceed \$50, the  
20 Department may authorize his returns to be filed on an annual  
21 basis, with the return for a given year being due by January 20  
22 of the following year.

23 Such quarter annual and annual returns, as to form and  
24 substance, shall be subject to the same requirements as  
25 monthly returns.

26 Notwithstanding any other provision in this Act concerning

1 the time within which a serviceman may file his return, in the  
2 case of any serviceman who ceases to engage in a kind of  
3 business which makes him responsible for filing returns under  
4 this Act, such serviceman shall file a final return under this  
5 Act with the Department not more than 1 month after  
6 discontinuing such business.

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

24 Any serviceman filing a return hereunder shall also  
25 include the total tax upon the selling price of tangible  
26 personal property purchased for use by him as an incident to a

1 sale of service, and such serviceman shall remit the amount of  
2 such tax to the Department when filing such return.

3 If experience indicates such action to be practicable, the  
4 Department may prescribe and furnish a combination or joint  
5 return which will enable servicemen, who are required to file  
6 returns hereunder and also under the Service Occupation Tax  
7 Act, to furnish all the return information required by both  
8 Acts on the one form.

9 Where the serviceman has more than one business registered  
10 with the Department under separate registration hereunder,  
11 such serviceman shall not file each return that is due as a  
12 single return covering all such registered businesses, but  
13 shall file separate returns for each such registered business.

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

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

25 Beginning January 1, 1990, each month the Department shall  
26 pay into the State and Local Sales Tax Reform Fund 20% of the

1 net revenue realized for the preceding month from the 6.25%  
2 general rate on transfers of tangible personal property, other  
3 than (i) tangible personal property which is purchased outside  
4 Illinois at retail from a retailer and which is titled or  
5 registered by an agency of this State's government and (ii)  
6 aviation fuel sold on or after December 1, 2019. This  
7 exception for aviation fuel only applies for so long as the  
8 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
9 47133 are binding on the State.

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

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

26 Beginning October 1, 2009, each month the Department shall



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

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

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

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

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

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

15 Subject to payment of amounts into the Build Illinois Fund  
16 as provided in the preceding paragraph or in any amendment  
17 thereto hereafter enacted, the following specified monthly  
18 installment of the amount requested in the certificate of the  
19 Chairman of the Metropolitan Pier and Exposition Authority  
20 provided under Section 8.25f of the State Finance Act, but not  
21 in excess of the sums designated as "Total Deposit", shall be  
22 deposited in the aggregate from collections under Section 9 of  
23 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
24 9 of the Service Occupation Tax Act, and Section 3 of the  
25 Retailers' Occupation Tax Act into the McCormick Place  
26 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

1	2017	199,000,000
2	2018	210,000,000
3	2019	221,000,000
4	2020	233,000,000
5	2021	300,000,000
6	2022	300,000,000
7	2023	300,000,000
8	2024	300,000,000
9	2025	300,000,000
10	2026	300,000,000
11	2027	375,000,000
12	2028	375,000,000
13	2029	375,000,000
14	2030	375,000,000
15	2031	375,000,000
16	2032	375,000,000
17	2033	375,000,000
18	2034	375,000,000
19	2035	375,000,000
20	2036	450,000,000

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

1           Exposition Authority Act,  
2           but not after fiscal year 2060.

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

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

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

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

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 with the receipt of the first report of  
15 taxes paid by an eligible business and continuing for a  
16 25-year period, the Department shall each month pay into the  
17 Energy Infrastructure Fund 80% of the net revenue realized  
18 from the 6.25% general rate on the selling price of  
19 Illinois-mined coal that was sold to an eligible business. For  
20 purposes of this paragraph, the term "eligible business" means  
21 a new electric generating facility certified pursuant to  
22 Section 605-332 of the Department of Commerce and Economic  
23 Opportunity Law of the Civil Administrative Code of Illinois.

24 Subject to payment of amounts into the Build Illinois  
25 Fund, the McCormick Place Expansion Project Fund, the Illinois  
26 Tax Increment Fund, and the Energy Infrastructure Fund



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

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

25 Subject to successful execution and delivery of a  
26 public-private agreement between the public agency and private

1 entity and completion of the civic build, beginning on July 1,  
 2 2023, of the remainder of the moneys received by the  
 3 Department under the Use Tax Act, the Service Use Tax Act, the  
 4 Service Occupation Tax Act, and this Act, the Department shall  
 5 deposit the following specified deposits in the aggregate from  
 6 collections under the Use Tax Act, the Service Use Tax Act, the  
 7 Service Occupation Tax Act, and the Retailers' Occupation Tax  
 8 Act, as required under Section 8.25g of the State Finance Act  
 9 for distribution consistent with the Public-Private  
 10 Partnership for Civic and Transit Infrastructure Project Act.  
 11 The moneys received by the Department pursuant to this Act and  
 12 required to be deposited into the Civic and Transit  
 13 Infrastructure Fund are subject to the pledge, claim, and  
 14 charge set forth in Section 25-55 of the Public-Private  
 15 Partnership for Civic and Transit Infrastructure Project Act.  
 16 As used in this paragraph, "civic build", "private entity",  
 17 "public-private agreement", and "public agency" have the  
 18 meanings provided in Section 25-10 of the Public-Private  
 19 Partnership for Civic and Transit Infrastructure Project Act.

20	Fiscal Year.....	Total Deposit
21	2024 .....	\$200,000,000
22	2025 .....	\$206,000,000
23	2026 .....	\$212,200,000
24	2027 .....	\$218,500,000
25	2028 .....	\$225,100,000
26	2029 .....	\$288,700,000

1	2030	.....	\$298,900,000
2	2031	.....	\$309,300,000
3	2032	.....	\$320,100,000
4	2033	.....	\$331,200,000
5	2034	.....	\$341,200,000
6	2035	.....	\$351,400,000
7	2036	.....	\$361,900,000
8	2037	.....	\$372,800,000
9	2038	.....	\$384,000,000
10	2039	.....	\$395,500,000
11	2040	.....	\$407,400,000
12	2041	.....	\$419,600,000
13	2042	.....	\$432,200,000
14	2043	.....	\$445,100,000

15           Beginning July 1, 2021 and until July 1, 2022, subject to  
16 the payment of amounts into the State and Local Sales Tax  
17 Reform Fund, the Build Illinois Fund, the McCormick Place  
18 Expansion Project Fund, the Illinois Tax Increment Fund, the  
19 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 16% of the net revenue realized from  
23 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
24 2022 and until July 1, 2023, subject to the payment of amounts  
25 into the State and Local Sales Tax Reform Fund, the Build  
26 Illinois Fund, the McCormick Place Expansion Project Fund, the

1 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
2 and the Tax Compliance and Administration Fund as provided in  
3 this Section, the Department shall pay each month into the  
4 Road Fund the amount estimated to represent 32% of the net  
5 revenue realized from the taxes imposed on motor fuel and  
6 gasohol. Beginning July 1, 2023 and until July 1, 2024,  
7 subject to the payment of amounts into the State and Local  
8 Sales Tax Reform Fund, the Build Illinois Fund, the McCormick  
9 Place Expansion Project Fund, the Illinois Tax Increment Fund,  
10 the 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 State and Local Sales Tax Reform Fund, the Build  
17 Illinois Fund, the McCormick Place Expansion Project Fund, the  
18 Illinois Tax Increment Fund, the Energy Infrastructure Fund,  
19 and the Tax Compliance and Administration Fund as provided in  
20 this Section, the Department shall pay each month into the  
21 Road Fund the amount estimated to represent 64% of the net  
22 revenue realized from the taxes imposed on motor fuel and  
23 gasohol. Beginning on July 1, 2025, subject to the payment of  
24 amounts into the State and Local Sales Tax Reform 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 80% of the net revenue realized from the taxes  
5 imposed on motor fuel and gasohol. As used in this paragraph  
6 "motor fuel" has the meaning given to that term in Section 1.1  
7 of the Motor Fuel Tax Law, and "gasohol" has the meaning given  
8 to that term in Section 3-40 of the Use Tax Act.

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

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

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

1 (Source: P.A. 101-10, Article 15, Section 15-15, eff. 6-5-19;  
2 101-10, Article 25, Section 25-110, eff. 6-5-19; 101-27, eff.  
3 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;  
4 101-636, eff. 6-10-20; 102-700, eff. 4-19-22.)

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

7 (35 ILCS 115/3-5)

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

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

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

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

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

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

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

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

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

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



1 or spreaders. Precision farming equipment includes, but is not  
2 limited to, soil testing sensors, computers, monitors,  
3 software, global positioning and mapping systems, and other  
4 such equipment.

5 Farm machinery and equipment also includes computers,  
6 sensors, software, and related equipment used primarily in the  
7 computer-assisted operation of production agriculture  
8 facilities, equipment, and activities such as, but not limited  
9 to, the collection, monitoring, and correlation of animal and  
10 crop data for the purpose of formulating animal diets and  
11 agricultural chemicals. This item (7) is exempt from the  
12 provisions of Section 3-55.

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

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

1 origination to the city of final destination on the same  
2 aircraft, without regard to a change in the flight number of  
3 that aircraft.

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

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

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

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

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

25           (14) Semen used for artificial insemination of livestock  
26 for direct agricultural production.

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

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

22           (17) Personal property sold to a lessor who leases the  
23 property, under a lease of one year or longer executed or in  
24 effect at the time of the purchase, to a governmental body that  
25 has been issued an active tax exemption identification number  
26 by the Department under Section 1g of the Retailers'

1 Occupation Tax Act.

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

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

25 (20) Beginning July 1, 1999, game or game birds sold at a  
26 "game breeding and hunting preserve area" as that term is used

1 in the Wildlife Code. This paragraph is exempt from the  
2 provisions of Section 3-55.

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

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

1 district that consists primarily of volunteers and includes  
2 parents and teachers of the school children. This paragraph  
3 does not apply to fundraising events (i) for the benefit of  
4 private home instruction or (ii) for which the fundraising  
5 entity purchases the personal property sold at the events from  
6 another individual or entity that sold the property for the  
7 purpose of resale by the fundraising entity and that profits  
8 from the sale to the fundraising entity. This paragraph is  
9 exempt from the provisions of Section 3-55.

10 (23) Beginning January 1, 2000 and through December 31,  
11 2001, new or used automatic vending machines that prepare and  
12 serve hot food and beverages, including coffee, soup, and  
13 other items, and replacement parts for these machines.  
14 Beginning January 1, 2002 and through June 30, 2003, machines  
15 and parts for machines used in commercial, coin-operated  
16 amusement and vending business if a use or occupation tax is  
17 paid on the gross receipts derived from the use of the  
18 commercial, coin-operated amusement and vending machines. This  
19 paragraph is exempt from the provisions of Section 3-55.

20 (24) Beginning on August 2, 2001 (the effective date of  
21 Public Act 92-227), computers and communications equipment  
22 utilized for any hospital purpose and equipment used in the  
23 diagnosis, analysis, or treatment of hospital patients sold to  
24 a lessor who leases the equipment, under a lease of one year or  
25 longer executed or in effect at the time of the purchase, to a  
26 hospital that has been issued an active tax exemption

1 identification number by the Department under Section 1g of  
2 the Retailers' Occupation Tax Act. This paragraph is exempt  
3 from the provisions of Section 3-55.

4 (25) Beginning on August 2, 2001 (the effective date of  
5 Public Act 92-227), personal property sold to a lessor who  
6 leases the property, under a lease of one year or longer  
7 executed or in effect at the time of the purchase, to a  
8 governmental body 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 (26) Beginning on January 1, 2002 and through June 30,  
13 2016, tangible personal property purchased from an Illinois  
14 retailer by a taxpayer engaged in centralized purchasing  
15 activities in Illinois who will, upon receipt of the property  
16 in Illinois, temporarily store the property in Illinois (i)  
17 for the purpose of subsequently transporting it outside this  
18 State for use or consumption thereafter solely outside this  
19 State or (ii) for the purpose of being processed, fabricated,  
20 or manufactured into, attached to, or incorporated into other  
21 tangible personal property to be transported outside this  
22 State and thereafter used or consumed solely outside this  
23 State. The Director of Revenue shall, pursuant to rules  
24 adopted in accordance with the Illinois Administrative  
25 Procedure Act, issue a permit to any taxpayer in good standing  
26 with the Department who is eligible for the exemption under



1 this paragraph (26). The permit issued under this paragraph  
2 (26) shall authorize the holder, to the extent and in the  
3 manner specified in the rules adopted under this Act, to  
4 purchase tangible personal property from a retailer exempt  
5 from the taxes imposed by this Act. Taxpayers shall maintain  
6 all necessary books and records to substantiate the use and  
7 consumption of all such tangible personal property outside of  
8 the State of Illinois.

9 (27) Beginning January 1, 2008, tangible personal property  
10 used in the construction or maintenance of a community water  
11 supply, as defined under Section 3.145 of the Environmental  
12 Protection Act, that is operated by a not-for-profit  
13 corporation that holds a valid water supply permit issued  
14 under Title IV of the Environmental Protection Act. This  
15 paragraph is exempt from the provisions of Section 3-55.

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

1 hall. This exemption includes existing public-facilities  
2 corporations as provided in Section 11-65-25 of the Illinois  
3 Municipal Code. This paragraph is exempt from the provisions  
4 of Section 3-55.

5 (29) 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 transfer of qualifying tangible  
21 personal property incident to the modification, refurbishment,  
22 completion, replacement, repair, or maintenance of an aircraft  
23 by persons who (i) hold an Air Agency Certificate and are  
24 empowered to operate an approved repair station by the Federal  
25 Aviation Administration, (ii) have a Class IV Rating, and  
26 (iii) conduct operations in accordance with Part 145 of the

1 Federal Aviation Regulations. The exemption does not include  
2 aircraft operated by a commercial air carrier providing  
3 scheduled passenger air service pursuant to authority issued  
4 under Part 121 or Part 129 of the Federal Aviation  
5 Regulations. The changes made to this paragraph (29) by Public  
6 Act 98-534 are declarative of existing law. It is the intent of  
7 the General Assembly that the exemption under this paragraph  
8 (29) applies continuously from January 1, 2010 through  
9 December 31, 2024; however, no claim for credit or refund is  
10 allowed for taxes paid as a result of the disallowance of this  
11 exemption on or after January 1, 2015 and prior to February 5,  
12 2020 (the effective date of Public Act 101-629) ~~this~~  
13 ~~amendatory Act of the 101st General Assembly.~~

14 (30) Beginning January 1, 2017 and through December 31,  
15 2026, menstrual pads, tampons, and menstrual cups.

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

19 (32) Qualified tangible personal property used in the  
20 construction or operation of a data center that has been  
21 granted a certificate of exemption by the Department of  
22 Commerce and Economic Opportunity, whether that tangible  
23 personal property is purchased by the owner, operator, or  
24 tenant of the data center or by a contractor or subcontractor  
25 of the owner, operator, or tenant. Data centers that would  
26 have qualified for a certificate of exemption prior to January

1 1, 2020 had Public Act 101-31 ~~this amendatory Act of the 101st~~  
2 ~~General Assembly~~ been in effect, may apply for and obtain an  
3 exemption for subsequent purchases of computer equipment or  
4 enabling software purchased or leased to upgrade, supplement,  
5 or replace computer equipment or enabling software purchased  
6 or leased in the original investment that would have  
7 qualified.

8 The Department of Commerce and Economic Opportunity shall  
9 grant a certificate of exemption under this item (32) to  
10 qualified data centers as defined by Section 605-1025 of the  
11 Department of Commerce and Economic Opportunity Law of the  
12 Civil Administrative Code of Illinois.

13 For the purposes of this item (32):

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

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

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

19 This item (32) is exempt from the provisions of Section  
20 3-55.

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

25 "Breast pump" means an electrically controlled or  
26 manually controlled pump device designed or marketed to be

1 used to express milk from a human breast during lactation,  
2 including the pump device and any battery, AC adapter, or  
3 other power supply unit that is used to power the pump  
4 device and is packaged and sold with the pump device at the  
5 time of sale.

6 "Breast pump collection and storage supplies" means  
7 items of tangible personal property designed or marketed  
8 to be used in conjunction with a breast pump to collect  
9 milk expressed from a human breast and to store collected  
10 milk until it is ready for consumption.

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

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

1           breasts or nipples, unless sold as part of a breast pump  
2           kit that is pre-packaged by the breast pump manufacturer  
3           or distributor.

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

11          (34) ~~(33)~~ Tangible personal property sold by or on behalf  
12          of the State Treasurer pursuant to the Revised Uniform  
13          Unclaimed Property Act. This item (34) ~~(33)~~ is exempt from the  
14          provisions of Section 3-55.

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

23          For the purposes of this item (35):

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

26          "Qualified tangible personal property" means: electrical

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

26 This item (35) is exempt from the provisions of Section



1 3-55.

2 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;  
3 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-700, Article  
4 70, Section 70-15, eff. 4-19-22; 102-700, Article 75, Section  
5 75-15, eff. 4-19-22; 102-1026, eff. 5-27-22; revised 8-9-22.)

6 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

7 Sec. 9. Each serviceman required or authorized to collect  
8 the tax herein imposed shall pay to the Department the amount  
9 of such tax at the time when he is required to file his return  
10 for the period during which such tax was collectible, less a  
11 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
12 after January 1, 1990, or \$5 per calendar year, whichever is  
13 greater, which is allowed to reimburse the serviceman for  
14 expenses incurred in collecting the tax, keeping records,  
15 preparing and filing returns, remitting the tax and supplying  
16 data to the Department on request. When determining the  
17 discount allowed under this Section, servicemen shall include  
18 the amount of tax that would have been due at the 1% rate but  
19 for the 0% rate imposed under this amendatory Act of the 102nd  
20 General Assembly. The discount under this Section is not  
21 allowed for the 1.25% portion of taxes paid on aviation fuel  
22 that is subject to the revenue use requirements of 49 U.S.C.  
23 47107(b) and 49 U.S.C. 47133. The discount allowed under this  
24 Section is allowed only for returns that are filed in the  
25 manner required by this Act. The Department may disallow the

1 discount for servicemen whose certificate of registration is  
2 revoked at the time the return is filed, but only if the  
3 Department's decision to revoke the certificate of  
4 registration has become final.

5 Where such tangible personal property is sold under a  
6 conditional sales contract, or under any other form of sale  
7 wherein the payment of the principal sum, or a part thereof, is  
8 extended beyond the close of the period for which the return is  
9 filed, the serviceman, in collecting the tax may collect, for  
10 each tax return period, only the tax applicable to the part of  
11 the selling price actually received during such tax return  
12 period.

13 Except as provided hereinafter in this Section, on or  
14 before the twentieth day of each calendar month, such  
15 serviceman shall file a return for the preceding calendar  
16 month in accordance with reasonable rules and regulations to  
17 be promulgated by the Department of Revenue. Such return shall  
18 be filed on a form prescribed by the Department and shall  
19 contain such information as the Department may reasonably  
20 require. The return shall include the gross receipts which  
21 were received during the preceding calendar month or quarter  
22 on the following items upon which tax would have been due but  
23 for the 0% rate imposed under this amendatory Act of the 102nd  
24 General Assembly: (i) food for human consumption that is to be  
25 consumed off the premises where it is sold (other than  
26 alcoholic beverages, food consisting of or infused with adult

1 use cannabis, soft drinks, and food that has been prepared for  
2 immediate consumption); and (ii) food prepared for immediate  
3 consumption and transferred incident to a sale of service  
4 subject to this Act or the Service Use Tax Act by an entity  
5 licensed under the Hospital Licensing Act, the Nursing Home  
6 Care Act, the Assisted Living and Shared Housing Act, the  
7 ID/DD Community Care Act, the MC/DD Act, the Specialized  
8 Mental Health Rehabilitation Act of 2013, or the Child Care  
9 Act of 1969, or an entity that holds a permit issued pursuant  
10 to the Life Care Facilities Act. The return shall also include  
11 the amount of tax that would have been due on the items listed  
12 in the previous sentence but for the 0% rate imposed under this  
13 amendatory Act of the 102nd General Assembly.

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

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

1 the twentieth day of the following calendar month, stating:

2 1. The name of the seller;

3 2. The address of the principal place of business from  
4 which he engages in business as a serviceman in this  
5 State;

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

10 4. The amount of credit provided in Section 2d of this  
11 Act;

12 5. The amount of tax due;

13 5-5. The signature of the taxpayer; and

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

16 Each serviceman required or authorized to collect the tax  
17 herein imposed on aviation fuel acquired as an incident to the  
18 purchase of a service in this State during the preceding  
19 calendar month shall, instead of reporting and paying tax as  
20 otherwise required by this Section, report and pay such tax on  
21 a separate aviation fuel tax return. The requirements related  
22 to the return shall be as otherwise provided in this Section.  
23 Notwithstanding any other provisions of this Act to the  
24 contrary, servicemen transferring aviation fuel incident to  
25 sales of service shall file all aviation fuel tax returns and  
26 shall make all aviation fuel tax payments by electronic means

1 in the manner and form required by the Department. For  
2 purposes of this Section, "aviation fuel" means jet fuel and  
3 aviation gasoline.

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

8 Notwithstanding any other provision of this Act to the  
9 contrary, servicemen subject to tax on cannabis shall file all  
10 cannabis tax returns and shall make all cannabis tax payments  
11 by electronic means in the manner and form required by the  
12 Department.

13 Prior to October 1, 2003, and on and after September 1,  
14 2004 a serviceman may accept a Manufacturer's Purchase Credit  
15 certification from a purchaser in satisfaction of Service Use  
16 Tax as provided in Section 3-70 of the Service Use Tax Act if  
17 the purchaser provides the appropriate documentation as  
18 required by Section 3-70 of the Service Use Tax Act. A  
19 Manufacturer's Purchase Credit certification, accepted prior  
20 to October 1, 2003 or on or after September 1, 2004 by a  
21 serviceman as provided in Section 3-70 of the Service Use Tax  
22 Act, may be used by that serviceman to satisfy Service  
23 Occupation Tax liability in the amount claimed in the  
24 certification, not to exceed 6.25% of the receipts subject to  
25 tax from a qualifying purchase. A Manufacturer's Purchase  
26 Credit reported on any original or amended return filed under

1 this Act after October 20, 2003 for reporting periods prior to  
2 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
3 Credit reported on annual returns due on or after January 1,  
4 2005 will be disallowed for periods prior to September 1,  
5 2004. No Manufacturer's Purchase Credit may be used after  
6 September 30, 2003 through August 31, 2004 to satisfy any tax  
7 liability imposed under this Act, including any audit  
8 liability.

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

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

23 Such quarter annual and annual returns, as to form and  
24 substance, shall be subject to the same requirements as  
25 monthly returns.

26 Notwithstanding any other provision in this Act concerning

1 the time within which a serviceman may file his return, in the  
2 case of any serviceman who ceases to engage in a kind of  
3 business which makes him responsible for filing returns under  
4 this Act, such serviceman shall file a final return under this  
5 Act with the Department not more than 1 month after  
6 discontinuing such business.

7 Beginning October 1, 1993, a taxpayer who has an average  
8 monthly tax liability of \$150,000 or more shall make all  
9 payments required by rules of the Department by electronic  
10 funds transfer. Beginning October 1, 1994, a taxpayer who has  
11 an average monthly tax liability of \$100,000 or more shall  
12 make all payments required by rules of the Department by  
13 electronic funds transfer. Beginning October 1, 1995, a  
14 taxpayer who has an average monthly tax liability of \$50,000  
15 or more shall make all payments required by rules of the  
16 Department by electronic funds transfer. Beginning October 1,  
17 2000, a taxpayer who has an annual tax liability of \$200,000 or  
18 more shall make all payments required by rules of the  
19 Department by electronic funds transfer. The term "annual tax  
20 liability" shall be the sum of the taxpayer's liabilities  
21 under this Act, and under all other State and local occupation  
22 and use tax laws administered by the Department, for the  
23 immediately preceding calendar year. The term "average monthly  
24 tax liability" means the sum of the taxpayer's liabilities  
25 under this Act, and under all other State and local occupation  
26 and use tax laws administered by the Department, for the

1 immediately preceding calendar year divided by 12. Beginning  
2 on October 1, 2002, a taxpayer who has a tax liability in the  
3 amount set forth in subsection (b) of Section 2505-210 of the  
4 Department of Revenue Law shall make all payments required by  
5 rules of the Department by electronic funds transfer.

6 Before August 1 of each year beginning in 1993, the  
7 Department shall notify all taxpayers required to make  
8 payments by electronic funds transfer. All taxpayers required  
9 to make payments by electronic funds transfer shall make those  
10 payments for a minimum of one year beginning on October 1.

11 Any taxpayer not required to make payments by electronic  
12 funds transfer may make payments by electronic funds transfer  
13 with the permission of the Department.

14 All taxpayers required to make payment by electronic funds  
15 transfer and any taxpayers authorized to voluntarily make  
16 payments by electronic funds transfer shall make those  
17 payments in the manner authorized by the Department.

18 The Department shall adopt such rules as are necessary to  
19 effectuate a program of electronic funds transfer and the  
20 requirements of this Section.

21 Where a serviceman collects the tax with respect to the  
22 selling price of tangible personal property which he sells and  
23 the purchaser thereafter returns such tangible personal  
24 property and the serviceman refunds the selling price thereof  
25 to the purchaser, such serviceman shall also refund, to the  
26 purchaser, the tax so collected from the purchaser. When



1 filing his return for the period in which he refunds such tax  
2 to the purchaser, the serviceman may deduct the amount of the  
3 tax so refunded by him to the purchaser from any other Service  
4 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or  
5 Use Tax which such serviceman may be required to pay or remit  
6 to the Department, as shown by such return, provided that the  
7 amount of the tax to be deducted shall previously have been  
8 remitted to the Department by such serviceman. If the  
9 serviceman shall not previously have remitted the amount of  
10 such tax to the Department, he shall be entitled to no  
11 deduction hereunder upon refunding such tax to the purchaser.

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

19 Where the serviceman has more than one business registered  
20 with the Department under separate registrations hereunder,  
21 such serviceman shall file separate returns for each  
22 registered business.

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

1 this Act from persons located within the Arlington Megaproject  
2 shall be deposited into the Arlington Megaproject  
3 Infrastructure Fund.

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

7 Beginning January 1, 1990, each month the Department shall  
8 pay into the County and Mass Transit District Fund 4% of the  
9 revenue realized for the preceding month from the 6.25%  
10 general rate on sales of tangible personal property other than  
11 aviation fuel sold on or after December 1, 2019. This  
12 exception for aviation fuel only applies for so long as the  
13 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
14 47133 are binding on the State.

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

19 Beginning January 1, 1990, each month the Department shall  
20 pay into the Local Government Tax Fund 16% of the revenue  
21 realized for the preceding month from the 6.25% general rate  
22 on transfers of tangible personal property other than aviation  
23 fuel sold on or after December 1, 2019. This exception for  
24 aviation fuel only applies 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           For aviation fuel sold on or after December 1, 2019, each  
2 month the Department shall pay into the State Aviation Program  
3 Fund 20% of the net revenue realized for the preceding month  
4 from the 6.25% general rate on the selling price of aviation  
5 fuel, less an amount estimated by the Department to be  
6 required for refunds of the 20% portion of the tax on aviation  
7 fuel under this Act, which amount shall be deposited into the  
8 Aviation Fuel Sales Tax Refund Fund. The Department shall only  
9 pay moneys into the State Aviation Program Fund and the  
10 Aviation Fuel Sales Tax Refund Fund under this Act for so long  
11 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
12 U.S.C. 47133 are binding on the State.

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

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

24           Beginning July 1, 2013, each month the Department shall  
25 pay into the Underground Storage Tank Fund from the proceeds  
26 collected under this Act, the Use Tax Act, the Service Use Tax

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

13 Beginning July 1, 2015, of the remainder of the moneys  
14 received by the Department under the Use Tax Act, the Service  
15 Use Tax Act, this Act, and the Retailers' Occupation Tax Act,  
16 each month the Department shall deposit \$500,000 into the  
17 State Crime Laboratory Fund.

18 Of the remainder of the moneys received by the Department  
19 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
20 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
21 and after July 1, 1989, 3.8% thereof shall be paid into the  
22 Build Illinois Fund; provided, however, that if in any fiscal  
23 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
24 may be, of the moneys received by the Department and required  
25 to be paid into the Build Illinois Fund pursuant to Section 3  
26 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax

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

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

1 of the preceding sentence. The moneys received by the  
2 Department pursuant to this Act and required to be deposited  
3 into the Build Illinois Fund are subject to the pledge, claim  
4 and charge set forth in Section 12 of the Build Illinois Bond  
5 Act.

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

18	Fiscal Year	Total Deposit
19	1993	\$0
20	1994	53,000,000
21	1995	58,000,000
22	1996	61,000,000
23	1997	64,000,000
24	1998	68,000,000
25	1999	71,000,000

1	2000	75,000,000
2	2001	80,000,000
3	2002	93,000,000
4	2003	99,000,000
5	2004	103,000,000
6	2005	108,000,000
7	2006	113,000,000
8	2007	119,000,000
9	2008	126,000,000
10	2009	132,000,000
11	2010	139,000,000
12	2011	146,000,000
13	2012	153,000,000
14	2013	161,000,000
15	2014	170,000,000
16	2015	179,000,000
17	2016	189,000,000
18	2017	199,000,000
19	2018	210,000,000
20	2019	221,000,000
21	2020	233,000,000
22	2021	300,000,000
23	2022	300,000,000
24	2023	300,000,000
25	2024	300,000,000
26	2025	300,000,000



1	2026	300,000,000
2	2027	375,000,000
3	2028	375,000,000
4	2029	375,000,000
5	2030	375,000,000
6	2031	375,000,000
7	2032	375,000,000
8	2033	375,000,000
9	2034	375,000,000
10	2035	375,000,000
11	2036	450,000,000

12                   and  
13                   each fiscal year  
14                   thereafter that bonds  
15                   are outstanding under  
16                   Section 13.2 of the  
17                   Metropolitan Pier and  
18                   Exposition Authority Act,  
19                   but not after fiscal year 2060.

20                   Beginning July 20, 1993 and in each month of each fiscal  
21                   year thereafter, one-eighth of the amount requested in the  
22                   certificate of the Chairman of the Metropolitan Pier and  
23                   Exposition Authority for that fiscal year, less the amount  
24                   deposited into the McCormick Place Expansion Project Fund by  
25                   the State Treasurer in the respective month under subsection  
26                   (g) of Section 13 of the Metropolitan Pier and Exposition

1 Authority Act, plus cumulative deficiencies in the deposits  
2 required under this Section for previous months and years,  
3 shall be deposited into the McCormick Place Expansion Project  
4 Fund, until the full amount requested for the fiscal year, but  
5 not in excess of the amount specified above as "Total  
6 Deposit", has been deposited.

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

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 July 1, 1993 and ending on September 30,  
23 2013, the Department shall each month pay into the Illinois  
24 Tax Increment Fund 0.27% of 80% of the net revenue realized for  
25 the preceding month from the 6.25% general rate on the selling  
26 price of tangible personal property.

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 with the receipt of the first report of  
5 taxes paid by an eligible business and continuing for a  
6 25-year period, the Department shall each month pay into the  
7 Energy Infrastructure Fund 80% of the net revenue realized  
8 from the 6.25% general rate on the selling price of  
9 Illinois-mined coal that was sold to an eligible business. For  
10 purposes of this paragraph, the term "eligible business" means  
11 a new electric generating facility certified pursuant to  
12 Section 605-332 of the Department of Commerce and Economic  
13 Opportunity Law of the Civil Administrative Code of Illinois.

14           Subject to payment of amounts into the Build Illinois  
15 Fund, the McCormick Place Expansion Project Fund, the Illinois  
16 Tax Increment Fund, and the Energy Infrastructure Fund  
17 pursuant to the preceding paragraphs or in any amendments to  
18 this Section hereafter enacted, beginning on the first day of  
19 the first calendar month to occur on or after August 26, 2014  
20 (the effective date of Public Act 98-1098), each month, from  
21 the collections made under Section 9 of the Use Tax Act,  
22 Section 9 of the Service Use Tax Act, Section 9 of the Service  
23 Occupation Tax Act, and Section 3 of the Retailers' Occupation  
24 Tax Act, the Department shall pay into the Tax Compliance and  
25 Administration Fund, to be used, subject to appropriation, to  
26 fund additional auditors and compliance personnel at the

1 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
2 the cash receipts collected during the preceding fiscal year  
3 by the Audit Bureau of the Department under the Use Tax Act,  
4 the Service Use Tax Act, the Service Occupation Tax Act, the  
5 Retailers' Occupation Tax Act, and associated local occupation  
6 and use taxes administered by the Department.

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

15 Subject to successful execution and delivery of a  
16 public-private agreement between the public agency and private  
17 entity and completion of the civic build, beginning on July 1,  
18 2023, of the remainder of the moneys received by the  
19 Department under the Use Tax Act, the Service Use Tax Act, the  
20 Service Occupation Tax Act, and this Act, the Department shall  
21 deposit the following specified deposits in the aggregate from  
22 collections under the Use Tax Act, the Service Use Tax Act, the  
23 Service Occupation Tax Act, and the Retailers' Occupation Tax  
24 Act, as required under Section 8.25g of the State Finance Act  
25 for distribution consistent with the Public-Private  
26 Partnership for Civic and Transit Infrastructure Project Act.

1 The moneys received by the Department pursuant to this Act and  
 2 required to be deposited into the Civic and Transit  
 3 Infrastructure Fund are subject to the pledge, claim and  
 4 charge set forth in Section 25-55 of the Public-Private  
 5 Partnership for Civic and Transit Infrastructure Project Act.  
 6 As used in this paragraph, "civic build", "private entity",  
 7 "public-private agreement", and "public agency" have the  
 8 meanings provided in Section 25-10 of the Public-Private  
 9 Partnership for Civic and Transit Infrastructure Project Act.

10	Fiscal Year.....	Total Deposit
11	2024 .....	\$200,000,000
12	2025 .....	\$206,000,000
13	2026 .....	\$212,200,000
14	2027 .....	\$218,500,000
15	2028 .....	\$225,100,000
16	2029 .....	\$288,700,000
17	2030 .....	\$298,900,000
18	2031 .....	\$309,300,000
19	2032 .....	\$320,100,000
20	2033 .....	\$331,200,000
21	2034 .....	\$341,200,000
22	2035 .....	\$351,400,000
23	2036 .....	\$361,900,000
24	2037 .....	\$372,800,000
25	2038 .....	\$384,000,000
26	2039 .....	\$395,500,000

1	2040 .....	\$407,400,000
2	2041 .....	\$419,600,000
3	2042 .....	\$432,200,000
4	2043 .....	\$445,100,000

5           Beginning July 1, 2021 and until July 1, 2022, subject to  
6 the payment of amounts into the County and Mass Transit  
7 District Fund, the Local Government Tax 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 16% of the net  
13 revenue realized from the taxes imposed on motor fuel and  
14 gasohol. Beginning July 1, 2022 and until July 1, 2023,  
15 subject to the payment of amounts into the County and Mass  
16 Transit District Fund, the Local Government Tax Fund, the  
17 Build Illinois Fund, the McCormick Place Expansion Project  
18 Fund, the Illinois Tax Increment Fund, the Energy  
19 Infrastructure Fund, and the Tax Compliance and Administration  
20 Fund as provided in this Section, the Department shall pay  
21 each month into the Road Fund the amount estimated to  
22 represent 32% of the net revenue realized from the taxes  
23 imposed on motor fuel and gasohol. Beginning July 1, 2023 and  
24 until July 1, 2024, subject to the payment of amounts into the  
25 County and Mass Transit District Fund, the Local Government  
26 Tax Fund, the Build Illinois Fund, the McCormick Place

1 Expansion Project Fund, the Illinois Tax Increment Fund, the  
2 Energy Infrastructure Fund, and the Tax Compliance and  
3 Administration Fund as provided in this Section, the  
4 Department shall pay each month into the Road Fund the amount  
5 estimated to represent 48% of the net revenue realized from  
6 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
7 2024 and until July 1, 2025, subject to the payment of amounts  
8 into the County and Mass Transit District Fund, the Local  
9 Government Tax Fund, the Build Illinois Fund, the McCormick  
10 Place Expansion Project Fund, the Illinois Tax Increment Fund,  
11 the Energy Infrastructure Fund, and the Tax Compliance and  
12 Administration Fund as provided in this Section, the  
13 Department shall pay each month into the Road Fund the amount  
14 estimated to represent 64% of the net revenue realized from  
15 the taxes imposed on motor fuel and gasohol. Beginning on July  
16 1, 2025, subject to the payment of amounts into the County and  
17 Mass Transit District Fund, the Local Government Tax Fund, the  
18 Build Illinois Fund, the McCormick Place Expansion Project  
19 Fund, the Illinois Tax Increment Fund, the Energy  
20 Infrastructure Fund, and the Tax Compliance and Administration  
21 Fund as provided in this Section, the Department shall pay  
22 each month into the Road Fund the amount estimated to  
23 represent 80% of the net revenue realized from the taxes  
24 imposed on motor fuel and gasohol. As used in this paragraph  
25 "motor fuel" has the meaning given to that term in Section 1.1  
26 of the Motor Fuel Tax Law, and "gasohol" has the meaning given

1 to that term in Section 3-40 of the Use Tax Act.

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

9 The Department may, upon separate written notice to a  
10 taxpayer, require the taxpayer to prepare and file with the  
11 Department on a form prescribed by the Department within not  
12 less than 60 days after receipt of the notice an annual  
13 information return for the tax year specified in the notice.  
14 Such annual return to the Department shall include a statement  
15 of gross receipts as shown by the taxpayer's last Federal  
16 income tax return. If the total receipts of the business as  
17 reported in the Federal income tax return do not agree with the  
18 gross receipts reported to the Department of Revenue for the  
19 same period, the taxpayer shall attach to his annual return a  
20 schedule showing a reconciliation of the 2 amounts and the  
21 reasons for the difference. The taxpayer's annual return to  
22 the Department shall also disclose the cost of goods sold by  
23 the taxpayer during the year covered by such return, opening  
24 and closing inventories of such goods for such year, cost of  
25 goods used from stock or taken from stock and given away by the  
26 taxpayer during such year, pay roll information of the



1 taxpayer's business during such year and any additional  
2 reasonable information which the Department deems would be  
3 helpful in determining the accuracy of the monthly, quarterly  
4 or annual returns filed by such taxpayer as hereinbefore  
5 provided for in this Section.

6 If the annual information return required by this Section  
7 is not filed when and as required, the taxpayer shall be liable  
8 as follows:

9 (i) Until January 1, 1994, the taxpayer shall be  
10 liable for a penalty equal to 1/6 of 1% of the tax due from  
11 such taxpayer under this Act during the period to be  
12 covered by the annual return for each month or fraction of  
13 a month until such return is filed as required, the  
14 penalty to be assessed and collected in the same manner as  
15 any other penalty provided for in this Act.

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

19 The chief executive officer, proprietor, owner or highest  
20 ranking manager shall sign the annual return to certify the  
21 accuracy of the information contained therein. Any person who  
22 willfully signs the annual return containing false or  
23 inaccurate information shall be guilty of perjury and punished  
24 accordingly. The annual return form prescribed by the  
25 Department shall include a warning that the person signing the  
26 return may be liable for perjury.

1           The foregoing portion of this Section concerning the  
2 filing of an annual information return shall not apply to a  
3 serviceman who is not required to file an income tax return  
4 with the United States Government.

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

12           Net revenue realized for a month shall be the revenue  
13 collected by the State pursuant to this Act, less the amount  
14 paid out during that month as refunds to taxpayers for  
15 overpayment of liability.

16           For greater simplicity of administration, it shall be  
17 permissible for manufacturers, importers and wholesalers whose  
18 products are sold by numerous servicemen in Illinois, and who  
19 wish to do so, to assume the responsibility for accounting and  
20 paying to the Department all tax accruing under this Act with  
21 respect to such sales, if the servicemen who are affected do  
22 not make written objection to the Department to this  
23 arrangement.

24           (Source: P.A. 101-10, Article 15, Section 15-20, eff. 6-5-19;  
25 101-10, Article 25, Section 25-115, eff. 6-5-19; 101-27, eff.  
26 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;

1 101-636, eff. 6-10-20; 102-700, eff. 4-19-22.)

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

4 (35 ILCS 120/2-5)

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

8 (1) Farm chemicals.

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

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

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

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

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

1 for the personal use of the user, and not subject to sale  
2 or resale.

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

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

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

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

26 (8) Personal property sold to an Illinois county fair

1 association for use in conducting, operating, or promoting  
2 the county fair.

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

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

25 (11) Personal property sold to a governmental body, to  
26 a corporation, society, association, foundation, or

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

14 (12) (Blank).

15 (12-5) On and after July 1, 2003 and through June 30,  
16 2004, motor vehicles of the second division with a gross  
17 vehicle weight in excess of 8,000 pounds that are subject  
18 to the commercial distribution fee imposed under Section  
19 3-815.1 of the Illinois Vehicle Code. Beginning on July 1,  
20 2004 and through June 30, 2005, the use in this State of  
21 motor vehicles of the second division: (i) with a gross  
22 vehicle weight rating in excess of 8,000 pounds; (ii) that  
23 are subject to the commercial distribution fee imposed  
24 under Section 3-815.1 of the Illinois Vehicle Code; and  
25 (iii) that are primarily used for commercial purposes.  
26 Through June 30, 2005, this exemption applies to repair

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

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

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



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

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

25 (16) Tangible personal property sold to a purchaser if  
26 the purchaser is exempt from use tax by operation of

1 federal law. This paragraph is exempt from the provisions  
2 of Section 2-70.

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

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

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

25 (20) Photoprocessing machinery and equipment,  
26 including repair and replacement parts, both new and used,

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

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

17 (22) Until June 30, 2013, fuel and petroleum products  
18 sold to or used by an air 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  
21 flight destined for or returning from a location or  
22 locations outside the United States without regard to  
23 previous or subsequent domestic stopovers.

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

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

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

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

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

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

5           (25-5) The exemption under item (25) does not apply if  
6           the state in which the motor vehicle will be titled does  
7           not allow a reciprocal exemption for a motor vehicle sold  
8           and delivered in that state to an Illinois resident but  
9           titled in Illinois. The tax collected under this Act on  
10          the sale of a motor vehicle in this State to a resident of  
11          another state that does not allow a reciprocal exemption  
12          shall be imposed at a rate equal to the state's rate of tax  
13          on taxable property in the state in which the purchaser is  
14          a resident, except that the tax shall not exceed the tax  
15          that would otherwise be imposed under this Act. At the  
16          time of the sale, the purchaser shall execute a statement,  
17          signed under penalty of perjury, of his or her intent to  
18          title the vehicle in the state in which the purchaser is a  
19          resident within 30 days after the sale and of the fact of  
20          the payment to the State of Illinois of tax in an amount  
21          equivalent to the state's rate of tax on taxable property  
22          in his or her state of residence and shall submit the  
23          statement to the appropriate tax collection agency in his  
24          or her state of residence. In addition, the retailer must  
25          retain a signed copy of the statement in his or her  
26          records. Nothing in this item shall be construed to

1           require the removal of the vehicle from this state  
2           following the filing of an intent to title the vehicle in  
3           the purchaser's state of residence if the purchaser titles  
4           the vehicle in his or her state of residence within 30 days  
5           after the date of sale. The tax collected under this Act in  
6           accordance with this item (25-5) shall be proportionately  
7           distributed as if the tax were collected at the 6.25%  
8           general rate imposed under this Act.

9           (25-7) Beginning on July 1, 2007, no tax is imposed  
10          under this Act on the sale of an aircraft, as defined in  
11          Section 3 of the Illinois Aeronautics Act, if all of the  
12          following conditions are met:

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

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

22                 (3) the seller retains in his or her books and  
23                 records and provides to the Department a signed and  
24                 dated certification from the purchaser, on a form  
25                 prescribed by the Department, certifying that the  
26                 requirements of this item (25-7) are met. The

1 certificate must also include the name and address of  
2 the purchaser, the address of the location where the  
3 aircraft is to be titled or registered, the address of  
4 the primary physical location of the aircraft, and  
5 other information that the Department may reasonably  
6 require.

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

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

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

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

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

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

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

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

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

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



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

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

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

26          (33) A motor vehicle, as that term is defined in

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

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

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

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

20 (35-5) Beginning August 23, 2001 and through June 30,  
21 2016, food for human consumption that is to be consumed  
22 off the premises where it is sold (other than alcoholic  
23 beverages, soft drinks, and food that has been prepared  
24 for immediate consumption) and prescription and  
25 nonprescription medicines, drugs, medical appliances, and  
26 insulin, urine testing materials, syringes, and needles

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

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

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

25 (38) Beginning on January 1, 2002 and through June 30,  
26 2016, tangible personal property purchased from an

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

23 (39) Beginning January 1, 2008, tangible personal  
24 property used in the construction or maintenance of a  
25 community water supply, as defined under Section 3.145 of  
26 the Environmental Protection Act, that is operated by a

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

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

1 in accordance with Part 145 of the Federal Aviation  
2 Regulations. The exemption does not include aircraft  
3 operated by a commercial air carrier providing scheduled  
4 passenger air service pursuant to authority issued under  
5 Part 121 or Part 129 of the Federal Aviation Regulations.  
6 The changes made to this paragraph (40) by Public Act  
7 98-534 are declarative of existing law. It is the intent  
8 of the General Assembly that the exemption under this  
9 paragraph (40) applies continuously from January 1, 2010  
10 through December 31, 2024; however, no claim for credit or  
11 refund is allowed for taxes paid as a result of the  
12 disallowance of this exemption on or after January 1, 2015  
13 and prior to February 5, 2020 (the effective date of  
14 Public Act 101-629) ~~this amendatory Act of the 101st~~  
15 ~~General Assembly.~~

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

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

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

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

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



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

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

11 For the purposes of this item (44):

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

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

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

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

20 (45) Beginning January 1, 2020 and through December  
21 31, 2020, sales of tangible personal property made by a  
22 marketplace seller over a marketplace for which tax is due  
23 under this Act but for which use tax has been collected and  
24 remitted to the Department by a marketplace facilitator  
25 under Section 2d of the Use Tax Act are exempt from tax  
26 under this Act. A marketplace seller claiming this

1 exemption shall maintain books and records demonstrating  
2 that the use tax on such sales has been collected and  
3 remitted by a marketplace facilitator. Marketplace sellers  
4 that have properly remitted tax under this Act on such  
5 sales may file a claim for credit as provided in Section 6  
6 of this Act. No claim is allowed, however, for such taxes  
7 for which a credit or refund has been issued to the  
8 marketplace facilitator under the Use Tax Act, or for  
9 which the marketplace facilitator has filed a claim for  
10 credit or refund under the Use Tax Act.

11 (46) Beginning July 1, 2022, breast pumps, breast pump  
12 collection and storage supplies, and breast pump kits.  
13 This item (46) is exempt from the provisions of Section  
14 2-70. As used in this item (46):

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

5            (48) 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  
8            as described and defined in Division 22 of Article 10 of  
9            the Property Tax Code, whether that tangible personal  
10           property is purchased by the owner, operator, or tenant of  
11           the megaproject or by a contractor or subcontractor of the  
12           owner, operator, or tenant. For the purposes of this item  
13           (48):

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

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

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

21 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;  
22 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-634, eff.  
23 8-27-21; 102-700, Article 70, Section 70-20, eff. 4-19-22;  
24 102-700, Article 75, Section 75-20, eff. 4-19-22; 102-813,  
25 eff. 5-13-22; 102-1026, eff. 5-27-22; revised 8-15-22.)

1 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

7 1. The name of the seller;

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 selling  
12 tangible personal property at retail in this State;

13 3. Total amount of receipts received by him during the  
14 preceding calendar month or quarter, as the case may be,  
15 from sales of tangible personal property, and from  
16 services furnished, by him during such preceding calendar  
17 month or quarter;

18 4. Total amount received by him during the preceding  
19 calendar month or quarter on charge and time sales of  
20 tangible personal property, and from services furnished,  
21 by him prior to the month or quarter for which the return  
22 is filed;

23 5. Deductions allowed by law;

24 6. Gross receipts which were received by him during  
25 the preceding calendar month or quarter and upon the basis  
26 of which the tax is imposed, including gross receipts on

1 food for human consumption that is to be consumed off the  
2 premises where it is sold (other than alcoholic beverages,  
3 food consisting of or infused with adult use cannabis,  
4 soft drinks, and food that has been prepared for immediate  
5 consumption) which were received during the preceding  
6 calendar month or quarter and upon which tax would have  
7 been due but for the 0% rate imposed under Public Act  
8 102-700 ~~this amendatory Act of the 102nd General Assembly;~~

9 7. The amount of credit provided in Section 2d of this  
10 Act;

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

19 9. The signature of the taxpayer; and

20 10. Such other reasonable information as the  
21 Department may require.

22 On and after January 1, 2018, except for returns required  
23 to be filed prior to January 1, 2023 for motor vehicles,  
24 watercraft, aircraft, and trailers that are required to be  
25 registered with an agency of this State, with respect to  
26 retailers whose annual gross receipts average \$20,000 or more,



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

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

19 Prior to October 1, 2003, and on and after September 1,  
20 2004 a retailer may accept a Manufacturer's Purchase Credit  
21 certification from a purchaser in satisfaction of Use Tax as  
22 provided in Section 3-85 of the Use Tax Act if the purchaser  
23 provides the appropriate documentation as required by Section  
24 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
25 certification, accepted by a retailer prior to October 1, 2003  
26 and on and after September 1, 2004 as provided in Section 3-85

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

14 The Department may require returns to be filed on a  
15 quarterly basis. If so required, a return for each calendar  
16 quarter shall be filed on or before the twentieth day of the  
17 calendar month following the end of such calendar quarter. The  
18 taxpayer shall also file a return with the Department for each  
19 of the first two months of each calendar quarter, on or before  
20 the twentieth day of the following calendar month, stating:

- 21 1. The name of the seller;
- 22 2. The address of the principal place of business from  
23 which he engages in the business of selling tangible  
24 personal property at retail in this State;
- 25 3. The total amount of taxable receipts received by  
26 him during the preceding calendar month from sales of

1           tangible personal property by him during such preceding  
2           calendar month, including receipts from charge and time  
3           sales, but less all deductions allowed by law;

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

6           5. The amount of tax due; and

7           6. Such other reasonable information as the Department  
8           may require.

9           Every person engaged in the business of selling aviation  
10          fuel at retail in this State during the preceding calendar  
11          month shall, instead of reporting and paying tax as otherwise  
12          required by this Section, report and pay such tax on a separate  
13          aviation fuel tax return. The requirements related to the  
14          return shall be as otherwise provided in this Section.  
15          Notwithstanding any other provisions of this Act to the  
16          contrary, retailers selling aviation fuel shall file all  
17          aviation fuel tax returns and shall make all aviation fuel tax  
18          payments by electronic means in the manner and form required  
19          by the Department. For purposes of this Section, "aviation  
20          fuel" means jet fuel and aviation gasoline.

21          Beginning on October 1, 2003, any person who is not a  
22          licensed distributor, importing distributor, or manufacturer,  
23          as defined in the Liquor Control Act of 1934, but is engaged in  
24          the business of selling, at retail, alcoholic liquor shall  
25          file a statement with the Department of Revenue, in a format  
26          and at a time prescribed by the Department, showing the total

1 amount paid for alcoholic liquor purchased during the  
2 preceding month and such other information as is reasonably  
3 required by the Department. The Department may adopt rules to  
4 require that this statement be filed in an electronic or  
5 telephonic format. Such rules may provide for exceptions from  
6 the filing requirements of this paragraph. For the purposes of  
7 this paragraph, the term "alcoholic liquor" shall have the  
8 meaning prescribed in the Liquor Control Act of 1934.

9 Beginning on October 1, 2003, every distributor, importing  
10 distributor, and manufacturer of alcoholic liquor as defined  
11 in the Liquor Control Act of 1934, shall file a statement with  
12 the Department of Revenue, no later than the 10th day of the  
13 month for the preceding month during which transactions  
14 occurred, by electronic means, showing the total amount of  
15 gross receipts from the sale of alcoholic liquor sold or  
16 distributed during the preceding month to purchasers;  
17 identifying the purchaser to whom it was sold or distributed;  
18 the purchaser's tax registration number; and such other  
19 information reasonably required by the Department. A  
20 distributor, importing distributor, or manufacturer of  
21 alcoholic liquor must personally deliver, mail, or provide by  
22 electronic means to each retailer listed on the monthly  
23 statement a report containing a cumulative total of that  
24 distributor's, importing distributor's, or manufacturer's  
25 total sales of alcoholic liquor to that retailer no later than  
26 the 10th day of the month for the preceding month during which

1 the transaction occurred. The distributor, importing  
2 distributor, or manufacturer shall notify the retailer as to  
3 the method by which the distributor, importing distributor, or  
4 manufacturer will provide the sales information. If the  
5 retailer is unable to receive the sales information by  
6 electronic means, the distributor, importing distributor, or  
7 manufacturer shall furnish the sales information by personal  
8 delivery or by mail. For purposes of this paragraph, the term  
9 "electronic means" includes, but is not limited to, the use of  
10 a secure Internet website, e-mail, or facsimile.

11 If a total amount of less than \$1 is payable, refundable or  
12 creditable, such amount shall be disregarded if it is less  
13 than 50 cents and shall be increased to \$1 if it is 50 cents or  
14 more.

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

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

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

19 Before August 1 of each year beginning in 1993, the  
20 Department shall notify all taxpayers required to make  
21 payments by electronic funds transfer. All taxpayers required  
22 to make payments by electronic funds transfer shall make those  
23 payments for a minimum of one year beginning on October 1.

24 Any taxpayer not required to make payments by electronic  
25 funds transfer may make payments by electronic funds transfer  
26 with the permission of the Department.

1 All taxpayers required to make payment by electronic funds  
2 transfer and any taxpayers authorized to voluntarily make  
3 payments by electronic funds transfer shall make those  
4 payments in the manner authorized by the Department.

5 The Department shall adopt such rules as are necessary to  
6 effectuate a program of electronic funds transfer and the  
7 requirements of this Section.

8 Any amount which is required to be shown or reported on any  
9 return or other document under this Act shall, if such amount  
10 is not a whole-dollar amount, be increased to the nearest  
11 whole-dollar amount in any case where the fractional part of a  
12 dollar is 50 cents or more, and decreased to the nearest  
13 whole-dollar amount where the fractional part of a dollar is  
14 less than 50 cents.

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

26 If the retailer is otherwise required to file a monthly or

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

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

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

16 Where the same person has more than one business  
17 registered with the Department under separate registrations  
18 under this Act, such person may not file each return that is  
19 due as a single return covering all such registered  
20 businesses, but shall file separate returns for each such  
21 registered business.

22 In addition, with respect to motor vehicles, watercraft,  
23 aircraft, and trailers that are required to be registered with  
24 an agency of this State, except as otherwise provided in this  
25 Section, every retailer selling this kind of tangible personal  
26 property shall file, with the Department, upon a form to be



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

19 In addition, with respect to motor vehicles, watercraft,  
20 aircraft, and trailers that are required to be registered with  
21 an agency of this State, every person who is engaged in the  
22 business of leasing or renting such items and who, in  
23 connection with such business, sells any such item to a  
24 retailer for the purpose of resale is, notwithstanding any  
25 other provision of this Section to the contrary, authorized to  
26 meet the return-filing requirement of this Act by reporting

1 the transfer of all the aircraft, watercraft, motor vehicles,  
2 or trailers transferred for resale during a month to the  
3 Department on the same uniform invoice-transaction reporting  
4 return form on or before the 20th of the month following the  
5 month in which the transfer takes place. Notwithstanding any  
6 other provision of this Act to the contrary, all returns filed  
7 under this paragraph must be filed by electronic means in the  
8 manner and form as required by the Department.

9 Any retailer who sells only motor vehicles, watercraft,  
10 aircraft, or trailers that are required to be registered with  
11 an agency of this State, so that all retailers' occupation tax  
12 liability is required to be reported, and is reported, on such  
13 transaction reporting returns and who is not otherwise  
14 required to file monthly or quarterly returns, need not file  
15 monthly or quarterly returns. However, those retailers shall  
16 be required to file returns on an annual basis.

17 The transaction reporting return, in the case of motor  
18 vehicles or trailers that are required to be registered with  
19 an agency of this State, shall be the same document as the  
20 Uniform Invoice referred to in Section 5-402 of the Illinois  
21 Vehicle Code and must show the name and address of the seller;  
22 the name and address of the purchaser; the amount of the  
23 selling 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; such  
9 other information as is required in Section 5-402 of the  
10 Illinois Vehicle Code, and such other information as the  
11 Department may reasonably require.

12 The transaction reporting return in the case of watercraft  
13 or aircraft must show the name and address of the seller; the  
14 name and address of the purchaser; the amount of the selling  
15 price including the amount allowed by the retailer for  
16 traded-in property, if any; the amount allowed by the retailer  
17 for the traded-in tangible personal property, if any, to the  
18 extent to which Section 1 of this Act allows an exemption for  
19 the value of traded-in property; the balance payable after  
20 deducting such trade-in allowance from the total selling  
21 price; the amount of tax due from the retailer with respect to  
22 such transaction; the amount of tax collected from the  
23 purchaser by the retailer on such transaction (or satisfactory  
24 evidence that such tax is not due in that particular instance,  
25 if that is claimed to be the fact); the place and date of the  
26 sale, a sufficient identification of the property sold, and

1 such other information as the Department may reasonably  
2 require.

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

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

1 registration to such tangible personal property.

2 No retailer's failure or refusal to remit tax under this  
3 Act precludes a user, who has paid the proper tax to the  
4 retailer, from obtaining his certificate of title or other  
5 evidence of title or registration (if titling or registration  
6 is required) upon satisfying the Department that such user has  
7 paid the proper tax (if tax is due) to the retailer. The  
8 Department shall adopt appropriate rules to carry out the  
9 mandate of this paragraph.

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

1 if the tax had been remitted to the Department by the retailer.

2 Refunds made by the seller during the preceding return  
3 period to purchasers, on account of tangible personal property  
4 returned to the seller, shall be allowed as a deduction under  
5 subdivision 5 of his monthly or quarterly return, as the case  
6 may be, in case the seller had theretofore included the  
7 receipts from the sale of such tangible personal property in a  
8 return filed by him and had paid the tax imposed by this Act  
9 with respect to such receipts.

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

14 Where the seller is a limited liability company, the  
15 return filed on behalf of the limited liability company shall  
16 be signed by a manager, member, or properly accredited agent  
17 of the limited liability company.

18 Except as provided in this Section, the retailer filing  
19 the return under this Section shall, at the time of filing such  
20 return, pay to the Department the amount of tax imposed by this  
21 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
22 on and after January 1, 1990, or \$5 per calendar year,  
23 whichever is greater, which is allowed to reimburse the  
24 retailer for the expenses incurred in keeping records,  
25 preparing and filing returns, remitting the tax and supplying  
26 data to the Department on request. On and after January 1,

1 2021, a certified service provider, as defined in the Leveling  
2 the Playing Field for Illinois Retail Act, filing the return  
3 under this Section on behalf of a remote retailer shall, at the  
4 time of such return, pay to the Department the amount of tax  
5 imposed by this Act less a discount of 1.75%. A remote retailer  
6 using a certified service provider to file a return on its  
7 behalf, as provided in the Leveling the Playing Field for  
8 Illinois Retail Act, is not eligible for the discount. When  
9 determining the discount allowed under this Section, retailers  
10 shall include the amount of tax that would have been due at the  
11 1% rate but for the 0% rate imposed under Public Act 102-700  
12 ~~this amendatory Act of the 102nd General Assembly~~. When  
13 determining the discount allowed under this Section, retailers  
14 shall include the amount of tax that would have been due at the  
15 6.25% rate but for the 1.25% rate imposed on sales tax holiday  
16 items under Public Act 102-700 ~~this amendatory Act of the~~  
17 ~~102nd General Assembly~~. The discount under this Section is not  
18 allowed for the 1.25% portion of taxes paid on aviation fuel  
19 that is subject to the revenue use requirements of 49 U.S.C.  
20 47107(b) and 49 U.S.C. 47133. Any prepayment made pursuant to  
21 Section 2d of this Act shall be included in the amount on which  
22 such 2.1% or 1.75% discount is computed. In the case of  
23 retailers who report and pay the tax on a transaction by  
24 transaction basis, as provided in this Section, such discount  
25 shall be taken with each such tax remittance instead of when  
26 such retailer files his periodic return. The discount allowed

1 under this Section is allowed only for returns that are filed  
2 in the manner required by this Act. The Department may  
3 disallow the discount for retailers whose certificate of  
4 registration is revoked at the time the return is filed, but  
5 only if the Department's decision to revoke the certificate of  
6 registration has become final.

7 Before October 1, 2000, if the taxpayer's average monthly  
8 tax liability to the Department under this Act, the Use Tax  
9 Act, the Service Occupation Tax Act, and the Service Use Tax  
10 Act, excluding any liability for prepaid sales tax to be  
11 remitted in accordance with Section 2d of this Act, was  
12 \$10,000 or more during the preceding 4 complete calendar  
13 quarters, he shall file a return with the Department each  
14 month by the 20th day of the month next following the month  
15 during which such tax liability is incurred and shall make  
16 payments to the Department on or before the 7th, 15th, 22nd and  
17 last day of the month during which such liability is incurred.  
18 On and after October 1, 2000, if the taxpayer's average  
19 monthly tax liability to the Department under this Act, the  
20 Use Tax Act, the Service Occupation Tax Act, and the Service  
21 Use Tax Act, excluding any liability for prepaid sales tax to  
22 be remitted in accordance with Section 2d of this Act, was  
23 \$20,000 or more during the preceding 4 complete calendar  
24 quarters, he shall file a return with the Department each  
25 month by the 20th day of the month next following the month  
26 during which such tax liability is incurred and shall make



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

1 liability is incurred begins on or after January 1, 1989, and  
2 prior to January 1, 1996, each payment shall be in an amount  
3 equal to 22.5% of the taxpayer's actual liability for the  
4 month or 25% of the taxpayer's liability for the same calendar  
5 month of the preceding year or 100% of the taxpayer's actual  
6 liability for the quarter monthly reporting period. The amount  
7 of such quarter monthly payments shall be credited against the  
8 final tax liability of the taxpayer's return for that month.  
9 Before October 1, 2000, once applicable, the requirement of  
10 the making of quarter monthly payments to the Department by  
11 taxpayers having an average monthly tax liability of \$10,000  
12 or more as determined in the manner provided above 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 a change in such taxpayer's reporting status.  
26 On and after October 1, 2000, once applicable, the requirement

1 of the making of quarter monthly payments to the Department by  
2 taxpayers having an average monthly tax liability of \$20,000  
3 or more as determined in the manner provided above shall  
4 continue until such taxpayer's average monthly liability to  
5 the Department during the preceding 4 complete calendar  
6 quarters (excluding the month of highest liability and the  
7 month of lowest liability) is less than \$19,000 or until such  
8 taxpayer's average monthly liability to the Department as  
9 computed for each calendar quarter of the 4 preceding complete  
10 calendar quarter period is less than \$20,000. However, if a  
11 taxpayer can show the Department that a substantial change in  
12 the taxpayer's business has occurred which causes the taxpayer  
13 to anticipate that his average monthly tax liability for the  
14 reasonably foreseeable future will fall below the \$20,000  
15 threshold stated above, then such taxpayer may petition the  
16 Department for a change in such taxpayer's reporting status.  
17 The Department shall change such taxpayer's reporting status  
18 unless it finds that such change is seasonal in nature and not  
19 likely to be long term. Quarter monthly payment status shall  
20 be determined under this paragraph as if the rate reduction to  
21 0% in Public Act 102-700 ~~this amendatory Act of the 102nd~~  
22 ~~General Assembly~~ on food for human consumption that is to be  
23 consumed off the premises where it is sold (other than  
24 alcoholic beverages, food consisting of or infused with adult  
25 use cannabis, soft drinks, and food that has been prepared for  
26 immediate consumption) had not occurred. For quarter monthly

1 payments due under this paragraph on or after July 1, 2023 and  
2 through June 30, 2024, "25% of the taxpayer's liability for  
3 the same calendar month of the preceding year" shall be  
4 determined as if the rate reduction to 0% in Public Act 102-700  
5 ~~this amendatory Act of the 102nd General Assembly~~ had not  
6 occurred. Quarter monthly payment status shall be determined  
7 under this paragraph as if the rate reduction to 1.25% in  
8 Public Act 102-700 ~~this amendatory Act of the 102nd General~~  
9 ~~Assembly~~ on sales tax holiday items had not occurred. For  
10 quarter monthly payments due on or after July 1, 2023 and  
11 through June 30, 2024, "25% of the taxpayer's liability for  
12 the same calendar month of the preceding year" shall be  
13 determined as if the rate reduction to 1.25% in Public Act  
14 102-700 ~~this amendatory Act of the 102nd General Assembly~~ on  
15 sales tax holiday items had not occurred. If any such quarter  
16 monthly payment is not paid at the time or in the amount  
17 required by this Section, then the taxpayer shall be liable  
18 for penalties and interest on the difference between the  
19 minimum amount due as a payment and the amount of such quarter  
20 monthly payment actually and timely paid, except insofar as  
21 the taxpayer has previously made payments for that month to  
22 the Department in excess of the minimum payments previously  
23 due as provided in this Section. The Department shall make  
24 reasonable rules and regulations to govern the quarter monthly  
25 payment amount and quarter monthly payment dates for taxpayers  
26 who file on other than a calendar monthly basis.

1           The provisions of this paragraph apply before October 1,  
2           2001. Without regard to whether a taxpayer is required to make  
3           quarter monthly payments as specified above, any taxpayer who  
4           is required by Section 2d of this Act to collect and remit  
5           prepaid taxes and has collected prepaid taxes which average in  
6           excess of \$25,000 per month during the preceding 2 complete  
7           calendar quarters, shall file a return with the Department as  
8           required by Section 2f and shall make payments to the  
9           Department on or before the 7th, 15th, 22nd and last day of the  
10          month during which such liability is incurred. If the month  
11          during which such tax liability is incurred began prior to  
12          September 1, 1985 (the effective date of Public Act 84-221),  
13          each payment shall be in an amount not less than 22.5% of the  
14          taxpayer's actual liability under Section 2d. If the month  
15          during which such tax liability is incurred begins on or after  
16          January 1, 1986, each payment shall be in an amount equal to  
17          22.5% of the taxpayer's actual liability for the month or  
18          27.5% of the taxpayer's liability for the same calendar month  
19          of the preceding calendar year. If the month during which such  
20          tax liability is incurred begins on or after January 1, 1987,  
21          each payment shall be in an amount equal to 22.5% of the  
22          taxpayer's actual liability for the month or 26.25% of the  
23          taxpayer's liability for the same calendar month of the  
24          preceding year. The amount of such quarter monthly payments  
25          shall be credited against the final tax liability of the  
26          taxpayer's return for that month filed under this Section or

1 Section 2f, as the case may be. Once applicable, the  
2 requirement of the making of quarter monthly payments to the  
3 Department pursuant to this paragraph shall continue until  
4 such taxpayer's average monthly prepaid tax collections during  
5 the preceding 2 complete calendar quarters is \$25,000 or less.  
6 If any such quarter monthly payment is not paid at the time or  
7 in the amount required, the taxpayer shall be liable for  
8 penalties and interest on such difference, except insofar as  
9 the taxpayer has previously made payments for that month in  
10 excess of the minimum payments previously due.

11 The provisions of this paragraph apply on and after  
12 October 1, 2001. Without regard to whether a taxpayer is  
13 required to make quarter monthly payments as specified above,  
14 any taxpayer who is required by Section 2d of this Act to  
15 collect and remit prepaid taxes and has collected prepaid  
16 taxes that average in excess of \$20,000 per month during the  
17 preceding 4 complete calendar quarters shall file a return  
18 with the Department as required by Section 2f and shall make  
19 payments to the Department on or before the 7th, 15th, 22nd and  
20 last day of the month during which the liability is incurred.  
21 Each payment shall be in an amount equal to 22.5% of the  
22 taxpayer's actual liability for the month or 25% of the  
23 taxpayer's liability for the same calendar month of the  
24 preceding year. The amount of the quarter monthly payments  
25 shall be credited against the final tax liability of the  
26 taxpayer's return for that month filed under this Section or

1 Section 2f, as the case may be. Once applicable, the  
2 requirement of the making of quarter monthly payments to the  
3 Department pursuant to this paragraph shall continue until the  
4 taxpayer's average monthly prepaid tax collections during the  
5 preceding 4 complete calendar quarters (excluding the month of  
6 highest liability and the month of lowest liability) is less  
7 than \$19,000 or until such taxpayer's average monthly  
8 liability to the Department as computed for each calendar  
9 quarter of the 4 preceding complete calendar quarters is less  
10 than \$20,000. If any such quarter monthly payment is not paid  
11 at the time or in the amount required, the taxpayer shall be  
12 liable for penalties and interest on such difference, except  
13 insofar as the taxpayer has previously made payments for that  
14 month in excess of the minimum payments previously due.

15 If any payment provided for in this Section exceeds the  
16 taxpayer's liabilities under this Act, the Use Tax Act, the  
17 Service Occupation Tax Act and the Service Use Tax Act, as  
18 shown on an original monthly return, the Department shall, if  
19 requested by the taxpayer, issue to the taxpayer a credit  
20 memorandum no later than 30 days after the date of payment. The  
21 credit evidenced by such credit memorandum may be assigned by  
22 the taxpayer to a similar taxpayer under this Act, the Use Tax  
23 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
24 in accordance with reasonable rules and regulations to be  
25 prescribed by the Department. If no such request is made, the  
26 taxpayer may credit such excess payment against tax liability

1 subsequently to be remitted to the Department under this Act,  
2 the Use Tax Act, the Service Occupation Tax Act or the Service  
3 Use Tax Act, in accordance with reasonable rules and  
4 regulations prescribed by the Department. If the Department  
5 subsequently determined that all or any part of the credit  
6 taken was not actually due to the taxpayer, the taxpayer's  
7 2.1% and 1.75% vendor's discount shall be reduced by 2.1% or  
8 1.75% of the difference between the credit taken and that  
9 actually due, and that taxpayer shall be liable for penalties  
10 and interest on such difference.

11 If a retailer of motor fuel is entitled to a credit under  
12 Section 2d of this Act which exceeds the taxpayer's liability  
13 to the Department under this Act for the month for which the  
14 taxpayer is filing a return, the Department shall issue the  
15 taxpayer a credit memorandum for the excess.

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

23 Beginning January 1, 1990, each month the Department shall  
24 pay into the Local Government Tax Fund, a special fund in the  
25 State treasury which is hereby created, the net revenue  
26 realized for the preceding month from the 1% tax imposed under



1 this Act.

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

10 Beginning August 1, 2000, each month the Department shall  
11 pay into the County and Mass Transit District Fund 20% of the  
12 net revenue realized for the preceding month from the 1.25%  
13 rate on the selling price of motor fuel and gasohol. If, in any  
14 month, the tax on sales tax holiday items, as defined in  
15 Section 2-8, is imposed at the rate of 1.25%, then the  
16 Department shall pay 20% of the net revenue realized for that  
17 month from the 1.25% rate on the selling price of sales tax  
18 holiday items into the County and Mass Transit District Fund.

19 Beginning January 1, 1990, each month the Department shall  
20 pay into the Local Government Tax Fund 16% of the net revenue  
21 realized for the preceding month from the 6.25% general rate  
22 on the selling price of tangible personal property other than  
23 aviation fuel sold on or after December 1, 2019. This  
24 exception for aviation fuel only applies for so long as the  
25 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
26 47133 are binding on the State.

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

13           Beginning August 1, 2000, each month the Department shall  
14 pay into the Local Government Tax Fund 80% of the net revenue  
15 realized for the preceding month from the 1.25% rate on the  
16 selling price of motor fuel and gasohol. If, in any month, the  
17 tax on sales tax holiday items, as defined in Section 2-8, is  
18 imposed at the rate of 1.25%, then the Department shall pay 80%  
19 of the net revenue realized for that month from the 1.25% rate  
20 on the selling price of sales tax holiday items into the Local  
21 Government Tax Fund.

22           Beginning October 1, 2009, each month the Department shall  
23 pay into the Capital Projects Fund an amount that is equal to  
24 an amount estimated by the Department to represent 80% of the  
25 net revenue realized for the preceding month from the sale of  
26 candy, grooming and hygiene products, and soft drinks that had

1 been taxed at a rate of 1% prior to September 1, 2009 but that  
2 are now taxed at 6.25%.

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

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

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

6           Of the remainder of the moneys received by the Department  
7 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
8 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
9 and after July 1, 1989, 3.8% thereof shall be paid into the  
10 Build Illinois Fund; provided, however, that if in any fiscal  
11 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
12 may be, of the moneys received by the Department and required  
13 to be paid into the Build Illinois Fund pursuant to this Act,  
14 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax  
15 Act, and Section 9 of the Service Occupation Tax Act, such Acts  
16 being hereinafter called the "Tax Acts" and such aggregate of  
17 2.2% or 3.8%, as the case may be, of moneys being hereinafter  
18 called the "Tax Act Amount", and (2) the amount transferred to  
19 the Build Illinois Fund from the State and Local Sales Tax  
20 Reform Fund shall be less than the Annual Specified Amount (as  
21 hereinafter defined), an amount equal to the difference shall  
22 be immediately paid into the Build Illinois Fund from other  
23 moneys received by the Department pursuant to the Tax Acts;  
24 the "Annual Specified Amount" means the amounts specified  
25 below for fiscal years 1986 through 1993:

26                           Fiscal Year                           Annual Specified Amount

1	1986	\$54,800,000
2	1987	\$76,650,000
3	1988	\$80,480,000
4	1989	\$88,510,000
5	1990	\$115,330,000
6	1991	\$145,470,000
7	1992	\$182,730,000
8	1993	\$206,520,000;

9 and means the Certified Annual Debt Service Requirement (as  
10 defined in Section 13 of the Build Illinois Bond Act) or the  
11 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
12 each fiscal year thereafter; and further provided, that if on  
13 the last business day of any month the sum of (1) the Tax Act  
14 Amount required to be deposited into the Build Illinois Bond  
15 Account in the Build Illinois Fund during such month and (2)  
16 the amount transferred to the Build Illinois Fund from the  
17 State and Local Sales Tax Reform Fund shall have been less than  
18 1/12 of the Annual Specified Amount, an amount equal to the  
19 difference shall be immediately paid into the Build Illinois  
20 Fund from other moneys received by the Department pursuant to  
21 the Tax Acts; and, further provided, that in no event shall the  
22 payments required under the preceding proviso result in  
23 aggregate payments into the Build Illinois Fund pursuant to  
24 this clause (b) for any fiscal year in excess of the greater of  
25 (i) the Tax Act Amount or (ii) the Annual Specified Amount for  
26 such fiscal year. The amounts payable into the Build Illinois

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

1 pursuant to that clause (b). The moneys received by the  
 2 Department pursuant to this Act and required to be deposited  
 3 into the Build Illinois Fund are subject to the pledge, claim  
 4 and charge set forth in Section 12 of the Build Illinois Bond  
 5 Act.

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

18	Fiscal Year	Total Deposit
19	1993	\$0
20	1994	53,000,000
21	1995	58,000,000
22	1996	61,000,000
23	1997	64,000,000
24	1998	68,000,000
25	1999	71,000,000
26	2000	75,000,000

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	300,000,000
22	2022	300,000,000
23	2023	300,000,000
24	2024	300,000,000
25	2025	300,000,000
26	2026	300,000,000



1	2027	375,000,000
2	2028	375,000,000
3	2029	375,000,000
4	2030	375,000,000
5	2031	375,000,000
6	2032	375,000,000
7	2033	375,000,000
8	2034	375,000,000
9	2035	375,000,000
10	2036	450,000,000

11                   and  
12                   each fiscal year  
13                   thereafter that bonds  
14                   are outstanding under  
15                   Section 13.2 of the  
16                   Metropolitan Pier and  
17                   Exposition Authority Act,  
18                   but not after fiscal year 2060.

19                   Beginning July 20, 1993 and in each month of each fiscal  
20                   year thereafter, one-eighth of the amount requested in the  
21                   certificate of the Chairman of the Metropolitan Pier and  
22                   Exposition Authority for that fiscal year, less the amount  
23                   deposited into the McCormick Place Expansion Project Fund by  
24                   the State Treasurer in the respective month under subsection  
25                   (g) of Section 13 of the Metropolitan Pier and Exposition  
26                   Authority Act, plus cumulative deficiencies in the deposits

1 required under this Section for previous months and years,  
2 shall be deposited into the McCormick Place Expansion Project  
3 Fund, until the full amount requested for the fiscal year, but  
4 not in excess of the amount specified above as "Total  
5 Deposit", has been deposited.

6 Subject to payment of amounts into the Capital Projects  
7 Fund, the Clean Air Act Permit Fund, 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, for aviation fuel sold on or after December 1, 2019,  
11 the Department shall each month deposit into the Aviation Fuel  
12 Sales Tax Refund Fund an amount estimated by the Department to  
13 be required for refunds of the 80% portion of the tax on  
14 aviation fuel under this Act. The Department shall only  
15 deposit moneys into the Aviation Fuel Sales Tax Refund Fund  
16 under this paragraph for so long as the revenue use  
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
18 binding on the State.

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 July 1, 1993 and ending on September 30,  
23 2013, the Department shall each month pay into the Illinois  
24 Tax Increment Fund 0.27% of 80% of the net revenue realized for  
25 the preceding month from the 6.25% general rate on the selling  
26 price of tangible personal property.

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 with the receipt of the first report of  
5 taxes paid by an eligible business and continuing for a  
6 25-year period, the Department shall each month pay into the  
7 Energy Infrastructure Fund 80% of the net revenue realized  
8 from the 6.25% general rate on the selling price of  
9 Illinois-mined coal that was sold to an eligible business. For  
10 purposes of this paragraph, the term "eligible business" means  
11 a new electric generating facility certified pursuant to  
12 Section 605-332 of the Department of Commerce and Economic  
13 Opportunity Law of the Civil Administrative Code of Illinois.

14           Subject to payment of amounts into the Build Illinois  
15 Fund, the McCormick Place Expansion Project Fund, the Illinois  
16 Tax Increment Fund, and the Energy Infrastructure Fund  
17 pursuant to the preceding paragraphs or in any amendments to  
18 this Section hereafter enacted, beginning on the first day of  
19 the first calendar month to occur on or after August 26, 2014  
20 (the effective date of Public Act 98-1098), each month, from  
21 the collections made under Section 9 of the Use Tax Act,  
22 Section 9 of the Service Use Tax Act, Section 9 of the Service  
23 Occupation Tax Act, and Section 3 of the Retailers' Occupation  
24 Tax Act, the Department shall pay into the Tax Compliance and  
25 Administration Fund, to be used, subject to appropriation, to  
26 fund additional auditors and compliance personnel at the

1 Department of Revenue, an amount equal to 1/12 of 5% of 80% of  
2 the cash receipts collected during the preceding fiscal year  
3 by the Audit Bureau of the Department under the Use Tax Act,  
4 the Service Use Tax Act, the Service Occupation Tax Act, the  
5 Retailers' Occupation Tax Act, and associated local occupation  
6 and use taxes administered by the Department.

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

15 Subject to successful execution and delivery of a  
16 public-private agreement between the public agency and private  
17 entity and completion of the civic build, beginning on July 1,  
18 2023, of the remainder of the moneys received by the  
19 Department under the Use Tax Act, the Service Use Tax Act, the  
20 Service Occupation Tax Act, and this Act, the Department shall  
21 deposit the following specified deposits in the aggregate from  
22 collections under the Use Tax Act, the Service Use Tax Act, the  
23 Service Occupation Tax Act, and the Retailers' Occupation Tax  
24 Act, as required under Section 8.25g of the State Finance Act  
25 for distribution consistent with the Public-Private  
26 Partnership for Civic and Transit Infrastructure Project Act.

1 The moneys received by the Department pursuant to this Act and  
 2 required to be deposited into the Civic and Transit  
 3 Infrastructure Fund are subject to the pledge, claim and  
 4 charge set forth in Section 25-55 of the Public-Private  
 5 Partnership for Civic and Transit Infrastructure Project Act.  
 6 As used in this paragraph, "civic build", "private entity",  
 7 "public-private agreement", and "public agency" have the  
 8 meanings provided in Section 25-10 of the Public-Private  
 9 Partnership for Civic and Transit Infrastructure Project Act.

10	Fiscal Year.....	Total Deposit
11	2024 .....	\$200,000,000
12	2025 .....	\$206,000,000
13	2026 .....	\$212,200,000
14	2027 .....	\$218,500,000
15	2028 .....	\$225,100,000
16	2029 .....	\$288,700,000
17	2030 .....	\$298,900,000
18	2031 .....	\$309,300,000
19	2032 .....	\$320,100,000
20	2033 .....	\$331,200,000
21	2034 .....	\$341,200,000
22	2035 .....	\$351,400,000
23	2036 .....	\$361,900,000
24	2037 .....	\$372,800,000
25	2038 .....	\$384,000,000
26	2039 .....	\$395,500,000

1	2040 .....	\$407,400,000
2	2041 .....	\$419,600,000
3	2042 .....	\$432,200,000
4	2043 .....	\$445,100,000

5           Beginning July 1, 2021 and until July 1, 2022, subject to  
6 the payment of amounts into the County and Mass Transit  
7 District Fund, the Local Government Tax 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 16% of the net  
13 revenue realized from the taxes imposed on motor fuel and  
14 gasohol. Beginning July 1, 2022 and until July 1, 2023,  
15 subject to the payment of amounts into the County and Mass  
16 Transit District Fund, the Local Government Tax Fund, the  
17 Build Illinois Fund, the McCormick Place Expansion Project  
18 Fund, the Illinois Tax Increment Fund, the Energy  
19 Infrastructure Fund, and the Tax Compliance and Administration  
20 Fund as provided in this Section, the Department shall pay  
21 each month into the Road Fund the amount estimated to  
22 represent 32% of the net revenue realized from the taxes  
23 imposed on motor fuel and gasohol. Beginning July 1, 2023 and  
24 until July 1, 2024, subject to the payment of amounts into the  
25 County and Mass Transit District Fund, the Local Government  
26 Tax Fund, the Build Illinois Fund, the McCormick Place

1 Expansion Project Fund, the Illinois Tax Increment Fund, the  
2 Energy Infrastructure Fund, and the Tax Compliance and  
3 Administration Fund as provided in this Section, the  
4 Department shall pay each month into the Road Fund the amount  
5 estimated to represent 48% of the net revenue realized from  
6 the taxes imposed on motor fuel and gasohol. Beginning July 1,  
7 2024 and until July 1, 2025, subject to the payment of amounts  
8 into the County and Mass Transit District Fund, the Local  
9 Government Tax Fund, the Build Illinois Fund, the McCormick  
10 Place Expansion Project Fund, the Illinois Tax Increment Fund,  
11 the Energy Infrastructure Fund, and the Tax Compliance and  
12 Administration Fund as provided in this Section, the  
13 Department shall pay each month into the Road Fund the amount  
14 estimated to represent 64% of the net revenue realized from  
15 the taxes imposed on motor fuel and gasohol. Beginning on July  
16 1, 2025, subject to the payment of amounts into the County and  
17 Mass Transit District Fund, the Local Government Tax Fund, the  
18 Build Illinois Fund, the McCormick Place Expansion Project  
19 Fund, the Illinois Tax Increment Fund, the Energy  
20 Infrastructure Fund, and the Tax Compliance and Administration  
21 Fund as provided in this Section, the Department shall pay  
22 each month into the Road Fund the amount estimated to  
23 represent 80% of the net revenue realized from the taxes  
24 imposed on motor fuel and gasohol. As used in this paragraph  
25 "motor fuel" has the meaning given to that term in Section 1.1  
26 of the Motor Fuel Tax Law, and "gasohol" has the meaning given

1 to that term in Section 3-40 of the Use Tax Act.

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

8 The Department may, upon separate written notice to a  
9 taxpayer, require the taxpayer to prepare and file with the  
10 Department on a form prescribed by the Department within not  
11 less than 60 days after receipt of the notice an annual  
12 information return for the tax year specified in the notice.  
13 Such annual return to the Department shall include a statement  
14 of gross receipts as shown by the retailer's last Federal  
15 income tax return. If the total receipts of the business as  
16 reported in the Federal income tax return do not agree with the  
17 gross receipts reported to the Department of Revenue for the  
18 same period, the retailer shall attach to his annual return a  
19 schedule showing a reconciliation of the 2 amounts and the  
20 reasons for the difference. The retailer's annual return to  
21 the Department shall also disclose the cost of goods sold by  
22 the retailer during the year covered by such return, opening  
23 and closing inventories of such goods for such year, costs of  
24 goods used from stock or taken from stock and given away by the  
25 retailer during such year, payroll information of the  
26 retailer's business during such year and any additional



1 reasonable information which the Department deems would be  
2 helpful in determining the accuracy of the monthly, quarterly  
3 or annual returns filed by such retailer as provided for in  
4 this Section.

5 If the annual information return required by this Section  
6 is not filed when and as required, the taxpayer shall be liable  
7 as follows:

8 (i) Until January 1, 1994, the taxpayer shall be  
9 liable for a penalty equal to 1/6 of 1% of the tax due from  
10 such taxpayer under this Act during the period to be  
11 covered by the annual return for each month or fraction of  
12 a month until such return is filed as required, the  
13 penalty to be assessed and collected in the same manner as  
14 any other penalty provided for in this Act.

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

18 The chief executive officer, proprietor, owner or highest  
19 ranking manager shall sign the annual return to certify the  
20 accuracy of the information contained therein. Any person who  
21 willfully signs the annual return containing false or  
22 inaccurate information shall be guilty of perjury and punished  
23 accordingly. The annual return form prescribed by the  
24 Department shall include a warning that the person signing the  
25 return may be liable for perjury.

26 The provisions of this Section concerning the filing of an

1 annual information return do not apply to a retailer who is not  
2 required to file an income tax return with the United States  
3 Government.

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

11 Net revenue realized for a month shall be the revenue  
12 collected by the State pursuant to this Act, less the amount  
13 paid out during that month as refunds to taxpayers for  
14 overpayment of liability.

15 For greater simplicity of administration, manufacturers,  
16 importers and wholesalers whose products are sold at retail in  
17 Illinois by numerous retailers, and who wish to do so, may  
18 assume the responsibility for accounting and paying to the  
19 Department all tax accruing under this Act with respect to  
20 such sales, if the retailers who are affected do not make  
21 written objection to the Department to this arrangement.

22 Any person who promotes, organizes, provides retail  
23 selling space for concessionaires or other types of sellers at  
24 the Illinois State Fair, DuQuoin State Fair, county fairs,  
25 local fairs, art shows, flea markets and similar exhibitions  
26 or events, including any transient merchant as defined by

1 Section 2 of the Transient Merchant Act of 1987, is required to  
2 file a report with the Department providing the name of the  
3 merchant's business, the name of the person or persons engaged  
4 in merchant's business, the permanent address and Illinois  
5 Retailers Occupation Tax Registration Number of the merchant,  
6 the dates and location of the event and other reasonable  
7 information that the Department may require. The report must  
8 be filed not later than the 20th day of the month next  
9 following the month during which the event with retail sales  
10 was held. Any person who fails to file a report required by  
11 this Section commits a business offense and is subject to a  
12 fine not to exceed \$250.

13 Any person engaged in the business of selling tangible  
14 personal property at retail as a concessionaire or other type  
15 of seller at the Illinois State Fair, county fairs, art shows,  
16 flea markets and similar exhibitions or events, or any  
17 transient merchants, as defined by Section 2 of the Transient  
18 Merchant Act of 1987, may be required to make a daily report of  
19 the amount of such sales to the Department and to make a daily  
20 payment of the full amount of tax due. The Department shall  
21 impose this requirement when it finds that there is a  
22 significant risk of loss of revenue to the State at such an  
23 exhibition or event. Such a finding shall be based on evidence  
24 that a substantial number of concessionaires or other sellers  
25 who are not residents of Illinois will be engaging in the  
26 business of selling tangible personal property at retail at

1 the exhibition or event, or other evidence of a significant  
2 risk of loss of revenue to the State. The Department shall  
3 notify concessionaires and other sellers affected by the  
4 imposition of this requirement. In the absence of notification  
5 by the Department, the concessionaires and other sellers shall  
6 file their returns as otherwise required in this Section.

7 (Source: P.A. 101-10, Article 15, Section 15-25, eff. 6-5-19;  
8 101-10, Article 25, Section 25-120, eff. 6-5-19; 101-27, eff.  
9 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;  
10 101-636, eff. 6-10-20; 102-634, eff. 8-27-21; 102-700, Article  
11 60, Section 60-30, eff. 4-19-22; 102-700, Article 65, Section  
12 65-10, eff. 4-19-22; 102-813, eff. 5-13-22; 102-1019, eff.  
13 1-1-23; revised 12-13-22.)

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

16 (35 ILCS 145/6) (from Ch. 120, par. 481b.36)

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

23 1. The name of the operator;

24 2. His residence address and the address of his

1 principal place of business and the address of the  
2 principal place of business (if that is a different  
3 address) from which he engages in the business of renting,  
4 leasing or letting rooms in a hotel in this State;

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

8 4. Total amount of rental receipts received by him  
9 during the preceding calendar month from renting, leasing  
10 or letting rooms to permanent residents during such  
11 preceding calendar month;

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

14 6. Gross rental receipts which were received by him  
15 during the preceding calendar month and upon the basis of  
16 which the tax is imposed;

17 7. The amount of tax due;

18 8. Such other reasonable information as the Department  
19 may require.

20 If the operator's average monthly tax liability to the  
21 Department does not exceed \$200, the Department may authorize  
22 his returns to be filed on a quarter annual basis, with the  
23 return for January, February and March of a given year being  
24 due by April 30 of such year; with the return for April, May  
25 and June of a given year being due by July 31 of such year;  
26 with the return for July, August and September of a given year

1 being due by October 31 of such year, and with the return for  
2 October, November and December of a given year being due by  
3 January 31 of the following year.

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

8 Such quarter annual and annual returns, as to form and  
9 substance, shall be subject to the same requirements as  
10 monthly returns.

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

18 Where the same person has more than 1 business registered  
19 with the Department under separate registrations under this  
20 Act, such person shall not file each return that is due as a  
21 single return covering all such registered businesses, but  
22 shall file separate returns for each such registered business.

23 In his return, the operator shall determine the value of  
24 any consideration other than money received by him in  
25 connection with the renting, leasing or letting of rooms in  
26 the course of his business and he shall include such value in

1 his return. Such determination shall be subject to review and  
2 revision by the Department in the manner hereinafter provided  
3 for the correction of returns.

4 Where the operator is a corporation, the return filed on  
5 behalf of such corporation shall be signed by the president,  
6 vice-president, secretary or treasurer or by the properly  
7 accredited agent of such corporation.

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

18 If any payment provided for in this Section exceeds the  
19 operator's liabilities under this Act, as shown on an original  
20 return, the Department may authorize the operator to credit  
21 such excess payment against liability subsequently to be  
22 remitted to the Department under this Act, in accordance with  
23 reasonable rules adopted by the Department. If the Department  
24 subsequently determines that all or any part of the credit  
25 taken was not actually due to the operator, the operator's  
26 discount shall be reduced by an amount equal to the difference

1 between the discount as applied to the credit taken and that  
2 actually due, and that operator shall be liable for penalties  
3 and interest on such difference.

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

11 Of the remaining proceeds, there ~~There~~ shall be deposited  
12 in the Build Illinois Fund in the State Treasury for each State  
13 fiscal year 40% of the amount of total net proceeds from the  
14 tax imposed by subsection (a) of Section 3. Of the remaining  
15 60%, \$5,000,000 shall be deposited in the Illinois Sports  
16 Facilities Fund and credited to the Subsidy Account each  
17 fiscal year by making monthly deposits in the amount of 1/8 of  
18 \$5,000,000 plus cumulative deficiencies in such deposits for  
19 prior months, and an additional \$8,000,000 shall be deposited  
20 in the Illinois Sports Facilities Fund and credited to the  
21 Advance Account each fiscal year by making monthly deposits in  
22 the amount of 1/8 of \$8,000,000 plus any cumulative  
23 deficiencies in such deposits for prior months; provided, that  
24 for fiscal years ending after June 30, 2001, the amount to be  
25 so deposited into the Illinois Sports Facilities Fund and  
26 credited to the Advance Account each fiscal year shall be



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

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

24 Of the remaining 60% of the amount of total net proceeds  
25 prior to August 1, 2011 from the tax imposed by subsection (a)  
26 of Section 3 after all required deposits in the Illinois

1 Sports Facilities Fund, the amount equal to 8% of the net  
2 revenue realized from this Act plus an amount equal to 8% of  
3 the net revenue realized from any tax imposed under Section  
4 4.05 of the Chicago World's Fair-1992 Authority Act during the  
5 preceding month shall be deposited in the Local Tourism Fund  
6 each month for purposes authorized by Section 605-705 of the  
7 Department of Commerce and Economic Opportunity Law (20 ILCS  
8 605/605-705). Of the remaining 60% of the amount of total net  
9 proceeds beginning on August 1, 2011 from the tax imposed by  
10 subsection (a) of Section 3 after all required deposits in the  
11 Illinois Sports Facilities Fund, an amount equal to 8% of the  
12 net revenue realized from this Act plus an amount equal to 8%  
13 of the net revenue realized from any tax imposed under Section  
14 4.05 of the Chicago World's Fair-1992 Authority Act during the  
15 preceding month shall be deposited as follows: 18% of such  
16 amount shall be deposited into the Chicago Travel Industry  
17 Promotion Fund for the purposes described in subsection (n) of  
18 Section 5 of the Metropolitan Pier and Exposition Authority  
19 Act and the remaining 82% of such amount shall be deposited  
20 into the Local Tourism Fund each month for purposes authorized  
21 by Section 605-705 of the Department of Commerce and Economic  
22 Opportunity Law. Beginning on August 1, 1999 and ending on  
23 July 31, 2011, an amount equal to 4.5% of the net revenue  
24 realized from the Hotel Operators' Occupation Tax Act during  
25 the preceding month shall be deposited into the International  
26 Tourism Fund for the purposes authorized in Section 605-707 of

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

15 After making all these deposits, all other proceeds of the  
16 tax imposed under subsection (a) of Section 3 shall be  
17 deposited in the Tourism Promotion Fund in the State Treasury.  
18 All moneys received by the Department from the additional tax  
19 imposed under subsection (b) of Section 3 shall be deposited  
20 into the Build Illinois Fund in the State Treasury.

21 The Department may, upon separate written notice to a  
22 taxpayer, require the taxpayer to prepare and file with the  
23 Department on a form prescribed by the Department within not  
24 less than 60 days after receipt of the notice an annual  
25 information return for the tax year specified in the notice.  
26 Such annual return to the Department shall include a statement

1 of gross receipts as shown by the operator's last State income  
2 tax return. If the total receipts of the business as reported  
3 in the State income tax return do not agree with the gross  
4 receipts reported to the Department for the same period, the  
5 operator shall attach to his annual information return a  
6 schedule showing a reconciliation of the 2 amounts and the  
7 reasons for the difference. The operator's annual information  
8 return to the Department shall also disclose pay roll  
9 information of the operator's business during the year covered  
10 by such return and any additional reasonable information which  
11 the Department deems would be helpful in determining the  
12 accuracy of the monthly, quarterly or annual tax returns by  
13 such operator as hereinbefore 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 for a penalty in an amount determined in accordance with  
17 Section 3-4 of the Uniform Penalty and Interest Act until such  
18 return is filed as required, the penalty to be assessed and  
19 collected in the same manner as any other penalty provided for  
20 in this Act.

21 The chief executive officer, proprietor, owner or highest  
22 ranking manager shall sign the annual return to certify the  
23 accuracy of the information contained therein. Any person who  
24 willfully signs the annual return containing false or  
25 inaccurate information shall be guilty of perjury and punished  
26 accordingly. The annual return form prescribed by the

1 Department shall include a warning that the person signing the  
2 return may be liable for perjury.

3 The foregoing portion of this Section concerning the  
4 filing of an annual information return shall not apply to an  
5 operator who is not required to file an income tax return with  
6 the United States Government.

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

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

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

11 Division 22. Megaprojects

12 (35 ILCS 200/10-900 new)

13 Sec. 10-900. Findings. The State's economy is highly  
14 vulnerable to other states that have major financial incentive  
15 programs and competitive tax incentives. Certain businesses  
16 and commercial operations that generate significant economic  
17 activity bear a disproportionately high property tax burden  
18 compared to their impact on government services and compared  
19 to their positive economic benefits to the State and the local  
20 economy and their derivative benefits to taxing districts. To  
21 incentivize the significant capital investment and economic  
22 activity of certain large-scale businesses and industrial and  
23 commercial operations, the State finds that a valuation

1 procedure for real property taxes on special properties, known  
2 as megaprojects, will reduce barriers to investment and  
3 economic activity in Illinois. The General Assembly finds that  
4 it is in the best interest of Illinois to establish a new  
5 category of valuation for megaprojects that recognizes their  
6 complexity and encourages local development at underutilized  
7 properties.

8 (35 ILCS 200/10-910 new)

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

12 As used in this Division:

13 "Assessment officer" means the chief county assessment  
14 officer of the county in which the megaproject is located.

15 "Assessment period" means the period beginning on the  
16 first day of the calendar year after the calendar year in which  
17 a megaproject is placed in service and ending on the date when  
18 the megaproject no longer qualifies as a megaproject under  
19 this Division.

20 "Base tax year" means the tax year prior to the first  
21 calendar year during which the Department issues a megaproject  
22 certificate under this Division.

23 "Base year" means:

24 (1) the calendar year prior to the calendar year in  
25 which the Department issues the megaproject certificate,

1 if the Department issues a megaproject certificate for a  
2 project located on the property without granting  
3 preliminary approval for the project pursuant to Section  
4 10-940; or

5 (2) the calendar year prior to the calendar year in  
6 which the Department grants that preliminary approval, if  
7 the Department grants preliminary approval pursuant to  
8 Section 10-940 for a megaproject located on the property.

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

11 "Company" means one or more entities whose aggregate  
12 investment in the megaproject meets the minimum investment  
13 required under this Division. "Company" includes a company  
14 affiliate unless the context clearly indicates otherwise.

15 "Company affiliate" means an entity that joins with or is  
16 an affiliate of a company and that participates in the  
17 investment in, or financing of, a megaproject.

18 "Department" means the Department of Revenue.

19 "Eligible costs" means all costs incurred by or on behalf  
20 of, or allocated to, a company, prior to the Department's  
21 issuance of the megaproject certificate or during the  
22 investment period, to create or construct a megaproject.

23 "Eligible costs" includes, without limitation:

24 (1) the purchase, site preparation, renovation,  
25 rehabilitation, and construction of land, buildings,  
26 structures, equipment, and furnishings used for or in the

1 megaproject;

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

6 (3) capitalized lease costs for land, buildings,  
7 structures, and equipment valued at their present value  
8 using the interest rate at which the company borrows funds  
9 prevailing at the time the company entered into the lease;

10 (4) infrastructure development costs;

11 (5) debt service and project financing costs;

12 (6) noncapitalized research and development costs;

13 (7) job training and education costs;

14 (8) lease and relocation costs; and

15 (9) amounts expended by a company or company affiliate  
16 as a nonresponsible party pursuant to a voluntary program  
17 of site remediation, including amounts expended to obtain  
18 a certification of completion, if completion of  
19 remediation is certified by the Illinois Environmental  
20 Protection Agency.

21 "Entity" means a sole proprietorship, partnership, firm,  
22 corporation, limited liability company, association, or other  
23 business enterprise.

24 "Incentive agreement" means an agreement between a company  
25 and a local municipality obligating the company to make the  
26 special payment under this Division, in addition to paying



1 property taxes, during the incentive period for a megaproject.

2 "Incentive period" means the period beginning on the first  
3 day of the calendar year after the calendar year in which the  
4 megaproject is placed in service and each calendar year  
5 thereafter until the earlier of (i) the expiration or  
6 termination of the incentive agreement or (ii) the revocation  
7 of the megaproject certificate.

8 "Inducement resolution" means a resolution adopted by the  
9 local municipality setting forth the commitment of the local  
10 municipality to enter into an incentive agreement.

11 "Investment period" means the period ending 7 years after  
12 the date on which the Department issues the megaproject  
13 certificate, or such other longer period of time as the local  
14 municipality and the company may agree to, not to exceed an  
15 initial period of 10 years.

16 "Local municipality" means the city, village, or  
17 incorporated town in which the megaproject is located or, if  
18 the megaproject is located in an unincorporated area, the  
19 county in which the megaproject is located.

20 "Megaproject" means a project that satisfies the minimum  
21 investment, investment period, and other requirements of this  
22 Division.

23 "Megaproject certificate" means a certificate issued by  
24 the Department that authorizes an assessment freeze as  
25 provided in this Division.

26 "Minimum investment" means an investment in the

1 megaproject of at least \$500,000,000 in eligible costs within  
2 the investment period.

3 "Minority person" means a person who is a citizen or  
4 lawful permanent resident of the United States and who is any  
5 of the following:

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

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

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

17 (4) Hispanic or Latino (a person of Cuban, Mexican,  
18 Puerto Rican, South or Central American, or other Spanish  
19 culture or origin, regardless of race).

20 (5) Middle Eastern or North African.

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

24 "Minority-owned business" means a business that is at  
25 least 51% owned by one or more minority persons, or in the case  
26 of a corporation, at least 51% of the stock in which is owned

1 by one or more minority persons; and the management and daily  
2 business operations of which are controlled by one or more of  
3 the minority individuals who own it.

4 "Placed in service" means that construction of the  
5 megaproject is substantially complete, which may be evidenced  
6 by issuance of a certificate of occupancy for the megaproject  
7 by the local municipality or any other governmental body  
8 having jurisdiction over construction of the megaproject or,  
9 if no certificate of occupancy is required as to the  
10 megaproject, commencement of operations at the megaproject  
11 site.

12 "Project" means modification to or construction on land,  
13 buildings, and other improvements on the land, including  
14 water, sewage treatment and disposal facilities, air pollution  
15 control facilities, and all other machinery, apparatus,  
16 equipment, office facilities, related infrastructure, and  
17 furnishings that are considered necessary, suitable, or useful  
18 by a company, including all such property subject to  
19 assessment under the Property Tax Code.

20 "Special payment" means the annual amount paid in addition  
21 to property taxes paid during the incentive period as provided  
22 in the incentive agreement.

23 "Taxing district" has the meaning set forth in Section  
24 1-150.

25 "Termination date" means the last day of a calendar year  
26 that is no later than the 23rd year following the first

1 calendar year in which a megaproject is placed in service. A  
2 company may apply to the local municipality prior to the  
3 termination date for an extension of the termination date  
4 beyond the 23rd year for up to 17 additional years, for a total  
5 of 40 years. The corporate authorities of the local  
6 municipality shall approve an extension of the termination  
7 date by resolution upon a finding of substantial public  
8 benefit. A copy of the resolution must be delivered to the  
9 Department within 30 days of the date the resolution was  
10 adopted. If the incentive agreement is terminated under  
11 Section 10-937, then the termination date is the date the  
12 agreement is terminated.

13 (35 ILCS 200/10-912 new)

14 Sec. 10-912. Express authorization for megaproject. The  
15 Department may issue a megaproject certificate for a  
16 megaproject in the Village of Arlington Heights. The  
17 megaproject authorized by this Section may be referred to as  
18 the Arlington Megaproject.

19 (35 ILCS 200/10-912.1 new)

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

21 (a) There is hereby established the Arlington Megaproject  
22 Oversight Board. As used in this Section, "Megaproject Board"  
23 means the Arlington Megaproject Oversight Board.

24 (b) The voting members of the Megaproject Board are as

1 follows:

2 (1) The Mayor of the Village of Arlington Heights or  
3 his or her designee, who shall be the chairperson of the  
4 Board.

5 (2) The Mayor of the City of Rolling Meadows or his or  
6 her designee.

7 (3) The Executive Director of the Salt Creek Rural  
8 Park District or his or her designee.

9 (4) The Superintendent of Township High School  
10 District 214 or his or her designee.

11 (5) The Superintendent of Township High School  
12 District 211 or his or her designee.

13 (6) The Superintendent of Community Consolidated  
14 School District 15 or his or her designee.

15 (7) The member of the General Assembly serving  
16 Legislative District 27.

17 (8) The member of the General Assembly serving  
18 Representative District 54.

19 (9) The member of the General Assembly serving  
20 Representative District 53.

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

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

25 (2) The Mayor of the Village of Buffalo Grove or his or  
26 her designee.

1           (3) The Mayor of the Village of Elk Grove Village or  
2           his or her designee.

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

5           (5) The Mayor of the Village of Palatine or his or her  
6           designee.

7           (6) The Mayor of the City of Prospect Heights or his or  
8           her designee.

9           (7) The Mayor of the Village of Wheeling or his or her  
10          designee.

11          (8) The Secretary of Transportation or his or her  
12          designee.

13          (9) The Executive Director of the Suburban Bus  
14          Division of the Regional Transportation Authority or his  
15          or her designee.

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

18          (11) The members of the General Assembly serving  
19          Representative Districts 51, 55, 56, 57, and 59 and  
20          Legislative Districts 26, 28, 29, and 30.

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

23          (e) Six voting members of the Megaproject Board shall  
24          constitute a quorum. Actions of the Megaproject Board must  
25          receive the affirmative vote of at least 5 voting members. The  
26          Megaproject Board shall determine the times and places of its

1 meetings. The voting and nonvoting members of the Megaproject  
2 Board shall serve without compensation, but they are entitled  
3 to reimbursement by the Village of Arlington Heights for  
4 reasonable expenses incurred in the performance of their  
5 official duties.

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

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

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

17 (i) Prior to the Village of Arlington Heights approving  
18 any zoning action in the Arlington Megaproject, the zoning  
19 action must be approved by the Megaproject Board. For the  
20 purposes of this subsection, "zoning action" means any special  
21 use permit, variance, revision to the boundaries or  
22 classifications of zoning districts, or change to the text of  
23 the Village of Arlington Heights' zoning ordinance.

24 (j) The Megaproject Board may meet periodically at the  
25 call of the chairperson of the Megaproject Board to conduct  
26 oversight of the Arlington Megaproject and to provide

1 recommendations related to the Arlington Megaproject.

2 (k) In the event the provisions of this Section conflict  
3 with the provisions of Division 22 of Article 10 of this Act,  
4 the provisions of this Section shall control.

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

11 (35 ILCS 200/10-915 new)

12 Sec. 10-915. Valuation during incentive period;  
13 eligibility.

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



1 period. Unless approved as part of the original incentive  
2 agreement, the corporate authorities may approve an extension  
3 under this subsection by resolution, a copy of which must be  
4 delivered to the Department within 30 days after the date the  
5 resolution is adopted.

6 (b) To qualify for a megaproject certificate, the company  
7 must:

8 (1) make the minimum investment in the megaproject  
9 during the investment period; minimum investment  
10 requirements shall be construed broadly for purposes of  
11 this Division;

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

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

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

22 (c) For purposes of this Division, if a single company  
23 enters into a financing arrangement of the type described in  
24 subsection (b) of Section 10-950, the investment in or  
25 financing of the property by a developer, lessor, financing  
26 entity, or other third party in accordance with this

1 arrangement is considered investment by the company.  
2 Investment by a related person to the company is considered  
3 investment by the company.

4 (35 ILCS 200/10-920 new)

5 Sec. 10-920. Incentive agreement; assessment freeze for  
6 megaprojects; incentive period; inducement resolution;  
7 location of the project; criteria to qualify.

8 (a) To obtain the benefits provided in this Division, the  
9 company shall apply in writing to the local municipality to  
10 enter into an incentive agreement with the municipality, in  
11 the form and manner required by the local municipality, and  
12 shall certify the facts asserted in the application.

13 (b) The corporate authorities of the local municipality,  
14 prior to entering into an incentive agreement under this  
15 Section, shall hold a public hearing to consider the  
16 application. The amount and terms of the proposed special  
17 payment and the duration of the incentive agreement shall be  
18 considered at the public hearing.

19 (c) Copies of the completed application shall be provided  
20 to each taxing district for which property taxes were assessed  
21 on the property for the immediately preceding tax year. Those  
22 copies shall be provided at least 30 days prior to the  
23 scheduled public hearing at which the corporate authorities of  
24 the local municipality will consider the application.

25 (d) The company and the local municipality shall enter

1 into an incentive agreement requiring the special payment  
2 described in Section 10-925. The corporate authorities of the  
3 local municipality shall adopt an ordinance approving the  
4 incentive agreement.

5 (e) If an incentive agreement is not executed within 5  
6 years after the local municipality's adoption of an inducement  
7 resolution, expenditures incurred by the company more than 5  
8 years prior to the execution of the incentive agreement shall  
9 not qualify as part of the minimum investment.

10 (f) To be eligible to enter into an incentive agreement  
11 under this Division, the company must commit to a project that  
12 meets the minimum investment set forth in this Division.

13 (35 ILCS 200/10-925 new)

14 Sec. 10-925. Contents of incentive agreement.

15 (a) The incentive agreement under Section 10-920 must  
16 require the company to pay, or be responsible for the payment  
17 of, an annual special payment to the local municipality,  
18 beginning with the first tax year for which the assessment  
19 freeze under this Division is applied to the megaproject. The  
20 amount of the special payment shall be established by the  
21 local municipality in the incentive agreement and may be a  
22 fixed amount for the duration of the incentive period or may be  
23 subject to adjustment (downward or upward) based on factors  
24 memorialized in the incentive agreement.

25 (b) The incentive agreement shall obligate the company to

1 operate the megaproject at the designated project location for  
2 a minimum of 20 years.

3 (c) The incentive agreement may contain such other terms  
4 and conditions as are mutually agreeable to the local  
5 municipality and the company and are consistent with the  
6 requirements of this Division, including, without limitation,  
7 operational and job creation requirements.

8 (d) In addition, all incentive agreements entered into  
9 pursuant to Section 10-920 must include, as the first portion  
10 of the document, a recapitulation of the remaining contents of  
11 the document which includes, but is not limited to, the  
12 following:

13 (1) the legal name of each party to the agreement;

14 (2) the street address of the project and the property  
15 subject to the agreement;

16 (3) the agreed minimum investment;

17 (4) the term of the agreement;

18 (5) a schedule showing the amount of the special  
19 payment and its calculation for each year of the  
20 agreement;

21 (6) a schedule showing the amount to be distributed  
22 annually to each affected taxing district, which amount  
23 shall be a percentage of the special payment equal to the  
24 taxing district's proportionate share of property taxes  
25 due and payable for the base tax year;

26 (7) any other feature or aspect of the agreement that

1 may affect the calculation of items (5) and (6) of this  
2 subsection; and

3 (8) an identification of the party or parties to the  
4 agreement who are responsible for updating the information  
5 contained in the summary document.

6 (35 ILCS 200/10-930 new)

7 Sec. 10-930. Installment bills; distribution of special  
8 payments.

9 (a) The local municipality shall prepare a bill for each  
10 installment of the special payment according to the schedule  
11 set forth in paragraph (5) of subsection (d) of Section  
12 10-925, or as modified pursuant to paragraph (7) of subsection  
13 (d) of Section 10-925, and that payment must be distributed to  
14 the affected taxing entities according to the schedule in  
15 paragraph (6) of subsection (d) of Section 10-925 or as  
16 modified in paragraph (7) of subsection (d) of Section 10-925.

17 (b) Distribution to taxing districts of the special  
18 payments associated with a megaproject must be made within 30  
19 days after receipt by the local municipality of the special  
20 payment amounts.

21 (c) Misallocations of the distribution of the special  
22 payments may be corrected by adjusting later distributions,  
23 but these adjustments must be made in the next succeeding year  
24 following identification and resolution of the misallocation.  
25 To the extent that distributions have been made improperly in

1 previous years, claims for adjustment must be made within one  
2 year of the distribution.

3 (35 ILCS 200/10-935 new)

4 Sec. 10-935. Use of revenues. A taxing district that  
5 receives and retains revenues from a special payment under  
6 this Division may use all or a portion of the revenues for the  
7 purposes of financing the issuance of revenue bonds.

8 (35 ILCS 200/10-937 new)

9 Sec. 10-937. Termination of incentive agreement; automatic  
10 termination; minimum level of investment required to remain  
11 qualified for assessment freeze.

12 (a) The local municipality and the company may mutually  
13 agree to terminate the incentive agreement at any time. From  
14 the date of termination, the megaproject is subject to  
15 assessment on the basis of the then current fair cash value.

16 (b) An incentive agreement shall be terminated if the  
17 company fails to satisfy the minimum investment level provided  
18 in this Division. If the incentive agreement is terminated  
19 under this subsection, the megaproject is subject to  
20 assessment on the basis of the then current fair cash value  
21 beginning in the tax year during which the termination occurs.

22 (c) An incentive agreement shall terminate if, at any  
23 time, the company no longer has the minimum level of  
24 investment as provided in this Division, without regard to

1 depreciation.

2 (35 ILCS 200/10-940 new)

3 Sec. 10-940. Megaproject applications; certification as a  
4 megaproject and revocation of certification.

5 (a) The Department shall receive applications for  
6 megaproject certificates under this Division in a form and  
7 manner provided by the Department by rule. The Department  
8 shall promptly notify the assessment officer when the  
9 Department receives an application under this Section. The  
10 Department's rules shall provide that an applicant may request  
11 preliminary approval of the megaproject before the project  
12 begins, before the applicant has entered into a fully executed  
13 incentive agreement with the local municipality, or before the  
14 project has been placed in service.

15 (b) An applicant for a megaproject certificate under this  
16 Division must provide evidence to the Department of a fully  
17 executed incentive agreement between the company and the local  
18 municipality as described in this Division.

19 (c) An applicant for a megaproject certificate under this  
20 Division must provide evidence to the Department of a fully  
21 executed project labor agreement entered into with the  
22 applicable local building trades council prior to the  
23 commencement of any demolition, building construction, or  
24 building renovation at the project. If the demolition,  
25 building construction, or building renovation begins after the

1 application is approved, then the applicant must transmit a  
2 copy of the fully executed project labor agreement to the  
3 Department as soon as possible after the agreement is  
4 executed.

5 (d) An applicant for a megaproject certificate under this  
6 Division must provide evidence to the Department that the  
7 company has established the goal of awarding 20% of the total  
8 dollar amount of contracts awarded during each calendar year  
9 by the company, that are related to the project, to  
10 minority-owned businesses.

11 (e) The Department shall approve an application for a  
12 megaproject certificate if the Department finds that the  
13 project meets the requirements of this Division.

14 (f) Upon approval of the application, the Department shall  
15 issue a megaproject certificate to the applicant and transmit  
16 a copy to the assessment officer. The certificate shall  
17 identify the property on which the megaproject is located.

18 (g) For each calendar year following issuance of the  
19 megaproject certificate, until the minimum investment  
20 requirements have been met and the megaproject has been placed  
21 in service, the company shall deliver a report to the  
22 Department on the status of construction or creation of the  
23 megaproject and the amount of minimum investment made in the  
24 megaproject during the preceding calendar year. If the  
25 Department determines, in accordance with the Administrative  
26 Review Law and the Illinois Administrative Procedure Act, that



1 a project for which a certificate has been issued has not met  
2 the minimum investment requirements of this Division within  
3 the investment period, the Department shall revoke the  
4 certificate by written notice to the taxpayer of record and  
5 transmit a copy of the revocation to the assessment officer.

6 (h) If the local municipality notifies the Department that  
7 the incentive agreement between the company and the local  
8 municipality has been terminated, the Department shall revoke  
9 the certificate by written notice to the taxpayer of record  
10 and transmit a copy of the revocation to the assessment  
11 officer.

12 (i) In addition to all other requirements of this Section,  
13 the Department may issue a megaproject certificate only if the  
14 megaproject is expressly authorized by Section 10-912.

15 (35 ILCS 200/10-945 new)

16 Sec. 10-945. Computation of valuation.

17 (a) Upon receipt of the megaproject certificate from the  
18 Department, the assessment officer shall determine the base  
19 year valuation and shall make a notation on each statement of  
20 assessment during the assessment period that the valuation of  
21 the project is based upon the issuance of a megaproject  
22 certificate.

23 (b) Upon revocation of a megaproject certificate, the  
24 assessment officer shall compute the assessed valuation of the  
25 project on the basis of the then current fair cash value of the

1 property.

2 (35 ILCS 200/10-950 new)

3 Sec. 10-950. Transfers of interest in a megaproject;  
4 sale-leaseback arrangement; requirements.

5 (a) Subject to the terms of the incentive agreement  
6 between the company and the local municipality, ownership of  
7 or any interest in the megaproject and any and all related  
8 project property, including, without limitation, transfers of  
9 indirect beneficial interests and equity interests in a  
10 company owning a megaproject, shall not affect the assessment  
11 freeze or the validity of the megaproject certificate issued  
12 under this Division. Notwithstanding the provisions of this  
13 subsection, the incentive agreement shall be a covenant  
14 running with the land.

15 (b) A company may enter into lending, financing, security,  
16 leasing, or similar arrangements, or a succession of such  
17 arrangements, with a financing entity concerning all or part  
18 of a project, including, without limitation, a sale-leaseback  
19 arrangement, equipment lease, build-to-suit lease, synthetic  
20 lease, nordic lease, defeased tax benefit, or transfer lease,  
21 an assignment, sublease, or similar arrangement, or succession  
22 of those arrangements, with one or more financing entities  
23 concerning all or part of a project, regardless of the  
24 identity of the income tax or fee owner of the megaproject.  
25 Neither the original transfer to the financing entity nor the

1 later transfer from the financing entity back to the company,  
2 pursuant to terms in the sale-leaseback agreement, shall  
3 affect the assessment freeze or the validity of the  
4 megaproject certificate issued under this Division, regardless  
5 of whether the income tax basis is changed for income tax  
6 purposes.

7 (c) The Department must receive notice of all transfers  
8 undertaken with respect to other projects. Notice shall be  
9 made in writing within 60 days after the transfer, identifying  
10 each transferee and containing other information required by  
11 the Department with the appropriate returns. Failure to meet  
12 this notice requirement does not adversely affect the  
13 assessment freeze.

14 (35 ILCS 200/10-955 new)

15 Sec. 10-955. Minimum investment by company affiliates. To  
16 be eligible for the benefits of this Division, a company must  
17 invest the minimum investment. Investments by company  
18 affiliates during the investment period may be applied toward  
19 the minimum investment under this Division regardless of  
20 whether the company affiliate was part of the project. To  
21 qualify for the assessment freeze, the minimum investments  
22 must be located at the megaproject.

23 (35 ILCS 200/10-960 new)

24 Sec. 10-960. Projects to be valued at fair cash value for

1 purposes of bonded indebtedness and limitations on property  
2 tax extensions. Projects to which an assessment freeze applies  
3 pursuant to this Division shall be valued at their fair cash  
4 value for purposes of calculating a municipality's general  
5 obligation bond limits and a taxing district's limitation on  
6 tax extensions.

7 (35 ILCS 200/10-965 new)

8 Sec. 10-965. Abatements. Any taxing district, upon a  
9 majority vote of its governing authority, may, after the  
10 determination of the assessed valuation as set forth in this  
11 Division, order the clerk of the appropriate municipality or  
12 county to abate any portion of real property taxes otherwise  
13 levied or extended by the taxing district on a megaproject.

14 (35 ILCS 200/10-970 new)

15 Sec. 10-970. Filing of returns, contracts, and other  
16 information; due date of payments and returns.

17 (a) The company and the local municipality shall file  
18 notices, reports, and other information as required by the  
19 Department.

20 (b) Special payments are due at the same time as property  
21 tax payments and property tax returns are due for the  
22 megaproject property.

23 (c) Failure to make a timely special payment results in  
24 the assessment of penalties as if the payment were a

1 delinquent property tax payment or return.

2 (d) Within 30 days after the date of execution of an  
3 incentive agreement, a copy of the incentive agreement must be  
4 filed with the Department, the county assessor, and the county  
5 auditor for the county in which the megaproject is located.

6 (35 ILCS 200/10-980 new)

7 Sec. 10-980. Rules. The Department may issue rulings and  
8 adopt rules as necessary to carry out the purpose of this  
9 Division.

10 (35 ILCS 200/10-990 new)

11 Sec. 10-990. Invalidity. If all or any part of this  
12 Division is determined to be unconstitutional or otherwise  
13 unenforceable by a court of competent jurisdiction, a company  
14 has 180 days from the date of the determination to transfer  
15 title to a megaproject to an authorized economic development  
16 authority, which may qualify for property tax assessment under  
17 this Division or which may be exempt from property taxes.

18 Section 930. The Sports Wagering Act is amended by  
19 changing Section 25-90 as follows:

20 (230 ILCS 45/25-90)

21 Sec. 25-90. Tax; Sports Wagering Fund.

22 (a) For the privilege of holding a license to operate

1 sports wagering under this Act, this State shall impose and  
2 collect 15% of a master sports wagering licensee's adjusted  
3 gross sports wagering receipts from sports wagering. The  
4 accrual method of accounting shall be used for purposes of  
5 calculating the amount of the tax owed by the licensee.

6 The taxes levied and collected pursuant to this subsection  
7 (a) are due and payable to the Board no later than the last day  
8 of the month following the calendar month in which the  
9 adjusted gross sports wagering receipts were received and the  
10 tax obligation was accrued.

11 (a-5) In addition to the tax imposed under subsection (a)  
12 of this Section, for the privilege of holding a license to  
13 operate sports wagering under this Act, the State shall impose  
14 and collect 2% of the adjusted gross receipts from sports  
15 wagers that are placed within a home rule county with a  
16 population of over 3,000,000 inhabitants, which shall be paid,  
17 subject to appropriation from the General Assembly, from the  
18 Sports Wagering Fund to that home rule county for the purpose  
19 of enhancing the county's criminal justice system.

20 (a-6) In addition to the taxes imposed under subsections  
21 (a) and (a-5) of this Section, the State shall impose and  
22 collect a tax equal to 3% of the adjusted gross sports wagering  
23 receipts from sports wagers that are placed within the  
24 Arlington Megaproject established under Division 22 of Article  
25 10 of the Property Tax Code. All moneys collected under this  
26 subsection (a-6) shall be deposited into the Arlington

1 Megaproject Infrastructure Fund.

2 (b) The Sports Wagering Fund is hereby created as a  
3 special fund in the State treasury. Except as otherwise  
4 provided in this Act, all moneys collected under this Act by  
5 the Board shall be deposited into the Sports Wagering Fund. On  
6 the 25th of each month, any moneys remaining in the Sports  
7 Wagering Fund in excess of the anticipated monthly  
8 expenditures from the Fund through the next month, as  
9 certified by the Board to the State Comptroller, shall be  
10 transferred by the State Comptroller and the State Treasurer  
11 to the Capital Projects Fund.

12 (c) Beginning with July 2021, and on a monthly basis  
13 thereafter, the Board shall certify to the State Comptroller  
14 the amount of license fees collected in the month for initial  
15 licenses issued under this Act, except for occupational  
16 licenses. As soon after certification as practicable, the  
17 State Comptroller shall direct and the State Treasurer shall  
18 transfer the certified amount from the Sports Wagering Fund to  
19 the Rebuild Illinois Projects Fund.

20 (Source: P.A. 101-31, eff. 6-28-19; 102-16, eff. 6-17-21;  
21 102-687, eff. 12-17-21.)

22 Section 935. The Liquor Control Act of 1934 is amended by  
23 adding Section 8-15 as follows:

24 (235 ILCS 5/8-15 new)

1       Sec. 8-15. Arlington Megaproject. Notwithstanding any  
2 provision of law to the contrary, beginning on the first day of  
3 the first month after the Arlington Megaproject is established  
4 under Division 22 of Article 10 of the Property Tax Code, all  
5 taxes collected under this Act from persons located within the  
6 Arlington Megaproject shall be deposited into the Arlington  
7 Megaproject Infrastructure Fund.

8       Section 997. Severability. The provisions of this Act are  
9 severable under Section 1.31 of the Statute on Statutes.

10       Section 999. Effective date. This Act takes effect June 1,  
11 2023.



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