



## 103RD GENERAL ASSEMBLY

### State of Illinois

### 2023 and 2024

#### HB4114

by Rep. Kevin Schmidt

#### SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
35 ILCS 105/3-6	
35 ILCS 105/3-10	
35 ILCS 105/9	from Ch. 120, par. 439.9
35 ILCS 120/2-8	
35 ILCS 120/2-10	
35 ILCS 120/3	from Ch. 120, par. 442

Amends the Use Tax Act and the Retailers' Occupation Tax Act. Creates a sales tax holiday period for certain school supplies from August 2, 2024 through August 11, 2024. Effective immediately.

LRB103 33313 HLH 63123 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 5. The State Finance Act is amended by changing  
5 Sections 6z-18 and 6z-20 as follows:

6 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

7 Sec. 6z-18. Local Government Tax Fund. A portion of the  
8 money paid into the Local Government Tax Fund from sales of  
9 tangible personal property taxed at the 1% rate under the  
10 Retailers' Occupation Tax Act and the Service Occupation Tax  
11 Act, which occurred in municipalities, shall be distributed to  
12 each municipality based upon the sales which occurred in that  
13 municipality. The remainder shall be distributed to each  
14 county based upon the sales which occurred in the  
15 unincorporated area of that county.

16 Moneys transferred from the Grocery Tax Replacement Fund  
17 to the Local Government Tax Fund under Section 6z-130 shall be  
18 treated under this Section in the same manner as if they had  
19 been remitted with the return on which they were reported.

20 A portion of the money paid into the Local Government Tax  
21 Fund from the 6.25% general use tax rate on the selling price  
22 of tangible personal property which is purchased outside  
23 Illinois at retail from a retailer and which is titled or

1 registered by any agency of this State's government shall be  
2 distributed to municipalities as provided in this paragraph.  
3 Each municipality shall receive the amount attributable to  
4 sales for which Illinois addresses for titling or registration  
5 purposes are given as being in such municipality. The  
6 remainder of the money paid into the Local Government Tax Fund  
7 from such sales shall be distributed to counties. Each county  
8 shall receive the amount attributable to sales for which  
9 Illinois addresses for titling or registration purposes are  
10 given as being located in the unincorporated area of such  
11 county.

12 A portion of the money paid into the Local Government Tax  
13 Fund from the 6.25% general rate (and, beginning July 1, 2000  
14 and through December 31, 2000, the 1.25% rate on motor fuel and  
15 gasohol, and during the sales tax holiday period, as defined  
16 in Section 3-6 of the Use Tax Act and Section 2-8 of the  
17 Retailers' Occupation Tax Act, ~~beginning on August 6, 2010~~  
18 ~~through August 15, 2010, and beginning again on August 5, 2022~~  
19 ~~through August 14, 2022,~~ the 1.25% rate on sales tax holiday  
20 items) on sales subject to taxation under the Retailers'  
21 Occupation Tax Act and the Service Occupation Tax Act, which  
22 occurred in municipalities, shall be distributed to each  
23 municipality, based upon the sales which occurred in that  
24 municipality. The remainder shall be distributed to each  
25 county, based upon the sales which occurred in the  
26 unincorporated area of such county.

1           For the purpose of determining allocation to the local  
2 government unit, a retail sale by a producer of coal or other  
3 mineral mined in Illinois is a sale at retail at the place  
4 where the coal or other mineral mined in Illinois is extracted  
5 from the earth. This paragraph does not apply to coal or other  
6 mineral when it is delivered or shipped by the seller to the  
7 purchaser at a point outside Illinois so that the sale is  
8 exempt under the United States Constitution as a sale in  
9 interstate or foreign commerce.

10           Whenever the Department determines that a refund of money  
11 paid into the Local Government Tax Fund should be made to a  
12 claimant instead of issuing a credit memorandum, the  
13 Department shall notify the State Comptroller, who shall cause  
14 the order to be drawn for the amount specified, and to the  
15 person named, in such notification from the Department. Such  
16 refund shall be paid by the State Treasurer out of the Local  
17 Government Tax Fund.

18           As soon as possible after the first day of each month,  
19 beginning January 1, 2011, upon certification of the  
20 Department of Revenue, the Comptroller shall order  
21 transferred, and the Treasurer shall transfer, to the STAR  
22 Bonds Revenue Fund the local sales tax increment, as defined  
23 in the Innovation Development and Economy Act, collected  
24 during the second preceding calendar month for sales within a  
25 STAR bond district and deposited into the Local Government Tax  
26 Fund, less 3% of that amount, which shall be transferred into

1 the Tax Compliance and Administration Fund and shall be used  
2 by the Department, subject to appropriation, to cover the  
3 costs of the Department in administering the Innovation  
4 Development and Economy Act.

5 After the monthly transfer to the STAR Bonds Revenue Fund,  
6 on or before the 25th day of each calendar month, the  
7 Department shall prepare and certify to the Comptroller the  
8 disbursement of stated sums of money to named municipalities  
9 and counties, the municipalities and counties to be those  
10 entitled to distribution of taxes or penalties paid to the  
11 Department during the second preceding calendar month. The  
12 amount to be paid to each municipality or county shall be the  
13 amount (not including credit memoranda) collected during the  
14 second preceding calendar month by the Department and paid  
15 into the Local Government Tax Fund, plus an amount the  
16 Department determines is necessary to offset any amounts which  
17 were erroneously paid to a different taxing body, and not  
18 including an amount equal to the amount of refunds made during  
19 the second preceding calendar month by the Department, and not  
20 including any amount which the Department determines is  
21 necessary to offset any amounts which are payable to a  
22 different taxing body but were erroneously paid to the  
23 municipality or county, and not including any amounts that are  
24 transferred to the STAR Bonds Revenue Fund. Within 10 days  
25 after receipt, by the Comptroller, of the disbursement  
26 certification to the municipalities and counties, provided for

1 in this Section to be given to the Comptroller by the  
2 Department, the Comptroller shall cause the orders to be drawn  
3 for the respective amounts in accordance with the directions  
4 contained in such certification.

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

11 The provisions directing the distributions from the  
12 special fund in the State treasury ~~Treasury~~ provided for in  
13 this Section shall constitute an irrevocable and continuing  
14 appropriation of all amounts as provided herein. The State  
15 Treasurer and State Comptroller are hereby authorized to make  
16 distributions as provided in this Section.

17 In construing any development, redevelopment, annexation,  
18 preannexation, or other lawful agreement in effect prior to  
19 September 1, 1990, which describes or refers to receipts from  
20 a county or municipal retailers' occupation tax, use tax or  
21 service occupation tax which now cannot be imposed, such  
22 description or reference shall be deemed to include the  
23 replacement revenue for such abolished taxes, distributed from  
24 the Local Government Tax Fund.

25 As soon as possible after March 8, 2013 (the effective  
26 date of Public Act 98-3) ~~this amendatory Act of the 98th~~

1 ~~General Assembly~~, the State Comptroller shall order and the  
2 State Treasurer shall transfer \$6,600,000 from the Local  
3 Government Tax Fund to the Illinois State Medical Disciplinary  
4 Fund.

5 (Source: P.A. 102-700, Article 60, Section 60-10, eff.  
6 4-19-22; 102-700, Article 65, Section 65-15, eff. 4-19-22;  
7 revised 6-2-22.)

8 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

9 Sec. 6z-20. County and Mass Transit District Fund. Of the  
10 money received from the 6.25% general rate (and, beginning  
11 July 1, 2000 and through December 31, 2000, the 1.25% rate on  
12 motor fuel and gasohol, and during the sales tax holiday  
13 period, as defined in Section 3-6 of the Use Tax Act and  
14 Section 2-8 of the Retailers' Occupation Tax Act ~~beginning on~~  
15 ~~August 6, 2010 through August 15, 2010, and beginning again on~~  
16 ~~August 5, 2022 through August 14, 2022~~, the 1.25% rate on sales  
17 tax holiday items) on sales subject to taxation under the  
18 Retailers' Occupation Tax Act and Service Occupation Tax Act  
19 and paid into the County and Mass Transit District Fund,  
20 distribution to the Regional Transportation Authority tax  
21 fund, created pursuant to Section 4.03 of the Regional  
22 Transportation Authority Act, for deposit therein shall be  
23 made based upon the retail sales occurring in a county having  
24 more than 3,000,000 inhabitants. The remainder shall be  
25 distributed to each county having 3,000,000 or fewer

1 inhabitants based upon the retail sales occurring in each such  
2 county.

3 For the purpose of determining allocation to the local  
4 government unit, a retail sale by a producer of coal or other  
5 mineral mined in Illinois is a sale at retail at the place  
6 where the coal or other mineral mined in Illinois is extracted  
7 from the earth. This paragraph does not apply to coal or other  
8 mineral when it is delivered or shipped by the seller to the  
9 purchaser at a point outside Illinois so that the sale is  
10 exempt under the United States Constitution as a sale in  
11 interstate or foreign commerce.

12 Of the money received from the 6.25% general use tax rate  
13 on tangible personal property which is purchased outside  
14 Illinois at retail from a retailer and which is titled or  
15 registered by any agency of this State's government and paid  
16 into the County and Mass Transit District Fund, the amount for  
17 which Illinois addresses for titling or registration purposes  
18 are given as being in each county having more than 3,000,000  
19 inhabitants shall be distributed into the Regional  
20 Transportation Authority tax fund, created pursuant to Section  
21 4.03 of the Regional Transportation Authority Act. The  
22 remainder of the money paid from such sales shall be  
23 distributed to each county based on sales for which Illinois  
24 addresses for titling or registration purposes are given as  
25 being located in the county. Any money paid into the Regional  
26 Transportation Authority Occupation and Use Tax Replacement



1 Fund from the County and Mass Transit District Fund prior to  
2 January 14, 1991, which has not been paid to the Authority  
3 prior to that date, shall be transferred to the Regional  
4 Transportation Authority tax fund.

5 Whenever the Department determines that a refund of money  
6 paid into the County and Mass Transit District Fund should be  
7 made to a claimant instead of issuing a credit memorandum, the  
8 Department shall notify the State Comptroller, who shall cause  
9 the order to be drawn for the amount specified, and to the  
10 person named, in such notification from the Department. Such  
11 refund shall be paid by the State Treasurer out of the County  
12 and Mass Transit District Fund.

13 As soon as possible after the first day of each month,  
14 beginning January 1, 2011, upon certification of the  
15 Department of Revenue, the Comptroller shall order  
16 transferred, and the Treasurer shall transfer, to the STAR  
17 Bonds Revenue Fund the local sales tax increment, as defined  
18 in the Innovation Development and Economy Act, collected  
19 during the second preceding calendar month for sales within a  
20 STAR bond district and deposited into the County and Mass  
21 Transit District Fund, less 3% of that amount, which shall be  
22 transferred into the Tax Compliance and Administration Fund  
23 and shall be used by the Department, subject to appropriation,  
24 to cover the costs of the Department in administering the  
25 Innovation Development and Economy Act.

26 After the monthly transfer to the STAR Bonds Revenue Fund,

1 on or before the 25th day of each calendar month, the  
2 Department shall prepare and certify to the Comptroller the  
3 disbursement of stated sums of money to the Regional  
4 Transportation Authority and to named counties, the counties  
5 to be those entitled to distribution, as hereinabove provided,  
6 of taxes or penalties paid to the Department during the second  
7 preceding calendar month. The amount to be paid to the  
8 Regional Transportation Authority and each county having  
9 3,000,000 or fewer inhabitants shall be the amount (not  
10 including credit memoranda) collected during the second  
11 preceding calendar month by the Department and paid into the  
12 County and Mass Transit District Fund, plus an amount the  
13 Department determines is necessary to offset any amounts which  
14 were erroneously paid to a different taxing body, and not  
15 including an amount equal to the amount of refunds made during  
16 the second preceding calendar month by the Department, and not  
17 including any amount which the Department determines is  
18 necessary to offset any amounts which were payable to a  
19 different taxing body but were erroneously paid to the  
20 Regional Transportation Authority or county, and not including  
21 any amounts that are transferred to the STAR Bonds Revenue  
22 Fund, less 1.5% of the amount to be paid to the Regional  
23 Transportation Authority, which shall be transferred into the  
24 Tax Compliance and Administration Fund. The Department, at the  
25 time of each monthly disbursement to the Regional  
26 Transportation Authority, shall prepare and certify to the

1 State Comptroller the amount to be transferred into the Tax  
2 Compliance and Administration Fund under this Section. Within  
3 10 days after receipt, by the Comptroller, of the disbursement  
4 certification to the Regional Transportation Authority,  
5 counties, and the Tax Compliance and Administration Fund  
6 provided for in this Section to be given to the Comptroller by  
7 the Department, the Comptroller shall cause the orders to be  
8 drawn for the respective amounts in accordance with the  
9 directions contained in such certification.

10 When certifying the amount of a monthly disbursement to  
11 the Regional Transportation Authority or to a county under  
12 this Section, the Department shall increase or decrease that  
13 amount by an amount necessary to offset any misallocation of  
14 previous disbursements. The offset amount shall be the amount  
15 erroneously disbursed within the 6 months preceding the time a  
16 misallocation is discovered.

17 The provisions directing the distributions from the  
18 special fund in the State Treasury provided for in this  
19 Section and from the Regional Transportation Authority tax  
20 fund created by Section 4.03 of the Regional Transportation  
21 Authority Act shall constitute an irrevocable and continuing  
22 appropriation of all amounts as provided herein. The State  
23 Treasurer and State Comptroller are hereby authorized to make  
24 distributions as provided in this Section.

25 In construing any development, redevelopment, annexation,  
26 preannexation or other lawful agreement in effect prior to

1 September 1, 1990, which describes or refers to receipts from  
2 a county or municipal retailers' occupation tax, use tax or  
3 service occupation tax which now cannot be imposed, such  
4 description or reference shall be deemed to include the  
5 replacement revenue for such abolished taxes, distributed from  
6 the County and Mass Transit District Fund or Local Government  
7 Distributive Fund, as the case may be.

8 (Source: P.A. 102-700, eff. 4-19-22.)

9 Section 10. The Use Tax Act is amended by changing  
10 Sections 3-6, 3-10, and 9 as follows:

11 (35 ILCS 105/3-6)

12 Sec. 3-6. Sales tax holiday items.

13 (a) Any tangible personal property described in this  
14 subsection is a sales tax holiday item and qualifies for the  
15 1.25% reduced rate of tax during the sales tax holiday period  
16 ~~for the period set forth in Section 3-10 of this Act~~  
17 ~~(hereinafter referred to as the Sales Tax Holiday Period)~~. The  
18 reduced rate on these items shall be administered under the  
19 provisions of subsection (b) of this Section. The following  
20 items are subject to the reduced rate:

21 (1) Clothing items that each have a retail selling  
22 price of less than \$125.

23 "Clothing" means, unless otherwise specified in this  
24 Section, all human wearing apparel suitable for general

1 use. "Clothing" does not include clothing accessories,  
2 protective equipment, or sport or recreational equipment.

3 "Clothing" includes, but is not limited to: household and  
4 shop aprons; athletic supporters; bathing suits and caps;  
5 belts and suspenders; boots; coats and jackets; ear muffs;  
6 footlets; gloves and mittens for general use; hats and  
7 caps; hosiery; insoles for shoes; lab coats; neckties;  
8 overshoes; pantyhose; rainwear; rubber pants; sandals;  
9 scarves; shoes and shoelaces; slippers; sneakers; socks  
10 and stockings; steel-toed shoes; underwear; and school  
11 uniforms.

12 "Clothing accessories" means, but is not limited to:  
13 briefcases; cosmetics; hair notions, including, but not  
14 limited to barrettes, hair bows, and hair nets; handbags;  
15 handkerchiefs; jewelry; non-prescription sunglasses;  
16 umbrellas; wallets; watches; and wigs and hair pieces.

17 "Protective equipment" means, but is not limited to:  
18 breathing masks; clean room apparel and equipment; ear and  
19 hearing protectors; face shields; hard hats; helmets;  
20 paint or dust respirators; protective gloves; safety  
21 glasses and goggles; safety belts; tool belts; and  
22 welder's gloves and masks.

23 "Sport or recreational equipment" means, but is not  
24 limited to: ballet and tap shoes; cleated or spiked  
25 athletic shoes; gloves, including, but not limited to,  
26 baseball, bowling, boxing, hockey, and golf gloves;

1 goggles; hand and elbow guards; life preservers and vests;  
2 mouth guards; roller and ice skates; shin guards; shoulder  
3 pads; ski boots; waders; and wetsuits and fins.

4 (2) School supplies. "School supplies" means, unless  
5 otherwise specified in this Section, items used by a  
6 student in a course of study. The purchase of school  
7 supplies for use by persons other than students for use in  
8 a course of study are not eligible for the reduced rate of  
9 tax. "School supplies" do not include school art supplies;  
10 school instructional materials; cameras; film and memory  
11 cards; videocameras, tapes, and videotapes; computers;  
12 cell phones; Personal Digital Assistants (PDAs); handheld  
13 electronic schedulers; and school computer supplies.

14 "School supplies" includes, but is not limited to:  
15 binders; book bags; calculators; cellophane tape;  
16 blackboard chalk; compasses; composition books; crayons;  
17 erasers; expandable, pocket, plastic, and manila folders;  
18 glue, paste, and paste sticks; highlighters; index cards;  
19 index card boxes; legal pads; lunch boxes; markers;  
20 notebooks; paper, including loose leaf ruled notebook  
21 paper, copy paper, graph paper, tracing paper, manila  
22 paper, colored paper, poster board, and construction  
23 paper; pencils; pencil leads; pens; ink and ink refills  
24 for pens; pencil boxes and other school supply boxes;  
25 pencil sharpeners; protractors; rulers; scissors; and  
26 writing tablets.

1           "School art supply" means an item commonly used by a  
2 student in a course of study for artwork and includes only  
3 the following items: clay and glazes; acrylic, tempera,  
4 and oil paint; paintbrushes for artwork; sketch and  
5 drawing pads; and watercolors.

6           "School instructional material" means written material  
7 commonly used by a student in a course of study as a  
8 reference and to learn the subject being taught and  
9 includes only the following items: reference books;  
10 reference maps and globes; textbooks; and workbooks.

11           "School computer supply" means an item commonly used  
12 by a student in a course of study in which a computer is  
13 used and applies only to the following items: flashdrives  
14 and other computer data storage devices; data storage  
15 media, such as diskettes and compact disks; boxes and  
16 cases for disk storage; external ports or drives; computer  
17 cases; computer cables; computer printers; and printer  
18 cartridges, toner, and ink.

19           (b) Administration. Notwithstanding any other provision of  
20 this Act, the reduced rate of tax under Section 3-10 of this  
21 Act for clothing and school supplies shall be administered by  
22 the Department under the provisions of this subsection (b).

23           (1) Bundled sales. Items that qualify for the reduced  
24 rate of tax that are bundled together with items that do  
25 not qualify for the reduced rate of tax and that are sold  
26 for one itemized price will be subject to the reduced rate

1 of tax only if the value of the items that qualify for the  
2 reduced rate of tax exceeds the value of the items that do  
3 not qualify for the reduced rate of tax.

4 (2) Coupons and discounts. An unreimbursed discount by  
5 the seller reduces the sales price of the property so that  
6 the discounted sales price determines whether the sales  
7 price is within a sales tax holiday price threshold. A  
8 coupon or other reduction in the sales price is treated as  
9 a discount if the seller is not reimbursed for the coupon  
10 or reduction amount by a third party.

11 (3) Splitting of items normally sold together.  
12 Articles that are normally sold as a single unit must  
13 continue to be sold in that manner. Such articles cannot  
14 be priced separately and sold as individual items in order  
15 to obtain the reduced rate of tax. For example, a pair of  
16 shoes cannot have each shoe sold separately so that the  
17 sales price of each shoe is within a sales tax holiday  
18 price threshold.

19 (4) Rain checks. A rain check is a procedure that  
20 allows a customer to purchase an item at a certain price at  
21 a later time because the particular item was out of stock.  
22 Eligible property that customers purchase during the sales  
23 tax holiday period ~~Sales Tax Holiday Period~~ with the use  
24 of a rain check will qualify for the reduced rate of tax  
25 regardless of when the rain check was issued. Issuance of  
26 a rain check during the sales tax holiday period ~~Sales Tax~~



1 ~~Holiday Period~~ will not qualify eligible property for the  
2 reduced rate of tax if the property is actually purchased  
3 after the sales tax holiday period ~~Sales Tax Holiday~~  
4 ~~Period~~.

5 (5) Exchanges. The procedure for an exchange in  
6 regards to a sales tax holiday is as follows:

7 (A) If a customer purchases an item of eligible  
8 property during the sales tax holiday period ~~Sales Tax~~  
9 ~~Holiday Period~~, but later exchanges the item for a  
10 similar eligible item, even if a different size,  
11 different color, or other feature, no additional tax  
12 is due even if the exchange is made after the sales tax  
13 holiday period ~~Sales Tax Holiday Period~~.

14 (B) If a customer purchases an item of eligible  
15 property during the sales tax holiday period ~~Sales Tax~~  
16 ~~Holiday Period~~, but after the sales tax holiday period  
17 ~~Sales Tax Holiday Period~~ has ended, the customer  
18 returns the item and receives credit on the purchase  
19 of a different item, the 6.25% general merchandise  
20 sales tax rate is due on the sale of the newly  
21 purchased item.

22 (C) If a customer purchases an item of eligible  
23 property before the sales tax holiday period ~~Sales Tax~~  
24 ~~Holiday Period~~, but during the sales tax holiday  
25 period ~~Sales Tax Holiday Period~~ the customer returns  
26 the item and receives credit on the purchase of a

1 different item of eligible property, the reduced rate  
2 of tax is due on the sale of the new item if the new  
3 item is purchased during the sales tax holiday period  
4 ~~Sales Tax Holiday Period~~.

5 (6) (Blank).

6 (7) Order date and back orders. For the purpose of a  
7 sales tax holiday, eligible property qualifies for the  
8 reduced rate of tax if: (i) the item is both delivered to  
9 and paid for by the customer during the sales tax holiday  
10 period ~~Sales Tax Holiday Period~~ or (ii) the customer  
11 orders and pays for the item and the seller accepts the  
12 order during the sales tax holiday period ~~Sales Tax~~  
13 ~~Holiday Period~~ for immediate shipment, even if delivery is  
14 made after the sales tax holiday period ~~Sales Tax Holiday~~  
15 ~~Period~~. The seller accepts an order when the seller has  
16 taken action to fill the order for immediate shipment.  
17 Actions to fill an order include placement of an "in date"  
18 stamp on an order or assignment of an "order number" to an  
19 order within the sales tax holiday period ~~Sales Tax~~  
20 ~~Holiday Period~~. An order is for immediate shipment when  
21 the customer does not request delayed shipment. An order  
22 is for immediate shipment notwithstanding that the  
23 shipment may be delayed because of a backlog of orders or  
24 because stock is currently unavailable to, or on back  
25 order by, the seller.

26 (8) Returns. For a 60-day period immediately after the

1        sales tax holiday period ~~Sales Tax Holiday Period~~, if a  
2        customer returns an item that would qualify for the  
3        reduced rate of tax, credit for or refund of sales tax  
4        shall be given only at the reduced rate unless the  
5        customer provides a receipt or invoice that shows tax was  
6        paid at the 6.25% general merchandise rate, or the seller  
7        has sufficient documentation to show that tax was paid at  
8        the 6.25% general merchandise rate on the specific item.  
9        This 60-day period is set solely for the purpose of  
10        designating a time period during which the customer must  
11        provide documentation that shows that the appropriate  
12        sales tax rate was paid on returned merchandise. The  
13        60-day period is not intended to change a seller's policy  
14        on the time period during which the seller will accept  
15        returns.

16        (b-5) As used in this Section, "sales tax holiday period"  
17        means:

18                (1) from August 6, 2010 through August 15, 2010;

19                (2) from August 5, 2022 through August 14, 2022; and

20                (3) from August 2, 2024 through August 11, 2024.

21        (c) The Department may implement the provisions of this  
22        Section through the use of emergency rules, along with  
23        permanent rules filed concurrently with such emergency rules,  
24        in accordance with the provisions of Section 5-45 of the  
25        Illinois Administrative Procedure Act. For purposes of the  
26        Illinois Administrative Procedure Act, the adoption of rules

1 to implement the provisions of this Section shall be deemed an  
2 emergency and necessary for the public interest, safety, and  
3 welfare.

4 (Source: P.A. 102-700, eff. 4-19-22.)

5 (35 ILCS 105/3-10)

6 Sec. 3-10. Rate of tax. Unless otherwise provided in this  
7 Section, the tax imposed by this Act is at the rate of 6.25% of  
8 either the selling price or the fair market value, if any, of  
9 the tangible personal property. In all cases where property  
10 functionally used or consumed is the same as the property that  
11 was purchased at retail, then the tax is imposed on the selling  
12 price of the property. In all cases where property  
13 functionally used or consumed is a by-product or waste product  
14 that has been refined, manufactured, or produced from property  
15 purchased at retail, then the tax is imposed on the lower of  
16 the fair market value, if any, of the specific property so used  
17 in this State or on the selling price of the property purchased  
18 at retail. For purposes of this Section "fair market value"  
19 means the price at which property would change hands between a  
20 willing buyer and a willing seller, neither being under any  
21 compulsion to buy or sell and both having reasonable knowledge  
22 of the relevant facts. The fair market value shall be  
23 established by Illinois sales by the taxpayer of the same  
24 property as that functionally used or consumed, or if there  
25 are no such sales by the taxpayer, then comparable sales or

1 purchases of property of like kind and character in Illinois.

2 Beginning on July 1, 2000 and through December 31, 2000,  
3 with respect to motor fuel, as defined in Section 1.1 of the  
4 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of  
5 the Use Tax Act, the tax is imposed at the rate of 1.25%.

6 During the sales tax holiday period, as defined in Section  
7 3-6, Beginning on August 6, 2010 through August 15, 2010, and  
8 beginning again on August 5, 2022 through August 14, 2022,  
9 with respect to sales tax holiday items described ~~as defined~~  
10 in Section 3-6 ~~of this Act~~, the tax is imposed at the rate of  
11 1.25%.

12 With respect to gasohol, the tax imposed by this Act  
13 applies to (i) 70% of the proceeds of sales made on or after  
14 January 1, 1990, and before July 1, 2003, (ii) 80% of the  
15 proceeds of sales made on or after July 1, 2003 and on or  
16 before July 1, 2017, and (iii) 100% of the proceeds of sales  
17 made thereafter. If, at any time, however, the tax under this  
18 Act on sales of gasohol is imposed at the rate of 1.25%, then  
19 the tax imposed by this Act applies to 100% of the proceeds of  
20 sales of gasohol made during that time.

21 With respect to majority blended ethanol fuel, the tax  
22 imposed by this Act does not apply to the proceeds of sales  
23 made on or after July 1, 2003 and on or before December 31,  
24 2023 but applies to 100% of the proceeds of sales made  
25 thereafter.

26 With respect to biodiesel blends with no less than 1% and

1 no more than 10% biodiesel, the tax imposed by this Act applies  
2 to (i) 80% of the proceeds of sales made on or after July 1,  
3 2003 and on or before December 31, 2018 and (ii) 100% of the  
4 proceeds of sales made after December 31, 2018 and before  
5 January 1, 2024. On and after January 1, 2024 and on or before  
6 December 31, 2030, the taxation of biodiesel, renewable  
7 diesel, and biodiesel blends shall be as provided in Section  
8 3-5.1. If, at any time, however, the tax under this Act on  
9 sales of biodiesel blends with no less than 1% and no more than  
10 10% biodiesel is imposed at the rate of 1.25%, then the tax  
11 imposed by this Act applies to 100% of the proceeds of sales of  
12 biodiesel blends with no less than 1% and no more than 10%  
13 biodiesel made during that time.

14 With respect to biodiesel and biodiesel blends with more  
15 than 10% but no more than 99% biodiesel, the tax imposed by  
16 this Act does not apply to the proceeds of sales made on or  
17 after July 1, 2003 and on or before December 31, 2023. On and  
18 after January 1, 2024 and on or before December 31, 2030, the  
19 taxation of biodiesel, renewable diesel, and biodiesel blends  
20 shall be as provided in Section 3-5.1.

21 Until July 1, 2022 and beginning again on July 1, 2023,  
22 with respect to 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), the tax is imposed at the rate of 1%.

1 Beginning on July 1, 2022 and until July 1, 2023, with respect  
2 to food for human consumption that is to be consumed off the  
3 premises where it is sold (other than alcoholic beverages,  
4 food consisting of or infused with adult use cannabis, soft  
5 drinks, and food that has been prepared for immediate  
6 consumption), the tax is imposed at the rate of 0%.

7 With respect to prescription and nonprescription  
8 medicines, drugs, medical appliances, products classified as  
9 Class III medical devices by the United States Food and Drug  
10 Administration that are used for cancer treatment pursuant to  
11 a prescription, as well as any accessories and components  
12 related to those devices, modifications to a motor vehicle for  
13 the purpose of rendering it usable by a person with a  
14 disability, and insulin, blood sugar testing materials,  
15 syringes, and needles used by human diabetics, the tax is  
16 imposed at the rate of 1%. For the purposes of this Section,  
17 until September 1, 2009: the term "soft drinks" means any  
18 complete, finished, ready-to-use, non-alcoholic drink, whether  
19 carbonated or not, including, but not limited to, soda water,  
20 cola, fruit juice, vegetable juice, carbonated water, and all  
21 other preparations commonly known as soft drinks of whatever  
22 kind or description that are contained in any closed or sealed  
23 bottle, can, carton, or container, regardless of size; but  
24 "soft drinks" does not include coffee, tea, non-carbonated  
25 water, infant formula, milk or milk products as defined in the  
26 Grade A Pasteurized Milk and Milk Products Act, or drinks

1 containing 50% or more natural fruit or vegetable juice.

2 Notwithstanding any other provisions of this Act,  
3 beginning September 1, 2009, "soft drinks" means non-alcoholic  
4 beverages that contain natural or artificial sweeteners. "Soft  
5 drinks" does ~~do~~ not include beverages that contain milk or  
6 milk products, soy, rice or similar milk substitutes, or  
7 greater than 50% of vegetable or fruit juice by volume.

8 Until August 1, 2009, and notwithstanding any other  
9 provisions of this Act, "food for human consumption that is to  
10 be consumed off the premises where it is sold" includes all  
11 food sold through a vending machine, except soft drinks and  
12 food products that are dispensed hot from a vending machine,  
13 regardless of the location of the vending machine. Beginning  
14 August 1, 2009, and notwithstanding any other provisions of  
15 this Act, "food for human consumption that is to be consumed  
16 off the premises where it is sold" includes all food sold  
17 through a vending machine, except soft drinks, candy, and food  
18 products that are dispensed hot from a vending machine,  
19 regardless of the location of the vending machine.

20 Notwithstanding any other provisions of this Act,  
21 beginning September 1, 2009, "food for human consumption that  
22 is to be consumed off the premises where it is sold" does not  
23 include candy. For purposes of this Section, "candy" means a  
24 preparation of sugar, honey, or other natural or artificial  
25 sweeteners in combination with chocolate, fruits, nuts or  
26 other ingredients or flavorings in the form of bars, drops, or



1 pieces. "Candy" does not include any preparation that contains  
2 flour or requires refrigeration.

3 Notwithstanding any other provisions of this Act,  
4 beginning September 1, 2009, "nonprescription medicines and  
5 drugs" does not include grooming and hygiene products. For  
6 purposes of this Section, "grooming and hygiene products"  
7 includes, but is not limited to, soaps and cleaning solutions,  
8 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
9 lotions and screens, unless those products are available by  
10 prescription only, regardless of whether the products meet the  
11 definition of "over-the-counter-drugs". For the purposes of  
12 this paragraph, "over-the-counter-drug" means a drug for human  
13 use that contains a label that identifies the product as a drug  
14 as required by 21 CFR ~~C.F.R.~~ § 201.66. The  
15 "over-the-counter-drug" label includes:

- 16 (A) a ~~A~~ "Drug Facts" panel; or  
17 (B) a ~~A~~ statement of the "active ingredient(s)" with a  
18 list of those ingredients contained in the compound,  
19 substance or preparation.

20 Beginning on January 1, 2014 (the effective date of Public  
21 Act 98-122) ~~this amendatory Act of the 98th General Assembly,~~  
22 "prescription and nonprescription medicines and drugs"  
23 includes medical cannabis purchased from a registered  
24 dispensing organization under the Compassionate Use of Medical  
25 Cannabis Program Act.

26 As used in this Section, "adult use cannabis" means

1 cannabis subject to tax under the Cannabis Cultivation  
2 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law  
3 and does not include cannabis subject to tax under the  
4 Compassionate Use of Medical Cannabis Program Act.

5 If the property that is purchased at retail from a  
6 retailer is acquired outside Illinois and used outside  
7 Illinois before being brought to Illinois for use here and is  
8 taxable under this Act, the "selling price" on which the tax is  
9 computed shall be reduced by an amount that represents a  
10 reasonable allowance for depreciation for the period of prior  
11 out-of-state use.

12 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;  
13 102-4, eff. 4-27-21; 102-700, Article 20, Section 20-5, eff.  
14 4-19-22; 102-700, Article 60, Section 60-15, eff. 4-19-22;  
15 102-700, Article 65, Section 65-5, eff. 4-19-22; revised  
16 5-27-22.)

17 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

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

1 per calendar year, whichever is greater, which is allowed to  
2 reimburse the retailer for expenses incurred in collecting the  
3 tax, keeping records, preparing and filing returns, remitting  
4 the tax and supplying data to the Department on request. When  
5 determining the discount allowed under this Section, retailers  
6 shall include the amount of tax that would have been due at the  
7 6.25% rate but for the 1.25% rate imposed on sales tax holiday  
8 items under Public Act 102-700 or this amendatory Act of the  
9 103rd General Assembly ~~this amendatory Act of the 102nd~~  
10 ~~General Assembly~~. The discount under this Section is not  
11 allowed for the 1.25% portion of taxes paid on aviation fuel  
12 that is subject to the revenue use requirements of 49 U.S.C.  
13 47107(b) and 49 U.S.C. 47133. When determining the discount  
14 allowed under this Section, retailers shall include the amount  
15 of tax that would have been due at the 1% rate but for the 0%  
16 rate imposed under Public Act 102-700 ~~this amendatory Act of~~  
17 ~~the 102nd General Assembly~~. In the case of retailers who  
18 report and pay the tax on a transaction by transaction basis,  
19 as provided in this Section, such discount shall be taken with  
20 each such tax remittance instead of when such retailer files  
21 his periodic return. The discount allowed under this Section  
22 is allowed only for returns that are filed in the manner  
23 required by this Act. The Department may disallow the discount  
24 for retailers whose certificate of registration is revoked at  
25 the time the return is filed, but only if the Department's  
26 decision to revoke the certificate of registration has become

1 final. A retailer need not remit that part of any tax collected  
2 by him to the extent that he is required to remit and does  
3 remit the tax imposed by the Retailers' Occupation Tax Act,  
4 with respect to the sale of the same property.

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 retailer, in collecting the tax (except as to motor  
10 vehicles, watercraft, aircraft, and trailers that are required  
11 to be registered with an agency of this State), may collect for  
12 each tax return period, only the tax applicable to that part of  
13 the selling price actually received during such tax return  
14 period.

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

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

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

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

8           1. The name of the seller;

9           2. The address of the principal place of business from  
10 which he engages in the business of selling tangible  
11 personal property at retail in this State;

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

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

19           5. The amount of tax due;

20           5-5. The signature of the taxpayer; and

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

23           Each retailer required or authorized to collect the tax  
24 imposed by this Act on aviation fuel sold at retail in this  
25 State during the preceding calendar month shall, instead of  
26 reporting and paying tax on aviation fuel as otherwise

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

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

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

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

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

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

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

26 All taxpayers required to make payment by electronic funds



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

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

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

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

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

1 taxpayer's average monthly liability to the Department as  
2 computed for each calendar quarter of the 4 preceding complete  
3 calendar quarter period is less than \$20,000. However, if a  
4 taxpayer can show the Department that a substantial change in  
5 the taxpayer's business has occurred which causes the taxpayer  
6 to anticipate that his average monthly tax liability for the  
7 reasonably foreseeable future will fall below the \$20,000  
8 threshold stated above, then such taxpayer may petition the  
9 Department for a change in such taxpayer's reporting status.  
10 The Department shall change such taxpayer's reporting status  
11 unless it finds that such change is seasonal in nature and not  
12 likely to be long term. Quarter monthly payment status shall  
13 be determined under this paragraph as if the rate reduction to  
14 1.25% in Public Act 102-700 ~~this amendatory Act of the 102nd~~  
15 ~~General Assembly~~ on sales tax holiday items had not occurred.  
16 Quarter monthly payment status shall be determined under this  
17 paragraph as if the rate reduction to 1.25% in this amendatory  
18 Act of the 103rd General Assembly on sales tax holiday items  
19 had not occurred. For quarter monthly payments due on or after  
20 July 1, 2023 and through June 30, 2024, "25% of the taxpayer's  
21 liability for the same calendar month of the preceding year"  
22 shall be determined as if the rate reduction to 1.25% in Public  
23 Act 102-700 ~~this amendatory Act of the 102nd General Assembly~~  
24 on sales tax holiday items had not occurred. For quarter  
25 monthly payments due on or after July 1, 2024 and through June  
26 30, 2025, "25% of the taxpayer's liability for the same

1 calendar month of the preceding year" shall be determined as  
2 if the rate reduction to 1.25% in this amendatory Act of the  
3 103rd General Assembly on sales tax holiday items had not  
4 occurred. Quarter monthly payment status shall be determined  
5 under this paragraph as if the rate reduction to 0% in Public  
6 Act 102-700 ~~this amendatory Act of the 102nd General Assembly~~  
7 on food for human consumption that is to be consumed off the  
8 premises where it is sold (other than alcoholic beverages,  
9 food consisting of or infused with adult use cannabis, soft  
10 drinks, and food that has been prepared for immediate  
11 consumption) had not occurred. For quarter monthly payments  
12 due under this paragraph on or after July 1, 2023 and through  
13 June 30, 2024, "25% of the taxpayer's liability for the same  
14 calendar month of the preceding year" shall be determined as  
15 if the rate reduction to 0% in Public Act 102-700 ~~this~~  
16 ~~amendatory Act of the 102nd General Assembly~~ had not occurred.  
17 If any such quarter monthly payment is not paid at the time or  
18 in the amount required by this Section, then the taxpayer  
19 shall be liable for penalties and interest on the difference  
20 between the minimum amount due and the amount of such quarter  
21 monthly payment actually and timely paid, except insofar as  
22 the taxpayer has previously made payments for that month to  
23 the Department in excess of the minimum payments previously  
24 due as provided in this Section. The Department shall make  
25 reasonable rules and regulations to govern the quarter monthly  
26 payment amount and quarter monthly payment dates for taxpayers

1 who file on other than a calendar monthly basis.

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

1 credit taken and that actually due, and the taxpayer shall be  
2 liable for penalties and interest on such difference.

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

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

20 Such quarter annual and annual returns, as to form and  
21 substance, shall be subject to the same requirements as  
22 monthly returns.

23 Notwithstanding any other provision in this Act concerning  
24 the time within which a retailer may file his return, in the  
25 case of any retailer who ceases to engage in a kind of business  
26 which makes him responsible for filing returns under this Act,

1 such retailer shall file a final return under this Act with the  
2 Department not more than one month after discontinuing such  
3 business.

4 In addition, with respect to motor vehicles, watercraft,  
5 aircraft, and trailers that are required to be registered with  
6 an agency of this State, except as otherwise provided in this  
7 Section, every retailer selling this kind of tangible personal  
8 property shall file, with the Department, upon a form to be  
9 prescribed and supplied by the Department, a separate return  
10 for each such item of tangible personal property which the  
11 retailer sells, except that if, in the same transaction, (i) a  
12 retailer of aircraft, watercraft, motor vehicles or trailers  
13 transfers more than one aircraft, watercraft, motor vehicle or  
14 trailer to another aircraft, watercraft, motor vehicle or  
15 trailer retailer for the purpose of resale or (ii) a retailer  
16 of aircraft, watercraft, motor vehicles, or trailers transfers  
17 more than one aircraft, watercraft, motor vehicle, or trailer  
18 to a purchaser for use as a qualifying rolling stock as  
19 provided in Section 3-55 of this Act, then that seller may  
20 report the transfer of all the aircraft, watercraft, motor  
21 vehicles or trailers involved in that transaction to the  
22 Department on the same uniform invoice-transaction reporting  
23 return form. For purposes of this Section, "watercraft" means  
24 a Class 2, Class 3, or Class 4 watercraft as defined in Section  
25 3-2 of the Boat Registration and Safety Act, a personal  
26 watercraft, or any boat equipped with an inboard motor.



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

17          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 2 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 and 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 2 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 date 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 tax  
8 that is imposed by this Act may be transmitted to the  
9 Department by way of the State agency with which, or State  
10 officer with whom, the tangible personal property must be  
11 titled or registered (if titling or registration is required)  
12 if the Department and such agency or State officer determine  
13 that this procedure will expedite the processing of  
14 applications for title or 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 tax receipt  
20 (or a certificate of exemption if the Department is satisfied  
21 that the particular sale is tax exempt) which such purchaser  
22 may submit to the agency with which, or State officer with  
23 whom, he must title or register the tangible personal property  
24 that is involved (if titling or registration is required) in  
25 support of such purchaser's application for an Illinois  
26 certificate or other evidence of title or registration to such

1 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 tax or proof of exemption made to the Department before the  
13 retailer is willing to take these actions and such user has not  
14 paid the tax to the retailer, such user may certify to the fact  
15 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 Where a retailer collects the tax with respect to the  
3 selling price of tangible personal property which he sells and  
4 the purchaser thereafter returns such tangible personal  
5 property and the retailer refunds the selling price thereof to  
6 the purchaser, such retailer shall also refund, to the  
7 purchaser, the tax so collected from the purchaser. When  
8 filing his return for the period in which he refunds such tax  
9 to the purchaser, the retailer may deduct the amount of the tax  
10 so refunded by him to the purchaser from any other use tax  
11 which such retailer may be required to pay or remit to the  
12 Department, as shown by such return, if the amount of the tax  
13 to be deducted was previously remitted to the Department by  
14 such retailer. If the retailer has not previously remitted the  
15 amount of such tax to the Department, he is entitled to no  
16 deduction under this Act upon refunding such tax to the  
17 purchaser.

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

26 If experience indicates such action to be practicable, the

1 Department may prescribe and furnish a combination or joint  
2 return which will enable retailers, who are required to file  
3 returns hereunder and also under the Retailers' Occupation Tax  
4 Act, to furnish all the return information required by both  
5 Acts on the one form.

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

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

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

23 Beginning January 1, 1990, each month the Department shall  
24 pay into the State and Local Sales Tax Reform Fund, a special  
25 fund in the State Treasury, 20% of the net revenue realized for  
26 the preceding month from the 6.25% general rate on the selling

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

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

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

1 month from the 1.25% rate on the selling price of sales tax  
2 holiday items into the State and Local Sales Tax Reform Fund.

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

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

17 Beginning July 1, 2011, each month the Department shall  
18 pay into the Clean Air Act Permit Fund 80% of the net revenue  
19 realized for the preceding month from the 6.25% general rate  
20 on the selling price of sorbents used in Illinois in the  
21 process of sorbent injection as used to comply with the  
22 Environmental Protection Act or the federal Clean Air Act, but  
23 the total payment into the Clean Air Act Permit Fund under this  
24 Act and the Retailers' Occupation Tax Act shall not exceed  
25 \$2,000,000 in any fiscal year.

26 Beginning July 1, 2013, each month the Department shall



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

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

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

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

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

1 of the preceding sentence and shall reduce the amount  
2 otherwise payable for such fiscal year pursuant to clause (b)  
3 of the preceding sentence. The moneys received by the  
4 Department pursuant to this Act and required to be deposited  
5 into the Build Illinois Fund are subject to the pledge, claim  
6 and charge set forth in Section 12 of the Build Illinois Bond  
7 Act.

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

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

1	1999	71,000,000
2	2000	75,000,000
3	2001	80,000,000
4	2002	93,000,000
5	2003	99,000,000
6	2004	103,000,000
7	2005	108,000,000
8	2006	113,000,000
9	2007	119,000,000
10	2008	126,000,000
11	2009	132,000,000
12	2010	139,000,000
13	2011	146,000,000
14	2012	153,000,000
15	2013	161,000,000
16	2014	170,000,000
17	2015	179,000,000
18	2016	189,000,000
19	2017	199,000,000
20	2018	210,000,000
21	2019	221,000,000
22	2020	233,000,000
23	2021	300,000,000
24	2022	300,000,000
25	2023	300,000,000
26	2024	300,000,000

1	2025	300,000,000
2	2026	300,000,000
3	2027	375,000,000
4	2028	375,000,000
5	2029	375,000,000
6	2030	375,000,000
7	2031	375,000,000
8	2032	375,000,000
9	2033	375,000,000
10	2034	375,000,000
11	2035	375,000,000
12	2036	450,000,000

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

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

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

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

21 Subject to payment of amounts into the Build Illinois Fund  
22 and the McCormick Place Expansion Project Fund pursuant to the  
23 preceding paragraphs or in any amendments thereto hereafter  
24 enacted, beginning July 1, 1993 and ending on September 30,  
25 2013, the Department shall each month pay into the Illinois  
26 Tax Increment Fund 0.27% of 80% of the net revenue realized for

1 the preceding month from the 6.25% general rate on the selling  
2 price of tangible personal property.

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

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



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

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

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

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

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

1	2038	.....	\$384,000,000
2	2039	.....	\$395,500,000
3	2040	.....	\$407,400,000
4	2041	.....	\$419,600,000
5	2042	.....	\$432,200,000
6	2043	.....	\$445,100,000

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

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

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

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

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

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

25           (Source: P.A. 101-10, Article 15, Section 15-10, eff. 6-5-19;  
26 101-10, Article 25, Section 25-105, eff. 6-5-19; 101-27, eff.

1 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;  
2 101-636, eff. 6-10-20; 102-700, Article 60, Section 60-15,  
3 eff. 4-19-22; 102-700, Article 65, Section 65-5, eff. 4-19-22;  
4 102-1019, eff. 1-1-23; revised 12-13-22.)

5 Section 15. The Retailers' Occupation Tax Act is amended  
6 by changing Sections 2-8, 2-10 and 3 as follows:

7 (35 ILCS 120/2-8)

8 Sec. 2-8. Sales tax holiday items.

9 (a) Any tangible personal property described in this  
10 subsection is a sales tax holiday item and qualifies for the  
11 1.25% reduced rate of tax for the sales tax holiday period  
12 ~~period set forth in Section 2-10 of this Act (hereinafter~~  
13 ~~referred to as the Sales Tax Holiday Period)~~. The reduced rate  
14 on these items shall be administered under the provisions of  
15 subsection (b) of this Section. The following items are  
16 subject to the reduced rate:

17 (1) Clothing items that each have a retail selling  
18 price of less than \$125.

19 "Clothing" means, unless otherwise specified in this  
20 Section, all human wearing apparel suitable for general  
21 use. "Clothing" does not include clothing accessories,  
22 protective equipment, or sport or recreational equipment.  
23 "Clothing" includes, but is not limited to: household and  
24 shop aprons; athletic supporters; bathing suits and caps;

1 belts and suspenders; boots; coats and jackets; ear muffs;  
2 footlets; gloves and mittens for general use; hats and  
3 caps; hosiery; insoles for shoes; lab coats; neckties;  
4 overshoes; pantyhose; rainwear; rubber pants; sandals;  
5 scarves; shoes and shoelaces; slippers; sneakers; socks  
6 and stockings; steel-toed shoes; underwear; and school  
7 uniforms.

8 "Clothing accessories" means, but is not limited to:  
9 briefcases; cosmetics; hair notions, including, but not  
10 limited to barrettes, hair bows, and hair nets; handbags;  
11 handkerchiefs; jewelry; non-prescription sunglasses;  
12 umbrellas; wallets; watches; and wigs and hair pieces.

13 "Protective equipment" means, but is not limited to:  
14 breathing masks; clean room apparel and equipment; ear and  
15 hearing protectors; face shields; hard hats; helmets;  
16 paint or dust respirators; protective gloves; safety  
17 glasses and goggles; safety belts; tool belts; and  
18 welder's gloves and masks.

19 "Sport or recreational equipment" means, but is not  
20 limited to: ballet and tap shoes; cleated or spiked  
21 athletic shoes; gloves, including, but not limited to,  
22 baseball, bowling, boxing, hockey, and golf gloves;  
23 goggles; hand and elbow guards; life preservers and vests;  
24 mouth guards; roller and ice skates; shin guards; shoulder  
25 pads; ski boots; waders; and wetsuits and fins.

26 (2) School supplies. "School supplies" means, unless

1 otherwise specified in this Section, items used by a  
2 student in a course of study. The purchase of school  
3 supplies for use by persons other than students for use in  
4 a course of study are not eligible for the reduced rate of  
5 tax. "School supplies" do not include school art supplies;  
6 school instructional materials; cameras; film and memory  
7 cards; videocameras, tapes, and videotapes; computers;  
8 cell phones; Personal Digital Assistants (PDAs); handheld  
9 electronic schedulers; and school computer supplies.

10 "School supplies" includes, but is not limited to:  
11 binders; book bags; calculators; cellophane tape;  
12 blackboard chalk; compasses; composition books; crayons;  
13 erasers; expandable, pocket, plastic, and manila folders;  
14 glue, paste, and paste sticks; highlighters; index cards;  
15 index card boxes; legal pads; lunch boxes; markers;  
16 notebooks; paper, including loose leaf ruled notebook  
17 paper, copy paper, graph paper, tracing paper, manila  
18 paper, colored paper, poster board, and construction  
19 paper; pencils; pencil leads; pens; ink and ink refills  
20 for pens; pencil boxes and other school supply boxes;  
21 pencil sharpeners; protractors; rulers; scissors; and  
22 writing tablets.

23 "School art supply" means an item commonly used by a  
24 student in a course of study for artwork and includes only  
25 the following items: clay and glazes; acrylic, tempera,  
26 and oil paint; paintbrushes for artwork; sketch and



1 drawing pads; and watercolors.

2 "School instructional material" means written material  
3 commonly used by a student in a course of study as a  
4 reference and to learn the subject being taught and  
5 includes only the following items: reference books;  
6 reference maps and globes; textbooks; and workbooks.

7 "School computer supply" means an item commonly used  
8 by a student in a course of study in which a computer is  
9 used and applies only to the following items: flashdrives  
10 and other computer data storage devices; data storage  
11 media, such as diskettes and compact disks; boxes and  
12 cases for disk storage; external ports or drives; computer  
13 cases; computer cables; computer printers; and printer  
14 cartridges, toner, and ink.

15 (b) Administration. Notwithstanding any other provision of  
16 this Act, the reduced rate of tax under Section 3-10 of this  
17 Act for clothing and school supplies shall be administered by  
18 the Department under the provisions of this subsection (b).

19 (1) Bundled sales. Items that qualify for the reduced  
20 rate of tax that are bundled together with items that do  
21 not qualify for the reduced rate of tax and that are sold  
22 for one itemized price will be subject to the reduced rate  
23 of tax only if the value of the items that qualify for the  
24 reduced rate of tax exceeds the value of the items that do  
25 not qualify for the reduced rate of tax.

26 (2) Coupons and discounts. An unreimbursed discount by

1 the seller reduces the sales price of the property so that  
2 the discounted sales price determines whether the sales  
3 price is within a sales tax holiday price threshold. A  
4 coupon or other reduction in the sales price is treated as  
5 a discount if the seller is not reimbursed for the coupon  
6 or reduction amount by a third party.

7 (3) Splitting of items normally sold together.  
8 Articles that are normally sold as a single unit must  
9 continue to be sold in that manner. Such articles cannot  
10 be priced separately and sold as individual items in order  
11 to obtain the reduced rate of tax. For example, a pair of  
12 shoes cannot have each shoe sold separately so that the  
13 sales price of each shoe is within a sales tax holiday  
14 price threshold.

15 (4) Rain checks. A rain check is a procedure that  
16 allows a customer to purchase an item at a certain price at  
17 a later time because the particular item was out of stock.  
18 Eligible property that customers purchase during the sales  
19 tax holiday period ~~Sales Tax Holiday Period~~ with the use  
20 of a rain check will qualify for the reduced rate of tax  
21 regardless of when the rain check was issued. Issuance of  
22 a rain check during the sales tax holiday period ~~Sales Tax~~  
23 ~~Holiday Period~~ will not qualify eligible property for the  
24 reduced rate of tax if the property is actually purchased  
25 after the sales tax holiday period ~~Sales Tax Holiday~~  
26 ~~Period~~.

1 (5) Exchanges. The procedure for an exchange in  
2 regards to a sales tax holiday is as follows:

3 (A) If a customer purchases an item of eligible  
4 property during the sales tax holiday period ~~Sales Tax~~  
5 ~~Holiday Period~~, but later exchanges the item for a  
6 similar eligible item, even if a different size,  
7 different color, or other feature, no additional tax  
8 is due even if the exchange is made after the sales tax  
9 holiday period ~~Sales Tax Holiday Period~~.

10 (B) If a customer purchases an item of eligible  
11 property during the sales tax holiday period ~~Sales Tax~~  
12 ~~Holiday Period~~, but after the sales tax holiday period  
13 ~~Sales Tax Holiday Period~~ has ended, the customer  
14 returns the item and receives credit on the purchase  
15 of a different item, the 6.25% general merchandise  
16 sales tax rate is due on the sale of the newly  
17 purchased item.

18 (C) If a customer purchases an item of eligible  
19 property before the sales tax holiday period ~~Sales Tax~~  
20 ~~Holiday Period~~, but during the sales tax holiday  
21 period ~~Sales Tax Holiday Period~~ the customer returns  
22 the item and receives credit on the purchase of a  
23 different item of eligible property, the reduced rate  
24 of tax is due on the sale of the new item if the new  
25 item is purchased during the sales tax holiday period  
26 ~~Sales Tax Holiday Period~~.

1 (6) (Blank).

2 (7) Order date and back orders. For the purpose of a  
3 sales tax holiday, eligible property qualifies for the  
4 reduced rate of tax if: (i) the item is both delivered to  
5 and paid for by the customer during the sales tax holiday  
6 period ~~Sales Tax Holiday Period~~ or (ii) the customer  
7 orders and pays for the item and the seller accepts the  
8 order during the sales tax holiday period ~~Sales Tax~~  
9 ~~Holiday Period~~ for immediate shipment, even if delivery is  
10 made after the sales tax holiday period ~~Sales Tax Holiday~~  
11 ~~Period~~. The seller accepts an order when the seller has  
12 taken action to fill the order for immediate shipment.  
13 Actions to fill an order include placement of an "in date"  
14 stamp on an order or assignment of an "order number" to an  
15 order within the sales tax holiday period ~~Sales Tax~~  
16 ~~Holiday Period~~. An order is for immediate shipment when  
17 the customer does not request delayed shipment. An order  
18 is for immediate shipment notwithstanding that the  
19 shipment may be delayed because of a backlog of orders or  
20 because stock is currently unavailable to, or on back  
21 order by, the seller.

22 (8) Returns. For a 60-day period immediately after the  
23 sales tax holiday period ~~Sales Tax Holiday Period~~, if a  
24 customer returns an item that would qualify for the  
25 reduced rate of tax, credit for or refund of sales tax  
26 shall be given only at the reduced rate unless the

1 customer provides a receipt or invoice that shows tax was  
2 paid at the 6.25% general merchandise rate, or the seller  
3 has sufficient documentation to show that tax was paid at  
4 the 6.25% general merchandise rate on the specific item.  
5 This 60-day period is set solely for the purpose of  
6 designating a time period during which the customer must  
7 provide documentation that shows that the appropriate  
8 sales tax rate was paid on returned merchandise. The  
9 60-day period is not intended to change a seller's policy  
10 on the time period during which the seller will accept  
11 returns.

12 (b-5) As used in this Section, "sales tax holiday period"  
13 means:

14 (1) from August 6, 2010 through August 15, 2010;

15 (2) from August 5, 2022 through August 14, 2022; and

16 (3) from August 2, 2024 through August 11, 2024.

17 (c) The Department may implement the provisions of this  
18 Section through the use of emergency rules, along with  
19 permanent rules filed concurrently with such emergency rules,  
20 in accordance with the provisions of Section 5-45 of the  
21 Illinois Administrative Procedure Act. For purposes of the  
22 Illinois Administrative Procedure Act, the adoption of rules  
23 to implement the provisions of this Section shall be deemed an  
24 emergency and necessary for the public interest, safety, and  
25 welfare.

26 (Source: P.A. 102-700, eff. 4-19-22.)

1 (35 ILCS 120/2-10)

2 Sec. 2-10. Rate of tax. Unless otherwise provided in this  
3 Section, the tax imposed by this Act is at the rate of 6.25% of  
4 gross receipts from sales of tangible personal property made  
5 in the course of business.

6 Beginning on July 1, 2000 and through December 31, 2000,  
7 with respect to motor fuel, as defined in Section 1.1 of the  
8 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of  
9 the Use Tax Act, the tax is imposed at the rate of 1.25%.

10 During the sales tax holiday period, as defined in Section  
11 2-8 Beginning on August 6, 2010 through August 15, 2010, and  
12 beginning again on August 5, 2022 through August 14, 2022,  
13 with respect to sales tax holiday items described as defined  
14 in Section 2-8 ~~of this Act~~, the tax is imposed at the rate of  
15 1.25%.

16 Within 14 days after July 1, 2000 (the effective date of  
17 Public Act 91-872) ~~this amendatory Act of the 91st General~~  
18 ~~Assembly~~, each retailer of motor fuel and gasohol shall cause  
19 the following notice to be posted in a prominently visible  
20 place on each retail dispensing device that is used to  
21 dispense motor fuel or gasohol in the State of Illinois: "As of  
22 July 1, 2000, the State of Illinois has eliminated the State's  
23 share of sales tax on motor fuel and gasohol through December  
24 31, 2000. The price on this pump should reflect the  
25 elimination of the tax." The notice shall be printed in bold

1 print on a sign that is no smaller than 4 inches by 8 inches.  
2 The sign shall be clearly visible to customers. Any retailer  
3 who fails to post or maintain a required sign through December  
4 31, 2000 is guilty of a petty offense for which the fine shall  
5 be \$500 per day per each retail premises where a violation  
6 occurs.

7 With respect to gasohol, as defined in the Use Tax Act, the  
8 tax imposed by this Act applies to (i) 70% of the proceeds of  
9 sales made on or after January 1, 1990, and before July 1,  
10 2003, (ii) 80% of the proceeds of sales made on or after July  
11 1, 2003 and on or before July 1, 2017, and (iii) 100% of the  
12 proceeds of sales made thereafter. If, at any time, however,  
13 the tax under this Act on sales of gasohol, as defined in the  
14 Use Tax Act, is imposed at the rate of 1.25%, then the tax  
15 imposed by this Act applies to 100% of the proceeds of sales of  
16 gasohol made during that time.

17 With respect to majority blended ethanol fuel, as defined  
18 in the Use Tax Act, the tax imposed by this Act does not apply  
19 to the proceeds of sales made on or after July 1, 2003 and on  
20 or before December 31, 2023 but applies to 100% of the proceeds  
21 of sales made thereafter.

22 With respect to biodiesel blends, as defined in the Use  
23 Tax Act, with no less than 1% and no more than 10% biodiesel,  
24 the tax imposed by this Act applies to (i) 80% of the proceeds  
25 of sales made on or after July 1, 2003 and on or before  
26 December 31, 2018 and (ii) 100% of the proceeds of sales made

1 after December 31, 2018 and before January 1, 2024. On and  
2 after January 1, 2024 and on or before December 31, 2030, the  
3 taxation of biodiesel, renewable diesel, and biodiesel blends  
4 shall be as provided in Section 3-5.1 of the Use Tax Act. If,  
5 at any time, however, the tax under this Act on sales of  
6 biodiesel blends, as defined in the Use Tax Act, with no less  
7 than 1% and no more than 10% biodiesel is imposed at the rate  
8 of 1.25%, then the tax imposed by this Act applies to 100% of  
9 the proceeds of sales of biodiesel blends with no less than 1%  
10 and no more than 10% biodiesel made during that time.

11 With respect to biodiesel, as defined in the Use Tax Act,  
12 and biodiesel blends, as defined in the Use Tax Act, with more  
13 than 10% but no more than 99% biodiesel, the tax imposed by  
14 this Act does not apply to the proceeds of sales made on or  
15 after July 1, 2003 and on or before December 31, 2023. On and  
16 after January 1, 2024 and on or before December 31, 2030, the  
17 taxation of biodiesel, renewable diesel, and biodiesel blends  
18 shall be as provided in Section 3-5.1 of the Use Tax Act.

19 Until July 1, 2022 and beginning again on July 1, 2023,  
20 with respect to food for human consumption that is to be  
21 consumed off the premises where it is sold (other than  
22 alcoholic beverages, food consisting of or infused with adult  
23 use cannabis, soft drinks, and food that has been prepared for  
24 immediate consumption), the tax is imposed at the rate of 1%.  
25 Beginning July 1, 2022 and until July 1, 2023, with respect to  
26 food for human consumption that is to be consumed off the



1 premises where it is sold (other than alcoholic beverages,  
2 food consisting of or infused with adult use cannabis, soft  
3 drinks, and food that has been prepared for immediate  
4 consumption), the tax is imposed at the rate of 0%.

5 With respect to prescription and nonprescription  
6 medicines, drugs, medical appliances, products classified as  
7 Class III medical devices by the United States Food and Drug  
8 Administration that are used for cancer treatment pursuant to  
9 a prescription, as well as any accessories and components  
10 related to those devices, modifications to a motor vehicle for  
11 the purpose of rendering it usable by a person with a  
12 disability, and insulin, blood sugar testing materials,  
13 syringes, and needles used by human diabetics, the tax is  
14 imposed at the rate of 1%. For the purposes of this Section,  
15 until September 1, 2009: the term "soft drinks" means any  
16 complete, finished, ready-to-use, non-alcoholic drink, whether  
17 carbonated or not, including, but not limited to, soda water,  
18 cola, fruit juice, vegetable juice, carbonated water, and all  
19 other preparations commonly known as soft drinks of whatever  
20 kind or description that are contained in any closed or sealed  
21 bottle, can, carton, or container, regardless of size; but  
22 "soft drinks" does not include coffee, tea, non-carbonated  
23 water, infant formula, milk or milk products as defined in the  
24 Grade A Pasteurized Milk and Milk Products Act, or drinks  
25 containing 50% or more natural fruit or vegetable juice.

26 Notwithstanding any other provisions of this Act,

1 beginning September 1, 2009, "soft drinks" means non-alcoholic  
2 beverages that contain natural or artificial sweeteners. "Soft  
3 drinks" does ~~do~~ not include beverages that contain milk or  
4 milk products, soy, rice or similar milk substitutes, or  
5 greater than 50% of vegetable or fruit juice by volume.

6       Until August 1, 2009, and notwithstanding any other  
7 provisions of this Act, "food for human consumption that is to  
8 be consumed off the premises where it is sold" includes all  
9 food sold through a vending machine, except soft drinks and  
10 food products that are dispensed hot from a vending machine,  
11 regardless of the location of the vending machine. Beginning  
12 August 1, 2009, and notwithstanding any other provisions of  
13 this Act, "food for human consumption that is to be consumed  
14 off the premises where it is sold" includes all food sold  
15 through a vending machine, except soft drinks, candy, and food  
16 products that are dispensed hot from a vending machine,  
17 regardless of the location of the vending machine.

18       Notwithstanding any other provisions of this Act,  
19 beginning September 1, 2009, "food for human consumption that  
20 is to be consumed off the premises where it is sold" does not  
21 include candy. For purposes of this Section, "candy" means a  
22 preparation of sugar, honey, or other natural or artificial  
23 sweeteners in combination with chocolate, fruits, nuts or  
24 other ingredients or flavorings in the form of bars, drops, or  
25 pieces. "Candy" does not include any preparation that contains  
26 flour or requires refrigeration.

1           Notwithstanding any other provisions of this Act,  
2 beginning September 1, 2009, "nonprescription medicines and  
3 drugs" does not include grooming and hygiene products. For  
4 purposes of this Section, "grooming and hygiene products"  
5 includes, but is not limited to, soaps and cleaning solutions,  
6 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
7 lotions and screens, unless those products are available by  
8 prescription only, regardless of whether the products meet the  
9 definition of "over-the-counter-drugs". For the purposes of  
10 this paragraph, "over-the-counter-drug" means a drug for human  
11 use that contains a label that identifies the product as a drug  
12 as required by 21 CFR ~~C.F.R.~~ § 201.66. The  
13 "over-the-counter-drug" label includes:

- 14           (A) a ~~A~~ "Drug Facts" panel; or  
15           (B) a ~~A~~ statement of the "active ingredient(s)" with a  
16 list of those ingredients contained in the compound,  
17 substance or preparation.

18           Beginning on January 1, 2014 (the effective date of Public  
19 Act 98-122) ~~this amendatory Act of the 98th General Assembly,~~  
20 "prescription and nonprescription medicines and drugs"  
21 includes medical cannabis purchased from a registered  
22 dispensing organization under the Compassionate Use of Medical  
23 Cannabis Program Act.

24           As used in this Section, "adult use cannabis" means  
25 cannabis subject to tax under the Cannabis Cultivation  
26 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law

1 and does not include cannabis subject to tax under the  
2 Compassionate Use of Medical Cannabis Program Act.

3 (Source: P.A. 101-363, eff. 8-9-19; 101-593, eff. 12-4-19;  
4 102-4, eff. 4-27-21; 102-700, Article 20, Section 20-20, eff.  
5 4-19-22; 102-700, Article 60, Section 60-30, eff. 4-19-22;  
6 102-700, Article 65, Section 65-10, eff. 4-19-22; revised  
7 6-1-22.)

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

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

14 1. The name of the seller;

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

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

25 4. Total amount received by him during the preceding

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

5 5. Deductions allowed by law;

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

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

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

1           9. The signature of the taxpayer; and

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

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

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

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

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

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

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

3 1. The name of the seller;

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

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

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

14 5. The amount of tax due; and

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

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



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

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

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

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

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

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

1 Department.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

26 Except as provided in this Section, the retailer filing

1 the return under this Section shall, at the time of filing such  
2 return, pay to the Department the amount of tax imposed by this  
3 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
4 on and after January 1, 1990, or \$5 per calendar year,  
5 whichever is greater, which is allowed to reimburse the  
6 retailer for the expenses incurred in keeping records,  
7 preparing and filing returns, remitting the tax and supplying  
8 data to the Department on request. On and after January 1,  
9 2021, a certified service provider, as defined in the Leveling  
10 the Playing Field for Illinois Retail Act, filing the return  
11 under this Section on behalf of a remote retailer shall, at the  
12 time of such return, pay to the Department the amount of tax  
13 imposed by this Act less a discount of 1.75%. A remote retailer  
14 using a certified service provider to file a return on its  
15 behalf, as provided in the Leveling the Playing Field for  
16 Illinois Retail Act, is not eligible for the discount. When  
17 determining the discount allowed under this Section, retailers  
18 shall include the amount of tax that would have been due at the  
19 1% rate but for the 0% rate imposed under Public Act 102-700  
20 ~~this amendatory Act of the 102nd General Assembly~~. When  
21 determining the discount allowed under this Section, retailers  
22 shall include the amount of tax that would have been due at the  
23 6.25% rate but for the 1.25% rate imposed on sales tax holiday  
24 items under Public Act 102-700 or this amendatory Act of the  
25 103rd General Assembly ~~this amendatory Act of the 102nd~~  
26 ~~General Assembly~~. The discount under this Section is not

1 allowed for the 1.25% portion of taxes paid on aviation fuel  
2 that is subject to the revenue use requirements of 49 U.S.C.  
3 47107(b) and 49 U.S.C. 47133. Any prepayment made pursuant to  
4 Section 2d of this Act shall be included in the amount on which  
5 such 2.1% or 1.75% discount is computed. In the case of  
6 retailers who report and pay the tax on a transaction by  
7 transaction basis, as provided in this Section, such discount  
8 shall be taken with each such tax remittance instead of when  
9 such retailer files his periodic return. The discount allowed  
10 under this Section is allowed only for returns that are filed  
11 in the manner required by this Act. The Department may  
12 disallow the discount for retailers whose certificate of  
13 registration is revoked at the time the return is filed, but  
14 only if the Department's decision to revoke the certificate of  
15 registration has become final.

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

1 On and after October 1, 2000, if the taxpayer's average  
2 monthly tax liability to the Department under this Act, the  
3 Use Tax Act, the Service Occupation Tax Act, and the Service  
4 Use Tax Act, excluding any liability for prepaid sales tax to  
5 be remitted in accordance with Section 2d of this Act, was  
6 \$20,000 or more during the preceding 4 complete calendar  
7 quarters, he shall file a return with the Department each  
8 month by the 20th day of the month next following the month  
9 during which such tax liability is incurred and shall make  
10 payment to the Department on or before the 7th, 15th, 22nd and  
11 last day of the month during which such liability is incurred.  
12 If the month during which such tax liability is incurred began  
13 prior to January 1, 1985, each payment shall be in an amount  
14 equal to 1/4 of the taxpayer's actual liability for the month  
15 or an amount set by the Department not to exceed 1/4 of the  
16 average monthly liability of the taxpayer to the Department  
17 for the preceding 4 complete calendar quarters (excluding the  
18 month of highest liability and the month of lowest liability  
19 in such 4 quarter period). If the month during which such tax  
20 liability is incurred begins on or after January 1, 1985 and  
21 prior to January 1, 1987, each payment shall be in an amount  
22 equal to 22.5% of the taxpayer's actual liability for the  
23 month or 27.5% of the taxpayer's liability for the same  
24 calendar month of the preceding year. If the month during  
25 which such tax liability is incurred begins on or after  
26 January 1, 1987 and prior to January 1, 1988, each payment

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

1 computed for each calendar quarter of the 4 preceding complete  
2 calendar quarter period is less than \$10,000. However, if a  
3 taxpayer can show the Department that a substantial change in  
4 the taxpayer's business has occurred which causes the taxpayer  
5 to anticipate that his average monthly tax liability for the  
6 reasonably foreseeable future will fall below the \$10,000  
7 threshold stated above, then such taxpayer may petition the  
8 Department for a change in such taxpayer's reporting status.  
9 On and after October 1, 2000, once applicable, the requirement  
10 of the making of quarter monthly payments to the Department by  
11 taxpayers having an average monthly tax liability of \$20,000  
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 \$19,000 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 \$20,000. 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 \$20,000  
24 threshold stated above, then such taxpayer may petition the  
25 Department for a change in such taxpayer's reporting status.  
26 The Department shall change such taxpayer's reporting status



1 unless it finds that such change is seasonal in nature and not  
2 likely to be long term. Quarter monthly payment status shall  
3 be determined under this paragraph as if the rate reduction to  
4 0% in Public Act 102-700 ~~this amendatory Act of the 102nd~~  
5 ~~General Assembly~~ on food for human consumption that is to be  
6 consumed off the premises where it is sold (other than  
7 alcoholic beverages, food consisting of or infused with adult  
8 use cannabis, soft drinks, and food that has been prepared for  
9 immediate consumption) had not occurred. For quarter monthly  
10 payments due under this paragraph 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 0% in Public Act 102-700  
14 ~~this amendatory Act of the 102nd General Assembly~~ had not  
15 occurred. Quarter monthly payment status shall be determined  
16 under this paragraph as if the rate reduction to 1.25% in  
17 Public Act 102-700 ~~this amendatory Act of the 102nd General~~  
18 ~~Assembly~~ on sales tax holiday items had not occurred. Quarter  
19 monthly payment status shall be determined under this  
20 paragraph as if the rate reduction to 1.25% in this amendatory  
21 Act of the 103rd General Assembly on sales tax holiday items  
22 had not occurred. For quarter monthly payments due on or after  
23 July 1, 2023 and through June 30, 2024, "25% of the taxpayer's  
24 liability for the same calendar month of the preceding year"  
25 shall be determined as if the rate reduction to 1.25% in Public  
26 Act 102-700 ~~this amendatory Act of the 102nd General Assembly~~

1 on sales tax holiday items had not occurred. For quarter  
2 monthly payments due on or after July 1, 2024 and through June  
3 30, 2025, "25% of the taxpayer's liability for the same  
4 calendar month of the preceding year" shall be determined as  
5 if the rate reduction to 1.25% in this amendatory Act of the  
6 103rd General Assembly on sales tax holiday items had not  
7 occurred. If any such quarter monthly payment is not paid at  
8 the time or in the amount required by this Section, then the  
9 taxpayer shall be liable for penalties and interest on the  
10 difference between the minimum amount due as a payment and the  
11 amount of such quarter monthly payment actually and timely  
12 paid, except insofar as the taxpayer has previously made  
13 payments for that month to the Department in excess of the  
14 minimum payments previously due as provided in this Section.  
15 The Department shall make reasonable rules and regulations to  
16 govern the quarter monthly payment amount and quarter monthly  
17 payment dates for taxpayers who file on other than a calendar  
18 monthly basis.

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

1 Department on or before the 7th, 15th, 22nd and last day of the  
2 month during which such liability is incurred. If the month  
3 during which such tax liability is incurred began prior to  
4 September 1, 1985 (the effective date of Public Act 84-221),  
5 each payment shall be in an amount not less than 22.5% of the  
6 taxpayer's actual liability under Section 2d. If the month  
7 during which such tax liability is incurred begins on or after  
8 January 1, 1986, each payment shall be in an amount equal to  
9 22.5% of the taxpayer's actual liability for the month or  
10 27.5% of the taxpayer's liability for the same calendar month  
11 of the preceding calendar year. If the month during which such  
12 tax liability is incurred begins on or after January 1, 1987,  
13 each payment shall be in an amount equal to 22.5% of the  
14 taxpayer's actual liability for the month or 26.25% of the  
15 taxpayer's liability for the same calendar month of the  
16 preceding year. The amount of such quarter monthly payments  
17 shall be credited against the final tax liability of the  
18 taxpayer's return for that month filed under this Section or  
19 Section 2f, as the case may be. Once applicable, the  
20 requirement of the making of quarter monthly payments to the  
21 Department pursuant to this paragraph shall continue until  
22 such taxpayer's average monthly prepaid tax collections during  
23 the preceding 2 complete calendar quarters is \$25,000 or less.  
24 If any such quarter monthly payment is not paid at the time or  
25 in the amount required, the taxpayer shall be liable for  
26 penalties and interest on such difference, except insofar as

1 the taxpayer has previously made payments for that month in  
2 excess of the minimum payments previously due.

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

1 quarter of the 4 preceding complete calendar quarters is less  
2 than \$20,000. If any such quarter monthly payment is not paid  
3 at the time or in the amount required, the taxpayer shall be  
4 liable for penalties and interest on such difference, except  
5 insofar as the taxpayer has previously made payments for that  
6 month in excess of the minimum payments previously due.

7 If any payment provided for in this Section exceeds the  
8 taxpayer's liabilities under this Act, the Use Tax Act, the  
9 Service Occupation Tax Act and the Service Use Tax Act, as  
10 shown on an original monthly return, the Department shall, if  
11 requested by the taxpayer, issue to the taxpayer a credit  
12 memorandum no later than 30 days after the date of payment. The  
13 credit evidenced by such credit memorandum may be assigned by  
14 the taxpayer to a similar taxpayer under this Act, the Use Tax  
15 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
16 in accordance with reasonable rules and regulations to be  
17 prescribed by the Department. If no such request is made, the  
18 taxpayer may credit such excess payment against tax liability  
19 subsequently to be remitted to the Department under this Act,  
20 the Use Tax Act, the Service Occupation Tax Act or the Service  
21 Use Tax Act, in accordance with reasonable rules and  
22 regulations prescribed by the Department. If the Department  
23 subsequently determined that all or any part of the credit  
24 taken was not actually due to the taxpayer, the taxpayer's  
25 2.1% and 1.75% vendor's discount shall be reduced by 2.1% or  
26 1.75% of the difference between the credit taken and that

1 actually due, and that taxpayer shall be liable for penalties  
2 and interest on such difference.

3 If a retailer of motor fuel is entitled to a credit under  
4 Section 2d of this Act which exceeds the taxpayer's liability  
5 to the Department under this Act for the month for which the  
6 taxpayer is filing a return, the Department shall issue the  
7 taxpayer a credit memorandum for the excess.

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

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

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

1 Department shall pay 20% of the net revenue realized for that  
2 month from the 1.25% rate on the selling price of sales tax  
3 holiday items into the County and Mass Transit District Fund.

4 Beginning January 1, 1990, each month the Department shall  
5 pay into the Local Government Tax Fund 16% of the net revenue  
6 realized for the preceding month from the 6.25% general rate  
7 on the selling price of tangible personal property other than  
8 aviation fuel sold on or after December 1, 2019. This  
9 exception for aviation fuel only applies for so long as the  
10 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
11 47133 are binding on the State.

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

24 Beginning August 1, 2000, each month the Department shall  
25 pay into the Local Government Tax Fund 80% of the net revenue  
26 realized for the preceding month from the 1.25% rate on the

1 selling price of motor fuel and gasohol. If, in any month, the  
2 tax on sales tax holiday items, as defined in Section 2-8, is  
3 imposed at the rate of 1.25%, then the Department shall pay 80%  
4 of the net revenue realized for that month from the 1.25% rate  
5 on the selling price of sales tax holiday items into the Local  
6 Government Tax Fund.

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

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

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



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

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

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

1 being hereinafter called the "Tax Acts" and such aggregate of  
2 2.2% or 3.8%, as the case may be, of moneys being hereinafter  
3 called the "Tax Act Amount", and (2) the amount transferred to  
4 the Build Illinois Fund from the State and Local Sales Tax  
5 Reform Fund shall be less than the Annual Specified Amount (as  
6 hereinafter defined), an amount equal to the difference shall  
7 be immediately paid into the Build Illinois Fund from other  
8 moneys received by the Department pursuant to the Tax Acts;  
9 the "Annual Specified Amount" means the amounts specified  
10 below for fiscal years 1986 through 1993:

11	Fiscal Year	Annual Specified Amount
12	1986	\$54,800,000
13	1987	\$76,650,000
14	1988	\$80,480,000
15	1989	\$88,510,000
16	1990	\$115,330,000
17	1991	\$145,470,000
18	1992	\$182,730,000
19	1993	\$206,520,000;

20 and means the Certified Annual Debt Service Requirement (as  
21 defined in Section 13 of the Build Illinois Bond Act) or the  
22 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
23 each fiscal year thereafter; and further provided, that if on  
24 the last business day of any month the sum of (1) the Tax Act  
25 Amount required to be deposited into the Build Illinois Bond  
26 Account in the Build Illinois Fund during such month and (2)

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

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

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

1 Retailers' Occupation Tax Act into the McCormick Place  
2 Expansion Project Fund in the specified fiscal years.

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

1	2016	189,000,000
2	2017	199,000,000
3	2018	210,000,000
4	2019	221,000,000
5	2020	233,000,000
6	2021	300,000,000
7	2022	300,000,000
8	2023	300,000,000
9	2024	300,000,000
10	2025	300,000,000
11	2026	300,000,000
12	2027	375,000,000
13	2028	375,000,000
14	2029	375,000,000
15	2030	375,000,000
16	2031	375,000,000
17	2032	375,000,000
18	2033	375,000,000
19	2034	375,000,000
20	2035	375,000,000
21	2036	450,000,000

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

1 Metropolitan Pier and  
2 Exposition Authority Act,  
3 but not after fiscal year 2060.

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

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

1 under this paragraph for so long as the revenue use  
2 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
3 binding on the State.

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

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

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



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

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

26 Subject to successful execution and delivery of a

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

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

1	2029	.....	\$288,700,000
2	2030	.....	\$298,900,000
3	2031	.....	\$309,300,000
4	2032	.....	\$320,100,000
5	2033	.....	\$331,200,000
6	2034	.....	\$341,200,000
7	2035	.....	\$351,400,000
8	2036	.....	\$361,900,000
9	2037	.....	\$372,800,000
10	2038	.....	\$384,000,000
11	2039	.....	\$395,500,000
12	2040	.....	\$407,400,000
13	2041	.....	\$419,600,000
14	2042	.....	\$432,200,000
15	2043	.....	\$445,100,000

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

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

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

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

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

1 reported in the Federal income tax return do not agree with the  
2 gross receipts reported to the Department of Revenue for the  
3 same period, the retailer shall attach to his annual return a  
4 schedule showing a reconciliation of the 2 amounts and the  
5 reasons for the difference. The retailer's annual return to  
6 the Department shall also disclose the cost of goods sold by  
7 the retailer during the year covered by such return, opening  
8 and closing inventories of such goods for such year, costs of  
9 goods used from stock or taken from stock and given away by the  
10 retailer during such year, payroll information of the  
11 retailer's business during such year and any additional  
12 reasonable information which the Department deems would be  
13 helpful in determining the accuracy of the monthly, quarterly  
14 or annual returns filed by such retailer as provided for in  
15 this Section.

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

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

26 (ii) On and after January 1, 1994, the taxpayer shall

1           be liable for a penalty as described in Section 3-4 of the  
2           Uniform Penalty and Interest Act.

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

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

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

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

26          For greater simplicity of administration, manufacturers,

1 importers and wholesalers whose products are sold at retail in  
2 Illinois by numerous retailers, and who wish to do so, may  
3 assume the responsibility for accounting and paying to the  
4 Department all tax accruing under this Act with respect to  
5 such sales, if the retailers who are affected do not make  
6 written objection to the Department to this arrangement.

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

24 Any person engaged in the business of selling tangible  
25 personal property at retail as a concessionaire or other type  
26 of seller at the Illinois State Fair, county fairs, art shows,



1 flea markets and similar exhibitions or events, or any  
2 transient merchants, as defined by Section 2 of the Transient  
3 Merchant Act of 1987, may be required to make a daily report of  
4 the amount of such sales to the Department and to make a daily  
5 payment of the full amount of tax due. The Department shall  
6 impose this requirement when it finds that there is a  
7 significant risk of loss of revenue to the State at such an  
8 exhibition or event. Such a finding shall be based on evidence  
9 that a substantial number of concessionaires or other sellers  
10 who are not residents of Illinois will be engaging in the  
11 business of selling tangible personal property at retail at  
12 the exhibition or event, or other evidence of a significant  
13 risk of loss of revenue to the State. The Department shall  
14 notify concessionaires and other sellers affected by the  
15 imposition of this requirement. In the absence of notification  
16 by the Department, the concessionaires and other sellers shall  
17 file their returns as otherwise required in this Section.

18 (Source: P.A. 101-10, Article 15, Section 15-25, eff. 6-5-19;  
19 101-10, Article 25, Section 25-120, eff. 6-5-19; 101-27, eff.  
20 6-25-19; 101-32, eff. 6-28-19; 101-604, eff. 12-13-19;  
21 101-636, eff. 6-10-20; 102-634, eff. 8-27-21; 102-700, Article  
22 60, Section 60-30, eff. 4-19-22; 102-700, Article 65, Section  
23 65-10, eff. 4-19-22; 102-813, eff. 5-13-22; 102-1019, eff.  
24 1-1-23; revised 12-13-22.)

25 Section 99. Effective date. This Act takes effect upon  
26 becoming law.