



## 103RD GENERAL ASSEMBLY

### State of Illinois

### 2023 and 2024

### SB0329

Introduced 2/2/2023, by Sen. Jil Tracy

#### SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
55 ILCS 5/5-1006	from Ch. 34, par. 5-1006
55 ILCS 5/5-1006.5	
55 ILCS 5/5-1006.8	
55 ILCS 5/5-1007	from Ch. 34, par. 5-1007
65 ILCS 5/8-11-1	from Ch. 24, par. 8-11-1
65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3
65 ILCS 5/8-11-1.4	from Ch. 24, par. 8-11-1.4
65 ILCS 5/8-11-1.6	
65 ILCS 5/8-11-1.7	
65 ILCS 5/8-11-5	from Ch. 24, par. 8-11-5
65 ILCS 5/8-11-23	
70 ILCS 1605/30	
70 ILCS 3610/5.01	from Ch. 111 2/3, par. 355.01
70 ILCS 3615/4.03	from Ch. 111 2/3, par. 704.03
70 ILCS 3720/4	from Ch. 111 2/3, par. 254

Amends the State Finance Act, Counties Code, Illinois Municipal Code, Metro-East Park and Recreation District Act, Local Mass Transit District Act, Regional Transportation Authority Act, and Water Commission Act of 1985. Provides that the amounts transferred into the Tax Compliance and Administration Fund shall be reduced from 1.5% to 1%. Effective July 1, 2023.

LRB103 25073 HLH 51408 b

1 AN ACT concerning local government.

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

4 Section 5. The State Finance Act is amended by changing  
5 Section 6z-20 as follows:

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

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

23 For the purpose of determining allocation to the local

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

9 Of the money received from the 6.25% general use tax rate  
10 on tangible personal property which is purchased outside  
11 Illinois at retail from a retailer and which is titled or  
12 registered by any agency of this State's government and paid  
13 into the County and Mass Transit District Fund, the amount for  
14 which Illinois addresses for titling or registration purposes  
15 are given as being in each county having more than 3,000,000  
16 inhabitants shall be distributed into the Regional  
17 Transportation Authority tax fund, created pursuant to Section  
18 4.03 of the Regional Transportation Authority Act. The  
19 remainder of the money paid from such sales shall be  
20 distributed to each county based on sales for which Illinois  
21 addresses for titling or registration purposes are given as  
22 being located in the county. Any money paid into the Regional  
23 Transportation Authority Occupation and Use Tax Replacement  
24 Fund from the County and Mass Transit District Fund prior to  
25 January 14, 1991, which has not been paid to the Authority  
26 prior to that date, shall be transferred to the Regional

1 Transportation Authority tax fund.

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

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

23 After the monthly transfer to the STAR Bonds Revenue Fund,  
24 on or before the 25th day of each calendar month, the  
25 Department shall prepare and certify to the Comptroller the  
26 disbursement of stated sums of money to the Regional

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

1 certification to the Regional Transportation Authority,  
2 counties, and the Tax Compliance and Administration Fund  
3 provided for in this Section to be given to the Comptroller by  
4 the Department, the Comptroller shall cause the orders to be  
5 drawn for the respective amounts in accordance with the  
6 directions contained in such certification.

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

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

22 In construing any development, redevelopment, annexation,  
23 preannexation or other lawful agreement in effect prior to  
24 September 1, 1990, which describes or refers to receipts from  
25 a county or municipal retailers' occupation tax, use tax or  
26 service occupation tax which now cannot be imposed, such

1 description or reference shall be deemed to include the  
2 replacement revenue for such abolished taxes, distributed from  
3 the County and Mass Transit District Fund or Local Government  
4 Distributive Fund, as the case may be.

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

6 Section 10. The Counties Code is amended by changing  
7 Sections 5-1006, 5-1006.5, 5-1006.8, and 5-1007 as follows:

8 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

9 Sec. 5-1006. Home Rule County Retailers' Occupation Tax  
10 Law. Any county that is a home rule unit may impose a tax upon  
11 all persons engaged in the business of selling tangible  
12 personal property, other than an item of tangible personal  
13 property titled or registered with an agency of this State's  
14 government, at retail in the county on the gross receipts from  
15 such sales made in the course of their business. If imposed,  
16 this tax shall only be imposed in 1/4% increments. On and after  
17 September 1, 1991, this additional tax may not be imposed on  
18 tangible personal property taxed at the 1% rate under the  
19 Retailers' Occupation Tax Act (or at the 0% rate imposed under  
20 this amendatory Act of the 102nd General Assembly). Beginning  
21 December 1, 2019, this tax is not imposed on sales of aviation  
22 fuel unless the tax revenue is expended for airport-related  
23 purposes. If the county does not have an airport-related  
24 purpose to which it dedicates aviation fuel tax revenue, then

1 aviation fuel is excluded from the tax. The county must comply  
2 with the certification requirements for airport-related  
3 purposes under Section 2-22 of the Retailers' Occupation Tax  
4 Act. For purposes of this Section, "airport-related purposes"  
5 has the meaning ascribed in Section 6z-20.2 of the State  
6 Finance Act. This exclusion for aviation fuel only applies for  
7 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
8 and 49 U.S.C. 47133 are binding on the county. The changes made  
9 to this Section by this amendatory Act of the 101st General  
10 Assembly are a denial and limitation of home rule powers and  
11 functions under subsection (g) of Section 6 of Article VII of  
12 the Illinois Constitution. The tax imposed by a home rule  
13 county pursuant to this Section and all civil penalties that  
14 may be assessed as an incident thereof shall be collected and  
15 enforced by the State Department of Revenue. The certificate  
16 of registration that is issued by the Department to a retailer  
17 under the Retailers' Occupation Tax Act shall permit the  
18 retailer to engage in a business that is taxable under any  
19 ordinance or resolution enacted pursuant to this Section  
20 without registering separately with the Department under such  
21 ordinance or resolution or under this Section. The Department  
22 shall have full power to administer and enforce this Section;  
23 to collect all taxes and penalties due hereunder; to dispose  
24 of taxes and penalties so collected in the manner hereinafter  
25 provided; and to determine all rights to credit memoranda  
26 arising on account of the erroneous payment of tax or penalty



1 hereunder. In the administration of, and compliance with, this  
2 Section, the Department and persons who are subject to this  
3 Section shall have the same rights, remedies, privileges,  
4 immunities, powers and duties, and be subject to the same  
5 conditions, restrictions, limitations, penalties and  
6 definitions of terms, and employ the same modes of procedure,  
7 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,  
8 1k, 1m, 1n, 2 through 2-65 (in respect to all provisions  
9 therein other than the State rate of tax), 3 (except as to the  
10 disposition of taxes and penalties collected, and except that  
11 the retailer's discount is not allowed for taxes paid on  
12 aviation fuel that are subject to the revenue use requirements  
13 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,  
14 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
15 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
16 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
17 as if those provisions were set forth herein.

18 No tax may be imposed by a home rule county pursuant to  
19 this Section unless the county also imposes a tax at the same  
20 rate pursuant to Section 5-1007.

21 Persons subject to any tax imposed pursuant to the  
22 authority granted in this Section may reimburse themselves for  
23 their seller's tax liability hereunder by separately stating  
24 such tax as an additional charge, which charge may be stated in  
25 combination, in a single amount, with State tax which sellers  
26 are required to collect under the Use Tax Act, pursuant to such

1 bracket schedules as the Department may prescribe.

2 Whenever the Department determines that a refund should be  
3 made under this Section to a claimant instead of issuing a  
4 credit memorandum, the Department shall notify the State  
5 Comptroller, who shall cause the order to be drawn for the  
6 amount specified and to the person named in the notification  
7 from the Department. The refund shall be paid by the State  
8 Treasurer out of the home rule county retailers' occupation  
9 tax fund or the Local Government Aviation Trust Fund, as  
10 appropriate.

11 Except as otherwise provided in this paragraph, the  
12 Department shall forthwith pay over to the State Treasurer, ex  
13 officio, as trustee, all taxes and penalties collected  
14 hereunder for deposit into the Home Rule County Retailers'  
15 Occupation Tax Fund. Taxes and penalties collected on aviation  
16 fuel sold on or after December 1, 2019, shall be immediately  
17 paid over by the Department to the State Treasurer, ex  
18 officio, as trustee, for deposit into the Local Government  
19 Aviation Trust Fund. The Department shall only pay moneys into  
20 the Local Government Aviation Trust Fund under this Section  
21 for so long as the revenue use requirements of 49 U.S.C.  
22 47107(b) and 49 U.S.C. 47133 are binding on the county.

23 As soon as possible after the first day of each month,  
24 beginning January 1, 2011, upon certification of the  
25 Department of Revenue, the Comptroller shall order  
26 transferred, and the Treasurer shall transfer, to the STAR

1 Bonds Revenue Fund the local sales tax increment, as defined  
2 in the Innovation Development and Economy Act, collected under  
3 this Section during the second preceding calendar month for  
4 sales within a STAR bond district.

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 counties, the  
9 counties to be those from which retailers have paid taxes or  
10 penalties hereunder to the Department during the second  
11 preceding calendar month. The amount to be paid to each county  
12 shall be the amount (not including credit memoranda and not  
13 including taxes and penalties collected on aviation fuel sold  
14 on or after December 1, 2019) collected hereunder during the  
15 second preceding calendar month by the Department plus an  
16 amount the Department determines is necessary to offset any  
17 amounts that were erroneously paid to a different taxing body,  
18 and not including an amount equal to the amount of refunds made  
19 during the second preceding calendar month by the Department  
20 on behalf of such county, and not including any amount which  
21 the Department determines is necessary to offset any amounts  
22 which were payable to a different taxing body but were  
23 erroneously paid to the county, and not including any amounts  
24 that are transferred to the STAR Bonds Revenue Fund, less 1%  
25 ~~1.5%~~ of the remainder, which the Department shall transfer  
26 into the Tax Compliance and Administration Fund. The

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

11 In addition to the disbursement required by the preceding  
12 paragraph, an allocation shall be made in March of each year to  
13 each county that received more than \$500,000 in disbursements  
14 under the preceding paragraph in the preceding calendar year.  
15 The allocation shall be in an amount equal to the average  
16 monthly distribution made to each such county under the  
17 preceding paragraph during the preceding calendar year  
18 (excluding the 2 months of highest receipts). The distribution  
19 made in March of each year subsequent to the year in which an  
20 allocation was made pursuant to this paragraph and the  
21 preceding paragraph shall be reduced by the amount allocated  
22 and disbursed under this paragraph in the preceding calendar  
23 year. The Department shall prepare and certify to the  
24 Comptroller for disbursement the allocations made in  
25 accordance with this paragraph.

26 For the purpose of determining the local governmental unit

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

9 Nothing in this Section shall be construed to authorize a  
10 county to impose a tax upon the privilege of engaging in any  
11 business which under the Constitution of the United States may  
12 not be made the subject of taxation by this State.

13 An ordinance or resolution imposing or discontinuing a tax  
14 hereunder or effecting a change in the rate thereof shall be  
15 adopted and a certified copy thereof filed with the Department  
16 on or before the first day of June, whereupon the Department  
17 shall proceed to administer and enforce this Section as of the  
18 first day of September next following such adoption and  
19 filing. Beginning January 1, 1992, an ordinance or resolution  
20 imposing or discontinuing the tax hereunder or effecting a  
21 change in the rate thereof shall be adopted and a certified  
22 copy thereof filed with the Department on or before the first  
23 day of July, whereupon the Department shall proceed to  
24 administer and enforce this Section as of the first day of  
25 October next following such adoption and filing. Beginning  
26 January 1, 1993, an ordinance or resolution imposing or

1 discontinuing the tax hereunder or effecting a change in the  
2 rate thereof shall be adopted and a certified copy thereof  
3 filed with the Department on or before the first day of  
4 October, whereupon the Department shall proceed to administer  
5 and enforce this Section as of the first day of January next  
6 following such adoption and filing. Beginning April 1, 1998,  
7 an ordinance or resolution imposing or discontinuing the tax  
8 hereunder or effecting a change in the rate thereof shall  
9 either (i) be adopted and a certified copy thereof filed with  
10 the Department on or before the first day of April, whereupon  
11 the Department shall proceed to administer and enforce this  
12 Section as of the first day of July next following the adoption  
13 and filing; or (ii) be adopted and a certified copy thereof  
14 filed with the Department on or before the first day of  
15 October, whereupon the Department shall proceed to administer  
16 and enforce this Section as of the first day of January next  
17 following the adoption and filing.

18 When certifying the amount of a monthly disbursement to a  
19 county under this Section, the Department shall increase or  
20 decrease such amount by an amount necessary to offset any  
21 misallocation of previous disbursements. The offset amount  
22 shall be the amount erroneously disbursed within the previous  
23 6 months from the time a misallocation is discovered.

24 This Section shall be known and may be cited as the Home  
25 Rule County Retailers' Occupation Tax Law.

26 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;

1 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

2 (55 ILCS 5/5-1006.5)

3 Sec. 5-1006.5. Special County Retailers' Occupation Tax  
4 For Public Safety, Public Facilities, Mental Health, Substance  
5 Abuse, or Transportation.

6 (a) The county board of any county may impose a tax upon  
7 all persons engaged in the business of selling tangible  
8 personal property, other than personal property titled or  
9 registered with an agency of this State's government, at  
10 retail in the county on the gross receipts from the sales made  
11 in the course of business to provide revenue to be used  
12 exclusively for public safety, public facility, mental health,  
13 substance abuse, or transportation purposes in that county  
14 (except as otherwise provided in this Section), if a  
15 proposition for the tax has been submitted to the electors of  
16 that county and approved by a majority of those voting on the  
17 question. If imposed, this tax shall be imposed only in  
18 one-quarter percent increments. By resolution, the county  
19 board may order the proposition to be submitted at any  
20 election. If the tax is imposed for transportation purposes  
21 for expenditures for public highways or as authorized under  
22 the Illinois Highway Code, the county board must publish  
23 notice of the existence of its long-range highway  
24 transportation plan as required or described in Section 5-301  
25 of the Illinois Highway Code and must make the plan publicly

1 available prior to approval of the ordinance or resolution  
2 imposing the tax. If the tax is imposed for transportation  
3 purposes for expenditures for passenger rail transportation,  
4 the county board must publish notice of the existence of its  
5 long-range passenger rail transportation plan and must make  
6 the plan publicly available prior to approval of the ordinance  
7 or resolution imposing the tax.

8 If a tax is imposed for public facilities purposes, then  
9 the name of the project may be included in the proposition at  
10 the discretion of the county board as determined in the  
11 enabling resolution. For example, the "XXX Nursing Home" or  
12 the "YYY Museum".

13 The county clerk shall certify the question to the proper  
14 election authority, who shall submit the proposition at an  
15 election in accordance with the general election law.

16 (1) The proposition for public safety purposes shall  
17 be in substantially the following form:

18 "To pay for public safety purposes, shall (name of  
19 county) be authorized to impose an increase on its share  
20 of local sales taxes by (insert rate)?"

21 As additional information on the ballot below the  
22 question shall appear the following:

23 "This would mean that a consumer would pay an  
24 additional (insert amount) in sales tax for every \$100 of  
25 tangible personal property bought at retail."

26 The county board may also opt to establish a sunset



1 provision at which time the additional sales tax would  
2 cease being collected, if not terminated earlier by a vote  
3 of the county board. If the county board votes to include a  
4 sunset provision, the proposition for public safety  
5 purposes shall be in substantially the following form:

6 "To pay for public safety purposes, shall (name of  
7 county) be authorized to impose an increase on its share  
8 of local sales taxes by (insert rate) for a period not to  
9 exceed (insert number of years)?"

10 As additional information on the ballot below the  
11 question shall appear the following:

12 "This would mean that a consumer would pay an  
13 additional (insert amount) in sales tax for every \$100 of  
14 tangible personal property bought at retail. If imposed,  
15 the additional tax would cease being collected at the end  
16 of (insert number of years), if not terminated earlier by  
17 a vote of the county board."

18 For the purposes of the paragraph, "public safety  
19 purposes" means crime prevention, detention, fire  
20 fighting, police, medical, ambulance, or other emergency  
21 services.

22 Votes shall be recorded as "Yes" or "No".

23 Beginning on the January 1 or July 1, whichever is  
24 first, that occurs not less than 30 days after May 31, 2015  
25 (the effective date of Public Act 99-4), Adams County may  
26 impose a public safety retailers' occupation tax and

1 service occupation tax at the rate of 0.25%, as provided  
2 in the referendum approved by the voters on April 7, 2015,  
3 notwithstanding the omission of the additional information  
4 that is otherwise required to be printed on the ballot  
5 below the question pursuant to this item (1).

6 (2) The proposition for transportation purposes shall  
7 be in substantially the following form:

8 "To pay for improvements to roads and other  
9 transportation purposes, shall (name of county) be  
10 authorized to impose an increase on its share of local  
11 sales taxes by (insert rate)?"

12 As additional information on the ballot below the  
13 question shall appear the following:

14 "This would mean that a consumer would pay an  
15 additional (insert amount) in sales tax for every \$100 of  
16 tangible personal property bought at retail."

17 The county board may also opt to establish a sunset  
18 provision at which time the additional sales tax would  
19 cease being collected, if not terminated earlier by a vote  
20 of the county board. If the county board votes to include a  
21 sunset provision, the proposition for transportation  
22 purposes shall be in substantially the following form:

23 "To pay for road improvements and other transportation  
24 purposes, shall (name of county) be authorized to impose  
25 an increase on its share of local sales taxes by (insert  
26 rate) for a period not to exceed (insert number of

1 years)?"

2 As additional information on the ballot below the  
3 question shall appear the following:

4 "This would mean that a consumer would pay an  
5 additional (insert amount) in sales tax for every \$100 of  
6 tangible personal property bought at retail. If imposed,  
7 the additional tax would cease being collected at the end  
8 of (insert number of years), if not terminated earlier by  
9 a vote of the county board."

10 For the purposes of this paragraph, transportation  
11 purposes means construction, maintenance, operation, and  
12 improvement of public highways, any other purpose for  
13 which a county may expend funds under the Illinois Highway  
14 Code, and passenger rail transportation.

15 The votes shall be recorded as "Yes" or "No".

16 (3) The proposition for public facilities purposes  
17 shall be in substantially the following form:

18 "To pay for public facilities purposes, shall (name of  
19 county) be authorized to impose an increase on its share  
20 of local sales taxes by (insert rate)?"

21 As additional information on the ballot below the  
22 question shall appear the following:

23 "This would mean that a consumer would pay an  
24 additional (insert amount) in sales tax for every \$100 of  
25 tangible personal property bought at retail."

26 The county board may also opt to establish a sunset

1 provision at which time the additional sales tax would  
2 cease being collected, if not terminated earlier by a vote  
3 of the county board. If the county board votes to include a  
4 sunset provision, the proposition for public facilities  
5 purposes shall be in substantially the following form:

6 "To pay for public facilities purposes, shall (name of  
7 county) be authorized to impose an increase on its share  
8 of local sales taxes by (insert rate) for a period not to  
9 exceed (insert number of years)?"

10 As additional information on the ballot below the  
11 question shall appear the following:

12 "This would mean that a consumer would pay an  
13 additional (insert amount) in sales tax for every \$100 of  
14 tangible personal property bought at retail. If imposed,  
15 the additional tax would cease being collected at the end  
16 of (insert number of years), if not terminated earlier by  
17 a vote of the county board."

18 For purposes of this Section, "public facilities  
19 purposes" means the acquisition, development,  
20 construction, reconstruction, rehabilitation,  
21 improvement, financing, architectural planning, and  
22 installation of capital facilities consisting of  
23 buildings, structures, and durable equipment and for the  
24 acquisition and improvement of real property and interest  
25 in real property required, or expected to be required, in  
26 connection with the public facilities, for use by the

1 county for the furnishing of governmental services to its  
2 citizens, including, but not limited to, museums and  
3 nursing homes.

4 The votes shall be recorded as "Yes" or "No".

5 (4) The proposition for mental health purposes shall  
6 be in substantially the following form:

7 "To pay for mental health purposes, shall (name of  
8 county) be authorized to impose an increase on its share  
9 of local sales taxes by (insert rate)?"

10 As additional information on the ballot below the  
11 question shall appear the following:

12 "This would mean that a consumer would pay an  
13 additional (insert amount) in sales tax for every \$100 of  
14 tangible personal property bought at retail."

15 The county board may also opt to establish a sunset  
16 provision at which time the additional sales tax would  
17 cease being collected, if not terminated earlier by a vote  
18 of the county board. If the county board votes to include a  
19 sunset provision, the proposition for public facilities  
20 purposes shall be in substantially the following form:

21 "To pay for mental health purposes, shall (name of  
22 county) be authorized to impose an increase on its share  
23 of local sales taxes by (insert rate) for a period not to  
24 exceed (insert number of years)?"

25 As additional information on the ballot below the  
26 question shall appear the following:

1            "This would mean that a consumer would pay an  
2 additional (insert amount) in sales tax for every \$100 of  
3 tangible personal property bought at retail. If imposed,  
4 the additional tax would cease being collected at the end  
5 of (insert number of years), if not terminated earlier by  
6 a vote of the county board."

7            The votes shall be recorded as "Yes" or "No".

8            (5) The proposition for substance abuse purposes shall  
9 be in substantially the following form:

10           "To pay for substance abuse purposes, shall (name of  
11 county) be authorized to impose an increase on its share  
12 of local sales taxes by (insert rate)?"

13           As additional information on the ballot below the  
14 question shall appear the following:

15           "This would mean that a consumer would pay an  
16 additional (insert amount) in sales tax for every \$100 of  
17 tangible personal property bought at retail."

18           The county board may also opt to establish a sunset  
19 provision at which time the additional sales tax would  
20 cease being collected, if not terminated earlier by a vote  
21 of the county board. If the county board votes to include a  
22 sunset provision, the proposition for public facilities  
23 purposes shall be in substantially the following form:

24           "To pay for substance abuse purposes, shall (name of  
25 county) be authorized to impose an increase on its share  
26 of local sales taxes by (insert rate) for a period not to

1 exceed (insert number of years)?"

2 As additional information on the ballot below the  
3 question shall appear the following:

4 "This would mean that a consumer would pay an  
5 additional (insert amount) in sales tax for every \$100 of  
6 tangible personal property bought at retail. If imposed,  
7 the additional tax would cease being collected at the end  
8 of (insert number of years), if not terminated earlier by  
9 a vote of the county board."

10 The votes shall be recorded as "Yes" or "No".

11 If a majority of the electors voting on the proposition  
12 vote in favor of it, the county may impose the tax. A county  
13 may not submit more than one proposition authorized by this  
14 Section to the electors at any one time.

15 This additional tax may not be imposed on tangible  
16 personal property taxed at the 1% rate under the Retailers'  
17 Occupation Tax Act (or at the 0% rate imposed under this  
18 amendatory Act of the 102nd General Assembly). Beginning  
19 December 1, 2019 and through December 31, 2020, this tax is not  
20 imposed on sales of aviation fuel unless the tax revenue is  
21 expended for airport-related purposes. If the county does not  
22 have an airport-related purpose to which it dedicates aviation  
23 fuel tax revenue, then aviation fuel is excluded from the tax.  
24 The county must comply with the certification requirements for  
25 airport-related purposes under Section 2-22 of the Retailers'  
26 Occupation Tax Act. For purposes of this Section,

1 "airport-related purposes" has the meaning ascribed in Section  
2 6z-20.2 of the State Finance Act. Beginning January 1, 2021,  
3 this tax is not imposed on sales of aviation fuel for so long  
4 as the revenue use requirements of 49 U.S.C. 47107(b) and 49  
5 U.S.C. 47133 are binding on the county. The tax imposed by a  
6 county under this Section and all civil penalties that may be  
7 assessed as an incident of the tax shall be collected and  
8 enforced by the Illinois Department of Revenue and deposited  
9 into a special fund created for that purpose. The certificate  
10 of registration that is issued by the Department to a retailer  
11 under the Retailers' Occupation Tax Act shall permit the  
12 retailer to engage in a business that is taxable without  
13 registering separately with the Department under an ordinance  
14 or resolution under this Section. The Department has full  
15 power to administer and enforce this Section, to collect all  
16 taxes and penalties due under this Section, to dispose of  
17 taxes and penalties so collected in the manner provided in  
18 this Section, and to determine all rights to credit memoranda  
19 arising on account of the erroneous payment of a tax or penalty  
20 under this Section. In the administration of and compliance  
21 with this Section, the Department and persons who are subject  
22 to this Section shall (i) have the same rights, remedies,  
23 privileges, immunities, powers, and duties, (ii) be subject to  
24 the same conditions, restrictions, limitations, penalties, and  
25 definitions of terms, and (iii) employ the same modes of  
26 procedure as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e,



1 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-70 (in respect to all  
2 provisions contained in those Sections other than the State  
3 rate of tax), 2a, 2b, 2c, 3 (except provisions relating to  
4 transaction returns and quarter monthly payments, and except  
5 that the retailer's discount is not allowed for taxes paid on  
6 aviation fuel that are deposited into the Local Government  
7 Aviation Trust Fund), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
8 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13  
9 of the Retailers' Occupation Tax Act and Section 3-7 of the  
10 Uniform Penalty and Interest Act as if those provisions were  
11 set forth in this Section.

12 Persons subject to any tax imposed under the authority  
13 granted in this Section may reimburse themselves for their  
14 sellers' tax liability by separately stating the tax as an  
15 additional charge, which charge may be stated in combination,  
16 in a single amount, with State tax which sellers are required  
17 to collect under the Use Tax Act, pursuant to such bracketed  
18 schedules as the Department may prescribe.

19 Whenever the Department determines that a refund should be  
20 made under this Section to a claimant instead of issuing a  
21 credit memorandum, the Department shall notify the State  
22 Comptroller, who shall cause the order to be drawn for the  
23 amount specified and to the person named in the notification  
24 from the Department. The refund shall be paid by the State  
25 Treasurer out of the County Public Safety, Public Facilities,  
26 Mental Health, Substance Abuse, or Transportation Retailers'

1 Occupation Tax Fund or the Local Government Aviation Trust  
2 Fund, as appropriate.

3 (b) If a tax has been imposed under subsection (a), a  
4 service occupation tax shall also be imposed at the same rate  
5 upon all persons engaged, in the county, in the business of  
6 making sales of service, who, as an incident to making those  
7 sales of service, transfer tangible personal property within  
8 the county as an incident to a sale of service. This tax may  
9 not be imposed on tangible personal property taxed at the 1%  
10 rate under the Service Occupation Tax Act (or at the 0% rate  
11 imposed under this amendatory Act of the 102nd General  
12 Assembly). Beginning December 1, 2019 and through December 31,  
13 2020, this tax is not imposed on sales of aviation fuel unless  
14 the tax revenue is expended for airport-related purposes. If  
15 the county does not have an airport-related purpose to which  
16 it dedicates aviation fuel tax revenue, then aviation fuel is  
17 excluded from the tax. The county must comply with the  
18 certification requirements for airport-related purposes under  
19 Section 2-22 of the Retailers' Occupation Tax Act. For  
20 purposes of this Section, "airport-related purposes" has the  
21 meaning ascribed in Section 6z-20.2 of the State Finance Act.  
22 Beginning January 1, 2021, this tax is not imposed on sales of  
23 aviation fuel for so long as the revenue use requirements of 49  
24 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.  
25 The tax imposed under this subsection and all civil penalties  
26 that may be assessed as an incident thereof shall be collected

1 and enforced by the Department of Revenue. The Department has  
2 full power to administer and enforce this subsection; to  
3 collect all taxes and penalties due hereunder; to dispose of  
4 taxes and penalties so collected in the manner hereinafter  
5 provided; and to determine all rights to credit memoranda  
6 arising on account of the erroneous payment of tax or penalty  
7 hereunder. In the administration of and compliance with this  
8 subsection, the Department and persons who are subject to this  
9 paragraph shall (i) have the same rights, remedies,  
10 privileges, immunities, powers, and duties, (ii) be subject to  
11 the same conditions, restrictions, limitations, penalties,  
12 exclusions, exemptions, and definitions of terms, and (iii)  
13 employ the same modes of procedure as are prescribed in  
14 Sections 2 (except that the reference to State in the  
15 definition of supplier maintaining a place of business in this  
16 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in  
17 respect to all provisions therein other than the State rate of  
18 tax), 4 (except that the reference to the State shall be to the  
19 county), 5, 7, 8 (except that the jurisdiction to which the tax  
20 shall be a debt to the extent indicated in that Section 8 shall  
21 be the county), 9 (except as to the disposition of taxes and  
22 penalties collected, and except that the retailer's discount  
23 is not allowed for taxes paid on aviation fuel that are  
24 deposited into the Local Government Aviation Trust Fund), 10,  
25 11, 12 (except the reference therein to Section 2b of the  
26 Retailers' Occupation Tax Act), 13 (except that any reference

1 to the State shall mean the county), Section 15, 16, 17, 18,  
2 19, and 20 of the Service Occupation Tax Act, and Section 3-7  
3 of the Uniform Penalty and Interest Act, as fully as if those  
4 provisions were set forth herein.

5 Persons subject to any tax imposed under the authority  
6 granted in this subsection may reimburse themselves for their  
7 serviceman's tax liability by separately stating the tax as an  
8 additional charge, which charge may be stated in combination,  
9 in a single amount, with State tax that servicemen are  
10 authorized to collect under the Service Use Tax Act, in  
11 accordance with such bracket schedules as the Department may  
12 prescribe.

13 Whenever the Department determines that a refund should be  
14 made under this subsection to a claimant instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the warrant to be drawn for the  
17 amount specified, and to the person named, in the notification  
18 from the Department. The refund shall be paid by the State  
19 Treasurer out of the County Public Safety, Public Facilities,  
20 Mental Health, Substance Abuse, or Transportation Retailers'  
21 Occupation Fund or the Local Government Aviation Trust Fund,  
22 as appropriate.

23 Nothing in this subsection shall be construed to authorize  
24 the county to impose a tax upon the privilege of engaging in  
25 any business which under the Constitution of the United States  
26 may not be made the subject of taxation by the State.

1           (c) Except as otherwise provided in this paragraph, the  
2 Department shall immediately pay over to the State Treasurer,  
3 ex officio, as trustee, all taxes and penalties collected  
4 under this Section to be deposited into the County Public  
5 Safety, Public Facilities, Mental Health, Substance Abuse, or  
6 Transportation Retailers' Occupation Tax Fund, which shall be  
7 an unappropriated trust fund held outside of the State  
8 treasury. Taxes and penalties collected on aviation fuel sold  
9 on or after December 1, 2019 and through December 31, 2020,  
10 shall be immediately paid over by the Department to the State  
11 Treasurer, ex officio, as trustee, for deposit into the Local  
12 Government Aviation Trust Fund. The Department shall only pay  
13 moneys into the Local Government Aviation Trust Fund under  
14 this Act for so long as the revenue use requirements of 49  
15 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the county.

16           As soon as possible after the first day of each month,  
17 beginning January 1, 2011, upon certification of the  
18 Department of Revenue, the Comptroller shall order  
19 transferred, and the Treasurer shall transfer, to the STAR  
20 Bonds Revenue Fund the local sales tax increment, as defined  
21 in the Innovation Development and Economy Act, collected under  
22 this Section during the second preceding calendar month for  
23 sales within a STAR bond district.

24           After the monthly transfer to the STAR Bonds Revenue Fund,  
25 on or before the 25th day of each calendar month, the  
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to the counties from  
2 which retailers have paid taxes or penalties to the Department  
3 during the second preceding calendar month. The amount to be  
4 paid to each county, and deposited by the county into its  
5 special fund created for the purposes of this Section, shall  
6 be the amount (not including credit memoranda and not  
7 including taxes and penalties collected on aviation fuel sold  
8 on or after December 1, 2019 and through December 31, 2020)  
9 collected under this Section during the second preceding  
10 calendar month by the Department plus an amount the Department  
11 determines is necessary to offset any amounts that were  
12 erroneously paid to a different taxing body, and not including  
13 (i) an amount equal to the amount of refunds made during the  
14 second preceding calendar month by the Department on behalf of  
15 the county, (ii) any amount that the Department determines is  
16 necessary to offset any amounts that were payable to a  
17 different taxing body but were erroneously paid to the county,  
18 (iii) any amounts that are transferred to the STAR Bonds  
19 Revenue Fund, and (iv) 1% ~~1.5%~~ of the remainder, which shall be  
20 transferred into the Tax Compliance and Administration Fund.  
21 The Department, at the time of each monthly disbursement to  
22 the counties, shall prepare and certify to the State  
23 Comptroller the amount to be transferred into the Tax  
24 Compliance and Administration Fund under this subsection.  
25 Within 10 days after receipt by the Comptroller of the  
26 disbursement certification to the counties and the Tax

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

6 In addition to the disbursement required by the preceding  
7 paragraph, an allocation shall be made in March of each year to  
8 each county that received more than \$500,000 in disbursements  
9 under the preceding paragraph in the preceding calendar year.  
10 The allocation shall be in an amount equal to the average  
11 monthly distribution made to each such county under the  
12 preceding paragraph during the preceding calendar year  
13 (excluding the 2 months of highest receipts). The distribution  
14 made in March of each year subsequent to the year in which an  
15 allocation was made pursuant to this paragraph and the  
16 preceding paragraph shall be reduced by the amount allocated  
17 and disbursed under this paragraph in the preceding calendar  
18 year. The Department shall prepare and certify to the  
19 Comptroller for disbursement the allocations made in  
20 accordance with this paragraph.

21 (d) For the purpose of determining the local governmental  
22 unit whose tax is applicable, a retail sale by a producer of  
23 coal or another mineral mined in Illinois is a sale at retail  
24 at the place where the coal or other mineral mined in Illinois  
25 is extracted from the earth. This paragraph does not apply to  
26 coal or another mineral when it is delivered or shipped by the

1 seller to the purchaser at a point outside Illinois so that the  
2 sale is exempt under the United States Constitution as a sale  
3 in interstate or foreign commerce.

4 (e) Nothing in this Section shall be construed to  
5 authorize a county to impose a tax upon the privilege of  
6 engaging in any business that under the Constitution of the  
7 United States may not be made the subject of taxation by this  
8 State.

9 (e-5) If a county imposes a tax under this Section, the  
10 county board may, by ordinance, discontinue or lower the rate  
11 of the tax. If the county board lowers the tax rate or  
12 discontinues the tax, a referendum must be held in accordance  
13 with subsection (a) of this Section in order to increase the  
14 rate of the tax or to reimpose the discontinued tax.

15 (f) Beginning April 1, 1998 and through December 31, 2013,  
16 the results of any election authorizing a proposition to  
17 impose a tax under this Section or effecting a change in the  
18 rate of tax, or any ordinance lowering the rate or  
19 discontinuing the tax, shall be certified by the county clerk  
20 and filed with the Illinois Department of Revenue either (i)  
21 on or before the first day of April, whereupon the Department  
22 shall proceed to administer and enforce the tax as of the first  
23 day of July next following the filing; or (ii) on or before the  
24 first day of October, whereupon the Department shall proceed  
25 to administer and enforce the tax as of the first day of  
26 January next following the filing.



1           Beginning January 1, 2014, the results of any election  
2 authorizing a proposition to impose a tax under this Section  
3 or effecting an increase in the rate of tax, along with the  
4 ordinance adopted to impose the tax or increase the rate of the  
5 tax, or any ordinance adopted to lower the rate or discontinue  
6 the tax, shall be certified by the county clerk and filed with  
7 the Illinois Department of Revenue either (i) on or before the  
8 first day of May, whereupon the Department shall proceed to  
9 administer and enforce the tax as of the first day of July next  
10 following the adoption and filing; or (ii) on or before the  
11 first day of October, whereupon the Department shall proceed  
12 to administer and enforce the tax as of the first day of  
13 January next following the adoption and filing.

14           (g) When certifying the amount of a monthly disbursement  
15 to a county under this Section, the Department shall increase  
16 or decrease the amounts by an amount necessary to offset any  
17 miscalculation of previous disbursements. The offset amount  
18 shall be the amount erroneously disbursed within the previous  
19 6 months from the time a miscalculation is discovered.

20           (g-5) Every county authorized to levy a tax under this  
21 Section shall, before it levies such tax, establish a 7-member  
22 mental health board, which shall have the same powers and  
23 duties and be constituted in the same manner as a community  
24 mental health board established under the Community Mental  
25 Health Act. Proceeds of the tax under this Section that are  
26 earmarked for mental health or substance abuse purposes shall

1 be deposited into a special county occupation tax fund for  
2 mental health and substance abuse. The 7-member mental health  
3 board established under this subsection shall administer the  
4 special county occupation tax fund for mental health and  
5 substance abuse in the same manner as the community mental  
6 health board administers the community mental health fund  
7 under the Community Mental Health Act.

8 (h) This Section may be cited as the "Special County  
9 Occupation Tax For Public Safety, Public Facilities, Mental  
10 Health, Substance Abuse, or Transportation Law".

11 (i) For purposes of this Section, "public safety"  
12 includes, but is not limited to, crime prevention, detention,  
13 fire fighting, police, medical, ambulance, or other emergency  
14 services. The county may share tax proceeds received under  
15 this Section for public safety purposes, including proceeds  
16 received before August 4, 2009 (the effective date of Public  
17 Act 96-124), with any fire protection district located in the  
18 county. For the purposes of this Section, "transportation"  
19 includes, but is not limited to, the construction,  
20 maintenance, operation, and improvement of public highways,  
21 any other purpose for which a county may expend funds under the  
22 Illinois Highway Code, and passenger rail transportation. For  
23 the purposes of this Section, "public facilities purposes"  
24 includes, but is not limited to, the acquisition, development,  
25 construction, reconstruction, rehabilitation, improvement,  
26 financing, architectural planning, and installation of capital

1 facilities consisting of buildings, structures, and durable  
2 equipment and for the acquisition and improvement of real  
3 property and interest in real property required, or expected  
4 to be required, in connection with the public facilities, for  
5 use by the county for the furnishing of governmental services  
6 to its citizens, including, but not limited to, museums and  
7 nursing homes.

8 (j) The Department may promulgate rules to implement  
9 Public Act 95-1002 only to the extent necessary to apply the  
10 existing rules for the Special County Retailers' Occupation  
11 Tax for Public Safety to this new purpose for public  
12 facilities.

13 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
14 101-275, eff. 8-9-19; 101-604, eff. 12-13-19; 102-379, eff.  
15 1-1-22; 102-700, eff. 4-19-22.)

16 (55 ILCS 5/5-1006.8)

17 Sec. 5-1006.8. County Cannabis Retailers' Occupation Tax  
18 Law.

19 (a) This Section may be referred to as the County Cannabis  
20 Retailers' Occupation Tax Law. The corporate authorities of  
21 any county may, by ordinance, impose a tax upon all persons  
22 engaged in the business of selling cannabis, other than  
23 cannabis purchased under the Compassionate Use of Medical  
24 Cannabis Program Act, at retail in the county on the gross  
25 receipts from these sales made in the course of that business.

1 If imposed, the tax shall be imposed only in 0.25% increments.  
2 The tax rate may not exceed: (i) 3.75% of the gross receipts of  
3 sales made in unincorporated areas of the county; and (ii) 3%  
4 of the gross receipts of sales made in a municipality located  
5 in the county. The tax imposed under this Section and all civil  
6 penalties that may be assessed as an incident of the tax shall  
7 be collected and enforced by the Department of Revenue. The  
8 Department of Revenue shall have full power to administer and  
9 enforce this Section; to collect all taxes and penalties due  
10 hereunder; to dispose of taxes and penalties so collected in  
11 the manner hereinafter provided; and to determine all rights  
12 to credit memoranda arising on account of the erroneous  
13 payment of tax or penalty under this Section. In the  
14 administration of and compliance with this Section, the  
15 Department of Revenue and persons who are subject to this  
16 Section shall have the same rights, remedies, privileges,  
17 immunities, powers and duties, and be subject to the same  
18 conditions, restrictions, limitations, penalties, and  
19 definitions of terms, and employ the same modes of procedure,  
20 as are described in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
21 1n, 2 through 2-65 (in respect to all provisions therein other  
22 than the State rate of tax), 2a, 2b, 2c, 2i, 3 (except as to  
23 the disposition of taxes and penalties collected), 4, 5, 5a,  
24 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6bb, 6c, 6d,  
25 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation  
26 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act

1 as fully as if those provisions were set forth in this Section.

2 (b) Persons subject to any tax imposed under the authority  
3 granted in this Section may reimburse themselves for their  
4 seller's tax liability hereunder by separately stating that  
5 tax as an additional charge, which charge may be stated in  
6 combination, in a single amount, with any State tax that  
7 sellers are required to collect.

8 (c) Whenever the Department of Revenue determines that a  
9 refund should be made under this Section to a claimant instead  
10 of issuing a credit memorandum, the Department of Revenue  
11 shall notify the State Comptroller, who shall cause the order  
12 to be drawn for the amount specified and to the person named in  
13 the notification from the Department of Revenue.

14 (d) The Department of Revenue shall immediately pay over  
15 to the State Treasurer, ex officio, as trustee, all taxes and  
16 penalties collected hereunder for deposit into the Local  
17 Cannabis Retailers' Occupation Tax Trust Fund.

18 (e) On or before the 25th day of each calendar month, the  
19 Department of Revenue shall prepare and certify to the  
20 Comptroller the amount of money to be disbursed from the Local  
21 Cannabis Retailers' Occupation Tax Trust Fund to counties from  
22 which retailers have paid taxes or penalties under this  
23 Section during the second preceding calendar month. The amount  
24 to be paid to each county shall be the amount (not including  
25 credit memoranda) collected under this Section from sales made  
26 in the county during the second preceding calendar month, plus

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

21 (f) An ordinance or resolution imposing or discontinuing a  
22 tax under this Section or effecting a change in the rate  
23 thereof that is adopted on or after June 25, 2019 (the  
24 effective date of Public Act 101-27) and for which a certified  
25 copy is filed with the Department on or before April 1, 2020  
26 shall be administered and enforced by the Department beginning

1 on July 1, 2020. For ordinances filed with the Department  
2 after April 1, 2020, an ordinance or resolution imposing or  
3 discontinuing a tax under this Section or effecting a change  
4 in the rate thereof shall either (i) be adopted and a certified  
5 copy thereof filed with the Department on or before the first  
6 day of April, whereupon the Department shall proceed to  
7 administer and enforce this Section as of the first day of July  
8 next following the adoption and filing; or (ii) be adopted and  
9 a certified copy thereof filed with the Department on or  
10 before the first day of October, whereupon the Department  
11 shall proceed to administer and enforce this Section as of the  
12 first day of January next following the adoption and filing.

13 (g) Notwithstanding any provision in this Section to the  
14 contrary, if an ordinance or resolution imposing a tax under  
15 this Section was adopted on or before October 1, 2020 and a  
16 certified copy thereof was filed with the Department of  
17 Revenue on or before November 1, 2020, then the Department  
18 shall proceed to administer and enforce this Section as of May  
19 1, 2021 for such ordinances or resolutions.

20 (Source: P.A. 101-27, eff. 6-25-19; 101-363, eff. 8-9-19;  
21 101-593, eff. 12-4-19; 102-2, eff. 4-2-21.)

22 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

23 Sec. 5-1007. Home Rule County Service Occupation Tax Law.  
24 The corporate authorities of a home rule county may impose a  
25 tax upon all persons engaged, in such county, in the business

1 of making sales of service at the same rate of tax imposed  
2 pursuant to Section 5-1006 of the selling price of all  
3 tangible personal property transferred by such servicemen  
4 either in the form of tangible personal property or in the form  
5 of real estate as an incident to a sale of service. If imposed,  
6 such tax shall only be imposed in 1/4% increments. On and after  
7 September 1, 1991, this additional tax may not be imposed on  
8 tangible personal property taxed at the 1% rate under the  
9 Service Occupation Tax Act (or at the 0% rate imposed under  
10 this amendatory Act of the 102nd General Assembly). Beginning  
11 December 1, 2019, this tax is not imposed on sales of aviation  
12 fuel unless the tax revenue is expended for airport-related  
13 purposes. If the county does not have an airport-related  
14 purpose to which it dedicates aviation fuel tax revenue, then  
15 aviation fuel is excluded from the tax. The county must comply  
16 with the certification requirements for airport-related  
17 purposes under Section 2-22 of the Retailers' Occupation Tax  
18 Act. For purposes of this Section, "airport-related purposes"  
19 has the meaning ascribed in Section 6z-20.2 of the State  
20 Finance Act. This exclusion for aviation fuel only applies for  
21 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
22 and 49 U.S.C. 47133 are binding on the county. The changes made  
23 to this Section by this amendatory Act of the 101st General  
24 Assembly are a denial and limitation of home rule powers and  
25 functions under subsection (g) of Section 6 of Article VII of  
26 the Illinois Constitution. The tax imposed by a home rule



1 county pursuant to this Section and all civil penalties that  
2 may be assessed as an incident thereof shall be collected and  
3 enforced by the State Department of Revenue. The certificate  
4 of registration which is issued by the Department to a  
5 retailer under the Retailers' Occupation Tax Act or under the  
6 Service Occupation Tax Act shall permit such registrant to  
7 engage in a business which is taxable under any ordinance or  
8 resolution enacted pursuant to this Section without  
9 registering separately with the Department under such  
10 ordinance or resolution or under this Section. The Department  
11 shall have full power to administer and enforce this Section;  
12 to collect all taxes and penalties due hereunder; to dispose  
13 of taxes and penalties so collected in the manner hereinafter  
14 provided; and to determine all rights to credit memoranda  
15 arising on account of the erroneous payment of tax or penalty  
16 hereunder. In the administration of, and compliance with, this  
17 Section the Department and persons who are subject to this  
18 Section shall have the same rights, remedies, privileges,  
19 immunities, powers and duties, and be subject to the same  
20 conditions, restrictions, limitations, penalties and  
21 definitions of terms, and employ the same modes of procedure,  
22 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
23 respect to all provisions therein other than the State rate of  
24 tax), 4 (except that the reference to the State shall be to the  
25 taxing county), 5, 7, 8 (except that the jurisdiction to which  
26 the tax shall be a debt to the extent indicated in that Section

1 8 shall be the taxing county), 9 (except as to the disposition  
2 of taxes and penalties collected, and except that the returned  
3 merchandise credit for this county tax may not be taken  
4 against any State tax, and except that the retailer's discount  
5 is not allowed for taxes paid on aviation fuel that are subject  
6 to the revenue use requirements of 49 U.S.C. 47107(b) and 49  
7 U.S.C. 47133), 10, 11, 12 (except the reference therein to  
8 Section 2b of the Retailers' Occupation Tax Act), 13 (except  
9 that any reference to the State shall mean the taxing county),  
10 the first paragraph of Section 15, 16, 17, 18, 19 and 20 of the  
11 Service Occupation Tax Act and Section 3-7 of the Uniform  
12 Penalty and Interest Act, as fully as if those provisions were  
13 set forth herein.

14 No tax may be imposed by a home rule county pursuant to  
15 this Section unless such county also imposes a tax at the same  
16 rate pursuant to Section 5-1006.

17 Persons subject to any tax imposed pursuant to the  
18 authority granted in this Section may reimburse themselves for  
19 their serviceman's tax liability hereunder by separately  
20 stating such tax as an additional charge, which charge may be  
21 stated in combination, in a single amount, with State tax  
22 which servicemen are authorized to collect under the Service  
23 Use Tax Act, pursuant to such bracket schedules as the  
24 Department may prescribe.

25 Whenever the Department determines that a refund should be  
26 made under this Section to a claimant instead of issuing

1 credit memorandum, the Department shall notify the State  
2 Comptroller, who shall cause the order to be drawn for the  
3 amount specified, and to the person named, in such  
4 notification from the Department. Such refund shall be paid by  
5 the State Treasurer out of the home rule county retailers'  
6 occupation tax fund or the Local Government Aviation Trust  
7 Fund, as appropriate.

8 Except as otherwise provided in this paragraph, the  
9 Department shall forthwith pay over to the State Treasurer, ex  
10 officio, as trustee, all taxes and penalties collected  
11 hereunder for deposit into the Home Rule County Retailers'  
12 Occupation Tax Fund. Taxes and penalties collected on aviation  
13 fuel sold on or after December 1, 2019, shall be immediately  
14 paid over by the Department to the State Treasurer, ex  
15 officio, as trustee, for deposit into the Local Government  
16 Aviation Trust Fund. The Department shall only pay moneys into  
17 the Local Government Aviation Trust Fund under this Section  
18 for so long as the revenue use requirements of 49 U.S.C.  
19 47107(b) and 49 U.S.C. 47133 are binding on the county.

20 As soon as possible after the first day of each month,  
21 beginning January 1, 2011, upon certification of the  
22 Department of Revenue, the Comptroller shall order  
23 transferred, and the Treasurer shall transfer, to the STAR  
24 Bonds Revenue Fund the local sales tax increment, as defined  
25 in the Innovation Development and Economy Act, collected under  
26 this Section during the second preceding calendar month for

1 sales within a STAR bond district.

2 After the monthly transfer to the STAR Bonds Revenue Fund,  
3 on or before the 25th day of each calendar month, the  
4 Department shall prepare and certify to the Comptroller the  
5 disbursement of stated sums of money to named counties, the  
6 counties to be those from which suppliers and servicemen have  
7 paid taxes or penalties hereunder to the Department during the  
8 second preceding calendar month. The amount to be paid to each  
9 county shall be the amount (not including credit memoranda and  
10 not including taxes and penalties collected on aviation fuel  
11 sold on or after December 1, 2019) collected hereunder during  
12 the second preceding calendar month by the Department, and not  
13 including an amount equal to the amount of refunds made during  
14 the second preceding calendar month by the Department on  
15 behalf of such county, and not including any amounts that are  
16 transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the  
17 remainder, which the Department shall transfer into the Tax  
18 Compliance and Administration Fund. The Department, at the  
19 time of each monthly disbursement to the counties, shall  
20 prepare and certify to the State Comptroller the amount to be  
21 transferred into the Tax Compliance and Administration Fund  
22 under this Section. Within 10 days after receipt, by the  
23 Comptroller, of the disbursement certification to the counties  
24 and the Tax Compliance and Administration Fund provided for in  
25 this Section to be given to the Comptroller by the Department,  
26 the Comptroller shall cause the orders to be drawn for the

1       respective amounts in accordance with the directions contained  
2       in such certification.

3             In addition to the disbursement required by the preceding  
4       paragraph, an allocation shall be made in each year to each  
5       county which received more than \$500,000 in disbursements  
6       under the preceding paragraph in the preceding calendar year.  
7       The allocation shall be in an amount equal to the average  
8       monthly distribution made to each such county under the  
9       preceding paragraph during the preceding calendar year  
10      (excluding the 2 months of highest receipts). The distribution  
11     made in March of each year subsequent to the year in which an  
12     allocation was made pursuant to this paragraph and the  
13     preceding paragraph shall be reduced by the amount allocated  
14     and disbursed under this paragraph in the preceding calendar  
15     year. The Department shall prepare and certify to the  
16     Comptroller for disbursement the allocations made in  
17     accordance with this paragraph.

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

22            An ordinance or resolution imposing or discontinuing a tax  
23     hereunder or effecting a change in the rate thereof shall be  
24     adopted and a certified copy thereof filed with the Department  
25     on or before the first day of June, whereupon the Department  
26     shall proceed to administer and enforce this Section as of the

1 first day of September next following such adoption and  
2 filing. Beginning January 1, 1992, an ordinance or resolution  
3 imposing or discontinuing the tax hereunder or effecting a  
4 change in the rate thereof shall be adopted and a certified  
5 copy thereof filed with the Department on or before the first  
6 day of July, whereupon the Department shall proceed to  
7 administer and enforce this Section as of the first day of  
8 October next following such adoption and filing. Beginning  
9 January 1, 1993, an ordinance or resolution imposing or  
10 discontinuing the tax hereunder or effecting a change in the  
11 rate thereof shall be adopted and a certified copy thereof  
12 filed with the Department on or before the first day of  
13 October, whereupon the Department shall proceed to administer  
14 and enforce this Section as of the first day of January next  
15 following such adoption and filing. Beginning April 1, 1998,  
16 an ordinance or resolution imposing or discontinuing the tax  
17 hereunder or effecting a change in the rate thereof shall  
18 either (i) be adopted and a certified copy thereof filed with  
19 the Department on or before the first day of April, whereupon  
20 the Department shall proceed to administer and enforce this  
21 Section as of the first day of July next following the adoption  
22 and filing; or (ii) be adopted and a certified copy thereof  
23 filed with the Department on or before the first day of  
24 October, whereupon the Department shall proceed to administer  
25 and enforce this Section as of the first day of January next  
26 following the adoption and filing.

1           This Section shall be known and may be cited as the Home  
2 Rule County Service Occupation Tax Law.

3           (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
4 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

5           Section 15. The Illinois Municipal Code is amended by  
6 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,  
7 8-11-1.7, 8-11-5, and 8-11-23 as follows:

8           (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

9           Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
10 Act. The corporate authorities of a home rule municipality may  
11 impose a tax upon all persons engaged in the business of  
12 selling tangible personal property, other than an item of  
13 tangible personal property titled or registered with an agency  
14 of this State's government, at retail in the municipality on  
15 the gross receipts from these sales made in the course of such  
16 business. If imposed, the tax shall only be imposed in 1/4%  
17 increments. On and after September 1, 1991, this additional  
18 tax may not be imposed on tangible personal property taxed at  
19 the 1% rate under the Retailers' Occupation Tax Act (or at the  
20 0% rate imposed under this amendatory Act of the 102nd General  
21 Assembly). Beginning December 1, 2019, this tax is not imposed  
22 on sales of aviation fuel unless the tax revenue is expended  
23 for airport-related purposes. If a municipality does not have  
24 an airport-related purpose to which it dedicates aviation fuel

1 tax revenue, then aviation fuel is excluded from the tax. Each  
2 municipality must comply with the certification requirements  
3 for airport-related purposes under Section 2-22 of the  
4 Retailers' Occupation Tax Act. For purposes of this Section,  
5 "airport-related purposes" has the meaning ascribed in Section  
6 6z-20.2 of the State Finance Act. This exclusion for aviation  
7 fuel only applies for so long as the revenue use requirements  
8 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
9 municipality. The changes made to this Section by this  
10 amendatory Act of the 101st General Assembly are a denial and  
11 limitation of home rule powers and functions under subsection  
12 (g) of Section 6 of Article VII of the Illinois Constitution.  
13 The tax imposed by a home rule municipality under this Section  
14 and all civil penalties that may be assessed as an incident of  
15 the tax shall be collected and enforced by the State  
16 Department of Revenue. The certificate of registration that is  
17 issued by the Department to a retailer under the Retailers'  
18 Occupation Tax Act shall permit the retailer to engage in a  
19 business that is taxable under any ordinance or resolution  
20 enacted pursuant to this Section without registering  
21 separately with the Department under such ordinance or  
22 resolution or under this Section. The Department shall have  
23 full power to administer and enforce this Section; to collect  
24 all taxes and penalties due hereunder; to dispose of taxes and  
25 penalties so collected in the manner hereinafter provided; and  
26 to determine all rights to credit memoranda arising on account



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

19 No tax may be imposed by a home rule municipality under  
20 this Section unless the municipality also imposes a tax at the  
21 same rate under Section 8-11-5 of this Act.

22 Persons subject to any tax imposed under the authority  
23 granted in this Section may reimburse themselves for their  
24 seller's tax liability hereunder by separately stating that  
25 tax as an additional charge, which charge may be stated in  
26 combination, in a single amount, with State tax which sellers

1 are required to collect under the Use Tax Act, pursuant to such  
2 bracket schedules as the Department may prescribe.

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

12 Except as otherwise provided in this paragraph, the  
13 Department shall immediately pay over to the State Treasurer,  
14 ex officio, as trustee, all taxes and penalties collected  
15 hereunder for deposit into the Home Rule Municipal Retailers'  
16 Occupation Tax Fund. Taxes and penalties collected on aviation  
17 fuel sold on or after December 1, 2019, shall be immediately  
18 paid over by the Department to the State Treasurer, ex  
19 officio, as trustee, for deposit into the Local Government  
20 Aviation Trust Fund. The Department shall only pay moneys into  
21 the Local Government Aviation Trust Fund under this Section  
22 for so long as the revenue use requirements of 49 U.S.C.  
23 47107(b) and 49 U.S.C. 47133 are binding on the State.

24 As soon as possible after the first day of each month,  
25 beginning January 1, 2011, upon certification of the  
26 Department of Revenue, the Comptroller shall order

1 transferred, and the Treasurer shall transfer, to the STAR  
2 Bonds Revenue Fund the local sales tax increment, as defined  
3 in the Innovation Development and Economy Act, collected under  
4 this Section during the second preceding calendar month for  
5 sales within a STAR bond district.

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

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

13 In addition to the disbursement required by the preceding  
14 paragraph and in order to mitigate delays caused by  
15 distribution procedures, an allocation shall, if requested, be  
16 made within 10 days after January 14, 1991, and in November of  
17 1991 and each year thereafter, to each municipality that  
18 received more than \$500,000 during the preceding fiscal year,  
19 (July 1 through June 30) whether collected by the municipality  
20 or disbursed by the Department as required by this Section.  
21 Within 10 days after January 14, 1991, participating  
22 municipalities shall notify the Department in writing of their  
23 intent to participate. In addition, for the initial  
24 distribution, participating municipalities shall certify to  
25 the Department the amounts collected by the municipality for  
26 each month under its home rule occupation and service

1 occupation tax during the period July 1, 1989 through June 30,  
2 1990. The allocation within 10 days after January 14, 1991,  
3 shall be in an amount equal to the monthly average of these  
4 amounts, excluding the 2 months of highest receipts. The  
5 monthly average for the period of July 1, 1990 through June 30,  
6 1991 will be determined as follows: the amounts collected by  
7 the municipality under its home rule occupation and service  
8 occupation tax during the period of July 1, 1990 through  
9 September 30, 1990, plus amounts collected by the Department  
10 and paid to such municipality through June 30, 1991, excluding  
11 the 2 months of highest receipts. The monthly average for each  
12 subsequent period of July 1 through June 30 shall be an amount  
13 equal to the monthly distribution made to each such  
14 municipality under the preceding paragraph during this period,  
15 excluding the 2 months of highest receipts. The distribution  
16 made in November 1991 and each year thereafter under this  
17 paragraph and the preceding paragraph shall be reduced by the  
18 amount allocated and disbursed under this paragraph in the  
19 preceding period of July 1 through June 30. The Department  
20 shall prepare and certify to the Comptroller for disbursement  
21 the allocations made in accordance with this paragraph.

22 For the purpose of determining the local governmental unit  
23 whose tax is applicable, a retail sale by a producer of coal or  
24 other mineral mined in Illinois is a sale at retail at the  
25 place where the coal or other mineral mined in Illinois is  
26 extracted from the earth. This paragraph does not apply to

1 coal or other mineral when it is delivered or shipped by the  
2 seller to the purchaser at a point outside Illinois so that the  
3 sale is exempt under the United States Constitution as a sale  
4 in interstate or foreign commerce.

5 Nothing in this Section shall be construed to authorize a  
6 municipality to impose a tax upon the privilege of engaging in  
7 any business which under the Constitution of the United States  
8 may not be made the subject of taxation by this State.

9 An ordinance or resolution imposing or discontinuing a tax  
10 hereunder or effecting a change in the rate thereof shall be  
11 adopted and a certified copy thereof filed with the Department  
12 on or before the first day of June, whereupon the Department  
13 shall proceed to administer and enforce this Section as of the  
14 first day of September next following the adoption and filing.  
15 Beginning January 1, 1992, an ordinance or resolution imposing  
16 or discontinuing the tax hereunder or effecting a change in  
17 the rate thereof shall be adopted and a certified copy thereof  
18 filed with the Department on or before the first day of July,  
19 whereupon the Department shall proceed to administer and  
20 enforce this Section as of the first day of October next  
21 following such adoption and filing. Beginning January 1, 1993,  
22 an ordinance or resolution imposing or discontinuing the tax  
23 hereunder or effecting a change in the rate thereof shall be  
24 adopted and a certified copy thereof filed with the Department  
25 on or before the first day of October, whereupon the  
26 Department shall proceed to administer and enforce this

1 Section as of the first day of January next following the  
2 adoption and filing. However, a municipality located in a  
3 county with a population in excess of 3,000,000 that elected  
4 to become a home rule unit at the general primary election in  
5 1994 may adopt an ordinance or resolution imposing the tax  
6 under this Section and file a certified copy of the ordinance  
7 or resolution with the Department on or before July 1, 1994.  
8 The Department shall then proceed to administer and enforce  
9 this Section as of October 1, 1994. Beginning April 1, 1998, an  
10 ordinance or resolution imposing or discontinuing the tax  
11 hereunder or effecting a change in the rate thereof shall  
12 either (i) be adopted and a certified copy thereof filed with  
13 the Department on or before the first day of April, whereupon  
14 the Department shall proceed to administer and enforce this  
15 Section as of the first day of July next following the adoption  
16 and filing; or (ii) be adopted and a certified copy thereof  
17 filed with the Department on or before the first day of  
18 October, whereupon the Department shall proceed to administer  
19 and enforce this Section as of the first day of January next  
20 following the adoption and filing.

21 When certifying the amount of a monthly disbursement to a  
22 municipality under this Section, the Department shall increase  
23 or decrease the amount by an amount necessary to offset any  
24 misallocation of previous disbursements. The offset amount  
25 shall be the amount erroneously disbursed within the previous  
26 6 months from the time a misallocation is discovered.

1 Any unobligated balance remaining in the Municipal  
2 Retailers' Occupation Tax Fund on December 31, 1989, which  
3 fund was abolished by Public Act 85-1135, and all receipts of  
4 municipal tax as a result of audits of liability periods prior  
5 to January 1, 1990, shall be paid into the Local Government Tax  
6 Fund for distribution as provided by this Section prior to the  
7 enactment of Public Act 85-1135. All receipts of municipal tax  
8 as a result of an assessment not arising from an audit, for  
9 liability periods prior to January 1, 1990, shall be paid into  
10 the Local Government Tax Fund for distribution before July 1,  
11 1990, as provided by this Section prior to the enactment of  
12 Public Act 85-1135; and on and after July 1, 1990, all such  
13 receipts shall be distributed as provided in Section 6z-18 of  
14 the State Finance Act.

15 As used in this Section, "municipal" and "municipality"  
16 means a city, village or incorporated town, including an  
17 incorporated town that has superseded a civil township.

18 This Section shall be known and may be cited as the Home  
19 Rule Municipal Retailers' Occupation Tax Act.

20 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
21 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

22 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

23 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
24 Occupation Tax Act. The corporate authorities of a non-home  
25 rule municipality may impose a tax upon all persons engaged in



1 the business of selling tangible personal property, other than  
2 on an item of tangible personal property which is titled and  
3 registered by an agency of this State's Government, at retail  
4 in the municipality for expenditure on public infrastructure  
5 or for property tax relief or both as defined in Section  
6 8-11-1.2 if approved by referendum as provided in Section  
7 8-11-1.1, of the gross receipts from such sales made in the  
8 course of such business. If the tax is approved by referendum  
9 on or after July 14, 2010 (the effective date of Public Act  
10 96-1057), the corporate authorities of a non-home rule  
11 municipality may, until July 1, 2030, use the proceeds of the  
12 tax for expenditure on municipal operations, in addition to or  
13 in lieu of any expenditure on public infrastructure or for  
14 property tax relief. The tax imposed may not be more than 1%  
15 and may be imposed only in 1/4% increments. The tax may not be  
16 imposed on tangible personal property taxed at the 1% rate  
17 under the Retailers' Occupation Tax Act (or at the 0% rate  
18 imposed under this amendatory Act of the 102nd General  
19 Assembly). Beginning December 1, 2019, this tax is not imposed  
20 on sales of aviation fuel unless the tax revenue is expended  
21 for airport-related purposes. If a municipality does not have  
22 an airport-related purpose to which it dedicates aviation fuel  
23 tax revenue, then aviation fuel is excluded from the tax. Each  
24 municipality must comply with the certification requirements  
25 for airport-related purposes under Section 2-22 of the  
26 Retailers' Occupation Tax Act. For purposes of this Section,

1 "airport-related purposes" has the meaning ascribed in Section  
2 6z-20.2 of the State Finance Act. This exclusion for aviation  
3 fuel only applies for so long as the revenue use requirements  
4 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
5 municipality. The tax imposed by a municipality pursuant to  
6 this Section and all civil penalties that may be assessed as an  
7 incident thereof shall be collected and enforced by the State  
8 Department of Revenue. The certificate of registration which  
9 is issued by the Department to a retailer under the Retailers'  
10 Occupation Tax Act shall permit such retailer to engage in a  
11 business which is taxable under any ordinance or resolution  
12 enacted pursuant to this Section without registering  
13 separately with the Department under such ordinance or  
14 resolution or under this Section. The Department shall have  
15 full power to administer and enforce this Section; to collect  
16 all taxes and penalties due hereunder; to dispose of taxes and  
17 penalties so collected in the manner hereinafter provided, and  
18 to determine all rights to credit memoranda, arising on  
19 account of the erroneous payment of tax or penalty hereunder.  
20 In the administration of, and compliance with, this Section,  
21 the Department and persons who are subject to this Section  
22 shall have the same rights, remedies, privileges, immunities,  
23 powers and duties, and be subject to the same conditions,  
24 restrictions, limitations, penalties and definitions of terms,  
25 and employ the same modes of procedure, as are prescribed in  
26 Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in

1 respect to all provisions therein other than the State rate of  
2 tax), 2c, 3 (except as to the disposition of taxes and  
3 penalties collected, and except that the retailer's discount  
4 is not allowed for taxes paid on aviation fuel that are subject  
5 to the revenue use requirements of 49 U.S.C. 47107(b) and 49  
6 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,  
7 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the  
8 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
9 Penalty and Interest Act as fully as if those provisions were  
10 set forth herein.

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

14 Persons subject to any tax imposed pursuant to the  
15 authority granted in this Section may reimburse themselves for  
16 their seller's tax liability hereunder by separately stating  
17 such tax as an additional charge, which charge may be stated in  
18 combination, in a single amount, with State tax which sellers  
19 are required to collect under the Use Tax Act, pursuant to such  
20 bracket schedules as the Department may prescribe.

21 Whenever the Department determines that a refund should be  
22 made under this Section to a claimant instead of issuing a  
23 credit memorandum, the Department shall notify the State  
24 Comptroller, who shall cause the order to be drawn for the  
25 amount specified, and to the person named, in such  
26 notification from the Department. Such refund shall be paid by

1 the State Treasurer out of the non-home rule municipal  
2 retailers' occupation tax fund or the Local Government  
3 Aviation Trust Fund, as appropriate.

4 Except as otherwise provided, the Department shall  
5 forthwith pay over to the State Treasurer, ex officio, as  
6 trustee, all taxes and penalties collected hereunder for  
7 deposit into the Non-Home Rule Municipal Retailers' Occupation  
8 Tax Fund. Taxes and penalties collected on aviation fuel sold  
9 on or after December 1, 2019, shall be immediately paid over by  
10 the Department to the State Treasurer, ex officio, as trustee,  
11 for deposit into the Local Government Aviation Trust Fund. The  
12 Department shall only pay moneys into the Local Government  
13 Aviation Trust Fund under this Section for so long as the  
14 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
15 47133 are binding on the municipality.

16 As soon as possible after the first day of each month,  
17 beginning January 1, 2011, upon certification of the  
18 Department of Revenue, the Comptroller shall order  
19 transferred, and the Treasurer shall transfer, to the STAR  
20 Bonds Revenue Fund the local sales tax increment, as defined  
21 in the Innovation Development and Economy Act, collected under  
22 this Section during the second preceding calendar month for  
23 sales within a STAR bond district.

24 After the monthly transfer to the STAR Bonds Revenue Fund,  
25 on or before the 25th day of each calendar month, the  
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to named municipalities,  
2 the municipalities to be those from which retailers have paid  
3 taxes or penalties hereunder to the Department during the  
4 second preceding calendar month. The amount to be paid to each  
5 municipality shall be the amount (not including credit  
6 memoranda and not including taxes and penalties collected on  
7 aviation fuel sold on or after December 1, 2019) collected  
8 hereunder during the second preceding calendar month by the  
9 Department plus an amount the Department determines is  
10 necessary to offset any amounts which were erroneously paid to  
11 a different taxing body, and not including an amount equal to  
12 the amount of refunds made during the second preceding  
13 calendar month by the Department on behalf of such  
14 municipality, and not including any amount which the  
15 Department determines is necessary to offset any amounts which  
16 were payable to a different taxing body but were erroneously  
17 paid to the municipality, and not including any amounts that  
18 are transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of  
19 the remainder, which the Department shall transfer into the  
20 Tax Compliance and Administration Fund. The Department, at the  
21 time of each monthly disbursement to the municipalities, shall  
22 prepare and certify to the State Comptroller the amount to be  
23 transferred into the Tax Compliance and Administration Fund  
24 under this Section. Within 10 days after receipt, by the  
25 Comptroller, of the disbursement certification to the  
26 municipalities and the Tax Compliance and Administration Fund

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

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

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

18 When certifying the amount of a monthly disbursement to a  
19 municipality under this Section, the Department shall increase  
20 or decrease such amount by an amount necessary to offset any  
21 misallocation of previous disbursements. The offset amount  
22 shall be the amount erroneously disbursed within the previous  
23 6 months from the time a misallocation is discovered.

24 The Department of Revenue shall implement Public Act  
25 91-649 so as to collect the tax on and after January 1, 2002.

26 As used in this Section, "municipal" and "municipality"

1 mean a city, village, or incorporated town, including an  
2 incorporated town which has superseded a civil township.

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

5 (Source: P.A. 101-10, eff. 6-5-19; 101-47, eff. 1-1-20;  
6 101-81, eff. 7-12-19; 101-604, eff. 12-13-19; 102-700, eff.  
7 4-19-22.)

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

9 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation  
10 Tax Act. The corporate authorities of a non-home rule  
11 municipality may impose a tax upon all persons engaged, in  
12 such municipality, in the business of making sales of service  
13 for expenditure on public infrastructure or for property tax  
14 relief or both as defined in Section 8-11-1.2 if approved by  
15 referendum as provided in Section 8-11-1.1, of the selling  
16 price of all tangible personal property transferred by such  
17 servicemen either in the form of tangible personal property or  
18 in the form of real estate as an incident to a sale of service.  
19 If the tax is approved by referendum on or after July 14, 2010  
20 (the effective date of Public Act 96-1057), the corporate  
21 authorities of a non-home rule municipality may, until  
22 December 31, 2020, use the proceeds of the tax for expenditure  
23 on municipal operations, in addition to or in lieu of any  
24 expenditure on public infrastructure or for property tax  
25 relief. The tax imposed may not be more than 1% and may be

1 imposed only in 1/4% increments. The tax may not be imposed on  
2 tangible personal property taxed at the 1% rate under the  
3 Service Occupation Tax Act (or at the 0% rate imposed under  
4 this amendatory Act of the 102nd General Assembly). Beginning  
5 December 1, 2019, this tax is not imposed on sales of aviation  
6 fuel unless the tax revenue is expended for airport-related  
7 purposes. If a municipality does not have an airport-related  
8 purpose to which it dedicates aviation fuel tax revenue, then  
9 aviation fuel is excluded from the tax. Each municipality must  
10 comply with the certification requirements for airport-related  
11 purposes under Section 2-22 of the Retailers' Occupation Tax  
12 Act. For purposes of this Section, "airport-related purposes"  
13 has the meaning ascribed in Section 6z-20.2 of the State  
14 Finance Act. This exclusion for aviation fuel only applies for  
15 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
16 and 49 U.S.C. 47133 are binding on the municipality. The tax  
17 imposed by a municipality pursuant to this Section and all  
18 civil penalties that may be assessed as an incident thereof  
19 shall be collected and enforced by the State Department of  
20 Revenue. The certificate of registration which is issued by  
21 the Department to a retailer under the Retailers' Occupation  
22 Tax Act or under the Service Occupation Tax Act shall permit  
23 such registrant to engage in a business which is taxable under  
24 any ordinance or resolution enacted pursuant to this Section  
25 without registering separately with the Department under such  
26 ordinance or resolution or under this Section. The Department



1 shall have full power to administer and enforce this Section;  
2 to collect all taxes and penalties due hereunder; to dispose  
3 of taxes and penalties so collected in the manner hereinafter  
4 provided, and to determine all rights to credit memoranda  
5 arising on account of the erroneous payment of tax or penalty  
6 hereunder. In the administration of, and compliance with, this  
7 Section the Department and persons who are subject to this  
8 Section shall have the same rights, remedies, privileges,  
9 immunities, powers and duties, and be subject to the same  
10 conditions, restrictions, limitations, penalties and  
11 definitions of terms, and employ the same modes of procedure,  
12 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
13 respect to all provisions therein other than the State rate of  
14 tax), 4 (except that the reference to the State shall be to the  
15 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
16 which the tax shall be a debt to the extent indicated in that  
17 Section 8 shall be the taxing municipality), 9 (except as to  
18 the disposition of taxes and penalties collected, and except  
19 that the returned merchandise credit for this municipal tax  
20 may not be taken against any State tax, and except that the  
21 retailer's discount is not allowed for taxes paid on aviation  
22 fuel that are subject to the revenue use requirements of 49  
23 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except the  
24 reference therein to Section 2b of the Retailers' Occupation  
25 Tax Act), 13 (except that any reference to the State shall mean  
26 the taxing municipality), the first paragraph of Section 15,

1 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and  
2 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
3 as if those provisions were set forth herein.

4 No municipality may impose a tax under this Section unless  
5 the municipality also imposes a tax at the same rate under  
6 Section 8-11-1.3 of this Code.

7 Persons subject to any tax imposed pursuant to the  
8 authority granted in this Section may reimburse themselves for  
9 their serviceman's tax liability hereunder by separately  
10 stating such tax as an additional charge, which charge may be  
11 stated in combination, in a single amount, with State tax  
12 which servicemen are authorized to collect under the Service  
13 Use Tax Act, pursuant to such bracket schedules as the  
14 Department may prescribe.

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

24 Except as otherwise provided in this paragraph, the  
25 Department shall forthwith pay over to the State Treasurer, ex  
26 officio, as trustee, all taxes and penalties collected

1 hereunder for deposit into the municipal retailers' occupation  
2 tax fund. Taxes and penalties collected on aviation fuel sold  
3 on or after December 1, 2019, shall be immediately paid over by  
4 the Department to the State Treasurer, ex officio, as trustee,  
5 for deposit into the Local Government Aviation Trust Fund. The  
6 Department shall only pay moneys into the Local Government  
7 Aviation Trust Fund under this Section for so long as the  
8 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
9 47133 are binding on the municipality.

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

18 After the monthly transfer to the STAR Bonds Revenue Fund,  
19 on or before the 25th day of each calendar month, the  
20 Department shall prepare and certify to the Comptroller the  
21 disbursement of stated sums of money to named municipalities,  
22 the municipalities to be those from which suppliers and  
23 servicemen have paid taxes or penalties hereunder to the  
24 Department during the second preceding calendar month. The  
25 amount to be paid to each municipality shall be the amount (not  
26 including credit memoranda and not including taxes and

1 penalties collected on aviation fuel sold on or after December  
2 1, 2019) collected hereunder during the second preceding  
3 calendar month by the Department, and not including an amount  
4 equal to the amount of refunds made during the second  
5 preceding calendar month by the Department on behalf of such  
6 municipality, and not including any amounts that are  
7 transferred to the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the  
8 remainder, which the Department shall transfer into the Tax  
9 Compliance and Administration Fund. The Department, at the  
10 time of each monthly disbursement to the municipalities, shall  
11 prepare and certify to the State Comptroller the amount to be  
12 transferred into the Tax Compliance and Administration Fund  
13 under this Section. Within 10 days after receipt, by the  
14 Comptroller, of the disbursement certification to the  
15 municipalities, the General Revenue Fund, and the Tax  
16 Compliance and Administration Fund provided for in this  
17 Section to be given to the Comptroller by the Department, the  
18 Comptroller shall cause the orders to be drawn for the  
19 respective amounts in accordance with the directions contained  
20 in such certification.

21 The Department of Revenue shall implement Public Act  
22 91-649 so as to collect the tax on and after January 1, 2002.

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

1           As used in this Section, "municipal" or "municipality"  
2 means or refers to a city, village or incorporated town,  
3 including an incorporated town which has superseded a civil  
4 township.

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

7           (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
8 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

9           (65 ILCS 5/8-11-1.6)

10          Sec. 8-11-1.6. Non-home rule municipal retailers'  
11 occupation tax; municipalities between 20,000 and 25,000. The  
12 corporate authorities of a non-home rule municipality with a  
13 population of more than 20,000 but less than 25,000 that has,  
14 prior to January 1, 1987, established a Redevelopment Project  
15 Area that has been certified as a State Sales Tax Boundary and  
16 has issued bonds or otherwise incurred indebtedness to pay for  
17 costs in excess of \$5,000,000, which is secured in part by a  
18 tax increment allocation fund, in accordance with the  
19 provisions of Division 11-74.4 of this Code may, by passage of  
20 an ordinance, impose a tax upon all persons engaged in the  
21 business of selling tangible personal property, other than on  
22 an item of tangible personal property that is titled and  
23 registered by an agency of this State's Government, at retail  
24 in the municipality. This tax may not be imposed on tangible  
25 personal property taxed at the 1% rate under the Retailers'

1 Occupation Tax Act (or at the 0% rate imposed under this  
2 amendatory Act of the 102nd General Assembly). Beginning  
3 December 1, 2019, this tax is not imposed on sales of aviation  
4 fuel unless the tax revenue is expended for airport-related  
5 purposes. If a municipality does not have an airport-related  
6 purpose to which it dedicates aviation fuel tax revenue, then  
7 aviation fuel is excluded from the tax. Each municipality must  
8 comply with the certification requirements for airport-related  
9 purposes under Section 2-22 of the Retailers' Occupation Tax  
10 Act. For purposes of this Section, "airport-related purposes"  
11 has the meaning ascribed in Section 6z-20.2 of the State  
12 Finance Act. This exclusion for aviation fuel only applies for  
13 so long as the revenue use requirements of 49 U.S.C. 47107(b)  
14 and 49 U.S.C. 47133 are binding on the municipality. If  
15 imposed, the tax shall only be imposed in .25% increments of  
16 the gross receipts from such sales made in the course of  
17 business. Any tax imposed by a municipality under this Section  
18 and all civil penalties that may be assessed as an incident  
19 thereof shall be collected and enforced by the State  
20 Department of Revenue. An ordinance imposing a tax hereunder  
21 or effecting a change in the rate thereof shall be adopted and  
22 a certified copy thereof filed with the Department on or  
23 before the first day of October, whereupon the Department  
24 shall proceed to administer and enforce this Section as of the  
25 first day of January next following such adoption and filing.  
26 The certificate of registration that is issued by the

1 Department to a retailer under the Retailers' Occupation Tax  
2 Act shall permit the retailer to engage in a business that is  
3 taxable under any ordinance or resolution enacted under this  
4 Section without registering separately with the Department  
5 under the ordinance or resolution or under this Section. The  
6 Department shall have full power to administer and enforce  
7 this Section, to collect all taxes and penalties due  
8 hereunder, to dispose of taxes and penalties so collected in  
9 the manner hereinafter provided, and to determine all rights  
10 to credit memoranda, arising on account of the erroneous  
11 payment of tax or penalty hereunder. In the administration of,  
12 and compliance with this Section, the Department and persons  
13 who are subject to this Section shall have the same rights,  
14 remedies, privileges, immunities, powers, and duties, and be  
15 subject to the same conditions, restrictions, limitations,  
16 penalties, and definitions of terms, and employ the same modes  
17 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,  
18 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
19 therein other than the State rate of tax), 2c, 3 (except as to  
20 the disposition of taxes and penalties collected, and except  
21 that the retailer's discount is not allowed for taxes paid on  
22 aviation fuel that are subject to the revenue use requirements  
23 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,  
24 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
25 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
26 Section 3-7 of the Uniform Penalty and Interest Act as fully as

1 if those provisions were set forth herein.

2 A tax may not be imposed by a municipality under this  
3 Section unless the municipality also imposes a tax at the same  
4 rate under Section 8-11-1.7 of this Act.

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

12 Whenever the Department determines that a refund should be  
13 made under this Section to a claimant, instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the order to be drawn for the  
16 amount specified, and to the person named in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the Non-Home Rule Municipal Retailers'  
19 Occupation Tax Fund, which is hereby created or the Local  
20 Government Aviation Trust Fund, as appropriate.

21 Except as otherwise provided in this paragraph, the  
22 Department shall forthwith pay over to the State Treasurer, ex  
23 officio, as trustee, all taxes and penalties collected  
24 hereunder for deposit into the Non-Home Rule Municipal  
25 Retailers' Occupation Tax Fund. Taxes and penalties collected  
26 on aviation fuel sold on or after December 1, 2019, shall be



1 immediately paid over by the Department to the State  
2 Treasurer, ex officio, as trustee, for deposit into the Local  
3 Government Aviation Trust Fund. The Department shall only pay  
4 moneys into the Local Government Aviation Trust Fund under  
5 this Section for so long as the revenue use requirements of 49  
6 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
7 municipality.

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

16 After the monthly transfer to the STAR Bonds Revenue Fund,  
17 on or before the 25th day of each calendar month, the  
18 Department shall prepare and certify to the Comptroller the  
19 disbursement of stated sums of money to named municipalities,  
20 the municipalities to be those from which retailers have paid  
21 taxes or penalties hereunder to the Department during the  
22 second preceding calendar month. The amount to be paid to each  
23 municipality shall be the amount (not including credit  
24 memoranda and not including taxes and penalties collected on  
25 aviation fuel sold on or after December 1, 2019) collected  
26 hereunder during the second preceding calendar month by the

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

23 For the purpose of determining the local governmental unit  
24 whose tax is applicable, a retail sale by a producer of coal or  
25 other mineral mined in Illinois is a sale at retail at the  
26 place where the coal or other mineral mined in Illinois is

1 extracted from the earth. This paragraph does not apply to  
2 coal or other mineral when it is delivered or shipped by the  
3 seller to the purchaser at a point outside Illinois so that the  
4 sale is exempt under the federal Constitution as a sale in  
5 interstate or foreign commerce.

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

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

16 As used in this Section, "municipal" and "municipality"  
17 means a city, village, or incorporated town, including an  
18 incorporated town that has superseded a civil township.

19 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
20 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

21 (65 ILCS 5/8-11-1.7)

22 Sec. 8-11-1.7. Non-home rule municipal service occupation  
23 tax; municipalities between 20,000 and 25,000. The corporate  
24 authorities of a non-home rule municipality with a population  
25 of more than 20,000 but less than 25,000 as determined by the

1 last preceding decennial census that has, prior to January 1,  
2 1987, established a Redevelopment Project Area that has been  
3 certified as a State Sales Tax Boundary and has issued bonds or  
4 otherwise incurred indebtedness to pay for costs in excess of  
5 \$5,000,000, which is secured in part by a tax increment  
6 allocation fund, in accordance with the provisions of Division  
7 11-74.4 of this Code may, by passage of an ordinance, impose a  
8 tax upon all persons engaged in the municipality in the  
9 business of making sales of service. If imposed, the tax shall  
10 only be imposed in .25% increments of the selling price of all  
11 tangible personal property transferred by such servicemen  
12 either in the form of tangible personal property or in the form  
13 of real estate as an incident to a sale of service. This tax  
14 may not be imposed on tangible personal property taxed at the  
15 1% rate under the Service Occupation Tax Act (or at the 0% rate  
16 imposed under this amendatory Act of the 102nd General  
17 Assembly). Beginning December 1, 2019, this tax is not imposed  
18 on sales of aviation fuel unless the tax revenue is expended  
19 for airport-related purposes. If a municipality does not have  
20 an airport-related purpose to which it dedicates aviation fuel  
21 tax revenue, then aviation fuel is excluded from the tax. Each  
22 municipality must comply with the certification requirements  
23 for airport-related purposes under Section 2-22 of the  
24 Retailers' Occupation Tax Act. For purposes of this Section,  
25 "airport-related purposes" has the meaning ascribed in Section  
26 6z-20.2 of the State Finance Act. This exclusion for aviation

1 fuel only applies for so long as the revenue use requirements  
2 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
3 municipality. The tax imposed by a municipality under this  
4 Section and all civil penalties that may be assessed as an  
5 incident thereof shall be collected and enforced by the State  
6 Department of Revenue. An ordinance imposing a tax hereunder  
7 or effecting a change in the rate thereof shall be adopted and  
8 a certified copy thereof filed with the Department on or  
9 before the first day of October, whereupon the Department  
10 shall proceed to administer and enforce this Section as of the  
11 first day of January next following such adoption and filing.  
12 The certificate of registration that is issued by the  
13 Department to a retailer under the Retailers' Occupation Tax  
14 Act or under the Service Occupation Tax Act shall permit the  
15 registrant to engage in a business that is taxable under any  
16 ordinance or resolution enacted under this Section without  
17 registering separately with the Department under the ordinance  
18 or resolution or under this Section. The Department shall have  
19 full power to administer and enforce this Section, to collect  
20 all taxes and penalties due hereunder, to dispose of taxes and  
21 penalties so collected in a manner hereinafter provided, and  
22 to determine all rights to credit memoranda arising on account  
23 of the erroneous payment of tax or penalty hereunder. In the  
24 administration of and compliance with this Section, the  
25 Department and persons who are subject to this Section shall  
26 have the same rights, remedies, privileges, immunities,

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

22 A tax may not be imposed by a municipality under this  
23 Section unless the municipality also imposes a tax at the same  
24 rate under Section 8-11-1.6 of this Act.

25 Person subject to any tax imposed under the authority  
26 granted in this Section may reimburse themselves for their

1 servicemen's tax liability hereunder by separately stating the  
2 tax as an additional charge, which charge may be stated in  
3 combination, in a single amount, with State tax that  
4 servicemen are authorized to collect under the Service Use Tax  
5 Act, under such bracket schedules as the Department may  
6 prescribe.

7 Whenever the Department determines that a refund should be  
8 made under this Section to a claimant instead of issuing  
9 credit memorandum, the Department shall notify the State  
10 Comptroller, who shall cause the order to be drawn for the  
11 amount specified, and to the person named, in such  
12 notification from the Department. The refund shall be paid by  
13 the State Treasurer out of the Non-Home Rule Municipal  
14 Retailers' Occupation Tax Fund or the Local Government  
15 Aviation Trust Fund, as appropriate.

16 Except as otherwise provided in this paragraph, the  
17 Department shall forthwith pay over to the State Treasurer, ex  
18 officio, as trustee, all taxes and penalties collected  
19 hereunder for deposit into the Non-Home Rule Municipal  
20 Retailers' Occupation Tax Fund. Taxes and penalties collected  
21 on aviation fuel sold on or after December 1, 2019, shall be  
22 immediately paid over by the Department to the State  
23 Treasurer, ex officio, as trustee, for deposit into the Local  
24 Government Aviation Trust Fund. The Department shall only pay  
25 moneys into the Local Government Aviation Trust Fund under  
26 this Section for so long as the revenue use requirements of 49

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

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

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



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

14 When certifying the amount of a monthly disbursement to a  
15 municipality under this Section, the Department shall increase  
16 or decrease the amount by an amount necessary to offset any  
17 misallocation of previous disbursements. The offset amount  
18 shall be the amount erroneously disbursed within the previous  
19 6 months from the time a misallocation is discovered.

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

24 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
25 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

1 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

2 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax  
3 Act. The corporate authorities of a home rule municipality may  
4 impose a tax upon all persons engaged, in such municipality,  
5 in the business of making sales of service at the same rate of  
6 tax imposed pursuant to Section 8-11-1, of the selling price  
7 of all tangible personal property transferred by such  
8 servicemen either in the form of tangible personal property or  
9 in the form of real estate as an incident to a sale of service.  
10 If imposed, such tax shall only be imposed in 1/4% increments.  
11 On and after September 1, 1991, this additional tax may not be  
12 imposed on tangible personal property taxed at the 1% rate  
13 under the Service Occupation Tax Act (or at the 0% rate imposed  
14 under this amendatory Act of the 102nd General Assembly).  
15 Beginning December 1, 2019, this tax may not be imposed on  
16 sales of aviation fuel unless the tax revenue is expended for  
17 airport-related purposes. If a municipality does not have an  
18 airport-related purpose to which it dedicates aviation fuel  
19 tax revenue, then aviation fuel shall be excluded from tax.  
20 Each municipality must comply with the certification  
21 requirements for airport-related purposes under Section 2-22  
22 of the Retailers' Occupation Tax Act. For purposes of this  
23 Section, "airport-related purposes" has the meaning ascribed  
24 in Section 6z-20.2 of the State Finance Act. This exception  
25 for aviation fuel only applies for so long as the revenue use  
26 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are

1 binding on the State. The changes made to this Section by this  
2 amendatory Act of the 101st General Assembly are a denial and  
3 limitation of home rule powers and functions under subsection  
4 (g) of Section 6 of Article VII of the Illinois Constitution.  
5 The tax imposed by a home rule municipality pursuant to this  
6 Section and all civil penalties that may be assessed as an  
7 incident thereof shall be collected and enforced by the State  
8 Department of Revenue. The certificate of registration which  
9 is issued by the Department to a retailer under the Retailers'  
10 Occupation Tax Act or under the Service Occupation Tax Act  
11 shall permit such registrant to engage in a business which is  
12 taxable under any ordinance or resolution enacted pursuant to  
13 this Section without registering separately with the  
14 Department under such ordinance or resolution or under this  
15 Section. The Department shall have full power to administer  
16 and enforce this Section; to collect all taxes and penalties  
17 due hereunder; to dispose of taxes and penalties so collected  
18 in the manner hereinafter provided, and to determine all  
19 rights to credit memoranda arising on account of the erroneous  
20 payment of tax or penalty hereunder. In the administration of,  
21 and compliance with, this Section the Department and persons  
22 who are subject to this Section shall have the same rights,  
23 remedies, privileges, immunities, powers and duties, and be  
24 subject to the same conditions, restrictions, limitations,  
25 penalties and definitions of terms, and employ the same modes  
26 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3

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

20 No tax may be imposed by a home rule municipality pursuant  
21 to this Section unless such municipality also imposes a tax at  
22 the same rate pursuant to Section 8-11-1 of this Act.

23 Persons subject to any tax imposed pursuant to the  
24 authority granted in this Section may reimburse themselves for  
25 their serviceman's tax liability hereunder by separately  
26 stating such tax as an additional charge, which charge may be

1 stated in combination, in a single amount, with State tax  
2 which servicemen are authorized to collect under the Service  
3 Use Tax Act, pursuant to such bracket schedules as the  
4 Department may prescribe.

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

14 Except as otherwise provided in this paragraph, the  
15 Department shall forthwith pay over to the State Treasurer, ex  
16 officio, as trustee, all taxes and penalties collected  
17 hereunder for deposit into the Home Rule Municipal Retailers'  
18 Occupation Tax Fund. Taxes and penalties collected on aviation  
19 fuel sold on or after December 1, 2019, shall be immediately  
20 paid over by the Department to the State Treasurer, ex  
21 officio, as trustee, for deposit into the Local Government  
22 Aviation Trust Fund. The Department shall only pay moneys into  
23 the Local Government Aviation Trust Fund under this Section  
24 for so long as the revenue use requirements of 49 U.S.C.  
25 47107(b) and 49 U.S.C. 47133 are binding on the municipality.

26 As soon as possible after the first day of each month,

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

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

1 prepare and certify to the State Comptroller the amount to be  
2 transferred into the Tax Compliance and Administration Fund  
3 under this Section. Within 10 days after receipt, by the  
4 Comptroller, of the disbursement certification to the  
5 municipalities 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 In addition to the disbursement required by the preceding  
11 paragraph and in order to mitigate delays caused by  
12 distribution procedures, an allocation shall, if requested, be  
13 made within 10 days after January 14, 1991, and in November of  
14 1991 and each year thereafter, to each municipality that  
15 received more than \$500,000 during the preceding fiscal year,  
16 (July 1 through June 30) whether collected by the municipality  
17 or disbursed by the Department as required by this Section.  
18 Within 10 days after January 14, 1991, participating  
19 municipalities shall notify the Department in writing of their  
20 intent to participate. In addition, for the initial  
21 distribution, participating municipalities shall certify to  
22 the Department the amounts collected by the municipality for  
23 each month under its home rule occupation and service  
24 occupation tax during the period July 1, 1989 through June 30,  
25 1990. The allocation within 10 days after January 14, 1991,  
26 shall be in an amount equal to the monthly average of these

1 amounts, excluding the 2 months of highest receipts. Monthly  
2 average for the period of July 1, 1990 through June 30, 1991  
3 will be determined as follows: the amounts collected by the  
4 municipality under its home rule occupation and service  
5 occupation tax during the period of July 1, 1990 through  
6 September 30, 1990, plus amounts collected by the Department  
7 and paid to such municipality through June 30, 1991, excluding  
8 the 2 months of highest receipts. The monthly average for each  
9 subsequent period of July 1 through June 30 shall be an amount  
10 equal to the monthly distribution made to each such  
11 municipality under the preceding paragraph during this period,  
12 excluding the 2 months of highest receipts. The distribution  
13 made in November 1991 and each year thereafter under this  
14 paragraph and the preceding paragraph shall be reduced by the  
15 amount allocated and disbursed under this paragraph in the  
16 preceding period of July 1 through June 30. The Department  
17 shall prepare and certify to the Comptroller for disbursement  
18 the allocations made in accordance with this paragraph.

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

23 An ordinance or resolution imposing or discontinuing a tax  
24 hereunder or effecting a change in the rate thereof shall be  
25 adopted and a certified copy thereof filed with the Department  
26 on or before the first day of June, whereupon the Department



1 shall proceed to administer and enforce this Section as of the  
2 first day of September next following such adoption and  
3 filing. Beginning January 1, 1992, an ordinance or resolution  
4 imposing or discontinuing the tax hereunder or effecting a  
5 change in the rate thereof shall be adopted and a certified  
6 copy thereof filed with the Department on or before the first  
7 day of July, whereupon the Department shall proceed to  
8 administer and enforce this Section as of the first day of  
9 October next following such adoption and filing. Beginning  
10 January 1, 1993, an ordinance or resolution imposing or  
11 discontinuing the tax hereunder or effecting a change in the  
12 rate thereof shall be adopted and a certified copy thereof  
13 filed with the Department on or before the first day of  
14 October, whereupon the Department shall proceed to administer  
15 and enforce this Section as of the first day of January next  
16 following such adoption and filing. However, a municipality  
17 located in a county with a population in excess of 3,000,000  
18 that elected to become a home rule unit at the general primary  
19 election in 1994 may adopt an ordinance or resolution imposing  
20 the tax under this Section and file a certified copy of the  
21 ordinance or resolution with the Department on or before July  
22 1, 1994. The Department shall then proceed to administer and  
23 enforce this Section as of October 1, 1994. Beginning April 1,  
24 1998, an ordinance or resolution imposing or discontinuing the  
25 tax hereunder or effecting a change in the rate thereof shall  
26 either (i) be adopted and a certified copy thereof filed with

1 the Department on or before the first day of April, whereupon  
2 the Department shall proceed to administer and enforce this  
3 Section as of the first day of July next following the adoption  
4 and filing; or (ii) be adopted and a certified copy thereof  
5 filed with the Department on or before the first day of  
6 October, whereupon the Department shall proceed to administer  
7 and enforce this Section as of the first day of January next  
8 following the adoption and filing.

9 Any unobligated balance remaining in the Municipal  
10 Retailers' Occupation Tax Fund on December 31, 1989, which  
11 fund was abolished by Public Act 85-1135, and all receipts of  
12 municipal tax as a result of audits of liability periods prior  
13 to January 1, 1990, shall be paid into the Local Government Tax  
14 Fund, for distribution as provided by this Section prior to  
15 the enactment of Public Act 85-1135. All receipts of municipal  
16 tax as a result of an assessment not arising from an audit, for  
17 liability periods prior to January 1, 1990, shall be paid into  
18 the Local Government Tax Fund for distribution before July 1,  
19 1990, as provided by this Section prior to the enactment of  
20 Public Act 85-1135, and on and after July 1, 1990, all such  
21 receipts shall be distributed as provided in Section 6z-18 of  
22 the State Finance Act.

23 As used in this Section, "municipal" and "municipality"  
24 means a city, village or incorporated town, including an  
25 incorporated town which has superseded a civil township.

26 This Section shall be known and may be cited as the Home

1 Rule Municipal Service Occupation Tax Act.

2 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
3 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

4 (65 ILCS 5/8-11-23)

5 Sec. 8-11-23. Municipal Cannabis Retailers' Occupation Tax  
6 Law.

7 (a) This Section may be referred to as the Municipal  
8 Cannabis Retailers' Occupation Tax Law. The corporate  
9 authorities of any municipality may, by ordinance, impose a  
10 tax upon all persons engaged in the business of selling  
11 cannabis, other than cannabis purchased under the  
12 Compassionate Use of Medical Cannabis Program Act, at retail  
13 in the municipality on the gross receipts from these sales  
14 made in the course of that business. If imposed, the tax may  
15 not exceed 3% of the gross receipts from these sales and shall  
16 only be imposed in 1/4% increments. The tax imposed under this  
17 Section and all civil penalties that may be assessed as an  
18 incident of the tax shall be collected and enforced by the  
19 Department of Revenue. The Department of Revenue shall have  
20 full power to administer and enforce this Section; to collect  
21 all taxes and penalties due hereunder; to dispose of taxes and  
22 penalties so collected in the manner hereinafter provided; and  
23 to determine all rights to credit memoranda arising on account  
24 of the erroneous payment of tax or penalty under this Section.  
25 In the administration of and compliance with this Section, the

1 Department and persons who are subject to this Section shall  
2 have the same rights, remedies, privileges, immunities, powers  
3 and duties, and be subject to the same conditions,  
4 restrictions, limitations, penalties and definitions of terms,  
5 and employ the same modes of procedure, as are prescribed in  
6 Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65  
7 (in respect to all provisions therein other than the State  
8 rate of tax), 2a, 2b, 2c, 2i, 3 (except as to the disposition  
9 of taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e,  
10 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,  
11 11a, 12, and 13 of the Retailers' Occupation Tax Act and  
12 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
13 as if those provisions were set forth herein.

14 (b) Persons subject to any tax imposed under the authority  
15 granted in this Section may reimburse themselves for their  
16 seller's tax liability hereunder by separately stating that  
17 tax as an additional charge, which charge may be stated in  
18 combination, in a single amount, with any State tax that  
19 sellers are required to collect.

20 (c) Whenever the Department of Revenue determines that a  
21 refund should be made under this Section to a claimant instead  
22 of issuing a credit memorandum, the Department of Revenue  
23 shall notify the State Comptroller, who shall cause the order  
24 to be drawn for the amount specified and to the person named in  
25 the notification from the Department of Revenue.

26 (d) The Department of Revenue shall immediately pay over

1 to the State Treasurer, ex officio, as trustee, all taxes and  
2 penalties collected hereunder for deposit into the Local  
3 Cannabis Retailers' Occupation Tax Trust Fund.

4 (e) On or before the 25th day of each calendar month, the  
5 Department of Revenue shall prepare and certify to the  
6 Comptroller the amount of money to be disbursed from the Local  
7 Cannabis Retailers' Occupation Tax Trust Fund to  
8 municipalities from which retailers have paid taxes or  
9 penalties under this Section during the second preceding  
10 calendar month. The amount to be paid to each municipality  
11 shall be the amount (not including credit memoranda) collected  
12 under this Section from sales made in the municipality during  
13 the second preceding calendar month, plus an amount the  
14 Department of Revenue determines is necessary to offset any  
15 amounts that were erroneously paid to a different taxing body,  
16 and not including an amount equal to the amount of refunds made  
17 during the second preceding calendar month by the Department  
18 on behalf of such municipality, and not including any amount  
19 that the Department determines is necessary to offset any  
20 amounts that were payable to a different taxing body but were  
21 erroneously paid to the municipality, less 1% ~~1.5%~~ of the  
22 remainder, which the Department shall transfer into the Tax  
23 Compliance and Administration Fund. The Department, at the  
24 time of each monthly disbursement to the municipalities, shall  
25 prepare and certify to the State Comptroller the amount to be  
26 transferred into the Tax Compliance and Administration Fund

1 under this Section. Within 10 days after receipt by the  
2 Comptroller of the disbursement certification to the  
3 municipalities and the Tax Compliance and Administration Fund  
4 provided for in this Section to be given to the Comptroller by  
5 the Department, the Comptroller shall cause the orders to be  
6 drawn for the respective amounts in accordance with the  
7 directions contained in the certification.

8 (f) An ordinance or resolution imposing or discontinuing a  
9 tax under this Section or effecting a change in the rate  
10 thereof that is adopted on or after June 25, 2019 (the  
11 effective date of Public Act 101-27) and for which a certified  
12 copy is filed with the Department on or before April 1, 2020  
13 shall be administered and enforced by the Department beginning  
14 on July 1, 2020. For ordinances filed with the Department  
15 after April 1, 2020, an ordinance or resolution imposing or  
16 discontinuing a tax under this Section or effecting a change  
17 in the rate thereof shall either (i) be adopted and a certified  
18 copy thereof filed with the Department on or before the first  
19 day of April, whereupon the Department shall proceed to  
20 administer and enforce this Section as of the first day of July  
21 next following the adoption and filing; or (ii) be adopted and  
22 a certified copy thereof filed with the Department on or  
23 before the first day of October, whereupon the Department  
24 shall proceed to administer and enforce this Section as of the  
25 first day of January next following the adoption and filing.

26 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19.)

1           Section 20. The Metro-East Park and Recreation District  
2 Act is amended by changing Section 30 as follows:

3           (70 ILCS 1605/30)

4           Sec. 30. Taxes.

5           (a) The board shall impose a tax upon all persons engaged  
6 in the business of selling tangible personal property, other  
7 than personal property titled or registered with an agency of  
8 this State's government, at retail in the District on the  
9 gross receipts from the sales made in the course of business.  
10 This tax shall be imposed only at the rate of one-tenth of one  
11 per cent.

12           This additional tax may not be imposed on tangible  
13 personal property taxed at the 1% rate under the Retailers'  
14 Occupation Tax Act (or at the 0% rate imposed under this  
15 amendatory Act of the 102nd General Assembly). Beginning  
16 December 1, 2019 and through December 31, 2020, this tax is not  
17 imposed on sales of aviation fuel unless the tax revenue is  
18 expended for airport-related purposes. If the District does  
19 not have an airport-related purpose to which it dedicates  
20 aviation fuel tax revenue, then aviation fuel shall be  
21 excluded from tax. The board must comply with the  
22 certification requirements for airport-related purposes under  
23 Section 2-22 of the Retailers' Occupation Tax Act. For  
24 purposes of this Act, "airport-related purposes" has the

1 meaning ascribed in Section 6z-20.2 of the State Finance Act.  
2 Beginning January 1, 2021, this tax is not imposed on sales of  
3 aviation fuel for so long as the revenue use requirements of 49  
4 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
5 District. The tax imposed by the Board under this Section and  
6 all civil penalties that may be assessed as an incident of the  
7 tax shall be collected and enforced by the Department of  
8 Revenue. The certificate of registration that is issued by the  
9 Department to a retailer under the Retailers' Occupation Tax  
10 Act shall permit the retailer to engage in a business that is  
11 taxable without registering separately with the Department  
12 under an ordinance or resolution under this Section. The  
13 Department has full power to administer and enforce this  
14 Section, to collect all taxes and penalties due under this  
15 Section, to dispose of taxes and penalties so collected in the  
16 manner provided in this Section, and to determine all rights  
17 to credit memoranda arising on account of the erroneous  
18 payment of a tax or penalty under this Section. In the  
19 administration of and compliance with this Section, the  
20 Department and persons who are subject to this Section shall  
21 (i) have the same rights, remedies, privileges, immunities,  
22 powers, and duties, (ii) be subject to the same conditions,  
23 restrictions, limitations, penalties, and definitions of  
24 terms, and (iii) employ the same modes of procedure as are  
25 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
26 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions



1 contained in those Sections other than the State rate of tax),  
2 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except provisions  
3 relating to transaction returns and quarter monthly payments,  
4 and except that the retailer's discount is not allowed for  
5 taxes paid on aviation fuel that are subject to the revenue use  
6 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,  
7 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,  
8 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'  
9 Occupation Tax Act and the Uniform Penalty and Interest Act as  
10 if those provisions were set forth in this Section.

11 Persons subject to any tax imposed under the authority  
12 granted in this Section may reimburse themselves for their  
13 sellers' tax liability by separately stating the tax as an  
14 additional charge, which charge may be stated in combination,  
15 in a single amount, with State tax which sellers are required  
16 to collect under the Use Tax Act, pursuant to such bracketed  
17 schedules as the Department may prescribe.

18 Whenever the Department determines that a refund should be  
19 made under this Section to a claimant instead of issuing a  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the order to be drawn for the  
22 amount specified and to the person named in the notification  
23 from the Department. The refund shall be paid by the State  
24 Treasurer out of the State Metro-East Park and Recreation  
25 District Fund or the Local Government Aviation Trust Fund, as  
26 appropriate.

1 (b) If a tax has been imposed under subsection (a), a  
2 service occupation tax shall also be imposed at the same rate  
3 upon all persons engaged, in the District, in the business of  
4 making sales of service, who, as an incident to making those  
5 sales of service, transfer tangible personal property within  
6 the District as an incident to a sale of service. This tax may  
7 not be imposed on tangible personal property taxed at the 1%  
8 rate under the Service Occupation Tax Act (or at the 0% rate  
9 imposed under this amendatory Act of the 102nd General  
10 Assembly). Beginning December 1, 2019 and through December 31,  
11 2020, this tax may not be imposed on sales of aviation fuel  
12 unless the tax revenue is expended for airport-related  
13 purposes. If the District does not have an airport-related  
14 purpose to which it dedicates aviation fuel tax revenue, then  
15 aviation fuel shall be excluded from tax. The board must  
16 comply with the certification requirements for airport-related  
17 purposes under Section 2-22 of the Retailers' Occupation Tax  
18 Act. For purposes of this Act, "airport-related purposes" has  
19 the meaning ascribed in Section 6z-20.2 of the State Finance  
20 Act. Beginning January 1, 2021, this tax is not imposed on  
21 sales of aviation fuel for so long as the revenue use  
22 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are  
23 binding on the District. The tax imposed under this subsection  
24 and all civil penalties that may be assessed as an incident  
25 thereof shall be collected and enforced by the Department of  
26 Revenue. The Department has full power to administer and

1 enforce this subsection; to collect all taxes and penalties  
2 due hereunder; to dispose of taxes and penalties so collected  
3 in the manner hereinafter provided; and to determine all  
4 rights to credit memoranda arising on account of the erroneous  
5 payment of tax or penalty hereunder. In the administration of,  
6 and compliance with this subsection, the Department and  
7 persons who are subject to this paragraph shall (i) have the  
8 same rights, remedies, privileges, immunities, powers, and  
9 duties, (ii) be subject to the same conditions, restrictions,  
10 limitations, penalties, exclusions, exemptions, and  
11 definitions of terms, and (iii) employ the same modes of  
12 procedure as are prescribed in Sections 2 (except that the  
13 reference to State in the definition of supplier maintaining a  
14 place of business in this State shall mean the District), 2a,  
15 2b, 2c, 3 through 3-50 (in respect to all provisions therein  
16 other than the State rate of tax), 4 (except that the reference  
17 to the State shall be to the District), 5, 7, 8 (except that  
18 the jurisdiction to which the tax shall be a debt to the extent  
19 indicated in that Section 8 shall be the District), 9 (except  
20 as to the disposition of taxes and penalties collected, and  
21 except that the retailer's discount is not allowed for taxes  
22 paid on aviation fuel that are subject to the revenue use  
23 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,  
24 11, 12 (except the reference therein to Section 2b of the  
25 Retailers' Occupation Tax Act), 13 (except that any reference  
26 to the State shall mean the District), Sections 15, 16, 17, 18,

1 19 and 20 of the Service Occupation Tax Act and the Uniform  
2 Penalty and Interest Act, as fully as if those provisions were  
3 set forth herein.

4 Persons subject to any tax imposed under the authority  
5 granted in this subsection may reimburse themselves for their  
6 serviceman's tax liability by separately stating the tax as an  
7 additional charge, which charge may be stated in combination,  
8 in a single amount, with State tax that servicemen are  
9 authorized to collect under the Service Use Tax Act, in  
10 accordance with such bracket schedules as the Department may  
11 prescribe.

12 Whenever the Department determines that a refund should be  
13 made under this subsection to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the warrant to be drawn for the  
16 amount specified, and to the person named, in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the State Metro-East Park and Recreation  
19 District Fund or the Local Government Aviation Trust Fund, as  
20 appropriate.

21 Nothing in this subsection shall be construed to authorize  
22 the board to impose a tax upon the privilege of engaging in any  
23 business which under the Constitution of the United States may  
24 not be made the subject of taxation by the State.

25 (c) Except as otherwise provided in this paragraph, the  
26 Department shall immediately pay over to the State Treasurer,

1 ex officio, as trustee, all taxes and penalties collected  
2 under this Section to be deposited into the State Metro-East  
3 Park and Recreation District Fund, which shall be an  
4 unappropriated trust fund held outside of the State treasury.  
5 Taxes and penalties collected on aviation fuel sold on or  
6 after December 1, 2019 and through December 31, 2020, shall be  
7 immediately paid over by the Department to the State  
8 Treasurer, ex officio, as trustee, for deposit into the Local  
9 Government Aviation Trust Fund. The Department shall only pay  
10 moneys into the Local Government Aviation Trust Fund under  
11 this Act for so long as the revenue use requirements of 49  
12 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
13 District.

14 As soon as possible after the first day of each month,  
15 beginning January 1, 2011, upon certification of the  
16 Department of Revenue, the Comptroller shall order  
17 transferred, and the Treasurer shall transfer, to the STAR  
18 Bonds Revenue Fund the local sales tax increment, as defined  
19 in the Innovation Development and Economy Act, collected under  
20 this Section during the second preceding calendar month for  
21 sales within a STAR bond district. The Department shall make  
22 this certification only if the Metro East Park and Recreation  
23 District imposes a tax on real property as provided in the  
24 definition of "local sales taxes" under the Innovation  
25 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 pursuant to Section 35 of  
4 this Act to the District from which retailers have paid taxes  
5 or penalties to the Department during the second preceding  
6 calendar month. The amount to be paid to the District shall be  
7 the amount (not including credit memoranda and not including  
8 taxes and penalties collected on aviation fuel sold on or  
9 after December 1, 2019 and through December 31, 2020)  
10 collected under this Section during the second preceding  
11 calendar month by the Department plus an amount the Department  
12 determines is necessary to offset any amounts that were  
13 erroneously paid to a different taxing body, and not including  
14 (i) an amount equal to the amount of refunds made during the  
15 second preceding calendar month by the Department on behalf of  
16 the District, (ii) any amount that the Department determines  
17 is necessary to offset any amounts that were payable to a  
18 different taxing body but were erroneously paid to the  
19 District, (iii) any amounts that are transferred to the STAR  
20 Bonds Revenue Fund, and (iv) 1% ~~1.5%~~ of the remainder, which  
21 the Department shall transfer into the Tax Compliance and  
22 Administration Fund. The Department, at the time of each  
23 monthly disbursement to the District, shall prepare and  
24 certify to the State Comptroller the amount to be transferred  
25 into the Tax Compliance and Administration Fund under this  
26 subsection. Within 10 days after receipt by the Comptroller of

1 the disbursement certification to the District and the Tax  
2 Compliance and Administration Fund provided for in this  
3 Section to be given to the Comptroller by the Department, the  
4 Comptroller shall cause the orders to be drawn for the  
5 respective amounts in accordance with directions contained in  
6 the certification.

7 (d) For the purpose of determining whether a tax  
8 authorized under this Section is applicable, a retail sale by  
9 a producer of coal or another mineral mined in Illinois is a  
10 sale at retail at the place where the coal or other mineral  
11 mined in Illinois is extracted from the earth. This paragraph  
12 does not apply to coal or another mineral when it is delivered  
13 or shipped by the seller to the purchaser at a point outside  
14 Illinois so that the sale is exempt under the United States  
15 Constitution as a sale in interstate or foreign commerce.

16 (e) Nothing in this Section shall be construed to  
17 authorize the board to impose a tax upon the privilege of  
18 engaging in any business that under the Constitution of the  
19 United States may not be made the subject of taxation by this  
20 State.

21 (f) An ordinance imposing a tax under this Section or an  
22 ordinance extending the imposition of a tax to an additional  
23 county or counties shall be certified by the board and filed  
24 with the Department of Revenue either (i) on or before the  
25 first day of April, whereupon the Department shall proceed to  
26 administer and enforce the tax as of the first day of July next

1 following the filing; or (ii) on or before the first day of  
2 October, whereupon the Department shall proceed to administer  
3 and enforce the tax as of the first day of January next  
4 following the filing.

5 (g) When certifying the amount of a monthly disbursement  
6 to the District under this Section, the Department shall  
7 increase or decrease the amounts by an amount necessary to  
8 offset any misallocation of previous disbursements. The offset  
9 amount shall be the amount erroneously disbursed within the  
10 previous 6 months from the time a misallocation is discovered.  
11 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
12 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

13 Section 25. The Local Mass Transit District Act is amended  
14 by changing Section 5.01 as follows:

15 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

16 Sec. 5.01. Metro East Mass Transit District; use and  
17 occupation taxes.

18 (a) The Board of Trustees of any Metro East Mass Transit  
19 District may, by ordinance adopted with the concurrence of  
20 two-thirds of the then trustees, impose throughout the  
21 District any or all of the taxes and fees provided in this  
22 Section. Except as otherwise provided, all taxes and fees  
23 imposed under this Section shall be used only for public mass  
24 transportation systems, and the amount used to provide mass



1 transit service to unserved areas of the District shall be in  
2 the same proportion to the total proceeds as the number of  
3 persons residing in the unserved areas is to the total  
4 population of the District. Except as otherwise provided in  
5 this Act, taxes imposed under this Section and civil penalties  
6 imposed incident thereto shall be collected and enforced by  
7 the State Department of Revenue. The Department shall have the  
8 power to administer and enforce the taxes and to determine all  
9 rights for refunds for erroneous payments of the taxes.

10 (b) The Board may impose a Metro East Mass Transit  
11 District Retailers' Occupation Tax upon all persons engaged in  
12 the business of selling tangible personal property at retail  
13 in the district at a rate of 1/4 of 1%, or as authorized under  
14 subsection (d-5) of this Section, of the gross receipts from  
15 the sales made in the course of such business within the  
16 district, except that the rate of tax imposed under this  
17 Section on sales of aviation fuel on or after December 1, 2019  
18 shall be 0.25% in Madison County unless the Metro-East Mass  
19 Transit District in Madison County has an "airport-related  
20 purpose" and any additional amount authorized under subsection  
21 (d-5) is expended for airport-related purposes. If there is no  
22 airport-related purpose to which aviation fuel tax revenue is  
23 dedicated, then aviation fuel is excluded from any additional  
24 amount authorized under subsection (d-5). The rate in St.  
25 Clair County shall be 0.25% unless the Metro-East Mass Transit  
26 District in St. Clair County has an "airport-related purpose"

1 and the additional 0.50% of the 0.75% tax on aviation fuel  
2 imposed in that County is expended for airport-related  
3 purposes. If there is no airport-related purpose to which  
4 aviation fuel tax revenue is dedicated, then aviation fuel is  
5 excluded from the additional 0.50% of the 0.75% tax.

6 The Board must comply with the certification requirements  
7 for airport-related purposes under Section 2-22 of the  
8 Retailers' Occupation Tax Act. For purposes of this Section,  
9 "airport-related purposes" has the meaning ascribed in Section  
10 6z-20.2 of the State Finance Act. This exclusion for aviation  
11 fuel only applies for so long as the revenue use requirements  
12 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
13 District.

14 The tax imposed under this Section and all civil penalties  
15 that may be assessed as an incident thereof shall be collected  
16 and enforced by the State Department of Revenue. The  
17 Department shall have full power to administer and enforce  
18 this Section; to collect all taxes and penalties so collected  
19 in the manner hereinafter provided; and to determine all  
20 rights to credit memoranda arising on account of the erroneous  
21 payment of tax or penalty hereunder. In the administration of,  
22 and compliance with, this Section, the Department and persons  
23 who are subject to this Section shall have the same rights,  
24 remedies, privileges, immunities, powers and duties, and be  
25 subject to the same conditions, restrictions, limitations,  
26 penalties, exclusions, exemptions and definitions of terms and

1 employ the same modes of procedure, as are prescribed in  
2 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65  
3 (in respect to all provisions therein other than the State  
4 rate of tax), 2c, 3 (except as to the disposition of taxes and  
5 penalties collected, and except that the retailer's discount  
6 is not allowed for taxes paid on aviation fuel that are subject  
7 to the revenue use requirements of 49 U.S.C. 47107(b) and 49  
8 U.S.C. 47133), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,  
9 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of the  
10 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
11 Penalty and Interest Act, as fully as if those provisions were  
12 set forth herein.

13 Persons subject to any tax imposed under the Section may  
14 reimburse themselves for their seller's tax liability  
15 hereunder by separately stating the tax as an additional  
16 charge, which charge may be stated in combination, in a single  
17 amount, with State taxes that sellers are required to collect  
18 under the Use Tax Act, in accordance with such bracket  
19 schedules as the Department may prescribe.

20 Whenever the Department determines that a refund should be  
21 made under this Section to a claimant instead of issuing a  
22 credit memorandum, the Department shall notify the State  
23 Comptroller, who shall cause the warrant to be drawn for the  
24 amount specified, and to the person named, in the notification  
25 from the Department. The refund shall be paid by the State  
26 Treasurer out of the Metro East Mass Transit District tax fund

1 established under paragraph (h) of this Section or the Local  
2 Government Aviation Trust Fund, as appropriate.

3 If a tax is imposed under this subsection (b), a tax shall  
4 also be imposed under subsections (c) and (d) of this Section.

5 For the purpose of determining whether a tax authorized  
6 under this Section is applicable, a retail sale, by a producer  
7 of coal or other mineral mined in Illinois, is a sale at retail  
8 at the place where the coal or other mineral mined in Illinois  
9 is extracted from the earth. This paragraph does not apply to  
10 coal or other mineral when it is delivered or shipped by the  
11 seller to the purchaser at a point outside Illinois so that the  
12 sale is exempt under the Federal Constitution as a sale in  
13 interstate or foreign commerce.

14 No tax shall be imposed or collected under this subsection  
15 on the sale of a motor vehicle in this State to a resident of  
16 another state if that motor vehicle will not be titled in this  
17 State.

18 Nothing in this Section shall be construed to authorize  
19 the Metro East Mass Transit District to impose a tax upon the  
20 privilege of engaging in any business which under the  
21 Constitution of the United States may not be made the subject  
22 of taxation by this State.

23 (c) If a tax has been imposed under subsection (b), a Metro  
24 East Mass Transit District Service Occupation Tax shall also  
25 be imposed upon all persons engaged, in the district, in the  
26 business of making sales of service, who, as an incident to

1 making those sales of service, transfer tangible personal  
2 property within the District, either in the form of tangible  
3 personal property or in the form of real estate as an incident  
4 to a sale of service. The tax rate shall be 1/4%, or as  
5 authorized under subsection (d-5) of this Section, of the  
6 selling price of tangible personal property so transferred  
7 within the district, except that the rate of tax imposed in  
8 these Counties under this Section on sales of aviation fuel on  
9 or after December 1, 2019 shall be 0.25% in Madison County  
10 unless the Metro-East Mass Transit District in Madison County  
11 has an "airport-related purpose" and any additional amount  
12 authorized under subsection (d-5) is expended for  
13 airport-related purposes. If there is no airport-related  
14 purpose to which aviation fuel tax revenue is dedicated, then  
15 aviation fuel is excluded from any additional amount  
16 authorized under subsection (d-5). The rate in St. Clair  
17 County shall be 0.25% unless the Metro-East Mass Transit  
18 District in St. Clair County has an "airport-related purpose"  
19 and the additional 0.50% of the 0.75% tax on aviation fuel is  
20 expended for airport-related purposes. If there is no  
21 airport-related purpose to which aviation fuel tax revenue is  
22 dedicated, then aviation fuel is excluded from the additional  
23 0.50% of the 0.75% tax.

24 The Board must comply with the certification requirements  
25 for airport-related purposes under Section 2-22 of the  
26 Retailers' Occupation Tax Act. For purposes of this Section,

1 "airport-related purposes" has the meaning ascribed in Section  
2 6z-20.2 of the State Finance Act. This exclusion for aviation  
3 fuel only applies for so long as the revenue use requirements  
4 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
5 District.

6 The tax imposed under this paragraph and all civil  
7 penalties that may be assessed as an incident thereof shall be  
8 collected and enforced by the State Department of Revenue. The  
9 Department shall have full power to administer and enforce  
10 this paragraph; to collect all taxes and penalties due  
11 hereunder; to dispose of taxes and penalties so collected in  
12 the manner hereinafter provided; and to determine all rights  
13 to credit memoranda arising on account of the erroneous  
14 payment of tax or penalty hereunder. In the administration of,  
15 and compliance with this paragraph, the Department and persons  
16 who are subject to this paragraph shall have the same rights,  
17 remedies, privileges, immunities, powers and duties, and be  
18 subject to the same conditions, restrictions, limitations,  
19 penalties, exclusions, exemptions and definitions of terms and  
20 employ the same modes of procedure as are prescribed in  
21 Sections 1a-1, 2 (except that the reference to State in the  
22 definition of supplier maintaining a place of business in this  
23 State shall mean the Authority), 2a, 3 through 3-50 (in  
24 respect to all provisions therein other than the State rate of  
25 tax), 4 (except that the reference to the State shall be to the  
26 Authority), 5, 7, 8 (except that the jurisdiction to which the

1 tax shall be a debt to the extent indicated in that Section 8  
2 shall be the District), 9 (except as to the disposition of  
3 taxes and penalties collected, and except that the returned  
4 merchandise credit for this tax may not be taken against any  
5 State tax, and except that the retailer's discount is not  
6 allowed for taxes paid on aviation fuel that are subject to the  
7 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
8 47133), 10, 11, 12 (except the reference therein to Section 2b  
9 of the Retailers' Occupation Tax Act), 13 (except that any  
10 reference to the State shall mean the District), the first  
11 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service  
12 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
13 Interest Act, as fully as if those provisions were set forth  
14 herein.

15 Persons subject to any tax imposed under the authority  
16 granted in this paragraph may reimburse themselves for their  
17 serviceman's tax liability hereunder by separately stating the  
18 tax as an additional charge, which charge may be stated in  
19 combination, in a single amount, with State tax that  
20 servicemen are authorized to collect under the Service Use Tax  
21 Act, in accordance with such bracket schedules as the  
22 Department may prescribe.

23 Whenever the Department determines that a refund should be  
24 made under this paragraph to a claimant instead of issuing a  
25 credit memorandum, the Department shall notify the State  
26 Comptroller, who shall cause the warrant to be drawn for the

1 amount specified, and to the person named, in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the Metro East Mass Transit District tax fund  
4 established under paragraph (h) of this Section or the Local  
5 Government Aviation Trust Fund, as appropriate.

6 Nothing in this paragraph shall be construed to authorize  
7 the District to impose a tax upon the privilege of engaging in  
8 any business which under the Constitution of the United States  
9 may not be made the subject of taxation by the State.

10 (d) If a tax has been imposed under subsection (b), a Metro  
11 East Mass Transit District Use Tax shall also be imposed upon  
12 the privilege of using, in the district, any item of tangible  
13 personal property that is purchased outside the district at  
14 retail from a retailer, and that is titled or registered with  
15 an agency of this State's government, at a rate of 1/4%, or as  
16 authorized under subsection (d-5) of this Section, of the  
17 selling price of the tangible personal property within the  
18 District, as "selling price" is defined in the Use Tax Act. The  
19 tax shall be collected from persons whose Illinois address for  
20 titling or registration purposes is given as being in the  
21 District. The tax shall be collected by the Department of  
22 Revenue for the Metro East Mass Transit District. The tax must  
23 be paid to the State, or an exemption determination must be  
24 obtained from the Department of Revenue, before the title or  
25 certificate of registration for the property may be issued.  
26 The tax or proof of exemption may be transmitted to the



1 Department by way of the State agency with which, or the State  
2 officer with whom, the tangible personal property must be  
3 titled or registered if the Department and the State agency or  
4 State officer determine that this procedure will expedite the  
5 processing of applications for title or registration.

6 The Department shall have full power to administer and  
7 enforce this paragraph; to collect all taxes, penalties and  
8 interest due hereunder; to dispose of taxes, penalties and  
9 interest so collected in the manner hereinafter provided; and  
10 to determine all rights to credit memoranda or refunds arising  
11 on account of the erroneous payment of tax, penalty or  
12 interest hereunder. In the administration of, and compliance  
13 with, this paragraph, the Department and persons who are  
14 subject to this paragraph shall have the same rights,  
15 remedies, privileges, immunities, powers and duties, and be  
16 subject to the same conditions, restrictions, limitations,  
17 penalties, exclusions, exemptions and definitions of terms and  
18 employ the same modes of procedure, as are prescribed in  
19 Sections 2 (except the definition of "retailer maintaining a  
20 place of business in this State"), 3 through 3-80 (except  
21 provisions pertaining to the State rate of tax, and except  
22 provisions concerning collection or refunding of the tax by  
23 retailers), 4, 11, 12, 12a, 14, 15, 19 (except the portions  
24 pertaining to claims by retailers and except the last  
25 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act  
26 and Section 3-7 of the Uniform Penalty and Interest Act, that

1 are not inconsistent with this paragraph, as fully as if those  
2 provisions were set forth herein.

3 Whenever the Department determines that a refund should be  
4 made under this paragraph to a claimant instead of issuing a  
5 credit memorandum, the Department shall notify the State  
6 Comptroller, who shall cause the order to be drawn for the  
7 amount specified, and to the person named, in the notification  
8 from the Department. The refund shall be paid by the State  
9 Treasurer out of the Metro East Mass Transit District tax fund  
10 established under paragraph (h) of this Section.

11 (d-5) (A) The county board of any county participating in  
12 the Metro East Mass Transit District may authorize, by  
13 ordinance, a referendum on the question of whether the tax  
14 rates for the Metro East Mass Transit District Retailers'  
15 Occupation Tax, the Metro East Mass Transit District Service  
16 Occupation Tax, and the Metro East Mass Transit District Use  
17 Tax for the District should be increased from 0.25% to 0.75%.  
18 Upon adopting the ordinance, the county board shall certify  
19 the proposition to the proper election officials who shall  
20 submit the proposition to the voters of the District at the  
21 next election, in accordance with the general election law.

22 The proposition shall be in substantially the following  
23 form:

24 Shall the tax rates for the Metro East Mass Transit  
25 District Retailers' Occupation Tax, the Metro East Mass  
26 Transit District Service Occupation Tax, and the Metro

1 East Mass Transit District Use Tax be increased from 0.25%  
2 to 0.75%?

3 (B) Two thousand five hundred electors of any Metro East  
4 Mass Transit District may petition the Chief Judge of the  
5 Circuit Court, or any judge of that Circuit designated by the  
6 Chief Judge, in which that District is located to cause to be  
7 submitted to a vote of the electors the question whether the  
8 tax rates for the Metro East Mass Transit District Retailers'  
9 Occupation Tax, the Metro East Mass Transit District Service  
10 Occupation Tax, and the Metro East Mass Transit District Use  
11 Tax for the District should be increased from 0.25% to 0.75%.

12 Upon submission of such petition the court shall set a  
13 date not less than 10 nor more than 30 days thereafter for a  
14 hearing on the sufficiency thereof. Notice of the filing of  
15 such petition and of such date shall be given in writing to the  
16 District and the County Clerk at least 7 days before the date  
17 of such hearing.

18 If such petition is found sufficient, the court shall  
19 enter an order to submit that proposition at the next  
20 election, in accordance with general election law.

21 The form of the petition shall be in substantially the  
22 following form: To the Circuit Court of the County of (name of  
23 county):

24 We, the undersigned electors of the (name of transit  
25 district), respectfully petition your honor to submit to a  
26 vote of the electors of (name of transit district) the

1 following proposition:

2 Shall the tax rates for the Metro East Mass Transit  
3 District Retailers' Occupation Tax, the Metro East Mass  
4 Transit District Service Occupation Tax, and the Metro  
5 East Mass Transit District Use Tax be increased from 0.25%  
6 to 0.75%?

7	Name	Address, with Street and Number.
8	.....	.....
9	.....	.....

10 (C) The votes shall be recorded as "YES" or "NO". If a  
11 majority of all votes cast on the proposition are for the  
12 increase in the tax rates, the Metro East Mass Transit  
13 District shall begin imposing the increased rates in the  
14 District, and the Department of Revenue shall begin collecting  
15 the increased amounts, as provided under this Section. An  
16 ordinance imposing or discontinuing a tax hereunder or  
17 effecting a change in the rate thereof shall be adopted and a  
18 certified copy thereof filed with the Department on or before  
19 the first day of October, whereupon the Department shall  
20 proceed to administer and enforce this Section as of the first  
21 day of January next following the adoption and filing, or on or  
22 before the first day of April, whereupon the Department shall  
23 proceed to administer and enforce this Section as of the first  
24 day of July next following the adoption and filing.

25 (D) If the voters have approved a referendum under this  
26 subsection, before November 1, 1994, to increase the tax rate

1 under this subsection, the Metro East Mass Transit District  
2 Board of Trustees may adopt by a majority vote an ordinance at  
3 any time before January 1, 1995 that excludes from the rate  
4 increase tangible personal property that is titled or  
5 registered with an agency of this State's government. The  
6 ordinance excluding titled or registered tangible personal  
7 property from the rate increase must be filed with the  
8 Department at least 15 days before its effective date. At any  
9 time after adopting an ordinance excluding from the rate  
10 increase tangible personal property that is titled or  
11 registered with an agency of this State's government, the  
12 Metro East Mass Transit District Board of Trustees may adopt  
13 an ordinance applying the rate increase to that tangible  
14 personal property. The ordinance shall be adopted, and a  
15 certified copy of that ordinance shall be filed with the  
16 Department, on or before October 1, whereupon the Department  
17 shall proceed to administer and enforce the rate increase  
18 against tangible personal property titled or registered with  
19 an agency of this State's government as of the following  
20 January 1. After December 31, 1995, any reimposed rate  
21 increase in effect under this subsection shall no longer apply  
22 to tangible personal property titled or registered with an  
23 agency of this State's government. Beginning January 1, 1996,  
24 the Board of Trustees of any Metro East Mass Transit District  
25 may never reimpose a previously excluded tax rate increase on  
26 tangible personal property titled or registered with an agency

1 of this State's government. After July 1, 2004, if the voters  
2 have approved a referendum under this subsection to increase  
3 the tax rate under this subsection, the Metro East Mass  
4 Transit District Board of Trustees may adopt by a majority  
5 vote an ordinance that excludes from the rate increase  
6 tangible personal property that is titled or registered with  
7 an agency of this State's government. The ordinance excluding  
8 titled or registered tangible personal property from the rate  
9 increase shall be adopted, and a certified copy of that  
10 ordinance shall be filed with the Department on or before  
11 October 1, whereupon the Department shall administer and  
12 enforce this exclusion from the rate increase as of the  
13 following January 1, or on or before April 1, whereupon the  
14 Department shall administer and enforce this exclusion from  
15 the rate increase as of the following July 1. The Board of  
16 Trustees of any Metro East Mass Transit District may never  
17 reimpose a previously excluded tax rate increase on tangible  
18 personal property titled or registered with an agency of this  
19 State's government.

20 (d-6) If the Board of Trustees of any Metro East Mass  
21 Transit District has imposed a rate increase under subsection  
22 (d-5) and filed an ordinance with the Department of Revenue  
23 excluding titled property from the higher rate, then that  
24 Board may, by ordinance adopted with the concurrence of  
25 two-thirds of the then trustees, impose throughout the  
26 District a fee. The fee on the excluded property shall not

1 exceed \$20 per retail transaction or an amount equal to the  
2 amount of tax excluded, whichever is less, on tangible  
3 personal property that is titled or registered with an agency  
4 of this State's government. Beginning July 1, 2004, the fee  
5 shall apply only to titled property that is subject to either  
6 the Metro East Mass Transit District Retailers' Occupation Tax  
7 or the Metro East Mass Transit District Service Occupation  
8 Tax. No fee shall be imposed or collected under this  
9 subsection on the sale of a motor vehicle in this State to a  
10 resident of another state if that motor vehicle will not be  
11 titled in this State.

12 (d-7) Until June 30, 2004, if a fee has been imposed under  
13 subsection (d-6), a fee shall also be imposed upon the  
14 privilege of using, in the district, any item of tangible  
15 personal property that is titled or registered with any agency  
16 of this State's government, in an amount equal to the amount of  
17 the fee imposed under subsection (d-6).

18 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
19 Board of Trustees of any Metro East Mass Transit District  
20 under subsection (d-6) and all civil penalties that may be  
21 assessed as an incident of the fees shall be collected and  
22 enforced by the State Department of Revenue. Reference to  
23 "taxes" in this Section shall be construed to apply to the  
24 administration, payment, and remittance of all fees under this  
25 Section. For purposes of any fee imposed under subsection  
26 (d-6), 4% of the fee, penalty, and interest received by the

1 Department in the first 12 months that the fee is collected and  
2 enforced by the Department and 2% of the fee, penalty, and  
3 interest following the first 12 months (except the amount  
4 collected on aviation fuel sold on or after December 1, 2019)  
5 shall be deposited into the Tax Compliance and Administration  
6 Fund and shall be used by the Department, subject to  
7 appropriation, to cover the costs of the Department. No  
8 retailers' discount shall apply to any fee imposed under  
9 subsection (d-6).

10 (d-8) No item of titled property shall be subject to both  
11 the higher rate approved by referendum, as authorized under  
12 subsection (d-5), and any fee imposed under subsection (d-6)  
13 or (d-7).

14 (d-9) (Blank).

15 (d-10) (Blank).

16 (e) A certificate of registration issued by the State  
17 Department of Revenue to a retailer under the Retailers'  
18 Occupation Tax Act or under the Service Occupation Tax Act  
19 shall permit the registrant to engage in a business that is  
20 taxed under the tax imposed under paragraphs (b), (c) or (d) of  
21 this Section and no additional registration shall be required  
22 under the tax. A certificate issued under the Use Tax Act or  
23 the Service Use Tax Act shall be applicable with regard to any  
24 tax imposed under paragraph (c) of this Section.

25 (f) (Blank).

26 (g) Any ordinance imposing or discontinuing any tax under



1 this Section shall be adopted and a certified copy thereof  
2 filed with the Department on or before June 1, whereupon the  
3 Department of Revenue shall proceed to administer and enforce  
4 this Section on behalf of the Metro East Mass Transit District  
5 as of September 1 next following such adoption and filing.  
6 Beginning January 1, 1992, an ordinance or resolution imposing  
7 or discontinuing the tax hereunder shall be adopted and a  
8 certified copy thereof filed with the Department on or before  
9 the first day of July, whereupon the Department shall proceed  
10 to administer and enforce this Section as of the first day of  
11 October next following such adoption and filing. Beginning  
12 January 1, 1993, except as provided in subsection (d-5) of  
13 this Section, an ordinance or resolution imposing or  
14 discontinuing the tax hereunder shall be adopted and a  
15 certified copy thereof filed with the Department on or before  
16 the first day of October, whereupon the Department shall  
17 proceed to administer and enforce this Section as of the first  
18 day of January next following such adoption and filing, or,  
19 beginning January 1, 2004, on or before the first day of April,  
20 whereupon the Department shall proceed to administer and  
21 enforce this Section as of the first day of July next following  
22 the adoption and filing.

23 (h) Except as provided in subsection (d-7.1), the State  
24 Department of Revenue shall, upon collecting any taxes as  
25 provided in this Section, pay the taxes over to the State  
26 Treasurer as trustee for the District. The taxes shall be held

1 in a trust fund outside the State Treasury. If an  
2 airport-related purpose has been certified, taxes and  
3 penalties collected in St. Clair County on aviation fuel sold  
4 on or after December 1, 2019 from the 0.50% of the 0.75% rate  
5 shall be immediately paid over by the Department to the State  
6 Treasurer, ex officio, as trustee, for deposit into the Local  
7 Government Aviation Trust Fund. The Department shall only pay  
8 moneys into the Local Government Aviation Trust Fund under  
9 this Act for so long as the revenue use requirements of 49  
10 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
11 District.

12 As soon as possible after the first day of each month,  
13 beginning January 1, 2011, upon certification of the  
14 Department of Revenue, the Comptroller shall order  
15 transferred, and the Treasurer shall transfer, to the STAR  
16 Bonds Revenue Fund the local sales tax increment, as defined  
17 in the Innovation Development and Economy Act, collected under  
18 this Section during the second preceding calendar month for  
19 sales within a STAR bond district. The Department shall make  
20 this certification only if the local mass transit district  
21 imposes a tax on real property as provided in the definition of  
22 "local sales taxes" under the Innovation Development and  
23 Economy Act.

24 After the monthly transfer to the STAR Bonds Revenue Fund,  
25 on or before the 25th day of each calendar month, the State  
26 Department of Revenue shall prepare and certify to the

1 Comptroller of the State of Illinois the amount to be paid to  
2 the District, which shall be the amount (not including credit  
3 memoranda and not including taxes and penalties collected on  
4 aviation fuel sold on or after December 1, 2019 that are  
5 deposited into the Local Government Aviation Trust Fund)  
6 collected under this Section during the second preceding  
7 calendar month by the Department plus an amount the Department  
8 determines is necessary to offset any amounts that were  
9 erroneously paid to a different taxing body, and not including  
10 any amount equal to the amount of refunds made during the  
11 second preceding calendar month by the Department on behalf of  
12 the District, and not including any amount that the Department  
13 determines is necessary to offset any amounts that were  
14 payable to a different taxing body but were erroneously paid  
15 to the District, and less any amounts that are transferred to  
16 the STAR Bonds Revenue Fund, less 1% ~~1.5%~~ of the remainder,  
17 which the Department shall transfer into the Tax Compliance  
18 and Administration Fund. The Department, at the time of each  
19 monthly disbursement to the District, shall prepare and  
20 certify to the State Comptroller the amount to be transferred  
21 into the Tax Compliance and Administration Fund under this  
22 subsection. Within 10 days after receipt by the Comptroller of  
23 the certification of the amount to be paid to the District and  
24 the Tax Compliance and Administration Fund, the Comptroller  
25 shall cause an order to be drawn for payment for the amount in  
26 accordance with the direction in the certification.

1 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
2 101-10, eff. 6-5-19; 101-604, eff. 12-13-19.)

3 Section 30. The Regional Transportation Authority Act is  
4 amended by changing Section 4.03 as follows:

5 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

6 Sec. 4.03. Taxes.

7 (a) In order to carry out any of the powers or purposes of  
8 the Authority, the Board may by ordinance adopted with the  
9 concurrence of 12 of the then Directors, impose throughout the  
10 metropolitan region any or all of the taxes provided in this  
11 Section. Except as otherwise provided in this Act, taxes  
12 imposed under this Section and civil penalties imposed  
13 incident thereto shall be collected and enforced by the State  
14 Department of Revenue. The Department shall have the power to  
15 administer and enforce the taxes and to determine all rights  
16 for refunds for erroneous payments of the taxes. Nothing in  
17 Public Act 95-708 is intended to invalidate any taxes  
18 currently imposed by the Authority. The increased vote  
19 requirements to impose a tax shall only apply to actions taken  
20 after January 1, 2008 (the effective date of Public Act  
21 95-708).

22 (b) The Board may impose a public transportation tax upon  
23 all persons engaged in the metropolitan region in the business  
24 of selling at retail motor fuel for operation of motor

1 vehicles upon public highways. The tax shall be at a rate not  
2 to exceed 5% of the gross receipts from the sales of motor fuel  
3 in the course of the business. As used in this Act, the term  
4 "motor fuel" shall have the same meaning as in the Motor Fuel  
5 Tax Law. The Board may provide for details of the tax. The  
6 provisions of any tax shall conform, as closely as may be  
7 practicable, to the provisions of the Municipal Retailers  
8 Occupation Tax Act, including without limitation, conformity  
9 to penalties with respect to the tax imposed and as to the  
10 powers of the State Department of Revenue to promulgate and  
11 enforce rules and regulations relating to the administration  
12 and enforcement of the provisions of the tax imposed, except  
13 that reference in the Act to any municipality shall refer to  
14 the Authority and the tax shall be imposed only with regard to  
15 receipts from sales of motor fuel in the metropolitan region,  
16 at rates as limited by this Section.

17 (c) In connection with the tax imposed under paragraph (b)  
18 of this Section, the Board may impose a tax upon the privilege  
19 of using in the metropolitan region motor fuel for the  
20 operation of a motor vehicle upon public highways, the tax to  
21 be at a rate not in excess of the rate of tax imposed under  
22 paragraph (b) of this Section. The Board may provide for  
23 details of the tax.

24 (d) The Board may impose a motor vehicle parking tax upon  
25 the privilege of parking motor vehicles at off-street parking  
26 facilities in the metropolitan region at which a fee is

1 charged, and may provide for reasonable classifications in and  
2 exemptions to the tax, for administration and enforcement  
3 thereof and for civil penalties and refunds thereunder and may  
4 provide criminal penalties thereunder, the maximum penalties  
5 not to exceed the maximum criminal penalties provided in the  
6 Retailers' Occupation Tax Act. The Authority may collect and  
7 enforce the tax itself or by contract with any unit of local  
8 government. The State Department of Revenue shall have no  
9 responsibility for the collection and enforcement unless the  
10 Department agrees with the Authority to undertake the  
11 collection and enforcement. As used in this paragraph, the  
12 term "parking facility" means a parking area or structure  
13 having parking spaces for more than 2 vehicles at which motor  
14 vehicles are permitted to park in return for an hourly, daily,  
15 or other periodic fee, whether publicly or privately owned,  
16 but does not include parking spaces on a public street, the use  
17 of which is regulated by parking meters.

18 (e) The Board may impose a Regional Transportation  
19 Authority Retailers' Occupation Tax upon all persons engaged  
20 in the business of selling tangible personal property at  
21 retail in the metropolitan region. In Cook County, the tax  
22 rate shall be 1.25% of the gross receipts from sales of  
23 tangible personal property taxed at the 1% rate under the  
24 Retailers' Occupation Tax Act (or at the 0% rate imposed under  
25 this amendatory Act of the 102nd General Assembly), and 1% of  
26 the gross receipts from other taxable sales made in the course

1 of that business. In DuPage, Kane, Lake, McHenry, and Will  
2 counties, the tax rate shall be 0.75% of the gross receipts  
3 from all taxable sales made in the course of that business. The  
4 rate of tax imposed in DuPage, Kane, Lake, McHenry, and Will  
5 counties under this Section on sales of aviation fuel on or  
6 after December 1, 2019 shall, however, be 0.25% unless the  
7 Regional Transportation Authority in DuPage, Kane, Lake,  
8 McHenry, and Will counties has an "airport-related purpose"  
9 and the additional 0.50% of the 0.75% tax on aviation fuel is  
10 expended for airport-related purposes. If there is no  
11 airport-related purpose to which aviation fuel tax revenue is  
12 dedicated, then aviation fuel is excluded from the additional  
13 0.50% of the 0.75% tax. The tax imposed under this Section and  
14 all civil penalties that may be assessed as an incident  
15 thereof shall be collected and enforced by the State  
16 Department of Revenue. The Department shall have full power to  
17 administer and enforce this Section; to collect all taxes and  
18 penalties so collected in the manner hereinafter provided; and  
19 to determine all rights to credit memoranda arising on account  
20 of the erroneous payment of tax or penalty hereunder. In the  
21 administration of, and compliance with this Section, the  
22 Department and persons who are subject to this Section shall  
23 have the same rights, remedies, privileges, immunities,  
24 powers, and duties, and be subject to the same conditions,  
25 restrictions, limitations, penalties, exclusions, exemptions,  
26 and definitions of terms, and employ the same modes of

1 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
2 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
3 therein other than the State rate of tax), 2c, 3 (except as to  
4 the disposition of taxes and penalties collected, and except  
5 that the retailer's discount is not allowed for taxes paid on  
6 aviation fuel that are subject to the revenue use requirements  
7 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,  
8 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
9 10, 11, 12, and 13 of the Retailers' Occupation Tax Act and  
10 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
11 as if those provisions were set forth herein.

12 The Board and DuPage, Kane, Lake, McHenry, and Will  
13 counties must comply with the certification requirements for  
14 airport-related purposes under Section 2-22 of the Retailers'  
15 Occupation Tax Act. For purposes of this Section,  
16 "airport-related purposes" has the meaning ascribed in Section  
17 6z-20.2 of the State Finance Act. This exclusion for aviation  
18 fuel only applies for so long as the revenue use requirements  
19 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
20 Authority.

21 Persons subject to any tax imposed under the authority  
22 granted in this Section may reimburse themselves for their  
23 seller's tax liability hereunder by separately stating the tax  
24 as an additional charge, which charge may be stated in  
25 combination in a single amount with State taxes that sellers  
26 are required to collect under the Use Tax Act, under any



1 bracket schedules the Department may prescribe.

2 Whenever the Department determines that a refund should be  
3 made under this Section to a claimant instead of issuing a  
4 credit memorandum, the Department shall notify the State  
5 Comptroller, who shall cause the warrant to be drawn for the  
6 amount specified, and to the person named, in the notification  
7 from the Department. The refund shall be paid by the State  
8 Treasurer out of the Regional Transportation Authority tax  
9 fund established under paragraph (n) of this Section or the  
10 Local Government Aviation Trust Fund, as appropriate.

11 If a tax is imposed under this subsection (e), a tax shall  
12 also be imposed under subsections (f) and (g) of this Section.

13 For the purpose of determining whether a tax authorized  
14 under this Section is applicable, a retail sale by a producer  
15 of coal or other mineral mined in Illinois, is a sale at retail  
16 at the place where the coal or other mineral mined in Illinois  
17 is extracted from the earth. This paragraph does not apply to  
18 coal or other mineral when it is delivered or shipped by the  
19 seller to the purchaser at a point outside Illinois so that the  
20 sale is exempt under the Federal Constitution as a sale in  
21 interstate or foreign commerce.

22 No tax shall be imposed or collected under this subsection  
23 on the sale of a motor vehicle in this State to a resident of  
24 another state if that motor vehicle will not be titled in this  
25 State.

26 Nothing in this Section shall be construed to authorize

1 the Regional Transportation Authority to impose a tax upon the  
2 privilege of engaging in any business that under the  
3 Constitution of the United States may not be made the subject  
4 of taxation by this State.

5 (f) If a tax has been imposed under paragraph (e), a  
6 Regional Transportation Authority Service Occupation Tax shall  
7 also be imposed upon all persons engaged, in the metropolitan  
8 region in the business of making sales of service, who as an  
9 incident to making the sales of service, transfer tangible  
10 personal property within the metropolitan region, either in  
11 the form of tangible personal property or in the form of real  
12 estate as an incident to a sale of service. In Cook County, the  
13 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
14 food prepared for immediate consumption and transferred  
15 incident to a sale of service subject to the service  
16 occupation tax by an entity licensed under the Hospital  
17 Licensing Act, the Nursing Home Care Act, the Specialized  
18 Mental Health Rehabilitation Act of 2013, the ID/DD Community  
19 Care Act, or the MC/DD Act that is located in the metropolitan  
20 region; (2) 1.25% of the selling price of tangible personal  
21 property taxed at the 1% rate under the Service Occupation Tax  
22 Act (or at the 0% rate imposed under this amendatory Act of the  
23 102nd General Assembly); and (3) 1% of the selling price from  
24 other taxable sales of tangible personal property transferred.  
25 In DuPage, Kane, Lake, McHenry, and Will counties, the rate  
26 shall be 0.75% of the selling price of all tangible personal

1 property transferred. The rate of tax imposed in DuPage, Kane,  
2 Lake, McHenry, and Will counties under this Section on sales  
3 of aviation fuel on or after December 1, 2019 shall, however,  
4 be 0.25% unless the Regional Transportation Authority in  
5 DuPage, Kane, Lake, McHenry, and Will counties has an  
6 "airport-related purpose" and the additional 0.50% of the  
7 0.75% tax on aviation fuel is expended for airport-related  
8 purposes. If there is no airport-related purpose to which  
9 aviation fuel tax revenue is dedicated, then aviation fuel is  
10 excluded from the additional 0.5% of the 0.75% tax.

11 The Board and DuPage, Kane, Lake, McHenry, and Will  
12 counties must comply with the certification requirements for  
13 airport-related purposes under Section 2-22 of the Retailers'  
14 Occupation Tax Act. For purposes of this Section,  
15 "airport-related purposes" has the meaning ascribed in Section  
16 6z-20.2 of the State Finance Act. This exclusion for aviation  
17 fuel only applies for so long as the revenue use requirements  
18 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the  
19 Authority.

20 The tax imposed under this paragraph and all civil  
21 penalties that may be assessed as an incident thereof shall be  
22 collected and enforced by the State Department of Revenue. The  
23 Department shall have full power to administer and enforce  
24 this paragraph; to collect all taxes and penalties due  
25 hereunder; to dispose of taxes and penalties collected in the  
26 manner hereinafter provided; and to determine all rights to

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

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

8           Whenever the Department determines that a refund should be  
9 made under this paragraph to a claimant instead of issuing a  
10 credit memorandum, the Department shall notify the State  
11 Comptroller, who shall cause the warrant to be drawn for the  
12 amount specified, and to the person named in the notification  
13 from the Department. The refund shall be paid by the State  
14 Treasurer out of the Regional Transportation Authority tax  
15 fund established under paragraph (n) of this Section or the  
16 Local Government Aviation Trust Fund, as appropriate.

17           Nothing in this paragraph shall be construed to authorize  
18 the Authority to impose a tax upon the privilege of engaging in  
19 any business that under the Constitution of the United States  
20 may not be made the subject of taxation by the State.

21           (g) If a tax has been imposed under paragraph (e), a tax  
22 shall also be imposed upon the privilege of using in the  
23 metropolitan region, any item of tangible personal property  
24 that is purchased outside the metropolitan region at retail  
25 from a retailer, and that is titled or registered with an  
26 agency of this State's government. In Cook County, the tax

1 rate shall be 1% of the selling price of the tangible personal  
2 property, as "selling price" is defined in the Use Tax Act. In  
3 DuPage, Kane, Lake, McHenry, and Will counties, the tax rate  
4 shall be 0.75% of the selling price of the tangible personal  
5 property, as "selling price" is defined in the Use Tax Act. The  
6 tax shall be collected from persons whose Illinois address for  
7 titling or registration purposes is given as being in the  
8 metropolitan region. The tax shall be collected by the  
9 Department of Revenue for the Regional Transportation  
10 Authority. The tax must be paid to the State, or an exemption  
11 determination must be obtained from the Department of Revenue,  
12 before the title or certificate of registration for the  
13 property may be issued. The tax or proof of exemption may be  
14 transmitted to the Department by way of the State agency with  
15 which, or the State officer with whom, the tangible personal  
16 property must be titled or registered if the Department and  
17 the State agency or State officer determine that this  
18 procedure will expedite the processing of applications for  
19 title or registration.

20 The Department shall have full power to administer and  
21 enforce this paragraph; to collect all taxes, penalties, and  
22 interest due hereunder; to dispose of taxes, penalties, and  
23 interest collected in the manner hereinafter provided; and to  
24 determine all rights to credit memoranda or refunds arising on  
25 account of the erroneous payment of tax, penalty, or interest  
26 hereunder. In the administration of and compliance with this

1 paragraph, the Department and persons who are subject to this  
2 paragraph shall have the same rights, remedies, privileges,  
3 immunities, powers, and duties, and be subject to the same  
4 conditions, restrictions, limitations, penalties, exclusions,  
5 exemptions, and definitions of terms and employ the same modes  
6 of procedure, as are prescribed in Sections 2 (except the  
7 definition of "retailer maintaining a place of business in  
8 this State"), 3 through 3-80 (except provisions pertaining to  
9 the State rate of tax, and except provisions concerning  
10 collection or refunding of the tax by retailers), 4, 11, 12,  
11 12a, 14, 15, 19 (except the portions pertaining to claims by  
12 retailers and except the last paragraph concerning refunds),  
13 20, 21, and 22 of the Use Tax Act, and are not inconsistent  
14 with this paragraph, as fully as if those provisions were set  
15 forth herein.

16 Whenever the Department determines that a refund should be  
17 made under this paragraph to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the order to be drawn for the  
20 amount specified, and to the person named in the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of the Regional Transportation Authority tax  
23 fund established under paragraph (n) of this Section.

24 (h) The Authority may impose a replacement vehicle tax of  
25 \$50 on any passenger car as defined in Section 1-157 of the  
26 Illinois Vehicle Code purchased within the metropolitan region

1 by or on behalf of an insurance company to replace a passenger  
2 car of an insured person in settlement of a total loss claim.  
3 The tax imposed may not become effective before the first day  
4 of the month following the passage of the ordinance imposing  
5 the tax and receipt of a certified copy of the ordinance by the  
6 Department of Revenue. The Department of Revenue shall collect  
7 the tax for the Authority in accordance with Sections 3-2002  
8 and 3-2003 of the Illinois Vehicle Code.

9 The Department shall immediately pay over to the State  
10 Treasurer, ex officio, as trustee, all taxes collected  
11 hereunder.

12 As soon as possible after the first day of each month,  
13 beginning January 1, 2011, upon certification of the  
14 Department of Revenue, the Comptroller shall order  
15 transferred, and the Treasurer shall transfer, to the STAR  
16 Bonds Revenue Fund the local sales tax increment, as defined  
17 in the Innovation Development and Economy Act, collected under  
18 this Section during the second preceding calendar month for  
19 sales within a STAR bond district.

20 After the monthly transfer to the STAR Bonds Revenue Fund,  
21 on or before the 25th day of each calendar month, the  
22 Department shall prepare and certify to the Comptroller the  
23 disbursement of stated sums of money to the Authority. The  
24 amount to be paid to the Authority shall be the amount  
25 collected hereunder during the second preceding calendar month  
26 by the Department, less any amount determined by the



1 Department to be necessary for the payment of refunds, and  
2 less any amounts that are transferred to the STAR Bonds  
3 Revenue Fund. Within 10 days after receipt by the Comptroller  
4 of the disbursement certification to the Authority provided  
5 for in this Section to be given to the Comptroller by the  
6 Department, the Comptroller shall cause the orders to be drawn  
7 for that amount in accordance with the directions contained in  
8 the certification.

9 (i) The Board may not impose any other taxes except as it  
10 may from time to time be authorized by law to impose.

11 (j) A certificate of registration issued by the State  
12 Department of Revenue to a retailer under the Retailers'  
13 Occupation Tax Act or under the Service Occupation Tax Act  
14 shall permit the registrant to engage in a business that is  
15 taxed under the tax imposed under paragraphs (b), (e), (f) or  
16 (g) of this Section and no additional registration shall be  
17 required under the tax. A certificate issued under the Use Tax  
18 Act or the Service Use Tax Act shall be applicable with regard  
19 to any tax imposed under paragraph (c) of this Section.

20 (k) The provisions of any tax imposed under paragraph (c)  
21 of this Section shall conform as closely as may be practicable  
22 to the provisions of the Use Tax Act, including without  
23 limitation conformity as to penalties with respect to the tax  
24 imposed and as to the powers of the State Department of Revenue  
25 to promulgate and enforce rules and regulations relating to  
26 the administration and enforcement of the provisions of the

1 tax imposed. The taxes shall be imposed only on use within the  
2 metropolitan region and at rates as provided in the paragraph.

3 (l) The Board in imposing any tax as provided in  
4 paragraphs (b) and (c) of this Section, shall, after seeking  
5 the advice of the State Department of Revenue, provide means  
6 for retailers, users or purchasers of motor fuel for purposes  
7 other than those with regard to which the taxes may be imposed  
8 as provided in those paragraphs to receive refunds of taxes  
9 improperly paid, which provisions may be at variance with the  
10 refund provisions as applicable under the Municipal Retailers  
11 Occupation Tax Act. The State Department of Revenue may  
12 provide for certificates of registration for users or  
13 purchasers of motor fuel for purposes other than those with  
14 regard to which taxes may be imposed as provided in paragraphs  
15 (b) and (c) of this Section to facilitate the reporting and  
16 nontaxability of the exempt sales or uses.

17 (m) Any ordinance imposing or discontinuing any tax under  
18 this Section shall be adopted and a certified copy thereof  
19 filed with the Department on or before June 1, whereupon the  
20 Department of Revenue shall proceed to administer and enforce  
21 this Section on behalf of the Regional Transportation  
22 Authority as of September 1 next following such adoption and  
23 filing. Beginning January 1, 1992, an ordinance or resolution  
24 imposing or discontinuing the tax hereunder shall be adopted  
25 and a certified copy thereof filed with the Department on or  
26 before the first day of July, whereupon the Department shall

1 proceed to administer and enforce this Section as of the first  
2 day of October next following such adoption and filing.  
3 Beginning January 1, 1993, an ordinance or resolution  
4 imposing, increasing, decreasing, or discontinuing the tax  
5 hereunder shall be adopted and a certified copy thereof filed  
6 with the Department, whereupon the Department shall proceed to  
7 administer and enforce this Section as of the first day of the  
8 first month to occur not less than 60 days following such  
9 adoption and filing. Any ordinance or resolution of the  
10 Authority imposing a tax under this Section and in effect on  
11 August 1, 2007 shall remain in full force and effect and shall  
12 be administered by the Department of Revenue under the terms  
13 and conditions and rates of tax established by such ordinance  
14 or resolution until the Department begins administering and  
15 enforcing an increased tax under this Section as authorized by  
16 Public Act 95-708. The tax rates authorized by Public Act  
17 95-708 are effective only if imposed by ordinance of the  
18 Authority.

19 (n) Except as otherwise provided in this subsection (n),  
20 the State Department of Revenue shall, upon collecting any  
21 taxes as provided in this Section, pay the taxes over to the  
22 State Treasurer as trustee for the Authority. The taxes shall  
23 be held in a trust fund outside the State Treasury. If an  
24 airport-related purpose has been certified, taxes and  
25 penalties collected in DuPage, Kane, Lake, McHenry and Will  
26 counties on aviation fuel sold on or after December 1, 2019

1 from the 0.50% of the 0.75% rate shall be immediately paid over  
2 by the Department to the State Treasurer, ex officio, as  
3 trustee, for deposit into the Local Government Aviation Trust  
4 Fund. The Department shall only pay moneys into the Local  
5 Government Aviation Trust Fund under this Act for so long as  
6 the revenue use requirements of 49 U.S.C. 47107(b) and 49  
7 U.S.C. 47133 are binding on the Authority. On or before the  
8 25th day of each calendar month, the State Department of  
9 Revenue shall prepare and certify to the Comptroller of the  
10 State of Illinois and to the Authority (i) the amount of taxes  
11 collected in each county other than Cook County in the  
12 metropolitan region, (not including, if an airport-related  
13 purpose has been certified, the taxes and penalties collected  
14 from the 0.50% of the 0.75% rate on aviation fuel sold on or  
15 after December 1, 2019 that are deposited into the Local  
16 Government Aviation Trust Fund) (ii) the amount of taxes  
17 collected within the City of Chicago, and (iii) the amount  
18 collected in that portion of Cook County outside of Chicago,  
19 each amount less the amount necessary for the payment of  
20 refunds to taxpayers located in those areas described in items  
21 (i), (ii), and (iii), and less 1% ~~1.5%~~ of the remainder, which  
22 shall be transferred from the trust fund into the Tax  
23 Compliance and Administration Fund. The Department, at the  
24 time of each monthly disbursement to the Authority, shall  
25 prepare and certify to the State Comptroller the amount to be  
26 transferred into the Tax Compliance and Administration Fund

1 under this subsection. Within 10 days after receipt by the  
2 Comptroller of the certification of the amounts, the  
3 Comptroller shall cause an order to be drawn for the transfer  
4 of the amount certified into the Tax Compliance and  
5 Administration Fund and the payment of two-thirds of the  
6 amounts certified in item (i) of this subsection to the  
7 Authority and one-third of the amounts certified in item (i)  
8 of this subsection to the respective counties other than Cook  
9 County and the amount certified in items (ii) and (iii) of this  
10 subsection to the Authority.

11 In addition to the disbursement required by the preceding  
12 paragraph, an allocation shall be made in July 1991 and each  
13 year thereafter to the Regional Transportation Authority. The  
14 allocation shall be made in an amount equal to the average  
15 monthly distribution during the preceding calendar year  
16 (excluding the 2 months of lowest receipts) and the allocation  
17 shall include the amount of average monthly distribution from  
18 the Regional Transportation Authority Occupation and Use Tax  
19 Replacement Fund. The distribution made in July 1992 and each  
20 year thereafter under this paragraph and the preceding  
21 paragraph shall be reduced by the amount allocated and  
22 disbursed under this paragraph in the preceding calendar year.  
23 The Department of Revenue shall prepare and certify to the  
24 Comptroller for disbursement the allocations made in  
25 accordance with this paragraph.

26 (o) Failure to adopt a budget ordinance or otherwise to

1 comply with Section 4.01 of this Act or to adopt a Five-year  
2 Capital Program or otherwise to comply with paragraph (b) of  
3 Section 2.01 of this Act shall not affect the validity of any  
4 tax imposed by the Authority otherwise in conformity with law.

5 (p) At no time shall a public transportation tax or motor  
6 vehicle parking tax authorized under paragraphs (b), (c), and  
7 (d) of this Section be in effect at the same time as any  
8 retailers' occupation, use or service occupation tax  
9 authorized under paragraphs (e), (f), and (g) of this Section  
10 is in effect.

11 Any taxes imposed under the authority provided in  
12 paragraphs (b), (c), and (d) shall remain in effect only until  
13 the time as any tax authorized by paragraph (e), (f), or (g) of  
14 this Section are imposed and becomes effective. Once any tax  
15 authorized by paragraph (e), (f), or (g) is imposed the Board  
16 may not reimpose taxes as authorized in paragraphs (b), (c),  
17 and (d) of the Section unless any tax authorized by paragraph  
18 (e), (f), or (g) of this Section becomes ineffective by means  
19 other than an ordinance of the Board.

20 (q) Any existing rights, remedies and obligations  
21 (including enforcement by the Regional Transportation  
22 Authority) arising under any tax imposed under paragraph (b),  
23 (c), or (d) of this Section shall not be affected by the  
24 imposition of a tax under paragraph (e), (f), or (g) of this  
25 Section.

26 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;

1 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

2 Section 35. The Water Commission Act of 1985 is amended by  
3 changing Section 4 as follows:

4 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

5 Sec. 4. Taxes.

6 (a) The board of commissioners of any county water  
7 commission may, by ordinance, impose throughout the territory  
8 of the commission any or all of the taxes provided in this  
9 Section for its corporate purposes. However, no county water  
10 commission may impose any such tax unless the commission  
11 certifies the proposition of imposing the tax to the proper  
12 election officials, who shall submit the proposition to the  
13 voters residing in the territory at an election in accordance  
14 with the general election law, and the proposition has been  
15 approved by a majority of those voting on the proposition.

16 The proposition shall be in the form provided in Section 5  
17 or shall be substantially in the following form:

18 -----

19 Shall the (insert corporate

20 name of county water commission) YES

21 impose (state type of tax or -----

22 taxes to be imposed) at the NO

23 rate of 1/4%?

24 -----

1 Taxes imposed under this Section and civil penalties  
2 imposed incident thereto shall be collected and enforced by  
3 the State Department of Revenue. The Department shall have the  
4 power to administer and enforce the taxes and to determine all  
5 rights for refunds for erroneous payments of the taxes.

6 (b) The board of commissioners may impose a County Water  
7 Commission Retailers' Occupation Tax upon all persons engaged  
8 in the business of selling tangible personal property at  
9 retail in the territory of the commission at a rate of 1/4% of  
10 the gross receipts from the sales made in the course of such  
11 business within the territory. Beginning January 1, 2021, this  
12 tax is not imposed on sales of aviation fuel for so long as the  
13 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.  
14 47133 are binding on the District.

15 The tax imposed under this paragraph and all civil  
16 penalties that may be assessed as an incident thereof shall be  
17 collected and enforced by the State Department of Revenue. The  
18 Department shall have full power to administer and enforce  
19 this paragraph; to collect all taxes and penalties due  
20 hereunder; to dispose of taxes and penalties so collected in  
21 the manner hereinafter provided; and to determine all rights  
22 to credit memoranda arising on account of the erroneous  
23 payment of tax or penalty hereunder. In the administration of,  
24 and compliance with, this paragraph, the Department and  
25 persons who are subject to this paragraph shall have the same  
26 rights, remedies, privileges, immunities, powers and duties,



1 and be subject to the same conditions, restrictions,  
2 limitations, penalties, exclusions, exemptions and definitions  
3 of terms, and employ the same modes of procedure, as are  
4 prescribed in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2  
5 through 2-65 (in respect to all provisions therein other than  
6 the State rate of tax except that tangible personal property  
7 taxed at the 1% rate under the Retailers' Occupation Tax Act  
8 shall not be subject to tax hereunder), 2c, 3 (except as to the  
9 disposition of taxes and penalties collected, and except that  
10 the retailer's discount is not allowed for taxes paid on  
11 aviation fuel sold on or after December 1, 2019 and through  
12 December 31, 2020), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
13 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, and 13 of  
14 the Retailers' Occupation Tax Act and Section 3-7 of the  
15 Uniform Penalty and Interest Act, as fully as if those  
16 provisions were set forth herein.

17 Persons subject to any tax imposed under the authority  
18 granted in this paragraph may reimburse themselves for their  
19 seller's tax liability hereunder by separately stating the tax  
20 as an additional charge, which charge may be stated in  
21 combination, in a single amount, with State taxes that sellers  
22 are required to collect under the Use Tax Act and under  
23 subsection (e) of Section 4.03 of the Regional Transportation  
24 Authority Act, in accordance with such bracket schedules as  
25 the Department may prescribe.

26 Whenever the Department determines that a refund should be

1 made under this paragraph to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the warrant to be drawn for the  
4 amount specified, and to the person named, in the notification  
5 from the Department. The refund shall be paid by the State  
6 Treasurer out of a county water commission tax fund  
7 established under subsection (g) of this Section.

8 For the purpose of determining whether a tax authorized  
9 under this paragraph is applicable, a retail sale by a  
10 producer of coal or other mineral mined in Illinois is a sale  
11 at retail at the place where the coal or other mineral mined in  
12 Illinois is extracted from the earth. This paragraph does not  
13 apply to coal or other mineral when it is delivered or shipped  
14 by the seller to the purchaser at a point outside Illinois so  
15 that the sale is exempt under the Federal Constitution as a  
16 sale in interstate or foreign commerce.

17 If a tax is imposed under this subsection (b), a tax shall  
18 also be imposed under subsections (c) and (d) of this Section.

19 No tax shall be imposed or collected under this subsection  
20 on the sale of a motor vehicle in this State to a resident of  
21 another state if that motor vehicle will not be titled in this  
22 State.

23 Nothing in this paragraph shall be construed to authorize  
24 a county water commission to impose a tax upon the privilege of  
25 engaging in any business which under the Constitution of the  
26 United States may not be made the subject of taxation by this

1 State.

2 (c) If a tax has been imposed under subsection (b), a  
3 County Water Commission Service Occupation Tax shall also be  
4 imposed upon all persons engaged, in the territory of the  
5 commission, in the business of making sales of service, who,  
6 as an incident to making the sales of service, transfer  
7 tangible personal property within the territory. The tax rate  
8 shall be 1/4% of the selling price of tangible personal  
9 property so transferred within the territory. Beginning  
10 January 1, 2021, this tax is not imposed on sales of aviation  
11 fuel for so long as the revenue use requirements of 49 U.S.C.  
12 47107(b) and 49 U.S.C. 47133 are binding on the District.

13 The tax imposed under this paragraph and all civil  
14 penalties that may be assessed as an incident thereof shall be  
15 collected and enforced by the State Department of Revenue. The  
16 Department shall have full power to administer and enforce  
17 this paragraph; to collect all taxes and penalties due  
18 hereunder; to dispose of taxes and penalties so collected in  
19 the manner hereinafter provided; and to determine all rights  
20 to credit memoranda arising on account of the erroneous  
21 payment of tax or penalty hereunder. In the administration of,  
22 and compliance with, this paragraph, the Department and  
23 persons who are subject to this paragraph shall have the same  
24 rights, remedies, privileges, immunities, powers and duties,  
25 and be subject to the same conditions, restrictions,  
26 limitations, penalties, exclusions, exemptions and definitions

1 of terms, and employ the same modes of procedure, as are  
2 prescribed in Sections 1a-1, 2 (except that the reference to  
3 State in the definition of supplier maintaining a place of  
4 business in this State shall mean the territory of the  
5 commission), 2a, 3 through 3-50 (in respect to all provisions  
6 therein other than the State rate of tax except that tangible  
7 personal property taxed at the 1% rate under the Service  
8 Occupation Tax Act shall not be subject to tax hereunder), 4  
9 (except that the reference to the State shall be to the  
10 territory of the commission), 5, 7, 8 (except that the  
11 jurisdiction to which the tax shall be a debt to the extent  
12 indicated in that Section 8 shall be the commission), 9  
13 (except as to the disposition of taxes and penalties collected  
14 and except that the returned merchandise credit for this tax  
15 may not be taken against any State tax, and except that the  
16 retailer's discount is not allowed for taxes paid on aviation  
17 fuel sold on or after December 1, 2019 and through December 31,  
18 2020), 10, 11, 12 (except the reference therein to Section 2b  
19 of the Retailers' Occupation Tax Act), 13 (except that any  
20 reference to the State shall mean the territory of the  
21 commission), the first paragraph of Section 15, 15.5, 16, 17,  
22 18, 19, and 20 of the Service Occupation Tax Act as fully as if  
23 those provisions were set forth herein.

24 Persons subject to any tax imposed under the authority  
25 granted in this paragraph may reimburse themselves for their  
26 serviceman's tax liability hereunder by separately stating the

1 tax as an additional charge, which charge may be stated in  
2 combination, in a single amount, with State tax that  
3 servicemen are authorized to collect under the Service Use Tax  
4 Act, and any tax for which servicemen may be liable under  
5 subsection (f) of Section 4.03 of the Regional Transportation  
6 Authority Act, in accordance with such bracket schedules as  
7 the Department may prescribe.

8 Whenever the Department determines that a refund should be  
9 made under this paragraph to a claimant instead of issuing a  
10 credit memorandum, the Department shall notify the State  
11 Comptroller, who shall cause the warrant to be drawn for the  
12 amount specified, and to the person named, in the notification  
13 from the Department. The refund shall be paid by the State  
14 Treasurer out of a county water commission tax fund  
15 established under subsection (g) of this Section.

16 Nothing in this paragraph shall be construed to authorize  
17 a county water commission to impose a tax upon the privilege of  
18 engaging in any business which under the Constitution of the  
19 United States may not be made the subject of taxation by the  
20 State.

21 (d) If a tax has been imposed under subsection (b), a tax  
22 shall also be imposed upon the privilege of using, in the  
23 territory of the commission, any item of tangible personal  
24 property that is purchased outside the territory at retail  
25 from a retailer, and that is titled or registered with an  
26 agency of this State's government, at a rate of 1/4% of the

1 selling price of the tangible personal property within the  
2 territory, as "selling price" is defined in the Use Tax Act.  
3 The tax shall be collected from persons whose Illinois address  
4 for titling or registration purposes is given as being in the  
5 territory. The tax shall be collected by the Department of  
6 Revenue for a county water commission. The tax must be paid to  
7 the State, or an exemption determination must be obtained from  
8 the Department of Revenue, before the title or certificate of  
9 registration for the property may be issued. The tax or proof  
10 of exemption may be transmitted to the Department by way of the  
11 State agency with which, or the State officer with whom, the  
12 tangible personal property must be titled or registered if the  
13 Department and the State agency or State officer determine  
14 that this procedure will expedite the processing of  
15 applications for title or registration.

16 The Department shall have full power to administer and  
17 enforce this paragraph; to collect all taxes, penalties, and  
18 interest due hereunder; to dispose of taxes, penalties, and  
19 interest so collected in the manner hereinafter provided; and  
20 to determine all rights to credit memoranda or refunds arising  
21 on account of the erroneous payment of tax, penalty, or  
22 interest hereunder. In the administration of and compliance  
23 with this paragraph, the Department and persons who are  
24 subject to this paragraph shall have the same rights,  
25 remedies, privileges, immunities, powers, and duties, and be  
26 subject to the same conditions, restrictions, limitations,

1 penalties, exclusions, exemptions, and definitions of terms  
2 and employ the same modes of procedure, as are prescribed in  
3 Sections 2 (except the definition of "retailer maintaining a  
4 place of business in this State"), 3 through 3-80 (except  
5 provisions pertaining to the State rate of tax, and except  
6 provisions concerning collection or refunding of the tax by  
7 retailers), 4, 11, 12, 12a, 14, 15, 19 (except the portions  
8 pertaining to claims by retailers and except the last  
9 paragraph concerning refunds), 20, 21, and 22 of the Use Tax  
10 Act and Section 3-7 of the Uniform Penalty and Interest Act  
11 that are not inconsistent with this paragraph, as fully as if  
12 those provisions were set forth herein.

13 Whenever the Department determines that a refund should be  
14 made under this paragraph to a claimant instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the order to be drawn for the  
17 amount specified, and to the person named, in the notification  
18 from the Department. The refund shall be paid by the State  
19 Treasurer out of a county water commission tax fund  
20 established under subsection (g) of this Section.

21 (e) A certificate of registration issued by the State  
22 Department of Revenue to a retailer under the Retailers'  
23 Occupation Tax Act or under the Service Occupation Tax Act  
24 shall permit the registrant to engage in a business that is  
25 taxed under the tax imposed under subsection (b), (c), or (d)  
26 of this Section and no additional registration shall be

1 required under the tax. A certificate issued under the Use Tax  
2 Act or the Service Use Tax Act shall be applicable with regard  
3 to any tax imposed under subsection (c) of this Section.

4 (f) Any ordinance imposing or discontinuing any tax under  
5 this Section shall be adopted and a certified copy thereof  
6 filed with the Department on or before June 1, whereupon the  
7 Department of Revenue shall proceed to administer and enforce  
8 this Section on behalf of the county water commission as of  
9 September 1 next following the adoption and filing. Beginning  
10 January 1, 1992, an ordinance or resolution imposing or  
11 discontinuing the tax hereunder shall be adopted and a  
12 certified copy thereof filed with the Department on or before  
13 the first day of July, whereupon the Department shall proceed  
14 to administer and enforce this Section as of the first day of  
15 October next following such adoption and filing. Beginning  
16 January 1, 1993, an ordinance or resolution imposing or  
17 discontinuing the tax hereunder shall be adopted and a  
18 certified copy thereof filed with the Department on or before  
19 the first day of October, whereupon the Department shall  
20 proceed to administer and enforce this Section as of the first  
21 day of January next following such adoption and filing.

22 (g) The State Department of Revenue shall, upon collecting  
23 any taxes as provided in this Section, pay the taxes over to  
24 the State Treasurer as trustee for the commission. The taxes  
25 shall be held in a trust fund outside the State Treasury.

26 As soon as possible after the first day of each month,



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

8 After the monthly transfer to the STAR Bonds Revenue Fund,  
9 on or before the 25th day of each calendar month, the State  
10 Department of Revenue shall prepare and certify to the  
11 Comptroller of the State of Illinois the amount to be paid to  
12 the commission, which shall be the amount (not including  
13 credit memoranda) collected under this Section during the  
14 second preceding calendar month by the Department plus an  
15 amount the Department determines is necessary to offset any  
16 amounts that were erroneously paid to a different taxing body,  
17 and not including any amount equal to the amount of refunds  
18 made during the second preceding calendar month by the  
19 Department on behalf of the commission, and not including any  
20 amount that the Department determines is necessary to offset  
21 any amounts that were payable to a different taxing body but  
22 were erroneously paid to the commission, and less any amounts  
23 that are transferred to the STAR Bonds Revenue Fund, less 1%  
24 ~~1.5%~~ of the remainder, which shall be transferred into the Tax  
25 Compliance and Administration Fund. The Department, at the  
26 time of each monthly disbursement to the commission, shall

1 prepare and certify to the State Comptroller the amount to be  
2 transferred into the Tax Compliance and Administration Fund  
3 under this subsection. Within 10 days after receipt by the  
4 Comptroller of the certification of the amount to be paid to  
5 the commission and the Tax Compliance and Administration Fund,  
6 the Comptroller shall cause an order to be drawn for the  
7 payment for the amount in accordance with the direction in the  
8 certification.

9 (h) Beginning June 1, 2016, any tax imposed pursuant to  
10 this Section may no longer be imposed or collected, unless a  
11 continuation of the tax is approved by the voters at a  
12 referendum as set forth in this Section.

13 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;  
14 100-863, eff. 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff.  
15 6-5-19; 101-81, eff. 7-12-19; 101-604, eff. 12-13-19.)

16 Section 99. Effective date. This Act takes effect July 1,  
17 2023.