

1 AN ACT concerning taxes.

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

4 Section 5. The Retailers' Occupation Tax Act is amended  
5 by changing Section 2-10 as follows:

6 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

7 Sec. 2-10. Rate of tax. Unless otherwise provided in  
8 this Section, the tax imposed by this Act is at the rate of  
9 6.25% of gross receipts from the sale sales of tangible  
10 personal property made in the course of business.

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

15 Within 14 days after the effective date of this  
16 amendatory Act of the 91st General Assembly, each retailer of  
17 motor fuel and gasohol shall cause the following notice to be  
18 posted in a prominently visible place on each retail  
19 dispensing device that is used to dispense motor fuel or  
20 gasohol in the State of Illinois: "As of July 1, 2000, the  
21 State of Illinois has eliminated the State's share of sales  
22 tax on motor fuel and gasohol through December 31, 2000. The  
23 price on this pump should reflect the elimination of the  
24 tax." The notice shall be printed in bold print on a sign  
25 that is no smaller than 4 inches by 8 inches. The sign shall  
26 be clearly visible to customers. Any retailer who fails to  
27 post or maintain a required sign through December 31, 2000 is  
28 guilty of a petty offense for which the fine shall be \$500  
29 per day per each retail premises where a violation occurs.

30 With respect to gasohol, as defined in the Use Tax Act,  
31 the tax imposed by this Act applies to 70% of the proceeds of

1 sales made on or after January 1, 1990, and before July 1,  
2 2003, and to 100% of the proceeds of sales made thereafter.

3 With respect to food for human consumption that is to be  
4 consumed off the premises where it is sold (other than  
5 alcoholic beverages, soft drinks, and food that has been  
6 prepared for immediate consumption) and prescription and  
7 nonprescription medicines, drugs, medical appliances,  
8 modifications to a motor vehicle for the purpose of rendering  
9 it usable by a disabled person, and insulin, urine testing  
10 materials, syringes, and needles used by diabetics, for human  
11 use, the tax is imposed at the rate of 1%. For the purposes  
12 of this Section, the term "soft drinks" means any complete,  
13 finished, ready-to-use, non-alcoholic drink, whether  
14 carbonated or not, including but not limited to soda water,  
15 cola, fruit juice, vegetable juice, carbonated water, and all  
16 other preparations commonly known as soft drinks of whatever  
17 kind or description that are contained in any closed or  
18 sealed bottle, can, carton, or container, regardless of size.  
19 "Soft drinks" does not include coffee, tea, non-carbonated  
20 water, infant formula, milk or milk products as defined in  
21 the Grade A Pasteurized Milk and Milk Products Act, or drinks  
22 containing 50% or more natural fruit or vegetable juice.

23 Notwithstanding any other provisions of this Act, "food  
24 for human consumption that is to be consumed off the premises  
25 where it is sold" includes all food sold through a vending  
26 machine, except soft drinks and food products that are  
27 dispensed hot from a vending machine, regardless of the  
28 location of the vending machine.

29 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;  
30 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)