

1 AMENDMENT TO SENATE BILL 843

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 843 by replacing  
3 the title with the following:

4 "AN ACT concerning local government."; and

5 by replacing everything after the enacting clause with the  
6 following:

7 "Section 5. The Counties Code is amended by adding  
8 Section 5-1014.3 as follows:

9 (55 ILCS 5/5-1014.3 new)

10 Sec. 5-1014.3. Agreements to share or rebate occupation  
11 taxes.

12 (a) On and after June 1, 2003, neither a county board  
13 nor a retailer shall enter into any agreement to share or  
14 rebate any portion of retailers' occupation taxes generated  
15 by retail sales of tangible personal property if: (1) the tax  
16 on those retail sales, absent the agreement, would have been  
17 paid to another unit of local government; and (2) the  
18 retailer maintains, within that other unit of local  
19 government, a retail location from which the tangible  
20 personal property is delivered to purchasers, or a warehouse  
21 from which the tangible personal property is delivered to

1 purchasers. Any unit of local government denied retailers'  
2 occupation tax revenue because of an agreement that violates  
3 this Section may file an action in circuit court against the  
4 county. Any agreement entered into prior to June 1, 2003 is  
5 not affected by this amendatory Act of the 93rd General  
6 Assembly. Any unit of local government that prevails in the  
7 circuit court action is entitled to damages in the amount of  
8 the tax revenue it was denied as a result of the agreement,  
9 statutory interest, costs, reasonable attorney's fees, and an  
10 amount equal to 50% of the tax.

11 (b) On and after the effective date of this amendatory  
12 Act of the 93rd General Assembly, a home rule unit shall not  
13 enter into any agreement prohibited by this Section. This  
14 Section is a denial and limitation of home rule powers and  
15 functions under subsection (g) of Section 6 of Article VII of  
16 the Illinois Constitution.

17 Section 10. The Illinois Municipal Code is amended by  
18 adding Section 8-11-21 as follows:

19 (65 ILCS 5/8-11-21 new)

20 Sec. 8-11-21. Agreements to share or rebate occupation  
21 taxes.

22 (a) On and after June 1, 2003, neither the corporate  
23 authorities of a municipality nor a retailer shall enter into  
24 any agreement to share or rebate any portion of retailers'  
25 occupation taxes generated by retail sales of tangible  
26 personal property if: (1) the tax on those retail sales,  
27 absent the agreement, would have been paid to another unit of  
28 local government; and (2) the retailer maintains, within that  
29 other unit of local government, a retail location from which  
30 the tangible personal property is delivered to purchasers, or  
31 a warehouse from which the tangible personal property is  
32 delivered to purchasers. Any unit of local government denied

1 retailers' occupation tax revenue because of an agreement  
2 that violates this Section may file an action in circuit  
3 court against the municipality. Any agreement entered into  
4 prior to June 1, 2003 is not affected by this amendatory Act  
5 of the 93rd General Assembly. Any unit of local government  
6 that prevails in the circuit court action is entitled to  
7 damages in the amount of the tax revenue it was denied as a  
8 result of the agreement, statutory interest, costs,  
9 reasonable attorney's fees, and an amount equal to 50% of the  
10 tax.

11 (b) On and after the effective date of this amendatory  
12 Act of the 93rd General Assembly, a home rule unit shall not  
13 enter into any agreement prohibited by this Section. This  
14 Section is a denial and limitation of home rule powers and  
15 functions under subsection (g) of Section 6 of Article VII of  
16 the Illinois Constitution.

17 Section 99. Effective date. This Act takes effect upon  
18 becoming law."