

1 AN ACT in relation to alcohol.

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 by
5 changing Section 3 as follows:

6 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

12 1. The name of the seller;

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

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

23 4. Total amount received by him during the preceding
24 calendar month or quarter on charge and time sales of
25 tangible personal property, and from services furnished,
26 by him prior to the month or quarter for which the return
27 is filed;

28 5. Deductions allowed by law;

29 6. Gross receipts which were received by him during the
30 preceding calendar month or quarter and upon the basis of
31 which the tax is imposed;

32 7. The amount of credit provided in Section 2d of this

1 Act;

2 8. The amount of tax due;

3 9. The signature of the taxpayer; and

4 10. Such other reasonable information as the
5 Department may require.

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

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

13 Prior to October 1, 2003, a retailer may accept a
14 Manufacturer's Purchase Credit certification from a purchaser
15 in satisfaction of Use Tax as provided in Section 3-85 of the
16 Use Tax Act if the purchaser provides the appropriate
17 documentation as required by Section 3-85 of the Use Tax Act. A
18 Manufacturer's Purchase Credit certification, accepted by a
19 retailer prior to October 1, 2003 as provided in Section 3-85
20 of the Use Tax Act, may be used by that retailer to satisfy
21 Retailers' Occupation Tax liability in the amount claimed in
22 the certification, not to exceed 6.25% of the receipts subject
23 to tax from a qualifying purchase. A Manufacturer's Purchase
24 Credit reported on any original or amended return filed under
25 this Act after October 20, 2003 shall be disallowed. No
26 Manufacturer's Purchase Credit may be used after September 30,
27 2003 to satisfy any tax liability imposed under this Act,
28 including any audit liability.

29 The Department may require returns to be filed on a
30 quarterly basis. If so required, a return for each calendar
31 quarter shall be filed on or before the twentieth day of the
32 calendar month following the end of such calendar quarter. The
33 taxpayer shall also file a return with the Department for each
34 of the first two months of each calendar quarter, on or before
35 the twentieth day of the following calendar month, stating:

36 1. The name of the seller;

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

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

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

11 5. The amount of tax due; and

12 6. Such other reasonable information as the Department
13 may require.

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

28 Beginning on October 1, 2003, every distributor, importing
29 distributor, and manufacturer of alcoholic liquor as defined in
30 the Liquor Control Act of 1934, shall file a statement with the
31 Department of Revenue, no later than the 10th day of the month
32 for the preceding month during which transactions occurred, by
33 electronic means, showing the total amount of gross receipts
34 from the sale of alcoholic liquor sold or distributed during
35 the preceding month to purchasers; identifying the purchaser to
36 whom it was sold or distributed; the purchaser's tax

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

22 If a total amount of less than \$1 is payable, refundable or
23 creditable, such amount shall be disregarded if it is less than
24 50 cents and shall be increased to \$1 if it is 50 cents or more.

25 Beginning October 1, 1993, a taxpayer who has an average
26 monthly tax liability of \$150,000 or more shall make all
27 payments required by rules of the Department by electronic
28 funds transfer. Beginning October 1, 1994, a taxpayer who has
29 an average monthly tax liability of \$100,000 or more shall make
30 all payments required by rules of the Department by electronic
31 funds transfer. Beginning October 1, 1995, a taxpayer who has
32 an average monthly tax liability of \$50,000 or more shall make
33 all payments required by rules of the Department by electronic
34 funds transfer. Beginning October 1, 2000, a taxpayer who has
35 an annual tax liability of \$200,000 or more shall make all
36 payments required by rules of the Department by electronic

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

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

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

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

26 The Department shall adopt such rules as are necessary to
27 effectuate a program of electronic funds transfer and the
28 requirements of this Section.

29 Any amount which is required to be shown or reported on any
30 return or other document under this Act shall, if such amount
31 is not a whole-dollar amount, be increased to the nearest
32 whole-dollar amount in any case where the fractional part of a
33 dollar is 50 cents or more, and decreased to the nearest
34 whole-dollar amount where the fractional part of a dollar is
35 less than 50 cents.

36 If the retailer is otherwise required to file a monthly

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

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

17 Such quarter annual and annual returns, as to form and
18 substance, shall be subject to the same requirements as monthly
19 returns.

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

27 Where the same person has more than one business registered
28 with the Department under separate registrations under this
29 Act, such person may not file each return that is due as a
30 single return covering all such registered businesses, but
31 shall file separate returns for each such registered business.

32 In addition, with respect to motor vehicles, watercraft,
33 aircraft, and trailers that are required to be registered with
34 an agency of this State, every retailer selling this kind of
35 tangible personal property shall file, with the Department,
36 upon a form to be prescribed and supplied by the Department, a

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

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

27 The transaction reporting return, in the case of motor
28 vehicles or trailers that are required to be registered with an
29 agency of this State, shall be the same document as the Uniform
30 Invoice referred to in Section 5-402 of The Illinois Vehicle
31 Code and must show the name and address of the seller; the name
32 and address of the purchaser; the amount of the selling price
33 including the amount allowed by the retailer for traded-in
34 property, if any; the amount allowed by the retailer for the
35 traded-in tangible personal property, if any, to the extent to
36 which Section 1 of this Act allows an exemption for the value

1 of traded-in property; the balance payable after deducting such
2 trade-in allowance from the total selling price; the amount of
3 tax due from the retailer with respect to such transaction; the
4 amount of tax collected from the purchaser by the retailer on
5 such transaction (or satisfactory evidence that such tax is not
6 due in that particular instance, if that is claimed to be the
7 fact); the place and date of the sale; a sufficient
8 identification of the property sold; such other information as
9 is required in Section 5-402 of The Illinois Vehicle Code, and
10 such other information as the Department may reasonably
11 require.

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

28 Such transaction reporting return shall be filed not later
29 than 20 days after the day of delivery of the item that is
30 being sold, but may be filed by the retailer at any time sooner
31 than that if he chooses to do so. The transaction reporting
32 return and tax remittance or proof of exemption from the
33 Illinois use tax may be transmitted to the Department by way of
34 the State agency with which, or State officer with whom the
35 tangible personal property must be titled or registered (if
36 titling or registration is required) if the Department and such

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

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

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

25 If the user who would otherwise pay tax to the retailer
26 wants the transaction reporting return filed and the payment of
27 the tax or proof of exemption made to the Department before the
28 retailer is willing to take these actions and such user has not
29 paid the tax to the retailer, such user may certify to the fact
30 of such delay by the retailer and may (upon the Department
31 being satisfied of the truth of such certification) transmit
32 the information required by the transaction reporting return
33 and the remittance for tax or proof of exemption directly to
34 the Department and obtain his tax receipt or exemption
35 determination, in which event the transaction reporting return
36 and tax remittance (if a tax payment was required) shall be

1 credited by the Department to the proper retailer's account
2 with the Department, but without the 2.1% or 1.75% discount
3 provided for in this Section being allowed. When the user pays
4 the tax directly to the Department, he shall pay the tax in the
5 same amount and in the same form in which it would be remitted
6 if the tax had been remitted to the Department by the retailer.

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

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

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

23 Except as provided in this Section, the retailer filing the
24 return under this Section shall, at the time of filing such
25 return, pay to the Department the amount of tax imposed by this
26 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
27 on and after January 1, 1990, or \$5 per calendar year,
28 whichever is greater, which is allowed to reimburse the
29 retailer for the expenses incurred in keeping records,
30 preparing and filing returns, remitting the tax and supplying
31 data to the Department on request. Any prepayment made pursuant
32 to Section 2d of this Act shall be included in the amount on
33 which such 2.1% or 1.75% discount is computed. In the case of
34 retailers who report and pay the tax on a transaction by
35 transaction basis, as provided in this Section, such discount
36 shall be taken with each such tax remittance instead of when

1 such retailer files his periodic return.

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

1 or after January 1, 1987 and prior to January 1, 1988, each
2 payment shall be in an amount equal to 22.5% of the taxpayer's
3 actual liability for the month or 26.25% of the taxpayer's
4 liability for the same calendar month of the preceding year. If
5 the month during which such tax liability is incurred begins on
6 or after January 1, 1988, and prior to January 1, 1989, or
7 begins on or after January 1, 1996, each payment shall be in an
8 amount equal to 22.5% of the taxpayer's actual liability for
9 the month or 25% of the taxpayer's liability for the same
10 calendar month of the preceding year. If the month during which
11 such tax liability is incurred begins on or after January 1,
12 1989, and prior to January 1, 1996, each payment shall be in an
13 amount equal to 22.5% of the taxpayer's actual liability for
14 the month or 25% of the taxpayer's liability for the same
15 calendar month of the preceding year or 100% of the taxpayer's
16 actual liability for the quarter monthly reporting period. The
17 amount of such quarter monthly payments shall be credited
18 against the final tax liability of the taxpayer's return for
19 that month. Before October 1, 2000, once applicable, the
20 requirement of the making of quarter monthly payments to the
21 Department by taxpayers having an average monthly tax liability
22 of \$10,000 or more as determined in the manner provided above
23 shall continue until such taxpayer's average monthly liability
24 to the Department during the preceding 4 complete calendar
25 quarters (excluding the month of highest liability and the
26 month of lowest liability) is less than \$9,000, or until such
27 taxpayer's average monthly liability to the Department as
28 computed for each calendar quarter of the 4 preceding complete
29 calendar quarter period is less than \$10,000. However, if a
30 taxpayer can show the Department that a substantial change in
31 the taxpayer's business has occurred which causes the taxpayer
32 to anticipate that his average monthly tax liability for the
33 reasonably foreseeable future will fall below the \$10,000
34 threshold stated above, then such taxpayer may petition the
35 Department for a change in such taxpayer's reporting status. On
36 and after October 1, 2000, once applicable, the requirement of

1 the making of quarter monthly payments to the Department by
2 taxpayers having an average monthly tax liability of \$20,000 or
3 more as determined in the manner provided above shall continue
4 until such taxpayer's average monthly liability to the
5 Department during the preceding 4 complete calendar quarters
6 (excluding the month of highest liability and the month of
7 lowest liability) is less than \$19,000 or until such taxpayer's
8 average monthly liability to the Department as computed for
9 each calendar quarter of the 4 preceding complete calendar
10 quarter period is less than \$20,000. However, if a taxpayer can
11 show the Department that a substantial change in the taxpayer's
12 business has occurred which causes the taxpayer to anticipate
13 that his average monthly tax liability for the reasonably
14 foreseeable future will fall below the \$20,000 threshold stated
15 above, then such taxpayer may petition the Department for a
16 change in such taxpayer's reporting status. The Department
17 shall change such taxpayer's reporting status unless it finds
18 that such change is seasonal in nature and not likely to be
19 long term. If any such quarter monthly payment is not paid at
20 the time or in the amount required by this Section, then the
21 taxpayer shall be liable for penalties and interest on the
22 difference between the minimum amount due as a payment and the
23 amount of such quarter monthly payment actually and timely
24 paid, except insofar as the taxpayer has previously made
25 payments for that month to the Department in excess of the
26 minimum payments previously due as provided in this Section.
27 The Department shall make reasonable rules and regulations to
28 govern the quarter monthly payment amount and quarter monthly
29 payment dates for taxpayers who file on other than a calendar
30 monthly basis.

31 The provisions of this paragraph apply before October 1,
32 2001. Without regard to whether a taxpayer is required to make
33 quarter monthly payments as specified above, any taxpayer who
34 is required by Section 2d of this Act to collect and remit
35 prepaid taxes and has collected prepaid taxes which average in
36 excess of \$25,000 per month during the preceding 2 complete

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

31 The provisions of this paragraph apply on and after October
32 1, 2001. Without regard to whether a taxpayer is required to
33 make quarter monthly payments as specified above, any taxpayer
34 who is required by Section 2d of this Act to collect and remit
35 prepaid taxes and has collected prepaid taxes that average in
36 excess of \$20,000 per month during the preceding 4 complete

1 calendar quarters shall file a return with the Department as
2 required by Section 2f and shall make payments to the
3 Department on or before the 7th, 15th, 22nd and last day of the
4 month during which the liability is incurred. Each payment
5 shall be in an amount equal to 22.5% of the taxpayer's actual
6 liability for the month or 25% of the taxpayer's liability for
7 the same calendar month of the preceding year. The amount of
8 the quarter monthly payments shall be credited against the
9 final tax liability of the taxpayer's return for that month
10 filed under this Section or Section 2f, as the case may be.
11 Once applicable, the requirement of the making of quarter
12 monthly payments to the Department pursuant to this paragraph
13 shall continue until the taxpayer's average monthly prepaid tax
14 collections during the preceding 4 complete calendar quarters
15 (excluding the month of highest liability and the month of
16 lowest liability) is less than \$19,000 or until such taxpayer's
17 average monthly liability to the Department as computed for
18 each calendar quarter of the 4 preceding complete calendar
19 quarters is less than \$20,000. If any such quarter monthly
20 payment is not paid at the time or in the amount required, the
21 taxpayer shall be liable for penalties and interest on such
22 difference, except insofar as the taxpayer has previously made
23 payments for that month in excess of the minimum payments
24 previously due.

25 If any payment provided for in this Section exceeds the
26 taxpayer's liabilities under this Act, the Use Tax Act, the
27 Service Occupation Tax Act and the Service Use Tax Act, as
28 shown on an original monthly return, the Department shall, if
29 requested by the taxpayer, issue to the taxpayer a credit
30 memorandum no later than 30 days after the date of payment. The
31 credit evidenced by such credit memorandum may be assigned by
32 the taxpayer to a similar taxpayer under this Act, the Use Tax
33 Act, the Service Occupation Tax Act or the Service Use Tax Act,
34 in accordance with reasonable rules and regulations to be
35 prescribed by the Department. If no such request is made, the
36 taxpayer may credit such excess payment against tax liability

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

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

16 Beginning January 1, 1990, each month the Department shall
17 pay into the Local Government Tax Fund, a special fund in the
18 State treasury which is hereby created, the net revenue
19 realized for the preceding month from the 1% tax on sales of
20 food for human consumption which is to be consumed off the
21 premises where it is sold (other than alcoholic beverages, soft
22 drinks and food which has been prepared for immediate
23 consumption) and prescription and nonprescription medicines,
24 drugs, medical appliances and insulin, urine testing
25 materials, syringes and needles used by diabetics.

26 Beginning January 1, 1990, each month the Department shall
27 pay into the County and Mass Transit District Fund, a special
28 fund in the State treasury which is hereby created, 4% of the
29 net revenue realized for the preceding month from the 6.25%
30 general rate.

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

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

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

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

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

27	Fiscal Year	Annual Specified Amount
28	1986	\$54,800,000
29	1987	\$76,650,000
30	1988	\$80,480,000
31	1989	\$88,510,000
32	1990	\$115,330,000
33	1991	\$145,470,000
34	1992	\$182,730,000
35	1993	\$206,520,000;

36 and means the Certified Annual Debt Service Requirement (as

1 defined in Section 13 of the Build Illinois Bond Act) or the
2 Tax Act Amount, whichever is greater, for fiscal year 1994 and
3 each fiscal year thereafter; and further provided, that if on
4 the last business day of any month the sum of (1) the Tax Act
5 Amount required to be deposited into the Build Illinois Bond
6 Account in the Build Illinois Fund during such month and (2)
7 the amount transferred to the Build Illinois Fund from the
8 State and Local Sales Tax Reform Fund shall have been less than
9 1/12 of the Annual Specified Amount, an amount equal to the
10 difference shall be immediately paid into the Build Illinois
11 Fund from other moneys received by the Department pursuant to
12 the Tax Acts; and, further provided, that in no event shall the
13 payments required under the preceding proviso result in
14 aggregate payments into the Build Illinois Fund pursuant to
15 this clause (b) for any fiscal year in excess of the greater of
16 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
17 such fiscal year. The amounts payable into the Build Illinois
18 Fund under clause (b) of the first sentence in this paragraph
19 shall be payable only until such time as the aggregate amount
20 on deposit under each trust indenture securing Bonds issued and
21 outstanding pursuant to the Build Illinois Bond Act is
22 sufficient, taking into account any future investment income,
23 to fully provide, in accordance with such indenture, for the
24 defeasance of or the payment of the principal of, premium, if
25 any, and interest on the Bonds secured by such indenture and on
26 any Bonds expected to be issued thereafter and all fees and
27 costs payable with respect thereto, all as certified by the
28 Director of the Bureau of the Budget (now Governor's Office of
29 Management and Budget). If on the last business day of any
30 month in which Bonds are outstanding pursuant to the Build
31 Illinois Bond Act, the aggregate of moneys deposited in the
32 Build Illinois Bond Account in the Build Illinois Fund in such
33 month shall be less than the amount required to be transferred
34 in such month from the Build Illinois Bond Account to the Build
35 Illinois Bond Retirement and Interest Fund pursuant to Section
36 13 of the Build Illinois Bond Act, an amount equal to such

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

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

	Fiscal Year	Total Deposit
25		
26	1993	\$0
27	1994	53,000,000
28	1995	58,000,000
29	1996	61,000,000
30	1997	64,000,000
31	1998	68,000,000
32	1999	71,000,000
33	2000	75,000,000
34	2001	80,000,000
35	2002	93,000,000

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	246,000,000
20	2022	260,000,000
21	2023 and	275,000,000

22 each fiscal year
23 thereafter that bonds
24 are outstanding under
25 Section 13.2 of the
26 Metropolitan Pier and
27 Exposition Authority Act,
28 but not after fiscal year 2042.

29 Beginning July 20, 1993 and in each month of each fiscal
30 year thereafter, one-eighth of the amount requested in the
31 certificate of the Chairman of the Metropolitan Pier and
32 Exposition Authority for that fiscal year, less the amount
33 deposited into the McCormick Place Expansion Project Fund by
34 the State Treasurer in the respective month under subsection
35 (g) of Section 13 of the Metropolitan Pier and Exposition
36 Authority Act, plus cumulative deficiencies in the deposits

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

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

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

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

33 The Department may, upon separate written notice to a
34 taxpayer, require the taxpayer to prepare and file with the
35 Department on a form prescribed by the Department within not
36 less than 60 days after receipt of the notice an annual

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

20 If the annual information return required by this Section
21 is not filed when and as required, the taxpayer shall be liable
22 as follows:

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

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

33 The chief executive officer, proprietor, owner or highest
34 ranking manager shall sign the annual return to certify the
35 accuracy of the information contained therein. Any person who
36 willfully signs the annual return containing false or

1 inaccurate information shall be guilty of perjury and punished
2 accordingly. The annual return form prescribed by the
3 Department shall include a warning that the person signing the
4 return may be liable for perjury.

5 The provisions of this Section concerning the filing of an
6 annual information return do not apply to a retailer who is not
7 required to file an income tax return with the United States
8 Government.

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

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

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

27 Any person who promotes, organizes, provides retail
28 selling space for concessionaires or other types of sellers at
29 the Illinois State Fair, DuQuoin State Fair, county fairs,
30 local fairs, art shows, flea markets and similar exhibitions or
31 events, including any transient merchant as defined by Section
32 2 of the Transient Merchant Act of 1987, is required to file a
33 report with the Department providing the name of the merchant's
34 business, the name of the person or persons engaged in
35 merchant's business, the permanent address and Illinois
36 Retailers Occupation Tax Registration Number of the merchant,

1 the dates and location of the event and other reasonable
2 information that the Department may require. The report must be
3 filed not later than the 20th day of the month next following
4 the month during which the event with retail sales was held.
5 Any person who fails to file a report required by this Section
6 commits a business offense and is subject to a fine not to
7 exceed \$250.

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

28 (Source: P.A. 92-12, eff. 7-1-01; 92-16, eff. 6-28-01; 92-208,
29 eff. 8-2-01; 92-484, eff. 8-23-01; 92-492, eff. 1-1-02; 92-600,
30 eff. 6-28-02; 92-651, eff. 7-11-02; 93-22, eff. 6-20-03; 93-24,
31 eff. 6-20-03; revised 10-15-03.)

32 Section 10. The Liquor Control Act of 1934 is amended by
33 changing Sections 7-5 and 7-6 as follows:

34 (235 ILCS 5/7-5) (from Ch. 43, par. 149)

1 Sec. 7-5. The local liquor control commissioner may revoke
2 or suspend any license issued by him if he determines that the
3 licensee has violated any of the provisions of this Act or of
4 any valid ordinance or resolution enacted by the particular
5 city council, president, or board of trustees or county board
6 (as the case may be) or any applicable rule or regulations
7 established by the local liquor control commissioner or the
8 State commission which is not inconsistent with law. Upon
9 notification by the Illinois Department of Revenue, the State
10 Commission, in accordance with Section 3-12, may fine a
11 licensee or suspend or ~~shall~~ revoke any license issued by the
12 State Commission ~~it~~ if the licensee has violated the provisions
13 of Section 3 of the Retailers' Occupation Tax Act. In addition
14 to the suspension, the local liquor control commissioner in any
15 county or municipality may levy a fine on the licensee for such
16 violations. The fine imposed shall not exceed \$1000 for a first
17 violation within a 12-month period, \$1,500 for a second
18 violation within a 12-month period, and \$2,500 for a third or
19 subsequent violation within a 12-month period. Each day on
20 which a violation continues shall constitute a separate
21 violation. Not more than \$15,000 in fines under this Section
22 may be imposed against any licensee during the period of his
23 license. Proceeds from such fines shall be paid into the
24 general corporate fund of the county or municipal treasury, as
25 the case may be.

26 However, no such license shall be so revoked or suspended
27 and no licensee shall be fined except after a public hearing by
28 the local liquor control commissioner with a 3 day written
29 notice to the licensee affording the licensee an opportunity to
30 appear and defend. All such hearings shall be open to the
31 public and the local liquor control commissioner shall reduce
32 all evidence to writing and shall maintain an official record
33 of the proceedings. If the local liquor control commissioner
34 has reason to believe that any continued operation of a
35 particular licensed premises will immediately threaten the
36 welfare of the community he may, upon the issuance of a written

1 order stating the reason for such conclusion and without notice
2 or hearing order the licensed premises closed for not more than
3 7 days, giving the licensee an opportunity to be heard during
4 that period, except that if such licensee shall also be engaged
5 in the conduct of another business or businesses on the
6 licensed premises such order shall not be applicable to such
7 other business or businesses.

8 The local liquor control commissioner shall within 5 days
9 after such hearing, if he determines after such hearing that
10 the license should be revoked or suspended or that the licensee
11 should be fined, state the reason or reasons for such
12 determination in a written order, and either the amount of the
13 fine, the period of suspension, or that the license has been
14 revoked, and shall serve a copy of such order within the 5 days
15 upon the licensee.

16 If the premises for which the license was issued are
17 located outside of a city, village or incorporated town having
18 a population of 500,000 or more inhabitants, the licensee after
19 the receipt of such order of suspension or revocation shall
20 have the privilege within a period of 20 days after the receipt
21 of such order of suspension or revocation of appealing the
22 order to the State commission for a decision sustaining,
23 reversing or modifying the order of the local liquor control
24 commissioner. If the State commission affirms the local
25 commissioner's order to suspend or revoke the license at the
26 first hearing, the appellant shall cease to engage in the
27 business for which the license was issued, until the local
28 commissioner's order is terminated by its own provisions or
29 reversed upon rehearing or by the courts.

30 If the premises for which the license was issued are
31 located within a city, village or incorporated town having a
32 population of 500,000 or more inhabitants, the licensee shall
33 have the privilege, within a period of 20 days after the
34 receipt of such order of fine, suspension or revocation, of
35 appealing the order to the local license appeal commission and
36 upon the filing of such an appeal by the licensee the license

1 appeal commission shall determine the appeal upon certified
2 record of proceedings of the local liquor commissioner in
3 accordance with the provisions of Section 7-9. Within 30 days
4 after such appeal was heard the license appeal commission shall
5 render a decision sustaining or reversing the order of the
6 local liquor control commissioner.

7 (Source: P.A. 93-22, eff. 6-20-03.)

8 (235 ILCS 5/7-6) (from Ch. 43, par. 150)

9 Sec. 7-6. All proceedings for the revocation or suspension
10 of licenses of manufacturers, distributors, importing
11 distributors, non-resident dealers, foreign importers,
12 non-beverage users, railroads, airplanes and boats shall be
13 before the State Commission. All such proceedings and all
14 proceedings for the revocation or suspension of a retailer's
15 license before the State commission shall be in accordance with
16 rules and regulations established by it not inconsistent with
17 law. However, no such license shall be so revoked or suspended
18 except after a hearing by the State commission with reasonable
19 notice to the licensee served by registered or certified mail
20 with return receipt requested at least 10 days prior to the
21 hearings at the last known place of business of the licensee
22 and after an opportunity to appear and defend. Such notice
23 shall specify the time and place of the hearing, the nature of
24 the charges, the specific provisions of the Act and rules
25 violated, and the specific facts supporting the charges or
26 violation. The findings of the Commission shall be predicated
27 upon competent evidence. The revocation of a local license
28 shall automatically result in the revocation of a State
29 license. Upon notification by the Illinois Department of
30 Revenue, the State Commission, in accordance with Section 3-12,
31 may fine a licensee or suspend or ~~shall~~ revoke any license
32 issued by the State Commission ~~it~~ if the licensee has violated
33 the provisions of Section 3 of the Retailers' Occupation Tax
34 Act. All procedures for the suspension or revocation of a
35 license, as enumerated above, are applicable to the levying of

1 fines for violations of this Act or any rule or regulation
2 issued pursuant thereto.

3 (Source: P.A. 93-22, eff. 6-20-03.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.