



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB0313

Introduced 1/19/2005, by Rep. Jim Sacia

SYNOPSIS AS INTRODUCED:

35 ILCS 105/9
35 ILCS 120/3

from Ch. 120, par. 439.9
from Ch. 120, par. 442

Amends the Use Tax Act and the Retailers' Occupation Tax Act. Provides that a transaction reporting return in the case of a motor vehicle or trailer that is required to be registered with the Secretary of State is filed in a timely manner if it is mailed to the Secretary of State within 20 days after the day of delivery of the motor vehicle or trailer, as indicated by the postmark (now, must be filed with the Department of Revenue within 20 days after the day of delivery of the item).

LRB094 06434 DRH 36522 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Section 9
5 as follows:

6 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

7 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
8 and trailers that are required to be registered with an agency
9 of this State, each retailer required or authorized to collect
10 the tax imposed by this Act shall pay to the Department the
11 amount of such tax (except as otherwise provided) at the time
12 when he is required to file his return for the period during
13 which such tax was collected, less a discount of 2.1% prior to
14 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
15 per calendar year, whichever is greater, which is allowed to
16 reimburse the retailer for expenses incurred in collecting the
17 tax, keeping records, preparing and filing returns, remitting
18 the tax and supplying data to the Department on request. In the
19 case of retailers who report and pay the tax on a transaction
20 by transaction basis, as provided in this Section, such
21 discount shall be taken with each such tax remittance instead
22 of when such retailer files his periodic return. A retailer
23 need not remit that part of any tax collected by him to the
24 extent that he is required to remit and does remit the tax
25 imposed by the Retailers' Occupation Tax Act, with respect to
26 the sale of the same property.

27 Where such tangible personal property is sold under a
28 conditional sales contract, or under any other form of sale
29 wherein the payment of the principal sum, or a part thereof, is
30 extended beyond the close of the period for which the return is
31 filed, the retailer, in collecting the tax (except as to motor
32 vehicles, watercraft, aircraft, and trailers that are required

1 to be registered with an agency of this State), may collect for
2 each tax return period, only the tax applicable to that part of
3 the selling price actually received during such tax return
4 period.

5 Except as provided in this Section, on or before the
6 twentieth day of each calendar month, such retailer shall file
7 a return for the preceding calendar month. Such return shall be
8 filed on forms prescribed by the Department and shall furnish
9 such information as the Department may reasonably require.

10 The Department may require returns to be filed on a
11 quarterly basis. If so required, a return for each calendar
12 quarter shall be filed on or before the twentieth day of the
13 calendar month following the end of such calendar quarter. The
14 taxpayer shall also file a return with the Department for each
15 of the first two months of each calendar quarter, on or before
16 the twentieth day of the following calendar month, stating:

- 17 1. The name of the seller;
- 18 2. The address of the principal place of business from
19 which he engages in the business of selling tangible
20 personal property at retail in this State;
- 21 3. The total amount of taxable receipts received by him
22 during the preceding calendar month from sales of tangible
23 personal property by him during such preceding calendar
24 month, including receipts from charge and time sales, but
25 less all deductions allowed by law;
- 26 4. The amount of credit provided in Section 2d of this
27 Act;
- 28 5. The amount of tax due;
- 29 5-5. The signature of the taxpayer; and
- 30 6. Such other reasonable information as the Department
31 may require.

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

36 Beginning October 1, 1993, a taxpayer who has an average

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

25 Before August 1 of each year beginning in 1993, the
26 Department shall notify all taxpayers required to make payments
27 by electronic funds transfer. All taxpayers required to make
28 payments by electronic funds transfer shall make those payments
29 for a minimum of one year beginning on October 1.

30 Any taxpayer not required to make payments by electronic
31 funds transfer may make payments by electronic funds transfer
32 with the permission of the Department.

33 All taxpayers required to make payment by electronic funds
34 transfer and any taxpayers authorized to voluntarily make
35 payments by electronic funds transfer shall make those payments
36 in the manner authorized by the Department.

1 The Department shall adopt such rules as are necessary to
2 effectuate a program of electronic funds transfer and the
3 requirements of this Section.

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

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

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

26 If any such payment provided for in this Section exceeds
27 the taxpayer's liabilities under this Act, the Retailers'
28 Occupation Tax Act, the Service Occupation Tax Act and the
29 Service Use Tax Act, as shown by an original monthly return,
30 the Department shall issue to the taxpayer a credit memorandum
31 no later than 30 days after the date of payment, which
32 memorandum may be submitted by the taxpayer to the Department
33 in payment of tax liability subsequently to be remitted by the
34 taxpayer to the Department or be assigned by the taxpayer to a
35 similar taxpayer under this Act, the Retailers' Occupation Tax
36 Act, the Service Occupation Tax Act or the Service Use Tax Act,

1 in accordance with reasonable rules and regulations to be
2 prescribed by the Department, except that if such excess
3 payment is shown on an original monthly return and is made
4 after December 31, 1986, no credit memorandum shall be issued,
5 unless requested by the taxpayer. If no such request is made,
6 the taxpayer may credit such excess payment against tax
7 liability subsequently to be remitted by the taxpayer to the
8 Department under this Act, the Retailers' Occupation Tax Act,
9 the Service Occupation Tax Act or the Service Use Tax Act, in
10 accordance with reasonable rules and regulations prescribed by
11 the Department. If the Department subsequently determines that
12 all or any part of the credit taken was not actually due to the
13 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
14 be reduced by 2.1% or 1.75% of the difference between the
15 credit taken and that actually due, and the taxpayer shall be
16 liable for penalties and interest on such difference.

17 If the retailer is otherwise required to file a monthly
18 return and if the retailer's average monthly tax liability to
19 the Department does not exceed \$200, the Department may
20 authorize his returns to be filed on a quarter annual basis,
21 with the return for January, February, and March of a given
22 year being due by April 20 of such year; with the return for
23 April, May and June of a given year being due by July 20 of such
24 year; with the return for July, August and September of a given
25 year being due by October 20 of such year, and with the return
26 for October, November and December of a given year being due by
27 January 20 of the following year.

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

34 Such quarter annual and annual returns, as to form and
35 substance, shall be subject to the same requirements as monthly
36 returns.

1 Notwithstanding any other provision in this Act concerning
2 the time within which a retailer may file his return, in the
3 case of any retailer who ceases to engage in a kind of business
4 which makes him responsible for filing returns under this Act,
5 such retailer shall file a final return under this Act with the
6 Department not more than one month after discontinuing such
7 business.

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

31 The transaction reporting return in the case of motor
32 vehicles or trailers that are required to be registered with an
33 agency of this State, shall be the same document as the Uniform
34 Invoice referred to in Section 5-402 of the Illinois Vehicle
35 Code and must show the name and address of the seller; the name
36 and address of the purchaser; the amount of the selling price

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

16 The transaction reporting return in the case of watercraft
17 and aircraft must show the name and address of the seller; the
18 name and address of the purchaser; the amount of the selling
19 price including the amount allowed by the retailer for
20 traded-in property, if any; the amount allowed by the retailer
21 for the traded-in tangible personal property, if any, to the
22 extent to which Section 2 of this Act allows an exemption for
23 the value of traded-in property; the balance payable after
24 deducting such trade-in allowance from the total selling price;
25 the amount of tax due from the retailer with respect to such
26 transaction; the amount of tax collected from the purchaser by
27 the retailer on such transaction (or satisfactory evidence that
28 such tax is not due in that particular instance, if that is
29 claimed to be the fact); the place and date of the sale, a
30 sufficient identification of the property sold, and such other
31 information as the Department may reasonably require.

32 Such transaction reporting return shall be filed not later
33 than 20 days after the date of delivery of the item that is
34 being sold, but may be filed by the retailer at any time sooner
35 than that if he chooses to do so. The transaction reporting
36 return and tax remittance or proof of exemption from the tax

1 that is imposed by this Act may be transmitted to the
2 Department by way of the State agency with which, or State
3 officer with whom, the tangible personal property must be
4 titled or registered (if titling or registration is required)
5 if the Department and such agency or State officer determine
6 that this procedure will expedite the processing of
7 applications for title or registration. A transaction
8 reporting return in the case of a motor vehicle or trailer that
9 is required to be registered with the Secretary of State is
10 filed in a timely manner if it is mailed to the Secretary of
11 State within 20 days after the day of delivery of the motor
12 vehicle or trailer, as indicated by the postmark.

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

26 No retailer's failure or refusal to remit tax under this
27 Act precludes a user, who has paid the proper tax to the
28 retailer, from obtaining his certificate of title or other
29 evidence of title or registration (if titling or registration
30 is required) upon satisfying the Department that such user has
31 paid the proper tax (if tax is due) to the retailer. The
32 Department shall adopt appropriate rules to carry out the
33 mandate of this paragraph.

34 If the user who would otherwise pay tax to the retailer
35 wants the transaction reporting return filed and the payment of
36 tax or proof of exemption made to the Department before the

1 retailer is willing to take these actions and such user has not
2 paid the tax to the retailer, such user may certify to the fact
3 of such delay by the retailer, and may (upon the Department
4 being satisfied of the truth of such certification) transmit
5 the information required by the transaction reporting return
6 and the remittance for tax or proof of exemption directly to
7 the Department and obtain his tax receipt or exemption
8 determination, in which event the transaction reporting return
9 and tax remittance (if a tax payment was required) shall be
10 credited by the Department to the proper retailer's account
11 with the Department, but without the 2.1% or 1.75% discount
12 provided for in this Section being allowed. When the user pays
13 the tax directly to the Department, he shall pay the tax in the
14 same amount and in the same form in which it would be remitted
15 if the tax had been remitted to the Department by the retailer.

16 Where a retailer collects the tax with respect to the
17 selling price of tangible personal property which he sells and
18 the purchaser thereafter returns such tangible personal
19 property and the retailer refunds the selling price thereof to
20 the purchaser, such retailer shall also refund, to the
21 purchaser, the tax so collected from the purchaser. When filing
22 his return for the period in which he refunds such tax to the
23 purchaser, the retailer may deduct the amount of the tax so
24 refunded by him to the purchaser from any other use tax which
25 such retailer may be required to pay or remit to the
26 Department, as shown by such return, if the amount of the tax
27 to be deducted was previously remitted to the Department by
28 such retailer. If the retailer has not previously remitted the
29 amount of such tax to the Department, he is entitled to no
30 deduction under this Act upon refunding such tax to the
31 purchaser.

32 Any retailer filing a return under this Section shall also
33 include (for the purpose of paying tax thereon) the total tax
34 covered by such return upon the selling price of tangible
35 personal property purchased by him at retail from a retailer,
36 but as to which the tax imposed by this Act was not collected

1 from the retailer filing such return, and such retailer shall
2 remit the amount of such tax to the Department when filing such
3 return.

4 If experience indicates such action to be practicable, the
5 Department may prescribe and furnish a combination or joint
6 return which will enable retailers, who are required to file
7 returns hereunder and also under the Retailers' Occupation Tax
8 Act, to furnish all the return information required by both
9 Acts on the one form.

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

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

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

32 Beginning January 1, 1990, each month the Department shall
33 pay into the State and Local Sales Tax Reform Fund, a special
34 fund in the State Treasury, 20% of the net revenue realized for
35 the preceding month from the 6.25% general rate on the selling
36 price of tangible personal property, other than tangible

1 personal property which is purchased outside Illinois at retail
2 from a retailer and which is titled or registered by an agency
3 of this State's government.

4 Beginning August 1, 2000, each month the Department shall
5 pay into the State and Local Sales Tax Reform Fund 100% of the
6 net revenue realized for the preceding month from the 1.25%
7 rate on the selling price of motor fuel and gasohol.

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

15 Of the remainder of the moneys received by the Department
16 pursuant to this Act, (a) 1.75% thereof shall be paid into the
17 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
18 and after July 1, 1989, 3.8% thereof shall be paid into the
19 Build Illinois Fund; provided, however, that if in any fiscal
20 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
21 may be, of the moneys received by the Department and required
22 to be paid into the Build Illinois Fund pursuant to Section 3
23 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
24 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
25 Service Occupation Tax Act, such Acts being hereinafter called
26 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
27 may be, of moneys being hereinafter called the "Tax Act
28 Amount", and (2) the amount transferred to the Build Illinois
29 Fund from the State and Local Sales Tax Reform Fund shall be
30 less than the Annual Specified Amount (as defined in Section 3
31 of the Retailers' Occupation Tax Act), an amount equal to the
32 difference shall be immediately paid into the Build Illinois
33 Fund from other moneys received by the Department pursuant to
34 the Tax Acts; and further provided, that if on the last
35 business day of any month the sum of (1) the Tax Act Amount
36 required to be deposited into the Build Illinois Bond Account

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

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

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

	Fiscal Year	Total Deposit
21	1993	\$0
22	1994	53,000,000
23	1995	58,000,000
24	1996	61,000,000
25	1997	64,000,000
26	1998	68,000,000
27	1999	71,000,000
28	2000	75,000,000
29	2001	80,000,000
30	2002	93,000,000
31	2003	99,000,000
32	2004	103,000,000
33	2005	108,000,000
34	2006	113,000,000
35	2007	119,000,000

1	2008	126,000,000
2	2009	132,000,000
3	2010	139,000,000
4	2011	146,000,000
5	2012	153,000,000
6	2013	161,000,000
7	2014	170,000,000
8	2015	179,000,000
9	2016	189,000,000
10	2017	199,000,000
11	2018	210,000,000
12	2019	221,000,000
13	2020	233,000,000
14	2021	246,000,000
15	2022	260,000,000
16	2023 and	275,000,000

17 each fiscal year
18 thereafter that bonds
19 are outstanding under
20 Section 13.2 of the
21 Metropolitan Pier and
22 Exposition Authority Act,
23 but not after fiscal year 2042.

24 Beginning July 20, 1993 and in each month of each fiscal
25 year thereafter, one-eighth of the amount requested in the
26 certificate of the Chairman of the Metropolitan Pier and
27 Exposition Authority for that fiscal year, less the amount
28 deposited into the McCormick Place Expansion Project Fund by
29 the State Treasurer in the respective month under subsection
30 (g) of Section 13 of the Metropolitan Pier and Exposition
31 Authority Act, plus cumulative deficiencies in the deposits
32 required under this Section for previous months and years,
33 shall be deposited into the McCormick Place Expansion Project
34 Fund, until the full amount requested for the fiscal year, but
35 not in excess of the amount specified above as "Total Deposit",
36 has been deposited.

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

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

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

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

35 Net revenue realized for a month shall be the revenue
36 collected by the State pursuant to this Act, less the amount

1 paid out during that month as refunds to taxpayers for
2 overpayment of liability.

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

10 (Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101,
11 eff. 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00;
12 91-901, eff. 1-1-01; 92-12, eff. 7-1-01; 92-16, eff. 6-28-01;
13 92-208, eff. 8-2-01; 92-492, eff. 1-1-02; 92-600, eff. 6-28-02;
14 92-651, eff. 7-11-02; revised 10-15-03.)

15 Section 10. The Retailers' Occupation Tax Act is amended by
16 changing Section 3 as follows:

17 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

23 1. The name of the seller;

24 2. His residence address and the address of his
25 principal place of business and the address of the
26 principal place of business (if that is a different
27 address) from which he engages in the business of selling
28 tangible personal property at retail in this State;

29 3. Total amount of receipts received by him during the
30 preceding calendar month or quarter, as the case may be,
31 from sales of tangible personal property, and from services
32 furnished, by him during such preceding calendar month or
33 quarter;

34 4. Total amount received by him during the preceding

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

5 5. Deductions allowed by law;

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

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

11 8. The amount of tax due;

12 9. The signature of the taxpayer; and

13 10. Such other reasonable information as the
14 Department may require.

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

19 Each return shall be accompanied by the statement of
20 prepaid tax issued pursuant to Section 2e for which credit is
21 claimed.

22 Prior to October 1, 2003, and on and after September 1,
23 2004 a retailer may accept a Manufacturer's Purchase Credit
24 certification from a purchaser in satisfaction of Use Tax as
25 provided in Section 3-85 of the Use Tax Act if the purchaser
26 provides the appropriate documentation as required by Section
27 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
28 certification, accepted by a retailer prior to October 1, 2003
29 and on and after September 1, 2004 as provided in Section 3-85
30 of the Use Tax Act, may be used by that retailer to satisfy
31 Retailers' Occupation Tax liability in the amount claimed in
32 the certification, not to exceed 6.25% of the receipts subject
33 to tax from a qualifying purchase. A Manufacturer's Purchase
34 Credit reported on any original or amended return filed under
35 this Act after October 20, 2003 for reporting periods prior to
36 September 1, 2004 shall be disallowed. Manufacturer's

1 Purchaser Credit reported on annual returns due on or after
2 January 1, 2005 will be disallowed for periods prior to
3 September 1, 2004. No Manufacturer's Purchase Credit may be
4 used after September 30, 2003 through August 31, 2004 to
5 satisfy any tax liability imposed under this Act, including any
6 audit liability.

7 The Department may require returns to be filed on a
8 quarterly basis. If so required, a return for each calendar
9 quarter shall be filed on or before the twentieth day of the
10 calendar month following the end of such calendar quarter. The
11 taxpayer shall also file a return with the Department for each
12 of the first two months of each calendar quarter, on or before
13 the twentieth day of the following calendar month, stating:

- 14 1. The name of the seller;
- 15 2. The address of the principal place of business from
16 which he engages in the business of selling tangible
17 personal property at retail in this State;
- 18 3. The total amount of taxable receipts received by him
19 during the preceding calendar month from sales of tangible
20 personal property by him during such preceding calendar
21 month, including receipts from charge and time sales, but
22 less all deductions allowed by law;
- 23 4. The amount of credit provided in Section 2d of this
24 Act;
- 25 5. The amount of tax due; and
- 26 6. Such other reasonable information as the Department
27 may require.

28 Beginning on October 1, 2003, any person who is not a
29 licensed distributor, importing distributor, or manufacturer,
30 as defined in the Liquor Control Act of 1934, but is engaged in
31 the business of selling, at retail, alcoholic liquor shall file
32 a statement with the Department of Revenue, in a format and at
33 a time prescribed by the Department, showing the total amount
34 paid for alcoholic liquor purchased during the preceding month
35 and such other information as is reasonably required by the
36 Department. The Department may adopt rules to require that this

1 statement be filed in an electronic or telephonic format. Such
2 rules may provide for exceptions from the filing requirements
3 of this paragraph. For the purposes of this paragraph, the term
4 "alcoholic liquor" shall have the meaning prescribed in the
5 Liquor Control Act of 1934.

6 Beginning on October 1, 2003, every distributor, importing
7 distributor, and manufacturer of alcoholic liquor as defined in
8 the Liquor Control Act of 1934, shall file a statement with the
9 Department of Revenue, no later than the 10th day of the month
10 for the preceding month during which transactions occurred, by
11 electronic means, showing the total amount of gross receipts
12 from the sale of alcoholic liquor sold or distributed during
13 the preceding month to purchasers; identifying the purchaser to
14 whom it was sold or distributed; the purchaser's tax
15 registration number; and such other information reasonably
16 required by the Department. A distributor, importing
17 distributor, or manufacturer of alcoholic liquor must
18 personally deliver, mail, or provide by electronic means to
19 each retailer listed on the monthly statement a report
20 containing a cumulative total of that distributor's, importing
21 distributor's, or manufacturer's total sales of alcoholic
22 liquor to that retailer no later than the 10th day of the month
23 for the preceding month during which the transaction occurred.
24 The distributor, importing distributor, or manufacturer shall
25 notify the retailer as to the method by which the distributor,
26 importing distributor, or manufacturer will provide the sales
27 information. If the retailer is unable to receive the sales
28 information by electronic means, the distributor, importing
29 distributor, or manufacturer shall furnish the sales
30 information by personal delivery or by mail. For purposes of
31 this paragraph, the term "electronic means" includes, but is
32 not limited to, the use of a secure Internet website, e-mail,
33 or facsimile.

34 If a total amount of less than \$1 is payable, refundable or
35 creditable, such amount shall be disregarded if it is less than
36 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

26 Before August 1 of each year beginning in 1993, the
27 Department shall notify all taxpayers required to make payments
28 by electronic funds transfer. All taxpayers required to make
29 payments by electronic funds transfer shall make those payments
30 for a minimum of one year beginning on October 1.

31 Any taxpayer not required to make payments by electronic
32 funds transfer may make payments by electronic funds transfer
33 with the permission of the Department.

34 All taxpayers required to make payment by electronic funds
35 transfer and any taxpayers authorized to voluntarily make
36 payments by electronic funds transfer shall make those payments

1 in the manner authorized by the Department.

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

5 Any amount which is required to be shown or reported on any
6 return or other document under this Act shall, if such amount
7 is not a whole-dollar amount, be increased to the nearest
8 whole-dollar amount in any case where the fractional part of a
9 dollar is 50 cents or more, and decreased to the nearest
10 whole-dollar amount where the fractional part of a dollar is
11 less than 50 cents.

12 If the retailer is otherwise required to file a monthly
13 return and if the retailer's average monthly tax liability to
14 the Department does not exceed \$200, the Department may
15 authorize his returns to be filed on a quarter annual basis,
16 with the return for January, February and March of a given year
17 being due by April 20 of such year; with the return for April,
18 May and June of a given year being due by July 20 of such year;
19 with the return for July, August and September of a given year
20 being due by October 20 of such year, and with the return for
21 October, November and December of a given year being due by
22 January 20 of the following year.

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

29 Such quarter annual and annual returns, as to form and
30 substance, shall be subject to the same requirements as monthly
31 returns.

32 Notwithstanding any other provision in this Act concerning
33 the time within which a retailer may file his return, in the
34 case of any retailer who ceases to engage in a kind of business
35 which makes him responsible for filing returns under this Act,
36 such retailer shall file a final return under this Act with the

1 Department not more than one month after discontinuing such
2 business.

3 Where the same person has more than one business registered
4 with the Department under separate registrations under this
5 Act, such person may not file each return that is due as a
6 single return covering all such registered businesses, but
7 shall file separate returns for each such registered business.

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

31 Any retailer who sells only motor vehicles, watercraft,
32 aircraft, or trailers that are required to be registered with
33 an agency of this State, so that all retailers' occupation tax
34 liability is required to be reported, and is reported, on such
35 transaction reporting returns and who is not otherwise required
36 to file monthly or quarterly returns, need not file monthly or

1 quarterly returns. However, those retailers shall be required
2 to file returns on an annual basis.

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

24 The transaction reporting return in the case of watercraft
25 or aircraft must show the name and address of the seller; the
26 name and address of the purchaser; the amount of the selling
27 price including the amount allowed by the retailer for
28 traded-in property, if any; the amount allowed by the retailer
29 for the traded-in tangible personal property, if any, to the
30 extent to which Section 1 of this Act allows an exemption for
31 the value of traded-in property; the balance payable after
32 deducting such trade-in allowance from the total selling price;
33 the amount of tax due from the retailer with respect to such
34 transaction; the amount of tax collected from the purchaser by
35 the retailer on such transaction (or satisfactory evidence that
36 such tax is not due in that particular instance, if that is

1 claimed to be the fact); the place and date of the sale, a
2 sufficient identification of the property sold, and such other
3 information as the Department may reasonably require.

4 Such transaction reporting return shall be filed not later
5 than 20 days after the day of delivery of the item that is
6 being sold, but may be filed by the retailer at any time sooner
7 than that if he chooses to do so. The transaction reporting
8 return and tax remittance or proof of exemption from the
9 Illinois use tax may be transmitted to the Department by way of
10 the State agency with which, or State officer with whom the
11 tangible personal property must be titled or registered (if
12 titling or registration is required) if the Department and such
13 agency or State officer determine that this procedure will
14 expedite the processing of applications for title or
15 registration. A transaction reporting return in the case of a
16 motor vehicle or trailer that is required to be registered with
17 the Secretary of State is filed in a timely manner if it is
18 mailed to the Secretary of State within 20 days after the day
19 of delivery of the motor vehicle or trailer, as indicated by
20 the postmark.

21 With each such transaction reporting return, the retailer
22 shall remit the proper amount of tax due (or shall submit
23 satisfactory evidence that the sale is not taxable if that is
24 the case), to the Department or its agents, whereupon the
25 Department shall issue, in the purchaser's name, a use tax
26 receipt (or a certificate of exemption if the Department is
27 satisfied that the particular sale is tax exempt) which such
28 purchaser may submit to the agency with which, or State officer
29 with whom, he must title or register the tangible personal
30 property that is involved (if titling or registration is
31 required) in support of such purchaser's application for an
32 Illinois certificate or other evidence of title or registration
33 to such tangible personal property.

34 No retailer's failure or refusal to remit tax under this
35 Act precludes a user, who has paid the proper tax to the
36 retailer, from obtaining his certificate of title or other

1 evidence of title or registration (if titling or registration
2 is required) upon satisfying the Department that such user has
3 paid the proper tax (if tax is due) to the retailer. The
4 Department shall adopt appropriate rules to carry out the
5 mandate of this paragraph.

6 If the user who would otherwise pay tax to the retailer
7 wants the transaction reporting return filed and the payment of
8 the tax or proof of exemption made to the Department before the
9 retailer is willing to take these actions and such user has not
10 paid the tax to the retailer, such user may certify to the fact
11 of such delay by the retailer and may (upon the Department
12 being satisfied of the truth of such certification) transmit
13 the information required by the transaction reporting return
14 and the remittance for tax or proof of exemption directly to
15 the Department and obtain his tax receipt or exemption
16 determination, in which event the transaction reporting return
17 and tax remittance (if a tax payment was required) shall be
18 credited by the Department to the proper retailer's account
19 with the Department, but without the 2.1% or 1.75% discount
20 provided for in this Section being allowed. When the user pays
21 the tax directly to the Department, he shall pay the tax in the
22 same amount and in the same form in which it would be remitted
23 if the tax had been remitted to the Department by the retailer.

24 Refunds made by the seller during the preceding return
25 period to purchasers, on account of tangible personal property
26 returned to the seller, shall be allowed as a deduction under
27 subdivision 5 of his monthly or quarterly return, as the case
28 may be, in case the seller had theretofore included the
29 receipts from the sale of such tangible personal property in a
30 return filed by him and had paid the tax imposed by this Act
31 with respect to such receipts.

32 Where the seller is a corporation, the return filed on
33 behalf of such corporation shall be signed by the president,
34 vice-president, secretary or treasurer or by the properly
35 accredited agent of such corporation.

36 Where the seller is a limited liability company, the return

1 filed on behalf of the limited liability company shall be
2 signed by a manager, member, or properly accredited agent of
3 the limited liability company.

4 Except as provided in this Section, the retailer filing the
5 return under this Section shall, at the time of filing such
6 return, pay to the Department the amount of tax imposed by this
7 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
8 on and after January 1, 1990, or \$5 per calendar year,
9 whichever is greater, which is allowed to reimburse the
10 retailer for the expenses incurred in keeping records,
11 preparing and filing returns, remitting the tax and supplying
12 data to the Department on request. Any prepayment made pursuant
13 to Section 2d of this Act shall be included in the amount on
14 which such 2.1% or 1.75% discount is computed. In the case of
15 retailers who report and pay the tax on a transaction by
16 transaction basis, as provided in this Section, such discount
17 shall be taken with each such tax remittance instead of when
18 such retailer files his periodic return.

19 Before October 1, 2000, if the taxpayer's average monthly
20 tax liability to the Department under this Act, the Use Tax
21 Act, the Service Occupation Tax Act, and the Service Use Tax
22 Act, excluding any liability for prepaid sales tax to be
23 remitted in accordance with Section 2d of this Act, was \$10,000
24 or more during the preceding 4 complete calendar quarters, he
25 shall file a return with the Department each month by the 20th
26 day of the month next following the month during which such tax
27 liability is incurred and shall make payments to the Department
28 on or before the 7th, 15th, 22nd and last day of the month
29 during which such liability is incurred. On and after October
30 1, 2000, if the taxpayer's average monthly tax liability to the
31 Department under this Act, the Use Tax Act, the Service
32 Occupation Tax Act, and the Service Use Tax Act, excluding any
33 liability for prepaid sales tax to be remitted in accordance
34 with Section 2d of this Act, was \$20,000 or more during the
35 preceding 4 complete calendar quarters, he shall file a return
36 with the Department each month by the 20th day of the month

1 next following the month during which such tax liability is
2 incurred and shall make payment to the Department on or before
3 the 7th, 15th, 22nd and last day of the month during which such
4 liability is incurred. If the month during which such tax
5 liability is incurred began prior to January 1, 1985, each
6 payment shall be in an amount equal to 1/4 of the taxpayer's
7 actual liability for the month or an amount set by the
8 Department not to exceed 1/4 of the average monthly liability
9 of the taxpayer to the Department for the preceding 4 complete
10 calendar quarters (excluding the month of highest liability and
11 the month of lowest liability in such 4 quarter period). If the
12 month during which such tax liability is incurred begins on or
13 after January 1, 1985 and prior to January 1, 1987, each
14 payment shall be in an amount equal to 22.5% of the taxpayer's
15 actual liability for the month or 27.5% of the taxpayer's
16 liability for the same calendar month of the preceding year. If
17 the month during which such tax liability is incurred begins on
18 or after January 1, 1987 and prior to January 1, 1988, each
19 payment shall be in an amount equal to 22.5% of the taxpayer's
20 actual liability for the month or 26.25% of the taxpayer's
21 liability for the same calendar month of the preceding year. If
22 the month during which such tax liability is incurred begins on
23 or after January 1, 1988, and prior to January 1, 1989, or
24 begins on or after January 1, 1996, each payment shall be in an
25 amount equal to 22.5% of the taxpayer's actual liability for
26 the month or 25% of the taxpayer's liability for the same
27 calendar month of the preceding year. If the month during which
28 such tax liability is incurred begins on or after January 1,
29 1989, and prior to January 1, 1996, each payment shall be in an
30 amount equal to 22.5% of the taxpayer's actual liability for
31 the month or 25% of the taxpayer's liability for the same
32 calendar month of the preceding year or 100% of the taxpayer's
33 actual liability for the quarter monthly reporting period. The
34 amount of such quarter monthly payments shall be credited
35 against the final tax liability of the taxpayer's return for
36 that month. Before October 1, 2000, once applicable, the

1 requirement of the making of quarter monthly payments to the
2 Department by taxpayers having an average monthly tax liability
3 of \$10,000 or more as determined in the manner provided above
4 shall continue until such taxpayer's average monthly liability
5 to the Department during the preceding 4 complete calendar
6 quarters (excluding the month of highest liability and the
7 month of lowest liability) is less than \$9,000, or until such
8 taxpayer's average monthly liability to the Department as
9 computed for each calendar quarter of the 4 preceding complete
10 calendar quarter period is less than \$10,000. However, if a
11 taxpayer can show the Department that a substantial change in
12 the taxpayer's business has occurred which causes the taxpayer
13 to anticipate that his average monthly tax liability for the
14 reasonably foreseeable future will fall below the \$10,000
15 threshold stated above, then such taxpayer may petition the
16 Department for a change in such taxpayer's reporting status. On
17 and after October 1, 2000, once applicable, the requirement of
18 the making of quarter monthly payments to the Department by
19 taxpayers having an average monthly tax liability of \$20,000 or
20 more as determined in the manner provided above shall continue
21 until such taxpayer's average monthly liability to the
22 Department during the preceding 4 complete calendar quarters
23 (excluding the month of highest liability and the month of
24 lowest liability) is less than \$19,000 or until such taxpayer's
25 average monthly liability to the Department as computed for
26 each calendar quarter of the 4 preceding complete calendar
27 quarter period is less than \$20,000. However, if a taxpayer can
28 show the Department that a substantial change in the taxpayer's
29 business has occurred which causes the taxpayer to anticipate
30 that his average monthly tax liability for the reasonably
31 foreseeable future will fall below the \$20,000 threshold stated
32 above, then such taxpayer may petition the Department for a
33 change in such taxpayer's reporting status. The Department
34 shall change such taxpayer's reporting status unless it finds
35 that such change is seasonal in nature and not likely to be
36 long term. If any such quarter monthly payment is not paid at

1 the time or in the amount required by this Section, then the
2 taxpayer shall be liable for penalties and interest on the
3 difference between the minimum amount due as a payment and the
4 amount of such quarter monthly payment actually and timely
5 paid, except insofar as the taxpayer has previously made
6 payments for that month to the Department in excess of the
7 minimum payments previously due as provided in this Section.
8 The Department shall make reasonable rules and regulations to
9 govern the quarter monthly payment amount and quarter monthly
10 payment dates for taxpayers who file on other than a calendar
11 monthly basis.

12 The provisions of this paragraph apply before October 1,
13 2001. Without regard to whether a taxpayer is required to make
14 quarter monthly payments as specified above, any taxpayer who
15 is required by Section 2d of this Act to collect and remit
16 prepaid taxes and has collected prepaid taxes which average in
17 excess of \$25,000 per month during the preceding 2 complete
18 calendar quarters, shall file a return with the Department as
19 required by Section 2f and shall make payments to the
20 Department on or before the 7th, 15th, 22nd and last day of the
21 month during which such liability is incurred. If the month
22 during which such tax liability is incurred began prior to the
23 effective date of this amendatory Act of 1985, each payment
24 shall be in an amount not less than 22.5% of the taxpayer's
25 actual liability under Section 2d. If the month during which
26 such tax liability is incurred begins on or after January 1,
27 1986, each payment shall be in an amount equal to 22.5% of the
28 taxpayer's actual liability for the month or 27.5% of the
29 taxpayer's liability for the same calendar month of the
30 preceding calendar year. If the month during which such tax
31 liability is incurred begins on or after January 1, 1987, each
32 payment shall be in an amount equal to 22.5% of the taxpayer's
33 actual liability for the month or 26.25% of the taxpayer's
34 liability for the same calendar month of the preceding year.
35 The amount of such quarter monthly payments shall be credited
36 against the final tax liability of the taxpayer's return for

1 that month filed under this Section or Section 2f, as the case
2 may be. Once applicable, the requirement of the making of
3 quarter monthly payments to the Department pursuant to this
4 paragraph shall continue until such taxpayer's average monthly
5 prepaid tax collections during the preceding 2 complete
6 calendar quarters is \$25,000 or less. If any such quarter
7 monthly payment is not paid at the time or in the amount
8 required, the taxpayer shall be liable for penalties and
9 interest on such difference, except insofar as the taxpayer has
10 previously made payments for that month in excess of the
11 minimum payments previously due.

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

1 payment is not paid at the time or in the amount required, the
2 taxpayer shall be liable for penalties and interest on such
3 difference, except insofar as the taxpayer has previously made
4 payments for that month in excess of the minimum payments
5 previously due.

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

28 If a retailer of motor fuel is entitled to a credit under
29 Section 2d of this Act which exceeds the taxpayer's liability
30 to the Department under this Act for the month which the
31 taxpayer is filing a return, the Department shall issue the
32 taxpayer a credit memorandum for the excess.

33 Beginning January 1, 1990, each month the Department shall
34 pay into the Local Government Tax Fund, a special fund in the
35 State treasury which is hereby created, the net revenue
36 realized for the preceding month from the 1% tax on sales of

1 food for human consumption which is to be consumed off the
2 premises where it is sold (other than alcoholic beverages, soft
3 drinks and food which has been prepared for immediate
4 consumption) and prescription and nonprescription medicines,
5 drugs, medical appliances and insulin, urine testing
6 materials, syringes and needles used by diabetics.

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

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

16 Beginning January 1, 1990, each month the Department shall
17 pay into the Local Government Tax Fund 16% of the net revenue
18 realized for the preceding month from the 6.25% general rate on
19 the selling price of tangible personal property.

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

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, (a) 1.75% thereof shall be paid into the
26 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
27 and after July 1, 1989, 3.8% thereof shall be paid into the
28 Build Illinois Fund; provided, however, that if in any fiscal
29 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
30 may be, of the moneys received by the Department and required
31 to be paid into the Build Illinois Fund pursuant to this Act,
32 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
33 Act, and Section 9 of the Service Occupation Tax Act, such Acts
34 being hereinafter called the "Tax Acts" and such aggregate of
35 2.2% or 3.8%, as the case may be, of moneys being hereinafter
36 called the "Tax Act Amount", and (2) the amount transferred to

1 the Build Illinois Fund from the State and Local Sales Tax
 2 Reform Fund shall be less than the Annual Specified Amount (as
 3 hereinafter defined), an amount equal to the difference shall
 4 be immediately paid into the Build Illinois Fund from other
 5 moneys received by the Department pursuant to the Tax Acts; the
 6 "Annual Specified Amount" means the amounts specified below for
 7 fiscal years 1986 through 1993:

8	Fiscal Year	Annual Specified Amount
9	1986	\$54,800,000
10	1987	\$76,650,000
11	1988	\$80,480,000
12	1989	\$88,510,000
13	1990	\$115,330,000
14	1991	\$145,470,000
15	1992	\$182,730,000
16	1993	\$206,520,000;

17 and means the Certified Annual Debt Service Requirement (as
 18 defined in Section 13 of the Build Illinois Bond Act) or the
 19 Tax Act Amount, whichever is greater, for fiscal year 1994 and
 20 each fiscal year thereafter; and further provided, that if on
 21 the last business day of any month the sum of (1) the Tax Act
 22 Amount required to be deposited into the Build Illinois Bond
 23 Account in the Build Illinois Fund during such month and (2)
 24 the amount transferred to the Build Illinois Fund from the
 25 State and Local Sales Tax Reform Fund shall have been less than
 26 1/12 of the Annual Specified Amount, an amount equal to the
 27 difference shall be immediately paid into the Build Illinois
 28 Fund from other moneys received by the Department pursuant to
 29 the Tax Acts; and, further provided, that in no event shall the
 30 payments required under the preceding proviso result in
 31 aggregate payments into the Build Illinois Fund pursuant to
 32 this clause (b) for any fiscal year in excess of the greater of
 33 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
 34 such fiscal year. The amounts payable into the Build Illinois
 35 Fund under clause (b) of the first sentence in this paragraph
 36 shall be payable only until such time as the aggregate amount

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

30 Subject to payment of amounts into the Build Illinois Fund
31 as provided in the preceding paragraph or in any amendment
32 thereto hereafter enacted, the following specified monthly
33 installment of the amount requested in the certificate of the
34 Chairman of the Metropolitan Pier and Exposition Authority
35 provided under Section 8.25f of the State Finance Act, but not
36 in excess of sums designated as "Total Deposit", shall be

1 deposited in the aggregate from collections under Section 9 of
 2 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 3 9 of the Service Occupation Tax Act, and Section 3 of the
 4 Retailers' Occupation Tax Act into the McCormick Place
 5 Expansion Project Fund in the specified fiscal years.

6	Fiscal Year	Total
		Deposit
7	1993	\$0
8	1994	53,000,000
9	1995	58,000,000
10	1996	61,000,000
11	1997	64,000,000
12	1998	68,000,000
13	1999	71,000,000
14	2000	75,000,000
15	2001	80,000,000
16	2002	93,000,000
17	2003	99,000,000
18	2004	103,000,000
19	2005	108,000,000
20	2006	113,000,000
21	2007	119,000,000
22	2008	126,000,000
23	2009	132,000,000
24	2010	139,000,000
25	2011	146,000,000
26	2012	153,000,000
27	2013	161,000,000
28	2014	170,000,000
29	2015	179,000,000
30	2016	189,000,000
31	2017	199,000,000
32	2018	210,000,000
33	2019	221,000,000
34	2020	233,000,000
35	2021	246,000,000

1	2022	260,000,000
2	2023 and	275,000,000
3	each fiscal year	
4	thereafter that bonds	
5	are outstanding under	
6	Section 13.2 of the	
7	Metropolitan Pier and	
8	Exposition Authority Act,	
9	but not after fiscal year 2042.	

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

23 Subject to payment of amounts into the Build Illinois Fund
24 and the McCormick Place Expansion Project Fund pursuant to the
25 preceding paragraphs or in any amendments thereto hereafter
26 enacted, beginning July 1, 1993, the Department shall each
27 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
28 the net revenue realized for the preceding month from the 6.25%
29 general rate on the selling price of tangible personal
30 property.

31 Subject to payment of amounts into the Build Illinois Fund
32 and the McCormick Place Expansion Project Fund pursuant to the
33 preceding paragraphs or in any amendments thereto hereafter
34 enacted, beginning with the receipt of the first report of
35 taxes paid by an eligible business and continuing for a 25-year
36 period, the Department shall each month pay into the Energy

1 Infrastructure Fund 80% of the net revenue realized from the
2 6.25% general rate on the selling price of Illinois-mined coal
3 that was sold to an eligible business. For purposes of this
4 paragraph, the term "eligible business" means a new electric
5 generating facility certified pursuant to Section 605-332 of
6 the Department of Commerce and Economic Opportunity Law of the
7 Civil Administrative Code of Illinois.

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

14 The Department may, upon separate written notice to a
15 taxpayer, require the taxpayer to prepare and file with the
16 Department on a form prescribed by the Department within not
17 less than 60 days after receipt of the notice an annual
18 information return for the tax year specified in the notice.
19 Such annual return to the Department shall include a statement
20 of gross receipts as shown by the retailer's last Federal
21 income tax return. If the total receipts of the business as
22 reported in the Federal income tax return do not agree with the
23 gross receipts reported to the Department of Revenue for the
24 same period, the retailer shall attach to his annual return a
25 schedule showing a reconciliation of the 2 amounts and the
26 reasons for the difference. The retailer's annual return to the
27 Department shall also disclose the cost of goods sold by the
28 retailer during the year covered by such return, opening and
29 closing inventories of such goods for such year, costs of goods
30 used from stock or taken from stock and given away by the
31 retailer during such year, payroll information of the
32 retailer's business during such year and any additional
33 reasonable information which the Department deems would be
34 helpful in determining the accuracy of the monthly, quarterly
35 or annual returns filed by such retailer as provided for in
36 this Section.

1 If the annual information return required by this Section
2 is not filed when and as required, the taxpayer shall be liable
3 as follows:

4 (i) Until January 1, 1994, the taxpayer shall be liable
5 for a penalty equal to 1/6 of 1% of the tax due from such
6 taxpayer under this Act during the period to be covered by
7 the annual return for each month or fraction of a month
8 until such return is filed as required, the penalty to be
9 assessed and collected in the same manner as any other
10 penalty provided for in this Act.

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

14 The chief executive officer, proprietor, owner or highest
15 ranking manager shall sign the annual return to certify the
16 accuracy of the information contained therein. Any person who
17 willfully signs the annual return containing false or
18 inaccurate information shall be guilty of perjury and punished
19 accordingly. The annual return form prescribed by the
20 Department shall include a warning that the person signing the
21 return may be liable for perjury.

22 The provisions of this Section concerning the filing of an
23 annual information return do not apply to a retailer who is not
24 required to file an income tax return with the United States
25 Government.

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

33 Net revenue realized for a month shall be the revenue
34 collected by the State pursuant to this Act, less the amount
35 paid out during that month as refunds to taxpayers for
36 overpayment of liability.

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

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

25 Any person engaged in the business of selling tangible
26 personal property at retail as a concessionaire or other type
27 of seller at the Illinois State Fair, county fairs, art shows,
28 flea markets and similar exhibitions or events, or any
29 transient merchants, as defined by Section 2 of the Transient
30 Merchant Act of 1987, may be required to make a daily report of
31 the amount of such sales to the Department and to make a daily
32 payment of the full amount of tax due. The Department shall
33 impose this requirement when it finds that there is a
34 significant risk of loss of revenue to the State at such an
35 exhibition or event. Such a finding shall be based on evidence
36 that a substantial number of concessionaires or other sellers

1 who are not residents of Illinois will be engaging in the
2 business of selling tangible personal property at retail at the
3 exhibition or event, or other evidence of a significant risk of
4 loss of revenue to the State. The Department shall notify
5 concessionaires and other sellers affected by the imposition of
6 this requirement. In the absence of notification by the
7 Department, the concessionaires and other sellers shall file
8 their returns as otherwise required in this Section.

9 (Source: P.A. 92-12, eff. 7-1-01; 92-16, eff. 6-28-01; 92-208,
10 eff. 8-2-01; 92-484, eff. 8-23-01; 92-492, eff. 1-1-02; 92-600,
11 eff. 6-28-02; 92-651, eff. 7-11-02; 93-22, eff. 6-20-03; 93-24,
12 eff. 6-20-03; 93-840, eff. 7-30-04; 93-926, eff. 8-12-04;
13 93-1057, eff. 12-2-04; revised 12-6-04.)