

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 Illinois Lottery Law is amended by changing  
5 Sections 3, 4, 5, 7.1, 7.6, 7.11, 9, 10, 10.1, 10.1a, 10.2,  
6 10.6, 10.7, 12, 13, 14, 14.3, 19, 21, and 24 as follows:

7 (20 ILCS 1605/3) (from Ch. 120, par. 1153)

8 Sec. 3. For the purposes of this Act:

9 a. "Lottery" or "State Lottery" means the lottery or  
10 lotteries established and operated pursuant to this Act.

11 b. "Board" means the Lottery Control Board created by this  
12 Act.

13 c. "Department" means the Department of Revenue ~~the~~  
14 ~~Lottery~~.

15 d. "Director" means the Director of Revenue ~~the Department~~  
16 ~~of the Lottery~~.

17 e. "Chairman" means the Chairman of the Lottery Control  
18 Board.

19 f. "Multi-state game directors" means such persons,  
20 including the Superintendent ~~Director of the Department of the~~  
21 ~~Lottery~~, as may be designated by an agreement between the  
22 Division ~~Department of the Lottery~~ and one or more additional  
23 lotteries operated under the laws of another state or states.

24 g. "Division" means the Division of the State Lottery of  
25 the Department of Revenue.

26 h. "Superintendent" means the Superintendent of the  
27 Division of the State Lottery of the Department of Revenue.

28 (Source: P.A. 85-183.)

29 (20 ILCS 1605/4) (from Ch. 120, par. 1154)

30 Sec. 4. The Department of the Lottery is established to  
31 implement and regulate the State Lottery in the manner provided

1 in this Act.

2 In accordance with Executive Order No. 9 (2003), the  
3 Division of the State Lottery is established within the  
4 Department of Revenue. Unless otherwise provided by law, the  
5 Division of the State Lottery shall be subject to and governed  
6 by all of the laws and rules applicable to the Department.

7 (Source: P.A. 84-1128.)

8 (20 ILCS 1605/5) (from Ch. 120, par. 1155)

9 Sec. 5. The Division ~~Department of the Lottery~~ shall be  
10 under the supervision and direction of a Superintendent  
11 ~~Director of the Lottery~~, who shall be a person qualified by  
12 training and experience to perform the duties required by this  
13 Act. The Superintendent ~~Director~~ shall be appointed by the  
14 Governor, by and with the advice and consent of the Senate. The  
15 term of office of the Superintendent ~~Director~~ shall expire on  
16 the third Monday of January in odd numbered years provided that  
17 he or she shall hold ~~his~~ office until a ~~his~~ successor is  
18 appointed and qualified.

19 Any vacancy occurring in the office of the Superintendent  
20 ~~Director~~ shall be filled in the same manner as the original  
21 appointment.

22 The Superintendent ~~Director~~ shall devote his or her entire  
23 time and attention to the duties of the ~~his~~ office and shall  
24 not be engaged in any other profession or occupation. The  
25 Superintendent ~~He~~ shall receive such salary as shall be  
26 provided by law.

27 (Source: P.A. 84-1128.)

28 (20 ILCS 1605/7.1) (from Ch. 120, par. 1157.1)

29 Sec. 7.1. The Department shall promulgate such rules and  
30 regulations governing the establishment and operation of a  
31 State lottery as it deems necessary to carry out the purposes  
32 of this Act. Such rules and regulations shall be subject to the  
33 provisions of The Illinois Administrative Procedure Act. The  
34 Division shall issue written game rules, play instructions,

1 directives, operations manuals, brochures, or any other  
2 publications necessary to conduct specific games, as  
3 authorized by rule by the Department. Any written game rules,  
4 play instructions, directives, operations manuals, brochures,  
5 or other game publications issued by the Division ~~Department~~  
6 that relate to a specific lottery game shall be maintained as a  
7 public record in the Division's ~~Department's~~ principal office,  
8 and made available for public inspection and copying but shall  
9 be exempt from the rulemaking procedures of the Illinois  
10 Administrative Procedure Act. However, when such written  
11 materials contain any policy of general applicability, the  
12 Division ~~Department~~ shall formulate and adopt such policy as a  
13 rule in accordance with the provisions of the Illinois  
14 Administrative Procedure Act. In addition, the Division  
15 ~~Department~~ shall publish each January in the Illinois Register  
16 a list of all game-specific rules, play instructions,  
17 directives, operations manuals, brochures, or other  
18 game-specific publications issued by the Division ~~Department~~  
19 during the previous year and instructions concerning how the  
20 public may obtain copies of these materials from the Division  
21 ~~Department~~.

22 (Source: P.A. 86-433.)

23 (20 ILCS 1605/7.6) (from Ch. 120, par. 1157.6)

24 Sec. 7.6. The Board shall advise and make recommendations  
25 to the Superintendent or the Director regarding the functions  
26 and operations of the State Lottery. A copy of all such  
27 recommendations shall also be forwarded to the Governor, the  
28 Attorney General, the Speaker of the House, the President of  
29 the Senate and the minority leaders of both houses.

30 (Source: P.A. 84-1128.)

31 (20 ILCS 1605/7.11) (from Ch. 120, par. 1157.11)

32 Sec. 7.11. The Division ~~Department~~ may establish and  
33 collect nominal charges for promotional products ("premiums")  
34 and other promotional materials produced or acquired by the

1 ~~Division Department~~ as part of its advertising and promotion  
2 activities. Such premiums or other promotional materials may be  
3 sold to individuals, government agencies and not-for-profit  
4 organizations, but not to for-profit enterprises for the  
5 purpose of resale. Other State agencies shall be charged no  
6 more than the cost to the ~~Division Department~~ of the premium or  
7 promotional material. All proceeds from the sale of premiums or  
8 promotional materials shall be deposited in the State Lottery  
9 Fund in the State Treasury.

10 (Source: P.A. 86-1220.)

11 (20 ILCS 1605/9) (from Ch. 120, par. 1159)

12 Sec. 9. The Superintendent ~~Director~~, as administrative  
13 head of the ~~Division Department of the Lottery~~, shall direct  
14 and supervise all its administrative and technical activities  
15 and shall report to the Director. In addition to the duties  
16 imposed upon him elsewhere in this Act, it shall be the  
17 Superintendent's ~~his~~ duty:

18 a. To supervise and administer the operation of the lottery  
19 in accordance with the provisions of this Act or such rules and  
20 regulations of the Department adopted thereunder.

21 b. To attend meetings of the Board ~~Department~~ or to appoint  
22 a designee to attend in his stead.

23 c. To employ and direct such personnel in accord with the  
24 Personnel Code, as may be necessary to carry out the purposes  
25 of this Act. The Superintendent may, subject to the approval of  
26 the Director, use the services, personnel, or facilities of the  
27 Department. In addition, the Superintendent ~~Director~~ may by  
28 agreement secure such services as he or she may deem necessary  
29 from any other department, agency, or unit of the State  
30 government, and may employ and compensate such consultants and  
31 technical assistants as may be required and is otherwise  
32 permitted by law.

33 d. To license, in accordance with the provisions of  
34 Sections 10 and 10.1 of this Act and the rules and regulations  
35 of the Department adopted thereunder, as agents to sell lottery

1 tickets such persons as in his opinion will best serve the  
2 public convenience and promote the sale of tickets or shares.  
3 The Superintendent ~~Director~~ may require a bond from every  
4 licensed agent, in such amount as provided in the rules and  
5 regulations of the Department. Every licensed agent shall  
6 prominently display his license, or a copy thereof, as provided  
7 in the rules and regulations of the Department.

8 e. To suspend or revoke any license issued pursuant to this  
9 Act or the rules and regulations promulgated by the Department  
10 thereunder.

11 f. To confer regularly as necessary or desirable and not  
12 less than once every month with the Lottery Control Board on  
13 the operation and administration of the Lottery; to make  
14 available for inspection by the Board or any member of the  
15 Board, upon request, all books, records, files, and other  
16 information and documents of his office; to advise the Board  
17 and recommend such rules and regulations and such other matters  
18 as he deems necessary and advisable to improve the operation  
19 and administration of the lottery.

20 g. To enter into contracts for the operation of the  
21 lottery, or any part thereof, and into contracts for the  
22 promotion of the lottery on behalf of the Department with any  
23 person, firm or corporation, to perform any of the functions  
24 provided for in this Act or the rules and regulations  
25 promulgated thereunder. The Department shall not expend State  
26 funds on a contractual basis for such functions unless those  
27 functions and expenditures are expressly authorized by the  
28 General Assembly.

29 h. To enter into an agreement or agreements with the  
30 management of state lotteries operated pursuant to the laws of  
31 other states for the purpose of creating and operating a  
32 multi-state lottery game wherein a separate and distinct prize  
33 pool would be combined to award larger prizes to the public  
34 than could be offered by the several state lotteries,  
35 individually. No tickets or shares offered in connection with a  
36 multi-state lottery game shall be sold within the State of

1 Illinois, except those offered by and through the Department.  
2 No such agreement shall purport to pledge the full faith and  
3 credit of the State of Illinois, nor shall the Department  
4 expend State funds on a contractual basis in connection with  
5 any such game unless such expenditures are expressly authorized  
6 by the General Assembly, provided, however, that in the event  
7 of error or omission by the Illinois State Lottery in the  
8 conduct of the game, as determined by the multi-state game  
9 directors, the Department shall be authorized to pay a prize  
10 winner or winners the lesser of a disputed prize or \$1,000,000,  
11 any such payment to be made solely from funds appropriated for  
12 game prize purposes. The Department shall be authorized to  
13 share in the ordinary operating expenses of any such  
14 multi-state lottery game, from funds appropriated by the  
15 General Assembly, and in the event the multi-state game control  
16 offices are physically located within the State of Illinois,  
17 the Department is authorized to advance start-up operating  
18 costs not to exceed \$150,000, subject to proportionate  
19 reimbursement of such costs by the other participating state  
20 lotteries. The Department shall be authorized to share  
21 proportionately in the costs of establishing a liability  
22 reserve fund from funds appropriated by the General Assembly.  
23 The Department is authorized to transfer prize award funds  
24 attributable to Illinois sales of multi-state lottery game  
25 tickets to the multi-state control office, or its designated  
26 depository, for deposit to such game pool account or accounts  
27 as may be established by the multi-state game directors, the  
28 records of which account or accounts shall be available at all  
29 times for inspection in an audit by the Auditor General of  
30 Illinois and any other auditors pursuant to the laws of the  
31 State of Illinois. No multi-state game prize awarded to a  
32 nonresident of Illinois, with respect to a ticket or share  
33 purchased in a state other than the State of Illinois, shall be  
34 deemed to be a prize awarded under this Act for the purpose of  
35 taxation under the Illinois Income Tax Act. All of the net  
36 revenues accruing from the sale of multi-state lottery tickets

1 or shares shall be transferred into the Common School Fund  
2 pursuant to Section 7.2. The Department shall promulgate such  
3 rules as may be appropriate to implement the provisions of this  
4 Section.

5 i. To make a continuous study and investigation of (1) the  
6 operation and the administration of similar laws which may be  
7 in effect in other states or countries, (2) any literature on  
8 the subject which from time to time may be published or  
9 available, (3) any Federal laws which may affect the operation  
10 of the lottery, and (4) the reaction of Illinois citizens to  
11 existing and potential features of the lottery with a view to  
12 recommending or effecting changes that will tend to serve the  
13 purposes of this Act.

14 j. To report monthly to the State Treasurer and the Lottery  
15 Control Board a full and complete statement of lottery  
16 revenues, prize disbursements and other expenses for each month  
17 and the amounts to be transferred to the Common School Fund  
18 pursuant to Section 7.2 or such other funds as are otherwise  
19 authorized by Section 21.2 of this Act, and to make an annual  
20 report, which shall include a full and complete statement of  
21 lottery revenues, prize disbursements and other expenses, to  
22 the Governor and the Board. All reports required by this  
23 subsection shall be public and copies of all such reports shall  
24 be sent to the Speaker of the House, the President of the  
25 Senate, and the minority leaders of both houses.

26 (Source: P.A. 85-183.)

27 (20 ILCS 1605/10) (from Ch. 120, par. 1160)

28 Sec. 10. The Division ~~Department~~, upon application  
29 therefor on forms prescribed by the Division ~~Department~~, and  
30 upon a determination by the Division ~~Department~~ that the  
31 applicant meets all of the qualifications specified in this  
32 Act, shall issue a license as an agent to sell lottery tickets  
33 or shares. No license as an agent to sell lottery tickets or  
34 shares shall be issued to any person to engage in business  
35 exclusively as a lottery sales agent.

1 Before issuing such license the Superintendent ~~Director~~  
2 shall consider (a) the financial responsibility and security of  
3 the person and his business or activity, (b) the accessibility  
4 of his place of business or activity to the public, (c) the  
5 sufficiency of existing licenses to serve the public  
6 convenience, (d) the volume of expected sales, and (e) such  
7 other factors as he or she may deem appropriate.

8 Until September 1, 1987, the provisions of Sections 2a, 4,  
9 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9,  
10 10, 12 and 13.5 of the Retailers' Occupation Tax Act which are  
11 not inconsistent with this Act shall apply to the subject  
12 matter of this Act to the same extent as if such provisions  
13 were included in this Act. For purposes of this Act, references  
14 in such incorporated Sections of the Retailers' Occupation Tax  
15 Act to retailers, sellers or persons engaged in the business of  
16 selling tangible personal property mean persons engaged in  
17 selling lottery tickets or shares; references in such  
18 incorporated Sections to sales of tangible personal property  
19 mean the selling of lottery tickets or shares; and references  
20 in such incorporated Sections to certificates of registration  
21 mean licenses issued under this Act. The provisions of the  
22 Retailers' Occupation Tax Act as heretofore applied to the  
23 subject matter of this Act shall not apply with respect to  
24 tickets sold by or delivered to lottery sales agents on and  
25 after September 1, 1987, but such provisions shall continue to  
26 apply with respect to transactions involving the sale and  
27 delivery of tickets prior to September 1, 1987.

28 All licenses issued by the Division ~~Department~~ under this  
29 Act shall be valid for a period not to exceed 2 years after  
30 issuance unless sooner revoked, canceled or suspended as in  
31 this Act provided. No license issued under this Act shall be  
32 transferable or assignable. Such license shall be  
33 conspicuously displayed in the place of business conducted by  
34 the licensee in Illinois where lottery tickets or shares are to  
35 be sold under such license.

36 For purposes of this Section, the term "person" shall be



1 construed to mean and include an individual, association,  
2 partnership, corporation, club, trust, estate, society,  
3 company, joint stock company, receiver, trustee, referee, any  
4 other person acting in a fiduciary or representative capacity  
5 who is appointed by a court, or any combination of individuals.  
6 "Person" includes any department, commission, agency or  
7 instrumentality of the State, including any county, city,  
8 village, or township and any agency or instrumentality thereof.  
9 (Source: P.A. 86-1475; 87-895.)

10 (20 ILCS 1605/10.1) (from Ch. 120, par. 1160.1)

11 Sec. 10.1. The following are ineligible for any license  
12 under this Act:

13 (a) any person who has been convicted of a felony;

14 (b) any person who is or has been a professional gambler or  
15 gambling promoter;

16 (c) any person who has engaged in bookmaking or other forms  
17 of illegal gambling;

18 (d) any person who is not of good character and reputation  
19 in the community in which he resides;

20 (e) any person who has been found guilty of any fraud or  
21 misrepresentation in any connection;

22 (f) any firm or corporation in which a person defined in  
23 (a), (b), (c), (d) or (e) has a proprietary, equitable or  
24 credit interest of 5% or more.

25 (g) any organization in which a person defined in (a), (b),  
26 (c), (d) or (e) is an officer, director, or managing agent,  
27 whether compensated or not;

28 (h) any organization in which a person defined in (a), (b),  
29 (c), (d), or (e) is to participate in the management or sales  
30 of lottery tickets or shares.

31 However, with respect to persons defined in (a), the  
32 Department may grant any such person a license under this Act  
33 when:

34 1) at least 10 years have elapsed since the date when the  
35 sentence for the most recent such conviction was satisfactorily

1 completed;

2 2) the applicant has no history of criminal activity  
3 subsequent to such conviction;

4 3) the applicant has complied with all conditions of  
5 probation, conditional discharge, supervision, parole or  
6 mandatory supervised release; and

7 4) the applicant presents at least 3 letters of  
8 recommendation from responsible citizens in his community who  
9 personally can attest that the character and attitude of the  
10 applicant indicate that he is unlikely to commit another crime.

11 The Division ~~Department~~ may revoke, without notice or a  
12 hearing, the license of any agent who violates this Act or any  
13 rule or regulation promulgated pursuant to this Act. However,  
14 if the Division ~~Department~~ does revoke a license without notice  
15 and an opportunity for a hearing, the Division ~~Department~~  
16 shall, by appropriate notice, afford the person whose license  
17 has been revoked an opportunity for a hearing within 30 days  
18 after the revocation order has been issued. As a result of any  
19 such hearing, the Division ~~Department~~ may confirm its action in  
20 revoking the license, or it may order the restoration of such  
21 license.

22 (Source: P.A. 82-404.)

23 (20 ILCS 1605/10.1a) (from Ch. 120, par. 1160.1a)

24 Sec. 10.1a. In addition to other grounds specified in this  
25 Act, the Division ~~Department~~ shall refuse to issue and shall  
26 suspend the license of any lottery sales agency who fails to  
27 file a return, or to pay the tax, penalty or interest shown in  
28 a filed return, or to pay any final assessment of tax, penalty  
29 or interest, as required by any tax Act administered by the  
30 ~~Illinois~~ Department ~~of Revenue~~, until such time as the  
31 requirements of any such tax Act are satisfied, unless the  
32 agency is contesting, in accordance with the procedures  
33 established by the appropriate revenue Act, its liability for  
34 the tax or the amount of tax. The Division ~~Department~~ shall  
35 affirmatively verify the tax status of every sales agency

1 before issuing or renewing a license. For purposes of this  
2 Section, a sales agency shall not be considered delinquent in  
3 the payment of a tax if the agency (a) has entered into an  
4 agreement with the Department ~~of Revenue~~ for the payment of all  
5 such taxes that are due and (b) is in compliance with the  
6 agreement.

7 (Source: P.A. 87-341.)

8 (20 ILCS 1605/10.2) (from Ch. 120, par. 1160.2)

9 Sec. 10.2. Application and other fees. Each application  
10 for a new lottery license must be accompanied by a one-time  
11 application fee of \$50; the Division ~~Department~~, however, may  
12 waive the fee for licenses of limited duration as provided by  
13 Department rule. Each application for renewal of a lottery  
14 license must be accompanied by a renewal fee of \$25. Each  
15 lottery licensee granted on-line status pursuant to the  
16 Department's rules must pay a fee of \$10 per week as partial  
17 reimbursement for telecommunications charges incurred by the  
18 Department in providing access to the lottery's on-line gaming  
19 system. The Department, by rule, may increase or decrease the  
20 amount of these fees.

21 (Source: P.A. 93-840, eff. 7-30-04.)

22 (20 ILCS 1605/10.6) (from Ch. 120, par. 1160.6)

23 Sec. 10.6. The Division ~~Department~~ shall make an effort to  
24 more directly inform players of the odds of winning prizes.  
25 This effort shall include, at a minimum, that the Division  
26 ~~Department~~ require all ticket agents to display a placard  
27 stating the odds of winning for each game offered by that  
28 agent.

29 (Source: P.A. 85-183.)

30 (20 ILCS 1605/10.7)

31 Sec. 10.7. Compulsive gambling.

32 (a) Each lottery sales agent shall post a statement  
33 regarding obtaining assistance with gambling problems and

1 including a toll-free "800" telephone number providing crisis  
2 counseling and referral services to families experiencing  
3 difficulty as a result of problem or compulsive gambling. The  
4 text of the statement shall be determined by rule by the  
5 Department of Human Services, shall be no more than one  
6 sentence in length, and shall be posted on the placard required  
7 under Section 10.6. The signs shall be provided by the  
8 Department of Human Services.

9 (b) The Division ~~Department~~ shall print a statement  
10 regarding obtaining assistance with gambling problems, the  
11 text of which shall be determined by rule by the Department of  
12 Human Services, on all paper stock it provides to the general  
13 public.

14 (c) The Division ~~Department~~ shall print a statement of no  
15 more than one sentence in length regarding obtaining assistance  
16 with gambling problems and including a toll-free "800" number  
17 providing crisis counseling and referral services to families  
18 experiencing difficulty as a result of problem or compulsive  
19 gambling on the back of all lottery tickets.

20 (Source: P.A. 89-374, eff. 1-1-96; 89-507, eff. 7-1-97.)

21 (20 ILCS 1605/12) (from Ch. 120, par. 1162)

22 Sec. 12. The public inspection and copying of the records  
23 and data of the Division ~~Department~~ and the Board shall be  
24 generally governed by the provisions of the Freedom of  
25 Information Act except that the following shall additionally be  
26 exempt from inspection and copying:

27 (i) information privileged against introduction in  
28 judicial proceedings;

29 (ii) internal communications of the several agencies;

30 (iii) information concerning secret manufacturing  
31 processes or confidential data submitted by any person under  
32 this Act;

33 (iv) any creative proposals, scripts, storyboards or other  
34 materials prepared by or for the Division ~~Department~~, prior to  
35 the placement of the materials in the media, if the prior

1 release of the materials would compromise the effectiveness of  
2 an advertising campaign.

3 (Source: P.A. 88-522.)

4 (20 ILCS 1605/13) (from Ch. 120, par. 1163)

5 Sec. 13. Except as otherwise provided in Section 13.1, no  
6 prize, nor any portion of a prize, nor any right of any person  
7 to a prize awarded shall be assignable. Any prize, or portion  
8 thereof remaining unpaid at the death of a prize winner, may be  
9 paid to the estate of such deceased prize winner, or to the  
10 trustee under a revocable living trust established by the  
11 deceased prize winner as settlor, provided that a copy of such  
12 a trust has been filed with the Department along with a  
13 notarized letter of direction from the settlor and no written  
14 notice of revocation has been received by the Division  
15 ~~Department~~ prior to the settlor's death. Following such a  
16 settlor's death and prior to any payment to such a successor  
17 trustee, the Superintendent ~~Director~~ shall obtain from the  
18 trustee ~~and each trust beneficiary~~ a written agreement to  
19 indemnify and hold the Department and the Division harmless  
20 with respect to any claims that may be asserted against the  
21 Department or the Division arising from payment to or through  
22 the trust. Notwithstanding any other provision of this Section,  
23 any person pursuant to an appropriate judicial order may be  
24 paid the prize to which a winner is entitled, and all or part  
25 of any prize otherwise payable by State warrant under this  
26 Section shall be withheld upon certification to the State  
27 Comptroller from the Illinois Department of Public Aid as  
28 provided in Section 10-17.5 of The Illinois Public Aid Code.  
29 The Director and the Superintendent shall be discharged of all  
30 further liability upon payment of a prize pursuant to this  
31 Section.

32 (Source: P.A. 93-465, eff. 1-1-04.)

33 (20 ILCS 1605/14) (from Ch. 120, par. 1164)

34 Sec. 14. No person shall sell a ticket or share at a price

1 greater than that fixed by rule or regulation of the Department  
2 or the Division. No person other than a licensed lottery sales  
3 agent or distributor shall sell or resell lottery tickets or  
4 shares. No person shall charge a fee to redeem a winning ticket  
5 or share.

6 Any person convicted of violating this Section shall be  
7 guilty of a Class B misdemeanor; provided, that if any offense  
8 under this Section is a subsequent offense, the offender shall  
9 be guilty of a Class 4 felony.

10 (Source: P.A. 87-1271.)

11 (20 ILCS 1605/14.3)

12 Sec. 14.3. Misuse of proprietary material prohibited.  
13 Except as may be provided in Section 7.11, or by bona fide sale  
14 or by prior authorization from the Department or the Division,  
15 or otherwise by law, all premiums, promotional and other  
16 proprietary material produced or acquired by the Division  
17 ~~Department~~ as part of its advertising and promotional  
18 activities shall remain the property of the Department. Nothing  
19 herein shall be construed to affect the rights or obligations  
20 of the Department or any other person under federal or State  
21 trademark or copyright laws.

22 (Source: P.A. 88-522.)

23 (20 ILCS 1605/19) (from Ch. 120, par. 1169)

24 Sec. 19. The Division ~~Department~~ shall establish an  
25 appropriate period for the claiming of prizes for each lottery  
26 game offered. Each claim period shall be stated in game rules  
27 and written play instructions issued by the Superintendent  
28 ~~Director~~ in accordance with Section 7.1 of this Act. Written  
29 play instructions shall be made available to all players  
30 through sales agents licensed to sell game tickets or shares.  
31 Prizes for lottery games which involve the purchase of a  
32 physical lottery ticket may be claimed only by presentation of  
33 a valid winning lottery ticket that matches validation records  
34 on file with the Lottery; no claim may be honored which is

1 based on the assertion that the ticket was lost or stolen. No  
2 lottery ticket which has been altered, mutilated, or fails to  
3 pass validation tests shall be deemed to be a winning ticket.

4 If no claim is made for the money within the established  
5 claim period, the prize may be included in the prize pool of  
6 such special drawing or drawings as the Division ~~Department~~  
7 may, from time to time, designate. Unclaimed multi-state game  
8 prize money may be included in the multi-state prize pool for  
9 such special drawing or drawings as the multi-state game  
10 directors may, from time to time, designate. Any bonuses  
11 offered by the Department to sales agents who sell winning  
12 tickets or shares shall be payable to such agents regardless of  
13 whether or not the prize money on the ticket or share is  
14 claimed, provided that the agent can be identified as the  
15 vendor of the winning ticket or share, and that the winning  
16 ticket or share was sold on or after January 1, 1984. All  
17 unclaimed prize money not included in the prize pool of a  
18 special drawing shall be transferred to the Common School Fund.  
19 (Source: P.A. 90-724, eff. 1-1-99.)

20 (20 ILCS 1605/21) (from Ch. 120, par. 1171)

21 Sec. 21. All lottery sales agents or distributors shall be  
22 liable to the Lottery for any and all tickets accepted or  
23 generated by any employee or representative of that agent or  
24 distributor, and such tickets shall be deemed to have been  
25 purchased by the agent or distributor unless returned to the  
26 Lottery within the time and in the manner prescribed by the  
27 Superintendent ~~Director~~. All moneys received by such agents or  
28 distributors from the sale of lottery tickets or shares, less  
29 the amount retained as compensation for the sale of the tickets  
30 or shares and the amount paid out as prizes, shall be paid over  
31 to a lottery representative or deposited in a bank or savings  
32 and loan association approved by the State Treasurer, as  
33 prescribed by the Superintendent ~~Director~~.

34 No bank or savings and loan association shall receive  
35 public funds as permitted by this Section, unless it has

1 complied with the requirements established pursuant to Section  
2 6 of the Public Funds Investment Act.

3 Each payment or deposit shall be accompanied by a report of  
4 the agent's receipts and transactions in the sale of lottery  
5 tickets in such form and containing such information as the  
6 Superintendent ~~Director~~ may require. Any discrepancies in such  
7 receipts and transactions may be resolved as provided by the  
8 rules and regulations of the Department.

9 If any money due the Lottery by a sales agent or  
10 distributor is not paid when due or demanded, it shall  
11 immediately become delinquent and be billed on a subsequent  
12 monthly statement. If on the closing date for any monthly  
13 statement a delinquent amount previously billed of more than  
14 \$50 remains unpaid, interest in such amount shall be accrued at  
15 the rate of 2% per month or fraction thereof from the date when  
16 such delinquent amount becomes past due until such delinquent  
17 amount, including interest, penalty and other costs and charges  
18 that the Department may incur in collecting such amounts, is  
19 paid. In case any agent or distributor fails to pay any moneys  
20 due the Lottery within 30 days after a second bill or statement  
21 is rendered to the agent or distributor, such amount shall be  
22 deemed seriously delinquent and may be referred by the  
23 Department to a collection agency or credit bureau for  
24 collection. Any contract entered into by the Department for the  
25 collection of seriously delinquent accounts with a collection  
26 agency or credit bureau may be satisfied by a commercially  
27 reasonable percentage of the delinquent account recouped,  
28 which shall be negotiated by the Department in accordance with  
29 commercially accepted standards. Any costs incurred by the  
30 Department or others authorized to act in its behalf in  
31 collecting such delinquencies may be assessed against the agent  
32 or distributor and included as a part of the delinquent  
33 account.

34 In case of failure of an agent or distributor to pay a  
35 seriously delinquent amount, or any portion thereof, including  
36 interest, penalty and costs, the Division ~~Department~~ may issue



1 a Notice of Assessment. In determining amounts shown on the  
2 Notice of Assessment, the Division ~~Department~~ shall utilize the  
3 financial information available from its records. Such Notice  
4 of Assessment shall be prima facie correct and shall be prima  
5 facie evidence of delinquent sums due under this Section at any  
6 hearing before the Board, or its Hearing Officers, or at any  
7 other legal proceeding. Reproduced copies of the Division's  
8 ~~Department's~~ records relating to a delinquent account or a  
9 Notice of Assessment offered in the name of the Department,  
10 under the Certificate of the Director or any officer or  
11 employee of the Department designated in writing by the  
12 Director shall, without further proof, be admitted into  
13 evidence in any such hearing or any legal proceeding and shall  
14 be prima facie proof of the delinquency, including principal  
15 and any interest, penalties and costs, as shown thereon. The  
16 Attorney General may bring suit on behalf of the Department to  
17 collect all such delinquent amounts, or any portion thereof,  
18 including interest, penalty and costs, due the Lottery.

19 Any person who accepts money that is due to the Department  
20 from the sale of lottery tickets under this Act, but who  
21 wilfully fails to remit such payment to the Department when due  
22 or who purports to make such payment but wilfully fails to do  
23 so because his check or other remittance fails to clear the  
24 bank or savings and loan association against which it is drawn,  
25 in addition to the amount due and in addition to any other  
26 penalty provided by law, shall be assessed, and shall pay, a  
27 penalty equal to 5% of the deficiency plus any costs or charges  
28 incurred by the Department in collecting such amount.

29 The Director may make such arrangements for any person(s),  
30 banks, savings and loan associations or distributors, to  
31 perform such functions, activities or services in connection  
32 with the operation of the lottery as he deems advisable  
33 pursuant to this Act, the State Comptroller Act, or the rules  
34 and regulations of the Department, and such functions,  
35 activities or services shall constitute lawful functions,  
36 activities and services of such person(s), banks, savings and

1 loan associations or distributors.

2 All income arising out of any activity or purpose of the  
3 Division ~~Department~~ shall, pursuant to the State Finance Act,  
4 be paid into the State Treasury except as otherwise provided by  
5 the rules and regulations of the Department and shall be  
6 covered into a special fund to be known as the State Lottery  
7 Fund. Banks and savings and loan associations may be  
8 compensated for services rendered based upon the activity and  
9 amount of funds on deposit.

10 (Source: P.A. 91-357, eff. 7-29-99.)

11 (20 ILCS 1605/24) (from Ch. 120, par. 1174)

12 Sec. 24. The State Comptroller shall conduct a preaudit of  
13 all accounts and transactions of the Department in connection  
14 with the operation of the State Lottery under the State  
15 Comptroller Act, excluding payments issued by the Department  
16 for prizes of \$25,000 or less.

17 The Auditor General or a certified public accountant firm  
18 appointed by him shall conduct an annual post-audit of all  
19 accounts and transactions of the Department in connection with  
20 the operation of the State Lottery and other special post  
21 audits as the Auditor General, the Legislative Audit  
22 Commission, or the General Assembly deems necessary. The annual  
23 post-audits shall include payments made by lottery sales agents  
24 of prizes of less than \$600 authorized under Section 20, and  
25 payments made by the Department of prizes up to \$25,000  
26 authorized under Section 20.1. The Auditor General or his agent  
27 conducting an audit under this Act shall have access and  
28 authority to examine any and all records of the Department or  
29 the Board, its distributing agents and its licensees.

30 (Source: P.A. 91-357, eff. 7-29-99.)

31 Section 7. The Department of Revenue Law of the Civil  
32 Administrative Code of Illinois is amended by changing Section  
33 2505-210 as follows:

1 (20 ILCS 2505/2505-210) (was 20 ILCS 2505/39c-1)

2 Sec. 2505-210. Electronic funds transfer.

3 (a) The Department may provide means by which persons  
4 having a tax liability under any Act administered by the  
5 Department may use electronic funds transfer to pay the tax  
6 liability.

7 (b) Beginning on October 1, 2002, a taxpayer who has an  
8 annual tax liability of \$200,000 or more shall make all  
9 payments of that tax to the Department by electronic funds  
10 transfer. Before August 1 of each year, beginning in 2002, the  
11 Department shall notify all taxpayers required to make payments  
12 by electronic funds transfer. All taxpayers required to make  
13 payments by electronic funds transfer shall make those payments  
14 for a minimum of one year beginning on October 1. For purposes  
15 of this subsection (b), the term "annual tax liability" means,  
16 except as provided in subsections (c) and (d) of this Section,  
17 the sum of the taxpayer's liabilities under a tax Act  
18 administered by the Department, except, through December 31,  
19 2005, the Motor Fuel Tax Law and the Environmental Impact Fee  
20 Law, for the immediately preceding calendar year.

21 (c) For purposes of subsection (b), the term "annual tax  
22 liability" means, for a taxpayer that incurs a tax liability  
23 under the Retailers' Occupation Tax Act, Service Occupation Tax  
24 Act, Use Tax Act, Service Use Tax Act, or any other State or  
25 local occupation or use tax law that is administered by the  
26 Department, the sum of the taxpayer's liabilities under the  
27 Retailers' Occupation Tax Act, Service Occupation Tax Act, Use  
28 Tax Act, Service Use Tax Act, and all other State and local  
29 occupation and use tax laws administered by the Department for  
30 the immediately preceding calendar year.

31 (d) For purposes of subsection (b), the term "annual tax  
32 liability" means, for a taxpayer that incurs an Illinois income  
33 tax liability, the greater of:

34 (1) the amount of the taxpayer's tax liability under  
35 Article 7 of the Illinois Income Tax Act for the  
36 immediately preceding calendar year; or

1           (2) the taxpayer's estimated tax payment obligation  
2           under Article 8 of the Illinois Income Tax Act for the  
3           immediately preceding calendar year.

4           (e) The Department shall adopt such rules as are necessary  
5           to effectuate a program of electronic funds transfer and the  
6           requirements of this Section.

7           (Source: P.A. 91-239, eff. 1-1-00; 92-492, eff. 1-1-02.)

8           Section 10. The Illinois Income Tax Act is amended by  
9           changing Section 902 as follows:

10           (35 ILCS 5/902) (from Ch. 120, par. 9-902)

11           Sec. 902. Notice and Demand.

12           (a) In general. Except as provided in subsection (b) the  
13           Director shall, as soon as practicable after an amount payable  
14           under this Act is deemed assessed (as provided in Section 903),  
15           give notice to each person liable for any unpaid portion of  
16           such assessment, stating the amount unpaid and demanding  
17           payment thereof. In the case of tax deemed assessed with the  
18           filing of a return, the Director shall give notice no later  
19           than 3 years after the date the return was filed. Upon receipt  
20           of any notice and demand there shall be paid at the place and  
21           time stated in such notice the amount stated in such notice.  
22           Such notice shall be left at the dwelling or usual place of  
23           business of such person or shall be sent by mail to the  
24           person's last known address.

25           (b) Judicial review. In the case of a deficiency deemed  
26           assessed under Section 903 (a) (2) after the filing of a  
27           protest, notice and demand shall not be made with respect to  
28           such assessment until all proceedings in court for the review  
29           of such assessment have terminated or the time for the taking  
30           thereof has expired without such proceedings being instituted.

31           (c) Action for recovery of taxes. At any time that the  
32           Department might commence proceedings for a levy under Section  
33           1109, regardless of whether a notice of lien was filed under  
34           the provisions of Section 1103, it may bring an action in any

1 court of competent jurisdiction within or without this State in  
2 the name of the people of this State to recover the amount of  
3 any taxes, penalties and interest due and unpaid under this  
4 Act. In such action, the certificate of the Department showing  
5 the amount of the delinquency shall be prima facie evidence of  
6 the correctness of such amount, its assessment and of the  
7 compliance by the Department with all the provisions of this  
8 Act.

9 (d) Sales or transfers outside the usual course of  
10 business-Report-Payment of Tax - Rights and duties of purchaser  
11 or transferee - penalty. If any taxpayer, outside the usual  
12 course of his business, sells or transfers the major part of  
13 any one or more of (A) the stock of goods which he is engaged in  
14 the business of selling, or (B) the furniture or fixtures, or  
15 (C) the machinery and equipment, or (D) the real property, of  
16 any business that is subject to the provisions of this Act, the  
17 purchaser or transferee of such assets shall, no later than 10  
18 business days after the sale or transfer, file a notice of sale  
19 or transfer of business assets with the Chicago office of the  
20 Department disclosing the name and address of the seller or  
21 transferor, the name and address of the purchaser or  
22 transferee, the date of the sale or transfer, a copy of the  
23 sales contract and financing agreements which shall include a  
24 description of the property sold or transferred, the amount of  
25 the purchase price or a statement of other consideration for  
26 the sale or transfer, and the terms for payment of the purchase  
27 price, and such other information as the Department may  
28 reasonably require. If the purchaser or transferee fails to  
29 file the above described notice of sale with the Department  
30 within the prescribed time, the purchaser or transferee shall  
31 be personally liable to the Department for the amount owed  
32 hereunder by the seller or transferor but unpaid, up to the  
33 amount of the reasonable value of the property acquired by the  
34 purchaser or transferee. The purchaser or transferee shall pay  
35 the Department the amount of tax, penalties, and interest owed  
36 by the seller or transferor under this Act, to the extent they

1 have not been paid by the seller or transferor. The seller or  
2 transferor, or the purchaser or transferee, at least 10  
3 business days before the date of the sale or transfer, may  
4 notify the Department of the intended sale or transfer and  
5 request the Department to make a determination as to whether  
6 the seller or transferor owes any tax, penalty or interest due  
7 under this Act. The Department shall take such steps as may be  
8 appropriate to comply with such request.

9 Any order issued by the Department pursuant to this Section  
10 to withhold from the purchase price shall be issued within 10  
11 business days after the Department receives notification of a  
12 sale as provided in this Section. The purchaser or transferee  
13 shall withhold such portion of the purchase price as may be  
14 directed by the Department, but not to exceed a minimum amount  
15 varying by type of business, as determined by the Department  
16 pursuant to regulations, plus twice the outstanding unpaid  
17 liabilities and twice the average liability of preceding  
18 filings times the number of unfiled returns which were not  
19 filed when due, to cover the amount of all tax, penalty, and  
20 interest due and unpaid by the seller or transferor under this  
21 Act or, if the payment of money or property is not involved,  
22 shall withhold the performance of the condition that  
23 constitutes the consideration for the sale or transfer. Within  
24 60 business days after issuance of the initial order to  
25 withhold, the Department shall provide written notice to the  
26 purchaser or transferee of the actual amount of all taxes,  
27 penalties and interest then due and whether or not additional  
28 amounts may become due as a result of unpaid taxes required to  
29 be withheld by an employer, returns which were not filed when  
30 due, pending assessments and audits not completed. The  
31 purchaser or transferee shall continue to withhold the amount  
32 directed to be withheld by the initial order or such lesser  
33 amount as is specified by the final withholding order or to  
34 withhold the performance of the condition which constitutes the  
35 consideration for the sale or transfer until the purchaser or  
36 transferee receives from the Department a certificate showing

1 that no unpaid tax, penalty or interest is due from the seller  
2 or transferor under this Act.

3 The purchaser or transferee is relieved of any duty to  
4 continue to withhold from the purchase price and of any  
5 liability for tax, penalty, or interest due hereunder from the  
6 seller or transferor if the Department fails to notify the  
7 purchaser or transferee in the manner provided herein of the  
8 amount to be withheld within 10 business days after the sale or  
9 transfer has been reported to the Department or within 60  
10 business days after issuance of the initial order to withhold,  
11 as the case may be. The Department shall have the right to  
12 determine amounts claimed on an estimated basis to allow for  
13 periods for which returns were not filed when due, pending  
14 assessments and audits not completed, however the purchaser or  
15 transferee shall be personally liable only for the actual  
16 amount due when determined.

17 If the seller or transferor has failed to pay the tax,  
18 penalty, and interest due from him hereunder and the Department  
19 makes timely claim therefor against the purchaser or transferee  
20 as hereinabove provided, then the purchaser or transferee shall  
21 pay to the Department the amount so withheld from the purchase  
22 price. If the purchaser or transferee fails to comply with the  
23 requirements of this Section, the purchaser or transferee shall  
24 be personally liable to the Department for the amount owed  
25 hereunder by the seller or transferor up to the amount of the  
26 reasonable value of the property acquired by the purchaser or  
27 transferee.

28 Any person who shall acquire any property or rights thereto  
29 which, at the time of such acquisition, is subject to a valid  
30 lien in favor of the Department, shall be personally liable to  
31 the Department for a sum equal to the amount of taxes,  
32 penalties and interests, secured by such lien, but not to  
33 exceed the reasonable value of such property acquired by him.

34 (Source: P.A. 86-923; 86-953.)

35 Section 15. The Retailers' Occupation Tax Act is amended by

1 changing Section 5j as follows:

2 (35 ILCS 120/5j) (from Ch. 120, par. 444j)

3 Sec. 5j. If any taxpayer, outside the usual course of his  
4 business, sells or transfers the major part of any one or more  
5 of (A) the stock of goods which he is engaged in the business  
6 of selling, or (B) the furniture or fixtures, (C) the machinery  
7 and equipment, or (D) the real property, of any business that  
8 is subject to the provisions of this Act, the purchaser or  
9 transferee of such asset shall, no later than 10 business days  
10 after the sale or transfer, file a notice of sale or transfer  
11 of business assets with the Chicago office of the Department  
12 disclosing the name and address of the seller or transferor,  
13 the name and address of the purchaser or transferee, the date  
14 of the sale or transfer, a copy of the sales contract and  
15 financing agreements which shall include a description of the  
16 property sold, the amount of the purchase price or a statement  
17 of other consideration for the sale or transfer, the terms for  
18 payment of the purchase price, and such other information as  
19 the Department may reasonably require. If the purchaser or  
20 transferee fails to file the above described notice of sale  
21 with the Department within the prescribed time, the purchaser  
22 or transferee shall be personally liable for the amount owed  
23 hereunder by the seller or transferor to the Department up to  
24 the amount of the reasonable value of the property acquired by  
25 the purchaser or transferee. The seller or transferor shall pay  
26 the Department the amount of tax, penalty and interest (if any)  
27 due from him under this Act up to the date of the payment of  
28 tax. The seller or transferor, or the purchaser or transferee,  
29 at least 10 business days before the date of the sale or  
30 transfer, may notify the Department of the intended sale or  
31 transfer and request the Department to audit the books and  
32 records of the seller or transferor, or to do whatever else may  
33 be necessary to determine how much the seller or transferor  
34 owes to the Department hereunder up to the date of the sale or  
35 transfer. The Department shall take such steps as may be



1 appropriate to comply with such request.

2 Any order issued by the Department pursuant to this Section  
3 to withhold from the purchase price shall be issued within 10  
4 business days after the Department receives notification of a  
5 sale as provided in this Section. The purchaser or transferee  
6 shall withhold such portion of the purchase price as may be  
7 directed by the Department, but not to exceed a minimum amount  
8 varying by type of business, as determined by the Department  
9 pursuant to regulations, plus twice the outstanding unpaid  
10 liabilities and twice the average liability of preceding  
11 filings times the number of unfiled returns, to cover the  
12 amount of all tax, penalty and interest due and unpaid by the  
13 seller or transferor under this Act or, if the payment of money  
14 or property is not involved, shall withhold the performance of  
15 the condition that constitutes the consideration for the sale  
16 or transfer. Within 60 business days after issuance of the  
17 initial order to withhold, the Department shall provide written  
18 notice to the purchaser or transferee of the actual amount of  
19 all taxes, penalties and interest then due and whether or not  
20 additional amounts may become due as a result of unfiled  
21 returns, pending assessments and audits not completed. The  
22 purchaser or transferee shall continue to withhold the amount  
23 directed to be withheld by the initial order or such lesser  
24 amount as is specified by the final withholding order or to  
25 withhold the performance of the condition which constitutes the  
26 consideration for the sale or transfer until the purchaser or  
27 transferee receives from the Department a certificate showing  
28 that such tax, penalty and interest have been paid or a  
29 certificate from the Department showing that no tax, penalty or  
30 interest is due from the seller or transferor under this Act.

31 The purchaser or transferee is relieved of any duty to  
32 continue to withhold from the purchase price and of any  
33 liability for tax, penalty or interest due hereunder from the  
34 seller or transferor if the Department fails to notify the  
35 purchaser or transferee in the manner provided herein of the  
36 amount to be withheld within 10 business days after the sale or

1 transfer has been reported to the Department or within 60  
2 business days after issuance of the initial order to withhold,  
3 as the case may be. The Department shall have the right to  
4 determine amounts claimed on an estimated basis to allow for  
5 non-filed periods, pending assessments and audits not  
6 completed, however the purchaser or transferee shall be  
7 personally liable only for the actual amount due when  
8 determined.

9 If the seller or transferor fails to pay the tax, penalty  
10 and interest (if any) due from him hereunder and the Department  
11 makes timely claim therefor against the purchaser or transferee  
12 as hereinabove provided, then the purchaser or transferee shall  
13 pay the amount so withheld from the purchase price to the  
14 Department. If the purchaser or transferee fails to comply with  
15 the requirements of this Section, the purchaser or transferee  
16 shall be personally liable to the Department for the amount  
17 owed hereunder by the seller or transferor to the Department up  
18 to the amount of the reasonable value of the property acquired  
19 by the purchaser or transferee.

20 Any person who shall acquire any property or rights thereto  
21 which, at the time of such acquisition, is subject to a valid  
22 lien in favor of the Department shall be personally liable to  
23 the Department for a sum equal to the amount of taxes secured  
24 by such lien but not to exceed the reasonable value of such  
25 property acquired by him.

26 (Source: P.A. 86-923; 86-953.)

27 Section 20. The Cigarette Tax Act is amended by changing  
28 Section 21 as follows:

29 (35 ILCS 130/21) (from Ch. 120, par. 453.21)

30 Sec. 21. (a) When any original packages of cigarettes or  
31 any cigarette vending device shall have been declared forfeited  
32 to the State by the Department, as provided in Section 18a of  
33 this Act, and when all proceedings for the judicial review of  
34 the Department's decision have terminated, the Department

1 shall, to the extent that its decision is sustained on review,  
2 destroy, maintain and use in an undercover capacity, or sell  
3 such property for the best price obtainable and shall forthwith  
4 pay over the proceeds of such sale to the State Treasurer. If  
5 the value of such property to be sold at any one time is \$500 or  
6 more, however, such property shall be sold only to the highest  
7 and best bidder on such terms and conditions and on open  
8 competitive bidding after public advertisement, in such manner  
9 and for such terms as the Department, by rule, may prescribe.

10 (b) If no complaint for review, as provided in Section 8 of  
11 this Act, has been filed within the time required by the  
12 Administrative Review Law, and if no stay order has been  
13 entered thereunder, the Department shall proceed to sell the  
14 property for the best price obtainable and shall forthwith pay  
15 over the proceeds of such sale to the State Treasurer. If the  
16 value of such property to be sold at any one time is \$500 or  
17 more, however, such property shall be sold only to the highest  
18 and best bidder on such terms and conditions and on open  
19 competitive bidding after public advertisement, in such manner  
20 and for such terms as the Department, by rule, may prescribe.

21 (c) Upon making a sale of unstamped original packages of  
22 cigarettes as provided in this Section, the Department shall  
23 affix a distinctive stamp to each of the original packages so  
24 sold indicating that the same are sold under this Section.

25 (d) Notwithstanding the foregoing, any cigarettes seized  
26 under this Act or under the Cigarette Use Tax Act may, at the  
27 discretion of the Director of Revenue, be distributed to any  
28 eleemosynary institution within the State of Illinois.

29 (Source: P.A. 82-783.)

30 Section 25. The Cigarette Use Tax Act is amended by  
31 changing Sections 26 and 27 as follows:

32 (35 ILCS 135/26) (from Ch. 120, par. 453.56)

33 Sec. 26. Whenever any peace officer of the State or any  
34 duly authorized officer or employee of the Department shall

1 have reason to believe that any violation of this Act has  
2 occurred and that the person so violating the Act has in his,  
3 her or its possession any original package of cigarettes, not  
4 tax stamped or tax imprinted underneath the sealed transparent  
5 wrapper of such original packages, as required by this Act, or  
6 any vending device containing such original packages to which  
7 stamps have not been affixed, or on which an authorized  
8 substitute for stamps has not been imprinted underneath the  
9 sealed transparent wrapper of such original packages, as  
10 required by this Act, he may file or cause to be filed his  
11 complaint in writing, verified by affidavit, with any circuit  
12 court within whose jurisdiction the premises to be searched are  
13 situated, stating the facts upon which such belief is founded,  
14 the premises to be searched, and the property to be seized, and  
15 procure a search warrant and execute the same. Upon the  
16 execution of such search warrant, the peace officer, or officer  
17 or employee of the Department, executing such search warrant  
18 shall make due return thereof to the court issuing the same,  
19 together with an inventory of the property taken thereunder.  
20 The court shall thereupon issue process against the owner of  
21 such property if he is known; otherwise, such process shall be  
22 issued against the person in whose possession the property so  
23 taken is found, if such person is known. In case of inability  
24 to serve such process upon the owner or the person in  
25 possession of the property at the time of its seizure, as  
26 hereinbefore provided, notice of the proceedings before the  
27 court shall be given as required by the statutes of the State  
28 governing cases of Attachment. Upon the return of the process  
29 duly served or upon the posting or publishing of notice made,  
30 as hereinabove provided, the court or jury, if a jury shall be  
31 demanded, shall proceed to determine whether or not such  
32 property so seized was held or possessed in violation of this  
33 Act, or whether, if a vending device has been so seized, it  
34 contained at the time of its seizure original packages not tax  
35 stamped or tax imprinted underneath the sealed transparent  
36 wrapper of such original packages as required by this Act. In

1 case of a finding that the original packages seized were not  
2 tax stamped or tax imprinted underneath the sealed transparent  
3 wrapper of such original packages in accordance with the  
4 provisions of this Act, or that any vending device so seized  
5 contained at the time of its seizure original packages not tax  
6 stamped or tax imprinted underneath the sealed transparent  
7 wrapper of such original packages in accordance with the  
8 provisions of this Act, judgment shall be entered confiscating  
9 and forfeiting the property to the State and ordering its  
10 delivery to the Department, and in addition thereto, the court  
11 shall have power to tax and assess the costs of the  
12 proceedings.

13 When any original packages or any cigarette vending device  
14 shall have been declared forfeited to the State by any court,  
15 as hereinbefore provided, and when such confiscated and  
16 forfeited property shall have been delivered to the Department,  
17 as provided in this Act, the said Department shall destroy,  
18 maintain and use in an undercover capacity, or sell such  
19 property for the best price obtainable and shall forthwith pay  
20 over the proceeds of such sale to the State Treasurer;  
21 provided, however, that if the value of such property to be  
22 sold at any one time shall be \$500 or more, such property shall  
23 be sold only to the highest and best bidder on such terms and  
24 conditions and on open competitive bidding after public  
25 advertisement, in such manner and for such terms as the  
26 Department, by rule, may prescribe.

27 Upon making such a sale of original packages of cigarettes  
28 which were not tax stamped or tax imprinted underneath the  
29 sealed transparent wrapper of such original packages as  
30 required by this Act, the Department shall affix a distinctive  
31 stamp to each of the original packages so sold indicating that  
32 the same are sold pursuant to the provisions of this Section.

33 (Source: Laws 1965, p. 3710.)

34 (35 ILCS 135/27) (from Ch. 120, par. 453.57)

35 Sec. 27. When any original packages of cigarettes or any

1 cigarette vending device shall have been declared forfeited to  
2 the State by the Department, as provided in Section 25 of this  
3 Act, and when all proceedings for the judicial review of the  
4 Department's decision have terminated, the Department shall,  
5 to the extent that its decision is sustained on review,  
6 destroy, maintain and use in an undercover capacity, or sell  
7 such property for the best price obtainable and shall forthwith  
8 pay over the proceeds of such sale to the State Treasurer;  
9 provided, however, that if the value of such property to be  
10 sold at any one time shall be Five Hundred Dollars (\$500) or  
11 more, such property shall be sold only to the highest and best  
12 bidder on such terms and conditions and on open competitive  
13 bidding after public advertisement, in such manner and for such  
14 terms as the Department, by rule, may prescribe.

15 If no complaint for review, as provided in Section 21 of  
16 this Act, has been filed within the time required by the  
17 "Administrative Review Law," and if no stay order has been  
18 entered thereunder, the Department shall proceed to sell said  
19 property for the best price obtainable and shall forthwith pay  
20 over the proceeds of such sale to the State Treasurer;  
21 provided, however, that if the value of such property to be  
22 sold at any one time shall be \$500 or more, such property shall  
23 be sold only to the highest and best bidder on such terms and  
24 conditions and on open competitive bidding after public  
25 advertisement, in such manner and for such terms as the  
26 Department, by rule, may prescribe.

27 Upon making a sale of unstamped original packages of  
28 cigarettes as provided in this Section, the Department shall  
29 affix a distinctive stamp to each of the original packages so  
30 sold indicating that the same are sold pursuant to the  
31 provisions of this Section.

32 (Source: P.A. 83-1539.)

33 Section 30. The Tobacco Products Tax Act of 1995 is amended  
34 by changing Section 10-58 as follows:

1 (35 ILCS 143/10-58)

2 Sec. 10-58. Sale of forfeited tobacco products or vending  
3 devices.

4 (a) When any tobacco products or any vending devices are  
5 declared forfeited to the State by the Department, as provided  
6 in Section 10-55, and when all proceedings for the judicial  
7 review of the Department's decision have terminated, the  
8 Department shall, to the extent that its decision is sustained  
9 on review, sell the property for the best price obtainable and  
10 shall forthwith pay over the proceeds of the sale to the State  
11 Treasurer. If the value of the property to be sold at any one  
12 time is \$500 or more, however, the property shall be sold only  
13 to the highest and best bidder on terms and conditions, and on  
14 open competitive bidding after public advertisement, in a  
15 manner and for terms as the Department, by rule, may prescribe.

16 (b) If no complaint for review, as provided in Section 12  
17 of the Retailers' Occupation Tax Act, has been filed within the  
18 time required by the Administrative Review Law, and if no stay  
19 order has been entered under that Law, the Department shall  
20 proceed to destroy, maintain and use in an undercover capacity,  
21 or sell the property for the best price obtainable and shall  
22 forthwith pay over the proceeds of the sale to the State  
23 Treasurer. If the value of the property to be sold at any one  
24 time is \$500 or more, however, the property shall be sold only  
25 to the highest and best bidder on terms and conditions, and on  
26 open competitive bidding after public advertisement, in a  
27 manner and for terms as the Department, by rule, may prescribe.

28 (c) Upon making a sale of tobacco products as provided in  
29 this Section, the Department shall affix a distinctive stamp to  
30 each of the tobacco products so sold indicating that they are  
31 sold under this Section.

32 (d) Notwithstanding the foregoing, any tobacco products  
33 seized under this Act may, at the discretion of the Director of  
34 Revenue, be distributed to any eleemosynary institution within  
35 the State of Illinois.

36 (Source: P.A. 92-743, eff. 7-25-02.)

1 Section 35. The Local Mass Transit District Act is amended  
2 by changing Section 5.01 as follows:

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

4 Sec. 5.01. Metro East Mass Transit District; use and  
5 occupation taxes.

6 (a) The Board of Trustees of any Metro East Mass Transit  
7 District may, by ordinance adopted with the concurrence of  
8 two-thirds of the then trustees, impose throughout the District  
9 any or all of the taxes and fees provided in this Section. All  
10 taxes and fees imposed under this Section shall be used only  
11 for public mass transportation systems, and the amount used to  
12 provide mass transit service to unserved areas of the District  
13 shall be in the same proportion to the total proceeds as the  
14 number of persons residing in the unserved areas is to the  
15 total population of the District. Except as otherwise provided  
16 in this Act, taxes imposed under this Section and civil  
17 penalties imposed incident thereto shall be collected and  
18 enforced by the State Department of Revenue. The Department  
19 shall have the power to administer and enforce the taxes and to  
20 determine all rights for refunds for erroneous payments of the  
21 taxes.

22 (b) The Board may impose a Metro East Mass Transit District  
23 Retailers' Occupation Tax upon all persons engaged in the  
24 business of selling tangible personal property at retail in the  
25 district at a rate of 1/4 of 1%, or as authorized under  
26 subsection (d-5) of this Section, of the gross receipts from  
27 the sales made in the course of such business within the  
28 district. The tax imposed under this Section and all civil  
29 penalties that may be assessed as an incident thereof shall be  
30 collected and enforced by the State Department of Revenue. The  
31 Department shall have full power to administer and enforce this  
32 Section; to collect all taxes and penalties so collected in the  
33 manner hereinafter provided; and to determine all rights to  
34 credit memoranda arising on account of the erroneous payment of



1 tax or penalty hereunder. In the administration of, and  
2 compliance with, this Section, the Department and persons who  
3 are subject to this Section shall have the same rights,  
4 remedies, privileges, immunities, powers and duties, and be  
5 subject to the same conditions, restrictions, limitations,  
6 penalties, exclusions, exemptions and definitions of terms and  
7 employ the same modes of procedure, as are prescribed in  
8 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65  
9 (in respect to all provisions therein other than the State rate  
10 of tax), 2c, 3 (except as to the disposition of taxes and  
11 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,  
12 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the  
13 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
14 Penalty and Interest Act, as fully as if those provisions were  
15 set forth herein.

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

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

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

33 For the purpose of determining whether a tax authorized  
34 under this Section is applicable, a retail sale, by a producer  
35 of coal or other mineral mined in Illinois, is a sale at retail  
36 at the place where the coal or other mineral mined in Illinois

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

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

11 (c) If a tax has been imposed under subsection (b), a Metro  
12 East Mass Transit District Service Occupation Tax shall also be  
13 imposed upon all persons engaged, in the district, in the  
14 business of making sales of service, who, as an incident to  
15 making those sales of service, transfer tangible personal  
16 property within the District, either in the form of tangible  
17 personal property or in the form of real estate as an incident  
18 to a sale of service. The tax rate shall be 1/4%, or as  
19 authorized under subsection (d-5) of this Section, of the  
20 selling price of tangible personal property so transferred  
21 within the district. The tax imposed under this paragraph and  
22 all civil penalties that may be assessed as an incident thereof  
23 shall be collected and enforced by the State Department of  
24 Revenue. The Department shall have full power to administer and  
25 enforce this paragraph; to collect all taxes and penalties due  
26 hereunder; to dispose of taxes and penalties so collected in  
27 the manner hereinafter provided; and to determine all rights to  
28 credit memoranda arising on account of the erroneous payment of  
29 tax or penalty hereunder. In the administration of, and  
30 compliance with this paragraph, the Department and persons who  
31 are subject to this paragraph shall have the same rights,  
32 remedies, privileges, immunities, powers and duties, and be  
33 subject to the same conditions, restrictions, limitations,  
34 penalties, exclusions, exemptions and definitions of terms and  
35 employ the same modes of procedure as are prescribed in  
36 Sections 1a-1, 2 (except that the reference to State in the

1 definition of supplier maintaining a place of business in this  
2 State shall mean the Authority), 2a, 3 through 3-50 (in respect  
3 to all provisions therein other than the State rate of tax), 4  
4 (except that the reference to the State shall be to the  
5 Authority), 5, 7, 8 (except that the jurisdiction to which the  
6 tax shall be a debt to the extent indicated in that Section 8  
7 shall be the District), 9 (except as to the disposition of  
8 taxes and penalties collected, and except that the returned  
9 merchandise credit for this tax may not be taken against any  
10 State tax), 10, 11, 12 (except the reference therein to Section  
11 2b of the Retailers' Occupation Tax Act), 13 (except that any  
12 reference to the State shall mean the District), the first  
13 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service  
14 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
15 Interest Act, as fully as if those provisions were set forth  
16 herein.

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

25 Whenever the Department determines that a refund should be  
26 made under this paragraph to a claimant instead of issuing a  
27 credit memorandum, the Department shall notify the State  
28 Comptroller, who shall cause the warrant to be drawn for the  
29 amount specified, and to the person named, in the notification  
30 from the Department. The refund shall be paid by the State  
31 Treasurer out of the Metro East Mass Transit District tax fund  
32 established under paragraph (g) of this Section.

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

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

23 The Department shall have full power to administer and  
24 enforce this paragraph; to collect all taxes, penalties and  
25 interest due hereunder; to dispose of taxes, penalties and  
26 interest so collected in the manner hereinafter provided; and  
27 to determine all rights to credit memoranda or refunds arising  
28 on account of the erroneous payment of tax, penalty or interest  
29 hereunder. In the administration of, and compliance with, this  
30 paragraph, the Department and persons who are subject to this  
31 paragraph shall have the same rights, remedies, privileges,  
32 immunities, powers and duties, and be subject to the same  
33 conditions, restrictions, limitations, penalties, exclusions,  
34 exemptions and definitions of terms and employ the same modes  
35 of procedure, as are prescribed in Sections 2 (except the  
36 definition of "retailer maintaining a place of business in this

1 State"), 3 through 3-80 (except provisions pertaining to the  
2 State rate of tax, and except provisions concerning collection  
3 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
4 19 (except the portions pertaining to claims by retailers and  
5 except the last paragraph concerning refunds), 20, 21 and 22 of  
6 the Use Tax Act and Section 3-7 of the Uniform Penalty and  
7 Interest Act, that are not inconsistent with this paragraph, as  
8 fully as if those provisions were set forth herein.

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

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

28 The proposition shall be in substantially the following  
29 form:

30 Shall the tax rates for the Metro East Mass Transit  
31 District Retailers' Occupation Tax, the Metro East Mass  
32 Transit District Service Occupation Tax, and the Metro East  
33 Mass Transit District Use Tax be increased from 0.25% to  
34 0.75%?

35 (B) Two thousand five hundred electors of any Metro East  
36 Mass Transit District may petition the Chief Judge of the

1 Circuit Court, or any judge of that Circuit designated by the  
 2 Chief Judge, in which that District is located to cause to be  
 3 submitted to a vote of the electors the question whether the  
 4 tax rates for the Metro East Mass Transit District Retailers'  
 5 Occupation Tax, the Metro East Mass Transit District Service  
 6 Occupation Tax, and the Metro East Mass Transit District Use  
 7 Tax for the District should be increased from 0.25% to 0.75%.

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

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

17 The form of the petition shall be in substantially the  
 18 following form: To the Circuit Court of the County of (name of  
 19 county):

20 We, the undersigned electors of the (name of transit  
 21 district), respectfully petition your honor to submit to a  
 22 vote of the electors of (name of transit district) the  
 23 following proposition:

24 Shall the tax rates for the Metro East Mass Transit  
 25 District Retailers' Occupation Tax, the Metro East Mass  
 26 Transit District Service Occupation Tax, and the Metro East  
 27 Mass Transit District Use Tax be increased from 0.25% to  
 28 0.75%?

29 Name Address, with Street and Number.

30 .....

31 .....

32 (C) The votes shall be recorded as "YES" or "NO". If a  
 33 majority of all votes cast on the proposition are for the  
 34 increase in the tax rates, the Metro East Mass Transit District

1 shall begin imposing the increased rates in the District, and  
2 the Department of Revenue shall begin collecting the increased  
3 amounts, as provided under this Section. An ordinance imposing  
4 or discontinuing a tax hereunder or effecting a change in the  
5 rate thereof shall be adopted and a certified copy thereof  
6 filed with the Department on or before the first day of  
7 October, whereupon the Department shall proceed to administer  
8 and enforce this Section as of the first day of January next  
9 following the adoption and filing, or on or before the first  
10 day of April, whereupon the Department shall proceed to  
11 administer and enforce this Section as of the first day of July  
12 next following the adoption and filing.

13 (D) If the voters have approved a referendum under this  
14 subsection, before November 1, 1994, to increase the tax rate  
15 under this subsection, the Metro East Mass Transit District  
16 Board of Trustees may adopt by a majority vote an ordinance at  
17 any time before January 1, 1995 that excludes from the rate  
18 increase tangible personal property that is titled or  
19 registered with an agency of this State's government. The  
20 ordinance excluding titled or registered tangible personal  
21 property from the rate increase must be filed with the  
22 Department at least 15 days before its effective date. At any  
23 time after adopting an ordinance excluding from the rate  
24 increase tangible personal property that is titled or  
25 registered with an agency of this State's government, the Metro  
26 East Mass Transit District Board of Trustees may adopt an  
27 ordinance applying the rate increase to that tangible personal  
28 property. The ordinance shall be adopted, and a certified copy  
29 of that ordinance shall be filed with the Department, on or  
30 before October 1, whereupon the Department shall proceed to  
31 administer and enforce the rate increase against tangible  
32 personal property titled or registered with an agency of this  
33 State's government as of the following January 1. After  
34 December 31, 1995, any reimposed rate increase in effect under  
35 this subsection shall no longer apply to tangible personal  
36 property titled or registered with an agency of this State's

1 government. Beginning January 1, 1996, the Board of Trustees of  
2 any Metro East Mass Transit District may never reimpose a  
3 previously excluded tax rate increase on tangible personal  
4 property titled or registered with an agency of this State's  
5 government. After July 1, 2004, if the voters have approved a  
6 referendum under this subsection to increase the tax rate under  
7 this subsection, the Metro East Mass Transit District Board of  
8 Trustees may adopt by a majority vote an ordinance that  
9 excludes from the rate increase tangible personal property that  
10 is titled or registered with an agency of this State's  
11 government. The ordinance excluding titled or registered  
12 tangible personal property from the rate increase shall be  
13 adopted, and a certified copy of that ordinance shall be filed  
14 with the Department on or before October 1, whereupon the  
15 Department shall administer and enforce this exclusion from the  
16 rate increase as of the following January 1, or on or before  
17 April 1, whereupon the Department shall administer and enforce  
18 this exclusion from the rate increase as of the following July  
19 1. The Board of Trustees of any Metro East Mass Transit  
20 District may never reimpose a previously excluded tax rate  
21 increase on tangible personal property titled or registered  
22 with an agency of this State's government.

23 (d-6) If the Board of Trustees of any Metro East Mass  
24 Transit District has imposed a rate increase under subsection  
25 (d-5) and filed an ordinance with the Department of Revenue  
26 excluding titled property from the higher rate, then that Board  
27 may, by ordinance adopted with the concurrence of two-thirds of  
28 the then trustees, impose throughout the District a fee. The  
29 fee on the excluded property shall not exceed \$20 per retail  
30 transaction or an amount equal to the amount of tax excluded,  
31 whichever is less, on tangible personal property that is titled  
32 or registered with an agency of this State's government.  
33 Beginning July 1, 2004, the fee shall apply only to titled  
34 property that is subject to either the Metro East Mass Transit  
35 District Retailers' Occupation Tax or the Metro East Mass  
36 Transit District Service Occupation Tax.



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

7           (d-7.1) Beginning July 1, 2004, any fee imposed by the  
8 Board of Trustees of any Metro East Mass Transit District under  
9 subsection (d-6) and all civil penalties that may be assessed  
10 as an incident of the fees shall be collected and enforced by  
11 the State Department of Revenue. Reference to "taxes" in this  
12 Section shall be construed to apply to the administration,  
13 payment, and remittance of all fees under this Section. For  
14 purposes of any fee imposed under subsection (d-6), 4% of the  
15 fee, penalty, and interest received by the Department in the  
16 first 12 months that the fee is collected and enforced by the  
17 Department and 2% of the fee, penalty, and interest following  
18 the first 12 months shall be deposited into the Tax Compliance  
19 and Administration Fund and shall be used by the Department,  
20 subject to appropriation, to cover the costs of the Department.  
21 No retailers' discount shall apply to any fee imposed under  
22 subsection (d-6).

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

27           (d-9) (Blank). ~~If fees have been imposed under subsections~~  
28 ~~(d-6) and (d-7), the Board shall forward a copy of the~~  
29 ~~ordinance adopting such fees, which shall include all zip codes~~  
30 ~~in whole or in part within the boundaries of the district, to~~  
31 ~~the Secretary of State within thirty days. By the 25th of each~~  
32 ~~month, the Secretary of State shall subsequently provide the~~  
33 ~~Illinois Department of Revenue with a list of identifiable~~  
34 ~~retail transactions subject to the .25% rate occurring within~~  
35 ~~the zip codes which are in whole or in part within the~~  
36 ~~boundaries of the district and a list of title applications for~~

1 ~~addresses within the boundaries of the district for the~~  
2 ~~previous month.~~

3 (d-10) (Blank). ~~In the event that a retailer fails to pay~~  
4 ~~applicable fees within 30 days of the date of the transaction,~~  
5 ~~a penalty shall be assessed at the rate of 25% of the amount of~~  
6 ~~fees. Interest on both late fees and penalties shall be~~  
7 ~~assessed at the rate of 1% per month. All fees, penalties, and~~  
8 ~~attorney fees shall constitute a lien on the personal and real~~  
9 ~~property of the retailer.~~

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

19 (f) (Blank). ~~The Board may impose a replacement vehicle tax~~  
20 ~~of \$50 on any passenger car, as defined in Section 1-157 of the~~  
21 ~~Illinois Vehicle Code, purchased within the district area by or~~  
22 ~~on behalf of an insurance company to replace a passenger car of~~  
23 ~~an insured person in settlement of a total loss claim. The tax~~  
24 ~~imposed may not become effective before the first day of the~~  
25 ~~month following the passage of the ordinance imposing the tax~~  
26 ~~and receipt of a certified copy of the ordinance by the~~  
27 ~~Department of Revenue. The Department of Revenue shall collect~~  
28 ~~the tax for the district in accordance with Sections 3-2002 and~~  
29 ~~3-2003 of the Illinois Vehicle Code.~~

30 ~~The Department shall immediately pay over to the State~~  
31 ~~Treasurer, ex officio, as trustee, all taxes collected~~  
32 ~~hereunder. On or before the 25th day of each calendar month,~~  
33 ~~the Department shall prepare and certify to the Comptroller the~~  
34 ~~disbursement of stated sums of money to named districts, the~~  
35 ~~districts to be those from which retailers have paid taxes or~~  
36 ~~penalties hereunder to the Department during the second~~

1 ~~preceding calendar month. The amount to be paid to each~~  
2 ~~district shall be the amount collected hereunder during the~~  
3 ~~second preceding calendar month by the Department, less any~~  
4 ~~amount determined by the Department to be necessary for the~~  
5 ~~payment of refunds. Within 10 days after receipt by the~~  
6 ~~Comptroller of the disbursement certification to the~~  
7 ~~districts, provided for in this Section to be given to the~~  
8 ~~Comptroller by the Department, the Comptroller shall cause the~~  
9 ~~orders to be drawn for the respective amounts in accordance~~  
10 ~~with the directions contained in the certification.~~

11 (g) Any ordinance imposing or discontinuing any tax under  
12 this Section shall be adopted and a certified copy thereof  
13 filed with the Department on or before June 1, whereupon the  
14 Department of Revenue shall proceed to administer and enforce  
15 this Section on behalf of the Metro East Mass Transit District  
16 as of September 1 next following such adoption and filing.  
17 Beginning January 1, 1992, an ordinance or resolution imposing  
18 or discontinuing the tax hereunder shall be adopted and a  
19 certified copy thereof filed with the Department on or before  
20 the first day of July, whereupon the Department shall proceed  
21 to administer and enforce this Section as of the first day of  
22 October next following such adoption and filing. Beginning  
23 January 1, 1993, except as provided in subsection (d-5) of this  
24 Section, an ordinance or resolution imposing or discontinuing  
25 the tax hereunder shall be adopted and a certified copy thereof  
26 filed with the Department on or before the first day of  
27 October, whereupon the Department shall proceed to administer  
28 and enforce this Section as of the first day of January next  
29 following such adoption and filing, or, beginning January 1,  
30 2004, on or before the first day of April, whereupon the  
31 Department shall proceed to administer and enforce this Section  
32 as of the first day of July next following the adoption and  
33 filing.

34 (h) Except as provided in subsection (d-7.1), the State  
35 Department of Revenue shall, upon collecting any taxes as  
36 provided in this Section, pay the taxes over to the State

1 Treasurer as trustee for the District. The taxes shall be held  
2 in a trust fund outside the State Treasury. On or before the  
3 25th day of each calendar month, the State Department of  
4 Revenue shall prepare and certify to the Comptroller of the  
5 State of Illinois the amount to be paid to the District, which  
6 shall be the then balance in the fund, less any amount  
7 determined by the Department to be necessary for the payment of  
8 refunds. Within 10 days after receipt by the Comptroller of the  
9 certification of the amount to be paid to the District, the  
10 Comptroller shall cause an order to be drawn for payment for  
11 the amount in accordance with the direction in the  
12 certification.

13 (Source: P.A. 93-590; eff. 1-1-04.)

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law.