



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4110

Introduced 09/15/05, by Rep. Bill Mitchell

SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
35 ILCS 120/2-6 new	
35 ILCS 120/2-10	from Ch. 120, par. 441-10
35 ILCS 120/3	from Ch. 120, par. 442

Amends the State Finance Act and the Retailers' Occupation Tax Act. Provides that a municipality or a county may, by ordinance, elect to waive the receipt of any distribution from the Local Government Tax Fund of moneys paid into that Fund from the net revenues realized from the rate on the selling price of motor fuel that is sold within that municipality or unincorporated area of the county. Provides that if the municipality or county adopts such an ordinance, then the retailers' occupation tax is imposed on the sale of motor fuel at the rate of 5.25% (now, 6.25%) of the gross receipts of motor fuel made in the course of business in that municipality or county. Sets forth requirements for adopting such an ordinance. Makes corresponding changes. Effective immediately.

LRB094 14088 BDD 48980 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 State Finance Act is amended by changing
5 Section 6z-18 as follows:

6 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

7 Sec. 6z-18. A portion of the money paid into the Local
8 Government Tax Fund from sales of food for human consumption
9 which is to be consumed off the premises where it is sold
10 (other than alcoholic beverages, soft drinks and food which has
11 been prepared for immediate consumption) and prescription and
12 nonprescription medicines, drugs, medical appliances and
13 insulin, urine testing materials, syringes and needles used by
14 diabetics, which occurred in municipalities, shall be
15 distributed to each municipality based upon the sales which
16 occurred in that municipality. The remainder shall be
17 distributed to each county based upon the sales which occurred
18 in the unincorporated area of that county.

19 A portion of the money paid into the Local Government Tax
20 Fund from the 6.25% general use tax rate on the selling price
21 of tangible personal property which is purchased outside
22 Illinois at retail from a retailer and which is titled or
23 registered by any agency of this State's government shall be
24 distributed to municipalities as provided in this paragraph.
25 Each municipality shall receive the amount attributable to
26 sales for which Illinois addresses for titling or registration
27 purposes are given as being in such municipality. The remainder
28 of the money paid into the Local Government Tax Fund from such
29 sales shall be distributed to counties. Each county shall
30 receive the amount attributable to sales for which Illinois
31 addresses for titling or registration purposes are given as
32 being located in the unincorporated area of such county.

1 A portion of the money paid into the Local Government Tax
2 Fund from the 6.25% general rate (and, beginning July 1, 2000
3 and through December 31, 2000, the 1.25% rate on motor fuel and
4 gasohol) on sales subject to taxation under the Retailers'
5 Occupation Tax Act and the Service Occupation Tax Act, which
6 occurred in municipalities, shall be distributed to each
7 municipality, based upon the sales which occurred in that
8 municipality. The remainder shall be distributed to each
9 county, based upon the sales which occurred in the
10 unincorporated area of such county. If, however, a municipality
11 or county has adopted an ordinance under Section 2-6 of the
12 Retailers' Occupation Tax Act to waive the receipt of any
13 distribution of moneys from the net revenues realized from the
14 rate on the selling price of motor fuel, then that municipality
15 or county may not receive any distribution of moneys based upon
16 the sales of motor fuel that occurred in that municipality or
17 county.

18 For the purpose of determining allocation to the local
19 government unit, a retail sale by a producer of coal or other
20 mineral mined in Illinois is a sale at retail at the place
21 where the coal or other mineral mined in Illinois is extracted
22 from the earth. This paragraph does not apply to coal or other
23 mineral when it is delivered or shipped by the seller to the
24 purchaser at a point outside Illinois so that the sale is
25 exempt under the United States Constitution as a sale in
26 interstate or foreign commerce.

27 Whenever the Department determines that a refund of money
28 paid into the Local Government Tax Fund should be made to a
29 claimant instead of issuing a credit memorandum, the Department
30 shall notify the State Comptroller, who shall cause the order
31 to be drawn for the amount specified, and to the person named,
32 in such notification from the Department. Such refund shall be
33 paid by the State Treasurer out of the Local Government Tax
34 Fund.

35 On or before the 25th day of each calendar month, the
36 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to named municipalities
2 and counties, the municipalities and counties to be those
3 entitled to distribution of taxes or penalties paid to the
4 Department during the second preceding calendar month. The
5 amount to be paid to each municipality or county shall be the
6 amount (not including credit memoranda) collected during the
7 second preceding calendar month by the Department and paid into
8 the Local Government Tax Fund, plus an amount the Department
9 determines is necessary to offset any amounts which were
10 erroneously paid to a different taxing body, and not including
11 an amount equal to the amount of refunds made during the second
12 preceding calendar month by the Department, and not including
13 any amount which the Department determines is necessary to
14 offset any amounts which are payable to a different taxing body
15 but were erroneously paid to the municipality or county. Within
16 10 days after receipt, by the Comptroller, of the disbursement
17 certification to the municipalities and counties, provided for
18 in this Section to be given to the Comptroller by the
19 Department, the Comptroller shall cause the orders to be drawn
20 for the respective amounts in accordance with the directions
21 contained in such certification.

22 When certifying the amount of monthly disbursement to a
23 municipality or county under this Section, the Department shall
24 increase or decrease that amount by an amount necessary to
25 offset any misallocation of previous disbursements. The offset
26 amount shall be the amount erroneously disbursed within the 6
27 months preceding the time a misallocation is discovered.

28 The provisions directing the distributions from the
29 special fund in the State Treasury provided for in this Section
30 shall constitute an irrevocable and continuing appropriation
31 of all amounts as provided herein. The State Treasurer and
32 State Comptroller are hereby authorized to make distributions
33 as provided in this Section.

34 In construing any development, redevelopment, annexation,
35 preannexation or other lawful agreement in effect prior to
36 September 1, 1990, which describes or refers to receipts from a

1 county or municipal retailers' occupation tax, use tax or
2 service occupation tax which now cannot be imposed, such
3 description or reference shall be deemed to include the
4 replacement revenue for such abolished taxes, distributed from
5 the Local Government Tax Fund.

6 (Source: P.A. 90-491, eff. 1-1-98; 91-51, eff. 6-30-99; 91-872,
7 eff. 7-1-00.)

8 Section 10. The Retailers' Occupation Tax Act is amended by
9 changing Sections 2-10 and 3 and by adding Section 2-6 as
10 follows:

11 (35 ILCS 120/2-6 new)

12 Sec. 2-6. Optional local rate for motor fuel.

13 (a) A municipality or a county, for unincorporated areas of
14 the county, may, by ordinance, elect to waive the receipt of
15 any distribution from the Local Government Tax Fund of moneys
16 paid into that Fund from the net revenues realized from the
17 rate on the selling price of motor fuel that is sold within
18 that municipality or unincorporated area of the county. If the
19 municipality or county adopts such an ordinance, then the tax
20 under this Act is imposed on the sale of motor fuel at the rate
21 of 5.25% of the gross receipts of motor fuel made in the course
22 of business in that municipality or county.

23 (b) An ordinance under subsection (a) may set forth the
24 date upon which the waiver expires or may provide that the
25 waiver continues until the ordinance is repealed. If the
26 ordinance sets forth the date upon which the waiver expires,
27 then, on that date, the tax under this Act is imposed on the
28 sale of motor fuel at the rate of 6.25% of the gross receipts
29 of motor fuel made in that municipality or county and the
30 municipality or county is entitled to receive distributions
31 from the Local Government Tax Fund of moneys from the net
32 revenues realized from the rate on the selling price of motor
33 fuel.

34 (c) If the municipality or county adopts an ordinance under

1 subsection (a) or repeals that ordinance, then, before the
2 ordinance or repeal takes effect, the governing body of that
3 municipality or county must:

4 (1) deliver a certified copy of the ordinance or repeal
5 to the Department;

6 (2) publish a notice of the ordinance or repeal in a
7 newspaper having general circulation in the municipality
8 or county, as appropriate; and

9 (3) notify each person in the municipality or county
10 who is engaged in the business of selling motor fuel at
11 retail of the ordinance or repeal.

12 In no event may an ordinance under subsection (a) or a
13 repeal of that ordinance take effect sooner than 15 days after
14 the ordinance or repeal is adopted.

15 (d) The Department may adopt any rule necessary to
16 implement and administer the provisions of this Section.

17 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

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

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

26 Within 14 days after the effective date of this amendatory
27 Act of the 91st General Assembly, each retailer of motor fuel
28 and gasohol shall cause the following notice to be posted in a
29 prominently visible place on each retail dispensing device that
30 is used to dispense motor fuel or gasohol in the State of
31 Illinois: "As of July 1, 2000, the State of Illinois has
32 eliminated the State's share of sales tax on motor fuel and
33 gasohol through December 31, 2000. The price on this pump
34 should reflect the elimination of the tax." The notice shall be
35 printed in bold print on a sign that is no smaller than 4

1 inches by 8 inches. The sign shall be clearly visible to
2 customers. Any retailer who fails to post or maintain a
3 required sign through December 31, 2000 is guilty of a petty
4 offense for which the fine shall be \$500 per day per each
5 retail premises where a violation occurs.

6 With respect to gasohol, as defined in the Use Tax Act, the
7 tax imposed by this Act applies to (i) 70% of the proceeds of
8 sales made on or after January 1, 1990, and before July 1,
9 2003, (ii) 80% of the proceeds of sales made on or after July
10 1, 2003 and on or before December 31, 2013, and (iii) 100% of
11 the proceeds of sales made thereafter. If, at any time,
12 however, the tax under this Act on sales of gasohol, as defined
13 in the Use Tax Act, is imposed at the rate of 1.25%, then the
14 tax imposed by this Act applies to 100% of the proceeds of
15 sales of gasohol made during that time.

16 With respect to majority blended ethanol fuel, as defined
17 in the Use Tax Act, the tax imposed by this Act does not apply
18 to the proceeds of sales made on or after July 1, 2003 and on or
19 before December 31, 2013 but applies to 100% of the proceeds of
20 sales made thereafter.

21 With respect to biodiesel blends, as defined in the Use Tax
22 Act, with no less than 1% and no more than 10% biodiesel, the
23 tax imposed by this Act applies to (i) 80% of the proceeds of
24 sales made on or after July 1, 2003 and on or before December
25 31, 2013 and (ii) 100% of the proceeds of sales made
26 thereafter. If, at any time, however, the tax under this Act on
27 sales of biodiesel blends, as defined in the Use Tax Act, with
28 no less than 1% and no more than 10% biodiesel is imposed at
29 the rate of 1.25%, then the tax imposed by this Act applies to
30 100% of the proceeds of sales of biodiesel blends with no less
31 than 1% and no more than 10% biodiesel made during that time.

32 With respect to 100% biodiesel, as defined in the Use Tax
33 Act, and biodiesel blends, as defined in the Use Tax Act, with
34 more than 10% but no more than 99% biodiesel, the tax imposed
35 by this Act does not apply to the proceeds of sales made on or
36 after July 1, 2003 and on or before December 31, 2013 but

1 applies to 100% of the proceeds of sales made thereafter.

2 Beginning on the effective date of this amendatory Act of
3 the 94th General Assembly, if a municipality or county has
4 adopted an ordinance under Section 2-6 to waive the receipt of
5 any distribution from the Local Government Tax Fund of moneys
6 from the net revenues realized from the rate on the selling
7 price of motor fuel, then the rate of tax with respect to motor
8 fuel is the rate set forth in Section 2-6.

9 With respect to food for human consumption that is to be
10 consumed off the premises where it is sold (other than
11 alcoholic beverages, soft drinks, and food that has been
12 prepared for immediate consumption) and prescription and
13 nonprescription medicines, drugs, medical appliances,
14 modifications to a motor vehicle for the purpose of rendering
15 it usable by a disabled person, and insulin, urine testing
16 materials, syringes, and needles used by diabetics, for human
17 use, the tax is imposed at the rate of 1%. For the purposes of
18 this Section, the term "soft drinks" means any complete,
19 finished, ready-to-use, non-alcoholic drink, whether
20 carbonated or not, including but not limited to soda water,
21 cola, fruit juice, vegetable juice, carbonated water, and all
22 other preparations commonly known as soft drinks of whatever
23 kind or description that are contained in any closed or sealed
24 bottle, can, carton, or container, regardless of size. "Soft
25 drinks" does not include coffee, tea, non-carbonated water,
26 infant formula, milk or milk products as defined in the Grade A
27 Pasteurized Milk and Milk Products Act, or drinks containing
28 50% or more natural fruit or vegetable juice.

29 Notwithstanding any other provisions of this Act, "food for
30 human consumption that is to be consumed off the premises where
31 it is sold" includes all food sold through a vending machine,
32 except soft drinks and food products that are dispensed hot
33 from a vending machine, regardless of the location of the
34 vending machine.

35 (Source: P.A. 93-17, eff. 6-11-03.)

1 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

7 1. The name of the seller;

8 2. His residence address and the address of his
9 principal place of business and the address of the
10 principal place of business (if that is a different
11 address) from which he engages in the business of selling
12 tangible personal property at retail in this State;

13 3. Total amount of receipts received by him during the
14 preceding calendar month or quarter, as the case may be,
15 from sales of tangible personal property, and from services
16 furnished, by him during such preceding calendar month or
17 quarter;

18 4. Total amount received by him during the preceding
19 calendar month or quarter on charge and time sales of
20 tangible personal property, and from services furnished,
21 by him prior to the month or quarter for which the return
22 is filed;

23 5. Deductions allowed by law;

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

27 7. The amount of credit provided in Section 2d of this
28 Act;

29 8. The amount of tax due;

30 9. The signature of the taxpayer; and

31 10. Such other reasonable information as the
32 Department may require.

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

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

4 Prior to October 1, 2003, and on and after September 1,
5 2004 a retailer may accept a Manufacturer's Purchase Credit
6 certification from a purchaser in satisfaction of Use Tax as
7 provided in Section 3-85 of the Use Tax Act if the purchaser
8 provides the appropriate documentation as required by Section
9 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
10 certification, accepted by a retailer prior to October 1, 2003
11 and on and after September 1, 2004 as provided in Section 3-85
12 of the Use Tax Act, may be used by that retailer to satisfy
13 Retailers' Occupation Tax liability in the amount claimed in
14 the certification, not to exceed 6.25% of the receipts subject
15 to tax from a qualifying purchase. A Manufacturer's Purchase
16 Credit reported on any original or amended return filed under
17 this Act after October 20, 2003 for reporting periods prior to
18 September 1, 2004 shall be disallowed. Manufacturer's
19 Purchaser Credit reported on annual returns due on or after
20 January 1, 2005 will be disallowed for periods prior to
21 September 1, 2004. No Manufacturer's Purchase Credit may be
22 used after September 30, 2003 through August 31, 2004 to
23 satisfy any tax liability imposed under this Act, including any
24 audit liability.

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

- 32 1. The name of the seller;
- 33 2. The address of the principal place of business from
34 which he engages in the business of selling tangible
35 personal property at retail in this State;
- 36 3. The total amount of taxable receipts received by him

1 during the preceding calendar month from sales of tangible
2 personal property by him during such preceding calendar
3 month, including receipts from charge and time sales, but
4 less all deductions allowed by law;

5 4. The amount of credit provided in Section 2d of this
6 Act;

7 5. The amount of tax due; and

8 6. Such other reasonable information as the Department
9 may require.

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

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

1 each retailer listed on the monthly statement a report
2 containing a cumulative total of that distributor's, importing
3 distributor's, or manufacturer's total sales of alcoholic
4 liquor to that retailer no later than the 10th day of the month
5 for the preceding month during which the transaction occurred.
6 The distributor, importing distributor, or manufacturer shall
7 notify the retailer as to the method by which the distributor,
8 importing distributor, or manufacturer will provide the sales
9 information. If the retailer is unable to receive the sales
10 information by electronic means, the distributor, importing
11 distributor, or manufacturer shall furnish the sales
12 information by personal delivery or by mail. For purposes of
13 this paragraph, the term "electronic means" includes, but is
14 not limited to, the use of a secure Internet website, e-mail,
15 or facsimile.

16 If a total amount of less than \$1 is payable, refundable or
17 creditable, such amount shall be disregarded if it is less than
18 50 cents and shall be increased to \$1 if it is 50 cents or more.

19 Beginning October 1, 1993, a taxpayer who has an average
20 monthly tax liability of \$150,000 or more shall make all
21 payments required by rules of the Department by electronic
22 funds transfer. Beginning October 1, 1994, a taxpayer who has
23 an average monthly tax liability of \$100,000 or more shall make
24 all payments required by rules of the Department by electronic
25 funds transfer. Beginning October 1, 1995, a taxpayer who has
26 an average monthly tax liability of \$50,000 or more shall make
27 all payments required by rules of the Department by electronic
28 funds transfer. Beginning October 1, 2000, a taxpayer who has
29 an annual tax liability of \$200,000 or more shall make all
30 payments required by rules of the Department by electronic
31 funds transfer. The term "annual tax liability" shall be the
32 sum of the taxpayer's liabilities under this Act, and under all
33 other State and local occupation and use tax laws administered
34 by the Department, for the immediately preceding calendar year.
35 The term "average monthly tax liability" shall be the sum of
36 the taxpayer's liabilities under this Act, and under all other

1 State and local occupation and use tax laws administered by the
2 Department, for the immediately preceding calendar year
3 divided by 12. Beginning on October 1, 2002, a taxpayer who has
4 a tax liability in the amount set forth in subsection (b) of
5 Section 2505-210 of the Department of Revenue Law shall make
6 all payments required by rules of the Department by electronic
7 funds transfer.

8 Before August 1 of each year beginning in 1993, the
9 Department shall notify all taxpayers required to make payments
10 by electronic funds transfer. All taxpayers required to make
11 payments by electronic funds transfer shall make those payments
12 for a minimum of one year beginning on October 1.

13 Any taxpayer not required to make payments by electronic
14 funds transfer may make payments by electronic funds transfer
15 with the permission of the Department.

16 All taxpayers required to make payment by electronic funds
17 transfer and any taxpayers authorized to voluntarily make
18 payments by electronic funds transfer shall make those payments
19 in the manner authorized by the Department.

20 The Department shall adopt such rules as are necessary to
21 effectuate a program of electronic funds transfer and the
22 requirements of this Section.

23 Any amount which is required to be shown or reported on any
24 return or other document under this Act shall, if such amount
25 is not a whole-dollar amount, be increased to the nearest
26 whole-dollar amount in any case where the fractional part of a
27 dollar is 50 cents or more, and decreased to the nearest
28 whole-dollar amount where the fractional part of a dollar is
29 less than 50 cents.

30 If the retailer is otherwise required to file a monthly
31 return and if the retailer's average monthly tax liability to
32 the Department does not exceed \$200, the Department may
33 authorize his returns to be filed on a quarter annual basis,
34 with the return for January, February and March of a given year
35 being due by April 20 of such year; with the return for April,
36 May and June of a given year being due by July 20 of such year;

1 with the return for July, August and September of a given year
2 being due by October 20 of such year, and with the return for
3 October, November and December of a given year being due by
4 January 20 of the following year.

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

11 Such quarter annual and annual returns, as to form and
12 substance, shall be subject to the same requirements as monthly
13 returns.

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

21 Where the same person has more than one business registered
22 with the Department under separate registrations under this
23 Act, such person may not file each return that is due as a
24 single return covering all such registered businesses, but
25 shall file separate returns for each such registered business.

26 In addition, with respect to motor vehicles, watercraft,
27 aircraft, and trailers that are required to be registered with
28 an agency of this State, every retailer selling this kind of
29 tangible personal property shall file, with the Department,
30 upon a form to be prescribed and supplied by the Department, a
31 separate return for each such item of tangible personal
32 property which the retailer sells, except that if, in the same
33 transaction, (i) a retailer of aircraft, watercraft, motor
34 vehicles or trailers transfers more than one aircraft,
35 watercraft, motor vehicle or trailer to another aircraft,
36 watercraft, motor vehicle retailer or trailer retailer for the

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

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

21 The transaction reporting return, in the case of motor
22 vehicles or trailers that are required to be registered with an
23 agency of this State, shall be the same document as the Uniform
24 Invoice referred to in Section 5-402 of The Illinois Vehicle
25 Code and must show the name and address of the seller; the name
26 and address of the purchaser; the amount of the selling price
27 including the amount allowed by the retailer for traded-in
28 property, if any; the amount allowed by the retailer for the
29 traded-in tangible personal property, if any, to the extent to
30 which Section 1 of this Act allows an exemption for the value
31 of traded-in property; the balance payable after deducting such
32 trade-in allowance from the total selling price; the amount of
33 tax due from the retailer with respect to such transaction; the
34 amount of tax collected from the purchaser by the retailer on
35 such transaction (or satisfactory evidence that such tax is not
36 due in that particular instance, if that is claimed to be the

1 fact); the place and date of the sale; a sufficient
2 identification of the property sold; such other information as
3 is required in Section 5-402 of The Illinois Vehicle Code, and
4 such other information as the Department may reasonably
5 require.

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

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

34 With each such transaction reporting return, the retailer
35 shall remit the proper amount of tax due (or shall submit
36 satisfactory evidence that the sale is not taxable if that is

1 the case), to the Department or its agents, whereupon the
2 Department shall issue, in the purchaser's name, a use tax
3 receipt (or a certificate of exemption if the Department is
4 satisfied that the particular sale is tax exempt) which such
5 purchaser may submit to the agency with which, or State officer
6 with whom, he must title or register the tangible personal
7 property that is involved (if titling or registration is
8 required) in support of such purchaser's application for an
9 Illinois certificate or other evidence of title or registration
10 to such tangible personal property.

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

19 If the user who would otherwise pay tax to the retailer
20 wants the transaction reporting return filed and the payment of
21 the tax or proof of exemption made to the Department before the
22 retailer is willing to take these actions and such user has not
23 paid the tax to the retailer, such user may certify to the fact
24 of such delay by the retailer and may (upon the Department
25 being satisfied of the truth of such certification) transmit
26 the information required by the transaction reporting return
27 and the remittance for tax or proof of exemption directly to
28 the Department and obtain his tax receipt or exemption
29 determination, in which event the transaction reporting return
30 and tax remittance (if a tax payment was required) shall be
31 credited by the Department to the proper retailer's account
32 with the Department, but without the 2.1% or 1.75% discount
33 provided for in this Section being allowed. When the user pays
34 the tax directly to the Department, he shall pay the tax in the
35 same amount and in the same form in which it would be remitted
36 if the tax had been remitted to the Department by the retailer.

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

9 Where the seller is a corporation, the return filed on
10 behalf of such corporation shall be signed by the president,
11 vice-president, secretary or treasurer or by the properly
12 accredited agent of such corporation.

13 Where the seller is a limited liability company, the return
14 filed on behalf of the limited liability company shall be
15 signed by a manager, member, or properly accredited agent of
16 the limited liability company.

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

32 Before October 1, 2000, if the taxpayer's average monthly
33 tax liability to the Department under this Act, the Use Tax
34 Act, the Service Occupation Tax Act, and the Service Use Tax
35 Act, excluding any liability for prepaid sales tax to be
36 remitted in accordance with Section 2d of this Act, was \$10,000

1 or more during the preceding 4 complete calendar quarters, he
2 shall file a return with the Department each month by the 20th
3 day of the month next following the month during which such tax
4 liability is incurred and shall make payments to the Department
5 on or before the 7th, 15th, 22nd and last day of the month
6 during which such liability is incurred. On and after October
7 1, 2000, if the taxpayer's average monthly tax liability to the
8 Department under this Act, the Use Tax Act, the Service
9 Occupation Tax Act, and the Service Use Tax Act, excluding any
10 liability for prepaid sales tax to be remitted in accordance
11 with Section 2d of this Act, was \$20,000 or more during the
12 preceding 4 complete calendar quarters, he shall file a return
13 with the Department each month by the 20th day of the month
14 next following the month during which such tax liability is
15 incurred and shall make payment to the Department on or before
16 the 7th, 15th, 22nd and last day of the month during which such
17 liability is incurred. If the month during which such tax
18 liability is incurred began prior to January 1, 1985, each
19 payment shall be in an amount equal to 1/4 of the taxpayer's
20 actual liability for the month or an amount set by the
21 Department not to exceed 1/4 of the average monthly liability
22 of the taxpayer to the Department for the preceding 4 complete
23 calendar quarters (excluding the month of highest liability and
24 the month of lowest liability in such 4 quarter period). If the
25 month during which such tax liability is incurred begins on or
26 after January 1, 1985 and prior to January 1, 1987, each
27 payment shall be in an amount equal to 22.5% of the taxpayer's
28 actual liability for the month or 27.5% of the taxpayer's
29 liability for the same calendar month of the preceding year. If
30 the month during which such tax liability is incurred begins on
31 or after January 1, 1987 and prior to January 1, 1988, each
32 payment shall be in an amount equal to 22.5% of the taxpayer's
33 actual liability for the month or 26.25% of the taxpayer's
34 liability for the same calendar month of the preceding year. If
35 the month during which such tax liability is incurred begins on
36 or after January 1, 1988, and prior to January 1, 1989, or

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

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

25 The provisions of this paragraph apply before October 1,
26 2001. Without regard to whether a taxpayer is required to make
27 quarter monthly payments as specified above, any taxpayer who
28 is required by Section 2d of this Act to collect and remit
29 prepaid taxes and has collected prepaid taxes which average in
30 excess of \$25,000 per month during the preceding 2 complete
31 calendar quarters, shall file a return with the Department as
32 required by Section 2f and shall make payments to the
33 Department on or before the 7th, 15th, 22nd and last day of the
34 month during which such liability is incurred. If the month
35 during which such tax liability is incurred began prior to the
36 effective date of this amendatory Act of 1985, each payment

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

25 The provisions of this paragraph apply on and after October
26 1, 2001. Without regard to whether a taxpayer is required to
27 make quarter monthly payments as specified above, any taxpayer
28 who is required by Section 2d of this Act to collect and remit
29 prepaid taxes and has collected prepaid taxes that average in
30 excess of \$20,000 per month during the preceding 4 complete
31 calendar quarters shall file a return with the Department as
32 required by Section 2f and shall make payments to the
33 Department on or before the 7th, 15th, 22nd and last day of the
34 month during which the liability is incurred. Each payment
35 shall be in an amount equal to 22.5% of the taxpayer's actual
36 liability for the month or 25% of the taxpayer's liability for

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

19 If any payment provided for in this Section exceeds the
20 taxpayer's liabilities under this Act, the Use Tax Act, the
21 Service Occupation Tax Act and the Service Use Tax Act, as
22 shown on an original monthly return, the Department shall, if
23 requested by the taxpayer, issue to the taxpayer a credit
24 memorandum no later than 30 days after the date of payment. The
25 credit evidenced by such credit memorandum may be assigned by
26 the taxpayer to a similar taxpayer under this Act, the Use Tax
27 Act, the Service Occupation Tax Act or the Service Use Tax Act,
28 in accordance with reasonable rules and regulations to be
29 prescribed by the Department. If no such request is made, the
30 taxpayer may credit such excess payment against tax liability
31 subsequently to be remitted to the Department under this Act,
32 the Use Tax Act, the Service Occupation Tax Act or the Service
33 Use Tax Act, in accordance with reasonable rules and
34 regulations prescribed by the Department. If the Department
35 subsequently determined that all or any part of the credit
36 taken was not actually due to the taxpayer, the taxpayer's 2.1%

1 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
2 of the difference between the credit taken and that actually
3 due, and that taxpayer shall be liable for penalties and
4 interest on such difference.

5 If a retailer of motor fuel is entitled to a credit under
6 Section 2d of this Act which exceeds the taxpayer's liability
7 to the Department under this Act for the month which the
8 taxpayer is filing a return, the Department shall issue the
9 taxpayer a credit memorandum for the excess.

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

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

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

29 Beginning January 1, 1990, each month the Department shall
30 pay into the Local Government Tax Fund 16% of the net revenue
31 realized for the preceding month from the 6.25% general rate on
32 the selling price of tangible personal property. If, however, a
33 municipality or county has adopted an ordinance under Section
34 2-6 to waive the receipt of any distribution of moneys from the
35 net revenues realized from the rate on the selling price of
36 motor fuel, then the Department shall not pay into the Local

1 Government Tax Fund any portion of the net revenues realized
 2 from the rate on the selling price of motor fuel that is sold
 3 within that municipality or county.

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

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

28	Fiscal Year	Annual Specified Amount
29	1986	\$54,800,000
30	1987	\$76,650,000
31	1988	\$80,480,000
32	1989	\$88,510,000
33	1990	\$115,330,000
34	1991	\$145,470,000
35	1992	\$182,730,000
36	1993	\$206,520,000;

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

1 13 of the Build Illinois Bond Act, an amount equal to such
 2 deficiency shall be immediately paid from other moneys received
 3 by the Department pursuant to the Tax Acts to the Build
 4 Illinois Fund; provided, however, that any amounts paid to the
 5 Build Illinois Fund in any fiscal year pursuant to this
 6 sentence shall be deemed to constitute payments pursuant to
 7 clause (b) of the first sentence of this paragraph and shall
 8 reduce the amount otherwise payable for such fiscal year
 9 pursuant to that clause (b). The moneys received by the
 10 Department pursuant to this Act and required to be deposited
 11 into the Build Illinois Fund are subject to the pledge, claim
 12 and charge set forth in Section 12 of the Build Illinois Bond
 13 Act.

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

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

1	2002	93,000,000
2	2003	99,000,000
3	2004	103,000,000
4	2005	108,000,000
5	2006	113,000,000
6	2007	119,000,000
7	2008	126,000,000
8	2009	132,000,000
9	2010	139,000,000
10	2011	146,000,000
11	2012	153,000,000
12	2013	161,000,000
13	2014	170,000,000
14	2015	179,000,000
15	2016	189,000,000
16	2017	199,000,000
17	2018	210,000,000
18	2019	221,000,000
19	2020	233,000,000
20	2021	246,000,000
21	2022	260,000,000
22	2023 and	275,000,000

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

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

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

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

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

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

34 The Department may, upon separate written notice to a
35 taxpayer, require the taxpayer to prepare and file with the
36 Department on a form prescribed by the Department within not

1 less than 60 days after receipt of the notice an annual
2 information return for the tax year specified in the notice.
3 Such annual return to the Department shall include a statement
4 of gross receipts as shown by the retailer's last Federal
5 income tax return. If the total receipts of the business as
6 reported in the Federal income tax return do not agree with the
7 gross receipts reported to the Department of Revenue for the
8 same period, the retailer shall attach to his annual return a
9 schedule showing a reconciliation of the 2 amounts and the
10 reasons for the difference. The retailer's annual return to the
11 Department shall also disclose the cost of goods sold by the
12 retailer during the year covered by such return, opening and
13 closing inventories of such goods for such year, costs of goods
14 used from stock or taken from stock and given away by the
15 retailer during such year, payroll information of the
16 retailer's business during such year and any additional
17 reasonable information which the Department deems would be
18 helpful in determining the accuracy of the monthly, quarterly
19 or annual returns filed by such retailer as provided for in
20 this Section.

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

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

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

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

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

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

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

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

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

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

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

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

29 (Source: P.A. 92-12, eff. 7-1-01; 92-16, eff. 6-28-01; 92-208,
30 eff. 8-2-01; 92-484, eff. 8-23-01; 92-492, eff. 1-1-02; 92-600,
31 eff. 6-28-02; 92-651, eff. 7-11-02; 93-22, eff. 6-20-03; 93-24,
32 eff. 6-20-03; 93-840, eff. 7-30-04; 93-926, eff. 8-12-04;
33 93-1057, eff. 12-2-04; revised 12-6-04.)

34 Section 99. Effective date. This Act takes effect upon
35 becoming law.