

SB2677



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB2677

Introduced 1/20/2006, by Sen. Don Harmon

SYNOPSIS AS INTRODUCED:

65 ILCS 5/8-11-6c new

Amends the Illinois Municipal Code. Sets forth procedures for the Department of Revenue to collect a use tax imposed by a home rule municipality upon the privilege of using motor vehicles that are acquired by nonretail purchase, gift, or transfer.

LRB094 17205 BDD 52494 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by adding
5 Section 8-11-6c as follows:

6 (65 ILCS 5/8-11-6c new)

7 Sec. 8-11-6c. Collection of certain vehicle use taxes.

8 (a) Whenever any home rule municipality imposes a tax upon
9 the privilege of using in that municipality any motor vehicle
10 that is acquired by nonretail purchase, gift, or transfer, the
11 municipality may enter into an agreement with the Illinois
12 Department of Revenue for that Department to collect the tax on
13 behalf of the municipality.

14 (b) During the term of the agreement the tax shall be
15 remitted to the State, or an exemption determination must be
16 obtained from the Department before the title or certificate of
17 registration for the property may be issued. The tax or proof
18 of exemption may be transmitted to the Department by way of the
19 State agency with which, or State officer with whom, the
20 tangible personal property must be titled or registered if the
21 Department and that agency or State officer determine that this
22 procedure will expedite the processing of applications for
23 title or registration.

24 (c) The Department shall have full power to administer and
25 enforce this Section; to collect all taxes, penalties, and
26 interest due hereunder; to dispose of taxes, penalties, and
27 interest so collected in the manner provided in subsection (d),
28 and to determine all rights to credit memoranda or refunds
29 arising on account of the erroneous payment of tax, penalty, or
30 interest hereunder. In the administration of, and compliance
31 with, this Section, the Department and persons who are subject
32 to this Section shall have the same procedural rights,

1 remedies, privileges, immunities, powers, and duties, and be
2 subject to the same conditions, restrictions, limitations,
3 penalties, and definitions of terms, and employ the same modes
4 of procedure, as are prescribed in the Use Tax Act, as now or
5 hereafter amended, that are not inconsistent with this Section,
6 as fully as if provisions contained in the Use Tax Act were set
7 forth in this Section.

8 (d) (1) The Department shall forthwith pay over to the
9 State Treasurer, ex officio, as trustee, all taxes and
10 penalties collected hereunder. On or before the 25th day of
11 each calendar month, the Department shall prepare and certify
12 to the Comptroller the disbursement of stated sums of money to
13 named municipalities for which taxes or penalties were paid
14 hereunder to the Department during the second preceding
15 calendar month:

16 (i) an amount to be paid to each municipality, which
17 shall equal the taxes and penalties collected by the
18 Department for the municipality pursuant to this Section
19 during the preceding calendar month, less 2% of the total
20 amount of taxes and penalties collected by the Department
21 for the municipality pursuant to this Section or the actual
22 cost of collection of such taxes and penalties determined
23 pursuant to the agreement, whichever is less, which shall
24 be retained by the State; and

25 (ii) the total amount to be retained by the State
26 pursuant to subparagraph (i), such amount to be deposited
27 into the General Revenue Fund of the State treasury and
28 used to cover the costs incurred by the Department in
29 collecting such taxes and penalties.

30 (2) Within 7 days after receiving the certifications
31 described in paragraph (1), the Comptroller shall issue orders
32 for payment of the amounts specified in subparagraph (i) of
33 paragraph (1).