



Sen. John J. Cullerton

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09500SB1429sam005

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1 AMENDMENT TO SENATE BILL 1429

2 AMENDMENT NO. _____. Amend Senate Bill 1429 as follows:

3 on page 3, by replacing line 11 with the following:

4 "Sections 6z-17, 6z-18, and 6z-20 as follows:

5 (30 ILCS 105/6z-17) (from Ch. 127, par. 142z-17)

6 Sec. 6z-17. Of the money paid into the State and Local
7 Sales Tax Reform Fund: (i) subject to appropriation to the
8 Department of Revenue, Municipalities having 1,000,000 or more
9 inhabitants shall receive 20% and may expend such amount to
10 fund and establish a program for developing and coordinating
11 public and private resources targeted to meet the affordable
12 housing needs of low-income and very low-income households
13 within such municipality, (ii) 10% shall be transferred into
14 the Regional Transportation Authority Occupation and Use Tax
15 Replacement Fund, a special fund in the State treasury which is
16 hereby created, (iii) subject to appropriation to the

1 Department of Transportation, The Metro East Mass Transit
 2 District shall receive .6%, (iv) the following amounts, plus
 3 any cumulative deficiency in such transfers for prior months,
 4 shall be transferred monthly into the Build Illinois Fund and
 5 credited to the Build Illinois Bond Account therein:

6 Fiscal Year	Amount
7 1990	\$2,700,000
8 1991	1,850,000
9 1992	2,750,000
10 1993	2,950,000

11 From Fiscal Year 1994 through Fiscal Year 2025 the transfer
 12 shall total \$3,150,000 monthly, plus any cumulative deficiency
 13 in such transfers for prior months, (v) Beginning February 1,
 14 2008, subject to appropriation, 1/12th of \$20,000,000 shall be
 15 deposited each month into the Municipal Reduced Local Portion
 16 Reimbursement Fund, a fund outside of the State Treasury with
 17 the State Treasurer listed as ex-officio custodian, that is
 18 attributable to the increased Illinois use tax collections as a
 19 result of the changes in Illinois use and occupation tax laws
 20 made to comply with the Streamlined Sales and Use Tax
 21 Agreement, and, beginning February 1, 2009, the amount
 22 deposited into the Municipal Reduced Local Portion
 23 Reimbursement Fund must be increased annually based on changes
 24 in the Consumer Price Index published by the Bureau of Labor
 25 Statistics of the United States Department of Labor, and (vi)
 26 ~~(v)~~ the remainder of the money paid into the State and Local

1 Sales Tax Reform Fund shall be transferred into the Local
2 Government Distributive Fund and, except for municipalities
3 with 1,000,000 or more inhabitants which shall receive no
4 portion of such remainder, shall be distributed, subject to
5 appropriation, in the manner provided by Section 2 of "An Act
6 in relation to State revenue sharing with local government
7 entities", approved July 31, 1969, as now or hereafter amended.
8 Municipalities with more than 50,000 inhabitants according to
9 the 1980 U.S. Census and located within the Metro East Mass
10 Transit District receiving funds pursuant to provision (v) of
11 this paragraph may expend such amounts to fund and establish a
12 program for developing and coordinating public and private
13 resources targeted to meet the affordable housing needs of
14 low-income and very low-income households within such
15 municipality.

16 (Source: P.A. 91-51, eff. 6-30-99.)"; and

17 on page 236, line 21, after "2-10.3", by inserting ", 3.3"; and

18 on page 338, immediately below line 12, by inserting the
19 following:

20 (35 ILCS 120/3.3 new)

21 Sec. 3.3. Streamlined Sales Tax reimbursements for certain
22 lost revenues.

23 (a) For the purpose of this Section, a

1 "reduced-local-portion municipality" means a municipality that
2 meets at least one of the following criteria:

3 (1) the municipality had, within its municipal
4 boundaries on January 1, 2007, at least one retail business
5 that made, for the period January 1, 2002 through December
6 31, 2006, more than \$150,000,000 of gross annual sales at
7 retail of tangible personal property to Illinois
8 purchasers from that location and more than 50% of those
9 sales each year are delivered to purchasers in Illinois at
10 an address that is outside of the municipality's
11 boundaries;

12 (2) the municipality had at least one retail business
13 within its municipal boundaries on January 1, 2007 that had
14 generated, for the period January 1, 2002 through December
15 31, 2006, retailers' occupation tax revenues to that
16 municipality each year that were greater than 50% of that
17 municipality's receipt of retailers' occupation tax
18 revenue for the preceding 12-month period and more than 50%
19 of that retailers' sales are delivered to purchasers in
20 Illinois at an address that is outside of that
21 municipality; or

22 (3) a municipality that, on or before January 1, 2008,
23 has applied to the Department for extraordinary hardship
24 relief from the Municipal Reduced Local Portion
25 Reimbursement Fund in the form and manner required by the
26 Department.

1 For the purpose of this subsection (a), "retail business" means
2 a business that makes retail sales of tangible personal
3 property on the premises, at least some of which is delivered
4 to customers at that premises.

5 (b) For the purpose of this Section,
6 "reduced-local-portion revenue" means an amount that is equal
7 to: (i) any local portion of tax that would have been remitted
8 to a municipality before the changes made to the sourcing of
9 sales under subsection (c) of this Section; less (ii) the
10 amount that is received after those changes; less (iii) 20% of
11 the increase of all local occupation taxes that are
12 attributable to the sale of food and drugs sold within the
13 municipality after the changes to the sourcing of sales under
14 subsection (c) of this Section, which were made in order for
15 Illinois use and occupation tax laws to comply with the
16 Streamlined Sales and Use Tax Agreement. With respect to a
17 municipality that qualifies as a reduced-local-portion
18 municipality under item (3) of subsection (a),
19 "reduced-local-portion revenue" also includes the amount
20 determined by the Department to provide hardship relief to the
21 municipality.

22 (c) Beginning February 1, 2008, the Department shall
23 determine which municipalities qualify as a
24 reduced-local-portion municipality and are, therefore, subject
25 to a reimbursement of reduced-local-portion revenue, as set
26 forth under this Section. This determination must be based upon

1 information received from the Retailers' Occupation Tax
2 returns and other information provided by Illinois retailers
3 and by application of the municipalities made to the
4 Department.

5 (d) On or before the 25th day of each calendar month, the
6 Department shall make the following reimbursement
7 certifications to the State Comptroller:

8 (1) for each municipality described in item (1) of
9 subsection (a), the Department shall certify an amount
10 equal to 90% of the reduced-local-portion revenue for that
11 municipality plus an amount the Department determines is
12 necessary to offset any amounts that were erroneously
13 unpaid in a previous month and not including any amount
14 that the Department determines is necessary to offset any
15 amounts that were erroneously paid to such municipality in
16 a previous month;

17 (2) for each municipality described in item (2) of
18 subsection (a), the Department shall certify an amount
19 equal to 90% of the reduced-local-portion revenue for that
20 municipality plus an amount the Department determines is
21 necessary to offset any amounts that were erroneously
22 unpaid in a previous month and not including any amount
23 that the Department determines is necessary to offset any
24 amounts that were erroneously paid to such municipality in
25 a previous month; and

26 (3) for each municipality described in item (3) of

1 subsection (a), the Department shall certify an amount
2 determined by the Department under subsection (b) based on
3 the availability of those moneys in the Fund.

4 As soon as practical after the first day of each month, the
5 Comptroller shall cause the orders to be drawn for the payment
6 from the Municipal Reduced Local Portion Reimbursement Fund of
7 the respective amounts contained in the Department's
8 certification. Any moneys remaining in the Fund after the
9 monthly payments must be deposited into the Local Government
10 Distributive Fund.

11 (e) Of the moneys deposited each month into the Municipal
12 Reduced Local Portion Reimbursement Fund:

13 (1) a minimum of 1/12th of \$8,000,000 is dedicated, if
14 needed, to making the payments to reduced-local-portion
15 municipalities described in item (1) of subsection (d);

16 (2) a minimum of 1/12th of \$6,000,000 is dedicated, if
17 needed, to making the payments to reduced-local-portion
18 municipalities described in item (2) of subsection (d); and

19 (3) a minimum of 1/12th of \$6,000,000 is dedicated, if
20 needed, to making the payments to extraordinary hardship
21 reduced-local-portion municipalities described in in item
22 (3) of subsection (d).

23 Each State fiscal year, these minimum dedicated amounts must be
24 increased by the annual rate of increase, for the previous
25 calendar year, of the Consumer Price Index for All Urban
26 Consumers for all items, published by the United States Bureau

1 of Labor Statistics."