



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB1500

Introduced 2/9/2007, by Sen. Dan Cronin - Kirk W. Dillard - David Luechtefeld - J. Bradley Burzynski, Todd Sieben, et al.

SYNOPSIS AS INTRODUCED:

See Index

Provides that the Act may be referred to as the 2007 Education Reform and Funding Act. Amends the Department of Revenue Law of the Civil Administrative Code of Illinois to make changes concerning sales of tangible personal property conducted over the Internet. Amends the Illinois Income Tax Act. Provides that for taxable years ending on or after December 31, 2007, the education expense credit may not exceed \$1,000 (now, \$500). Amends the Use Tax Act and the Retailers' Occupation Tax Act. Provides that 80% of the revenue received from retail sales conducted over the Internet must be deposited into the Common School Fund. Amends the Telecommunications Excise Tax Act. Provides that, beginning July 1, 2007, digital subscriber line services are not considered telecommunications that are subject to the Act. Amends the School Code to make changes concerning the elimination of unfunded mandates, alternative school development grants, an Education Venture Partnership Pool, oversight of school board contracts, performance-based teacher compensation, contracts on a school district's website, special education reimbursement for personnel, the foundation level of support under the State aid formula, a Salary Incentive Program for Hard-to-Staff Schools, the completion of high school graduation requirements, and the limitation on the number of charter schools. Amends the Board of Higher Education Act concerning teacher and principal preparation programs. Effective July 1, 2007.

LRB095 10942 NHT 31375 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

1 AN ACT concerning education, which may be referred to as
2 the 2007 Education Reform and Funding Act.

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

5 Section 5. The Department of Revenue Law of the Civil
6 Administrative Code of Illinois is amended by adding Section
7 2505-455 as follows:

8 (20 ILCS 2505/2505-455 new)

9 Sec. 2505-455. Tax collection on Internet sales.

10 (a) The Department must develop and implement a program to
11 strengthen its collection of amounts due to the State under the
12 Use Tax Act and the Retailers' Occupation Tax Act from sales of
13 tangible personal property conducted over the Internet. This
14 program shall contain specific measurers to correct the current
15 lack of enforcement of the Use Tax Act and the Retailers'
16 Occupation Tax Act as they now apply to Internet transactions.
17 This program shall not increase the tax rates or change the
18 definitions of properties that are subject to the Use Tax Act
19 and the Retailers' Occupation Tax Act.

20 (b) The Department must submit a report concerning the
21 status of this program to the General Assembly and the Governor
22 no later than January 1, 2008.

1 Section 10. The Illinois Income Tax Act is amended by
2 changing Section 201 as follows:

3 (35 ILCS 5/201) (from Ch. 120, par. 2-201)

4 Sec. 201. Tax Imposed.

5 (a) In general. A tax measured by net income is hereby
6 imposed on every individual, corporation, trust and estate for
7 each taxable year ending after July 31, 1969 on the privilege
8 of earning or receiving income in or as a resident of this
9 State. Such tax shall be in addition to all other occupation or
10 privilege taxes imposed by this State or by any municipal
11 corporation or political subdivision thereof.

12 (b) Rates. The tax imposed by subsection (a) of this
13 Section shall be determined as follows, except as adjusted by
14 subsection (d-1):

15 (1) In the case of an individual, trust or estate, for
16 taxable years ending prior to July 1, 1989, an amount equal
17 to 2 1/2% of the taxpayer's net income for the taxable
18 year.

19 (2) In the case of an individual, trust or estate, for
20 taxable years beginning prior to July 1, 1989 and ending
21 after June 30, 1989, an amount equal to the sum of (i) 2
22 1/2% of the taxpayer's net income for the period prior to
23 July 1, 1989, as calculated under Section 202.3, and (ii)
24 3% of the taxpayer's net income for the period after June
25 30, 1989, as calculated under Section 202.3.

1 (3) In the case of an individual, trust or estate, for
2 taxable years beginning after June 30, 1989, an amount
3 equal to 3% of the taxpayer's net income for the taxable
4 year.

5 (4) (Blank).

6 (5) (Blank).

7 (6) In the case of a corporation, for taxable years
8 ending prior to July 1, 1989, an amount equal to 4% of the
9 taxpayer's net income for the taxable year.

10 (7) In the case of a corporation, for taxable years
11 beginning prior to July 1, 1989 and ending after June 30,
12 1989, an amount equal to the sum of (i) 4% of the
13 taxpayer's net income for the period prior to July 1, 1989,
14 as calculated under Section 202.3, and (ii) 4.8% of the
15 taxpayer's net income for the period after June 30, 1989,
16 as calculated under Section 202.3.

17 (8) In the case of a corporation, for taxable years
18 beginning after June 30, 1989, an amount equal to 4.8% of
19 the taxpayer's net income for the taxable year.

20 (c) Personal Property Tax Replacement Income Tax.
21 Beginning on July 1, 1979 and thereafter, in addition to such
22 income tax, there is also hereby imposed the Personal Property
23 Tax Replacement Income Tax measured by net income on every
24 corporation (including Subchapter S corporations), partnership
25 and trust, for each taxable year ending after June 30, 1979.
26 Such taxes are imposed on the privilege of earning or receiving

1 income in or as a resident of this State. The Personal Property
2 Tax Replacement Income Tax shall be in addition to the income
3 tax imposed by subsections (a) and (b) of this Section and in
4 addition to all other occupation or privilege taxes imposed by
5 this State or by any municipal corporation or political
6 subdivision thereof.

7 (d) Additional Personal Property Tax Replacement Income
8 Tax Rates. The personal property tax replacement income tax
9 imposed by this subsection and subsection (c) of this Section
10 in the case of a corporation, other than a Subchapter S
11 corporation and except as adjusted by subsection (d-1), shall
12 be an additional amount equal to 2.85% of such taxpayer's net
13 income for the taxable year, except that beginning on January
14 1, 1981, and thereafter, the rate of 2.85% specified in this
15 subsection shall be reduced to 2.5%, and in the case of a
16 partnership, trust or a Subchapter S corporation shall be an
17 additional amount equal to 1.5% of such taxpayer's net income
18 for the taxable year.

19 (d-1) Rate reduction for certain foreign insurers. In the
20 case of a foreign insurer, as defined by Section 35A-5 of the
21 Illinois Insurance Code, whose state or country of domicile
22 imposes on insurers domiciled in Illinois a retaliatory tax
23 (excluding any insurer whose premiums from reinsurance assumed
24 are 50% or more of its total insurance premiums as determined
25 under paragraph (2) of subsection (b) of Section 304, except
26 that for purposes of this determination premiums from

1 reinsurance do not include premiums from inter-affiliate
2 reinsurance arrangements), beginning with taxable years ending
3 on or after December 31, 1999, the sum of the rates of tax
4 imposed by subsections (b) and (d) shall be reduced (but not
5 increased) to the rate at which the total amount of tax imposed
6 under this Act, net of all credits allowed under this Act,
7 shall equal (i) the total amount of tax that would be imposed
8 on the foreign insurer's net income allocable to Illinois for
9 the taxable year by such foreign insurer's state or country of
10 domicile if that net income were subject to all income taxes
11 and taxes measured by net income imposed by such foreign
12 insurer's state or country of domicile, net of all credits
13 allowed or (ii) a rate of zero if no such tax is imposed on such
14 income by the foreign insurer's state of domicile. For the
15 purposes of this subsection (d-1), an inter-affiliate includes
16 a mutual insurer under common management.

17 (1) For the purposes of subsection (d-1), in no event
18 shall the sum of the rates of tax imposed by subsections
19 (b) and (d) be reduced below the rate at which the sum of:

20 (A) the total amount of tax imposed on such foreign
21 insurer under this Act for a taxable year, net of all
22 credits allowed under this Act, plus

23 (B) the privilege tax imposed by Section 409 of the
24 Illinois Insurance Code, the fire insurance company
25 tax imposed by Section 12 of the Fire Investigation
26 Act, and the fire department taxes imposed under

1 Section 11-10-1 of the Illinois Municipal Code,
2 equals 1.25% for taxable years ending prior to December 31,
3 2003, or 1.75% for taxable years ending on or after
4 December 31, 2003, of the net taxable premiums written for
5 the taxable year, as described by subsection (1) of Section
6 409 of the Illinois Insurance Code. This paragraph will in
7 no event increase the rates imposed under subsections (b)
8 and (d).

9 (2) Any reduction in the rates of tax imposed by this
10 subsection shall be applied first against the rates imposed
11 by subsection (b) and only after the tax imposed by
12 subsection (a) net of all credits allowed under this
13 Section other than the credit allowed under subsection (i)
14 has been reduced to zero, against the rates imposed by
15 subsection (d).

16 This subsection (d-1) is exempt from the provisions of
17 Section 250.

18 (e) Investment credit. A taxpayer shall be allowed a credit
19 against the Personal Property Tax Replacement Income Tax for
20 investment in qualified property.

21 (1) A taxpayer shall be allowed a credit equal to .5%
22 of the basis of qualified property placed in service during
23 the taxable year, provided such property is placed in
24 service on or after July 1, 1984. There shall be allowed an
25 additional credit equal to .5% of the basis of qualified
26 property placed in service during the taxable year,

1 provided such property is placed in service on or after
2 July 1, 1986, and the taxpayer's base employment within
3 Illinois has increased by 1% or more over the preceding
4 year as determined by the taxpayer's employment records
5 filed with the Illinois Department of Employment Security.
6 Taxpayers who are new to Illinois shall be deemed to have
7 met the 1% growth in base employment for the first year in
8 which they file employment records with the Illinois
9 Department of Employment Security. The provisions added to
10 this Section by Public Act 85-1200 (and restored by Public
11 Act 87-895) shall be construed as declaratory of existing
12 law and not as a new enactment. If, in any year, the
13 increase in base employment within Illinois over the
14 preceding year is less than 1%, the additional credit shall
15 be limited to that percentage times a fraction, the
16 numerator of which is .5% and the denominator of which is
17 1%, but shall not exceed .5%. The investment credit shall
18 not be allowed to the extent that it would reduce a
19 taxpayer's liability in any tax year below zero, nor may
20 any credit for qualified property be allowed for any year
21 other than the year in which the property was placed in
22 service in Illinois. For tax years ending on or after
23 December 31, 1987, and on or before December 31, 1988, the
24 credit shall be allowed for the tax year in which the
25 property is placed in service, or, if the amount of the
26 credit exceeds the tax liability for that year, whether it

1 exceeds the original liability or the liability as later
2 amended, such excess may be carried forward and applied to
3 the tax liability of the 5 taxable years following the
4 excess credit years if the taxpayer (i) makes investments
5 which cause the creation of a minimum of 2,000 full-time
6 equivalent jobs in Illinois, (ii) is located in an
7 enterprise zone established pursuant to the Illinois
8 Enterprise Zone Act and (iii) is certified by the
9 Department of Commerce and Community Affairs (now
10 Department of Commerce and Economic Opportunity) as
11 complying with the requirements specified in clause (i) and
12 (ii) by July 1, 1986. The Department of Commerce and
13 Community Affairs (now Department of Commerce and Economic
14 Opportunity) shall notify the Department of Revenue of all
15 such certifications immediately. For tax years ending
16 after December 31, 1988, the credit shall be allowed for
17 the tax year in which the property is placed in service,
18 or, if the amount of the credit exceeds the tax liability
19 for that year, whether it exceeds the original liability or
20 the liability as later amended, such excess may be carried
21 forward and applied to the tax liability of the 5 taxable
22 years following the excess credit years. The credit shall
23 be applied to the earliest year for which there is a
24 liability. If there is credit from more than one tax year
25 that is available to offset a liability, earlier credit
26 shall be applied first.

1 (2) The term "qualified property" means property
2 which:

3 (A) is tangible, whether new or used, including
4 buildings and structural components of buildings and
5 signs that are real property, but not including land or
6 improvements to real property that are not a structural
7 component of a building such as landscaping, sewer
8 lines, local access roads, fencing, parking lots, and
9 other appurtenances;

10 (B) is depreciable pursuant to Section 167 of the
11 Internal Revenue Code, except that "3-year property"
12 as defined in Section 168(c)(2)(A) of that Code is not
13 eligible for the credit provided by this subsection
14 (e);

15 (C) is acquired by purchase as defined in Section
16 179(d) of the Internal Revenue Code;

17 (D) is used in Illinois by a taxpayer who is
18 primarily engaged in manufacturing, or in mining coal
19 or fluorite, or in retailing, or was placed in service
20 on or after July 1, 2006 in a River Edge Redevelopment
21 Zone established pursuant to the River Edge
22 Redevelopment Zone Act; and

23 (E) has not previously been used in Illinois in
24 such a manner and by such a person as would qualify for
25 the credit provided by this subsection (e) or
26 subsection (f).

1 (3) For purposes of this subsection (e),
2 "manufacturing" means the material staging and production
3 of tangible personal property by procedures commonly
4 regarded as manufacturing, processing, fabrication, or
5 assembling which changes some existing material into new
6 shapes, new qualities, or new combinations. For purposes of
7 this subsection (e) the term "mining" shall have the same
8 meaning as the term "mining" in Section 613(c) of the
9 Internal Revenue Code. For purposes of this subsection (e),
10 the term "retailing" means the sale of tangible personal
11 property or services rendered in conjunction with the sale
12 of tangible consumer goods or commodities.

13 (4) The basis of qualified property shall be the basis
14 used to compute the depreciation deduction for federal
15 income tax purposes.

16 (5) If the basis of the property for federal income tax
17 depreciation purposes is increased after it has been placed
18 in service in Illinois by the taxpayer, the amount of such
19 increase shall be deemed property placed in service on the
20 date of such increase in basis.

21 (6) The term "placed in service" shall have the same
22 meaning as under Section 46 of the Internal Revenue Code.

23 (7) If during any taxable year, any property ceases to
24 be qualified property in the hands of the taxpayer within
25 48 months after being placed in service, or the situs of
26 any qualified property is moved outside Illinois within 48

1 months after being placed in service, the Personal Property
2 Tax Replacement Income Tax for such taxable year shall be
3 increased. Such increase shall be determined by (i)
4 recomputing the investment credit which would have been
5 allowed for the year in which credit for such property was
6 originally allowed by eliminating such property from such
7 computation and, (ii) subtracting such recomputed credit
8 from the amount of credit previously allowed. For the
9 purposes of this paragraph (7), a reduction of the basis of
10 qualified property resulting from a redetermination of the
11 purchase price shall be deemed a disposition of qualified
12 property to the extent of such reduction.

13 (8) Unless the investment credit is extended by law,
14 the basis of qualified property shall not include costs
15 incurred after December 31, 2008, except for costs incurred
16 pursuant to a binding contract entered into on or before
17 December 31, 2008.

18 (9) Each taxable year ending before December 31, 2000,
19 a partnership may elect to pass through to its partners the
20 credits to which the partnership is entitled under this
21 subsection (e) for the taxable year. A partner may use the
22 credit allocated to him or her under this paragraph only
23 against the tax imposed in subsections (c) and (d) of this
24 Section. If the partnership makes that election, those
25 credits shall be allocated among the partners in the
26 partnership in accordance with the rules set forth in

1 Section 704(b) of the Internal Revenue Code, and the rules
2 promulgated under that Section, and the allocated amount of
3 the credits shall be allowed to the partners for that
4 taxable year. The partnership shall make this election on
5 its Personal Property Tax Replacement Income Tax return for
6 that taxable year. The election to pass through the credits
7 shall be irrevocable.

8 For taxable years ending on or after December 31, 2000,
9 a partner that qualifies its partnership for a subtraction
10 under subparagraph (I) of paragraph (2) of subsection (d)
11 of Section 203 or a shareholder that qualifies a Subchapter
12 S corporation for a subtraction under subparagraph (S) of
13 paragraph (2) of subsection (b) of Section 203 shall be
14 allowed a credit under this subsection (e) equal to its
15 share of the credit earned under this subsection (e) during
16 the taxable year by the partnership or Subchapter S
17 corporation, determined in accordance with the
18 determination of income and distributive share of income
19 under Sections 702 and 704 and Subchapter S of the Internal
20 Revenue Code. This paragraph is exempt from the provisions
21 of Section 250.

22 (f) Investment credit; Enterprise Zone; River Edge
23 Redevelopment Zone.

24 (1) A taxpayer shall be allowed a credit against the
25 tax imposed by subsections (a) and (b) of this Section for
26 investment in qualified property which is placed in service

1 in an Enterprise Zone created pursuant to the Illinois
2 Enterprise Zone Act or, for property placed in service on
3 or after July 1, 2006, a River Edge Redevelopment Zone
4 established pursuant to the River Edge Redevelopment Zone
5 Act. For partners, shareholders of Subchapter S
6 corporations, and owners of limited liability companies,
7 if the liability company is treated as a partnership for
8 purposes of federal and State income taxation, there shall
9 be allowed a credit under this subsection (f) to be
10 determined in accordance with the determination of income
11 and distributive share of income under Sections 702 and 704
12 and Subchapter S of the Internal Revenue Code. The credit
13 shall be .5% of the basis for such property. The credit
14 shall be available only in the taxable year in which the
15 property is placed in service in the Enterprise Zone or
16 River Edge Redevelopment Zone and shall not be allowed to
17 the extent that it would reduce a taxpayer's liability for
18 the tax imposed by subsections (a) and (b) of this Section
19 to below zero. For tax years ending on or after December
20 31, 1985, the credit shall be allowed for the tax year in
21 which the property is placed in service, or, if the amount
22 of the credit exceeds the tax liability for that year,
23 whether it exceeds the original liability or the liability
24 as later amended, such excess may be carried forward and
25 applied to the tax liability of the 5 taxable years
26 following the excess credit year. The credit shall be

1 applied to the earliest year for which there is a
2 liability. If there is credit from more than one tax year
3 that is available to offset a liability, the credit
4 accruing first in time shall be applied first.

5 (2) The term qualified property means property which:

6 (A) is tangible, whether new or used, including
7 buildings and structural components of buildings;

8 (B) is depreciable pursuant to Section 167 of the
9 Internal Revenue Code, except that "3-year property"
10 as defined in Section 168(c)(2)(A) of that Code is not
11 eligible for the credit provided by this subsection
12 (f);

13 (C) is acquired by purchase as defined in Section
14 179(d) of the Internal Revenue Code;

15 (D) is used in the Enterprise Zone or River Edge
16 Redevelopment Zone by the taxpayer; and

17 (E) has not been previously used in Illinois in
18 such a manner and by such a person as would qualify for
19 the credit provided by this subsection (f) or
20 subsection (e).

21 (3) The basis of qualified property shall be the basis
22 used to compute the depreciation deduction for federal
23 income tax purposes.

24 (4) If the basis of the property for federal income tax
25 depreciation purposes is increased after it has been placed
26 in service in the Enterprise Zone or River Edge

1 Redevelopment Zone by the taxpayer, the amount of such
2 increase shall be deemed property placed in service on the
3 date of such increase in basis.

4 (5) The term "placed in service" shall have the same
5 meaning as under Section 46 of the Internal Revenue Code.

6 (6) If during any taxable year, any property ceases to
7 be qualified property in the hands of the taxpayer within
8 48 months after being placed in service, or the situs of
9 any qualified property is moved outside the Enterprise Zone
10 or River Edge Redevelopment Zone within 48 months after
11 being placed in service, the tax imposed under subsections
12 (a) and (b) of this Section for such taxable year shall be
13 increased. Such increase shall be determined by (i)
14 recomputing the investment credit which would have been
15 allowed for the year in which credit for such property was
16 originally allowed by eliminating such property from such
17 computation, and (ii) subtracting such recomputed credit
18 from the amount of credit previously allowed. For the
19 purposes of this paragraph (6), a reduction of the basis of
20 qualified property resulting from a redetermination of the
21 purchase price shall be deemed a disposition of qualified
22 property to the extent of such reduction.

23 (7) There shall be allowed an additional credit equal
24 to 0.5% of the basis of qualified property placed in
25 service during the taxable year in a River Edge
26 Redevelopment Zone, provided such property is placed in

1 service on or after July 1, 2006, and the taxpayer's base
2 employment within Illinois has increased by 1% or more over
3 the preceding year as determined by the taxpayer's
4 employment records filed with the Illinois Department of
5 Employment Security. Taxpayers who are new to Illinois
6 shall be deemed to have met the 1% growth in base
7 employment for the first year in which they file employment
8 records with the Illinois Department of Employment
9 Security. If, in any year, the increase in base employment
10 within Illinois over the preceding year is less than 1%,
11 the additional credit shall be limited to that percentage
12 times a fraction, the numerator of which is 0.5% and the
13 denominator of which is 1%, but shall not exceed 0.5%.

14 (g) Jobs Tax Credit; Enterprise Zone, River Edge
15 Redevelopment Zone, and Foreign Trade Zone or Sub-Zone.

16 (1) A taxpayer conducting a trade or business in an
17 enterprise zone or a High Impact Business designated by the
18 Department of Commerce and Economic Opportunity or for
19 taxable years ending on or after December 31, 2006, in a
20 River Edge Redevelopment Zone conducting a trade or
21 business in a federally designated Foreign Trade Zone or
22 Sub-Zone shall be allowed a credit against the tax imposed
23 by subsections (a) and (b) of this Section in the amount of
24 \$500 per eligible employee hired to work in the zone during
25 the taxable year.

26 (2) To qualify for the credit:

1 (A) the taxpayer must hire 5 or more eligible
2 employees to work in an enterprise zone, River Edge
3 Redevelopment Zone, or federally designated Foreign
4 Trade Zone or Sub-Zone during the taxable year;

5 (B) the taxpayer's total employment within the
6 enterprise zone, River Edge Redevelopment Zone, or
7 federally designated Foreign Trade Zone or Sub-Zone
8 must increase by 5 or more full-time employees beyond
9 the total employed in that zone at the end of the
10 previous tax year for which a jobs tax credit under
11 this Section was taken, or beyond the total employed by
12 the taxpayer as of December 31, 1985, whichever is
13 later; and

14 (C) the eligible employees must be employed 180
15 consecutive days in order to be deemed hired for
16 purposes of this subsection.

17 (3) An "eligible employee" means an employee who is:

18 (A) Certified by the Department of Commerce and
19 Economic Opportunity as "eligible for services"
20 pursuant to regulations promulgated in accordance with
21 Title II of the Job Training Partnership Act, Training
22 Services for the Disadvantaged or Title III of the Job
23 Training Partnership Act, Employment and Training
24 Assistance for Dislocated Workers Program.

25 (B) Hired after the enterprise zone, River Edge
26 Redevelopment Zone, or federally designated Foreign

1 Trade Zone or Sub-Zone was designated or the trade or
2 business was located in that zone, whichever is later.

3 (C) Employed in the enterprise zone, River Edge
4 Redevelopment Zone, or Foreign Trade Zone or Sub-Zone.
5 An employee is employed in an enterprise zone or
6 federally designated Foreign Trade Zone or Sub-Zone if
7 his services are rendered there or it is the base of
8 operations for the services performed.

9 (D) A full-time employee working 30 or more hours
10 per week.

11 (4) For tax years ending on or after December 31, 1985
12 and prior to December 31, 1988, the credit shall be allowed
13 for the tax year in which the eligible employees are hired.
14 For tax years ending on or after December 31, 1988, the
15 credit shall be allowed for the tax year immediately
16 following the tax year in which the eligible employees are
17 hired. If the amount of the credit exceeds the tax
18 liability for that year, whether it exceeds the original
19 liability or the liability as later amended, such excess
20 may be carried forward and applied to the tax liability of
21 the 5 taxable years following the excess credit year. The
22 credit shall be applied to the earliest year for which
23 there is a liability. If there is credit from more than one
24 tax year that is available to offset a liability, earlier
25 credit shall be applied first.

26 (5) The Department of Revenue shall promulgate such

1 rules and regulations as may be deemed necessary to carry
2 out the purposes of this subsection (g).

3 (6) The credit shall be available for eligible
4 employees hired on or after January 1, 1986.

5 (h) Investment credit; High Impact Business.

6 (1) Subject to subsections (b) and (b-5) of Section 5.5
7 of the Illinois Enterprise Zone Act, a taxpayer shall be
8 allowed a credit against the tax imposed by subsections (a)
9 and (b) of this Section for investment in qualified
10 property which is placed in service by a Department of
11 Commerce and Economic Opportunity designated High Impact
12 Business. The credit shall be .5% of the basis for such
13 property. The credit shall not be available (i) until the
14 minimum investments in qualified property set forth in
15 subdivision (a)(3)(A) of Section 5.5 of the Illinois
16 Enterprise Zone Act have been satisfied or (ii) until the
17 time authorized in subsection (b-5) of the Illinois
18 Enterprise Zone Act for entities designated as High Impact
19 Businesses under subdivisions (a)(3)(B), (a)(3)(C), and
20 (a)(3)(D) of Section 5.5 of the Illinois Enterprise Zone
21 Act, and shall not be allowed to the extent that it would
22 reduce a taxpayer's liability for the tax imposed by
23 subsections (a) and (b) of this Section to below zero. The
24 credit applicable to such investments shall be taken in the
25 taxable year in which such investments have been completed.
26 The credit for additional investments beyond the minimum

1 investment by a designated high impact business authorized
2 under subdivision (a) (3) (A) of Section 5.5 of the Illinois
3 Enterprise Zone Act shall be available only in the taxable
4 year in which the property is placed in service and shall
5 not be allowed to the extent that it would reduce a
6 taxpayer's liability for the tax imposed by subsections (a)
7 and (b) of this Section to below zero. For tax years ending
8 on or after December 31, 1987, the credit shall be allowed
9 for the tax year in which the property is placed in
10 service, or, if the amount of the credit exceeds the tax
11 liability for that year, whether it exceeds the original
12 liability or the liability as later amended, such excess
13 may be carried forward and applied to the tax liability of
14 the 5 taxable years following the excess credit year. The
15 credit shall be applied to the earliest year for which
16 there is a liability. If there is credit from more than one
17 tax year that is available to offset a liability, the
18 credit accruing first in time shall be applied first.

19 Changes made in this subdivision (h) (1) by Public Act
20 88-670 restore changes made by Public Act 85-1182 and
21 reflect existing law.

22 (2) The term qualified property means property which:

23 (A) is tangible, whether new or used, including
24 buildings and structural components of buildings;

25 (B) is depreciable pursuant to Section 167 of the
26 Internal Revenue Code, except that "3-year property"

1 as defined in Section 168(c)(2)(A) of that Code is not
2 eligible for the credit provided by this subsection
3 (h);

4 (C) is acquired by purchase as defined in Section
5 179(d) of the Internal Revenue Code; and

6 (D) is not eligible for the Enterprise Zone
7 Investment Credit provided by subsection (f) of this
8 Section.

9 (3) The basis of qualified property shall be the basis
10 used to compute the depreciation deduction for federal
11 income tax purposes.

12 (4) If the basis of the property for federal income tax
13 depreciation purposes is increased after it has been placed
14 in service in a federally designated Foreign Trade Zone or
15 Sub-Zone located in Illinois by the taxpayer, the amount of
16 such increase shall be deemed property placed in service on
17 the date of such increase in basis.

18 (5) The term "placed in service" shall have the same
19 meaning as under Section 46 of the Internal Revenue Code.

20 (6) If during any taxable year ending on or before
21 December 31, 1996, any property ceases to be qualified
22 property in the hands of the taxpayer within 48 months
23 after being placed in service, or the situs of any
24 qualified property is moved outside Illinois within 48
25 months after being placed in service, the tax imposed under
26 subsections (a) and (b) of this Section for such taxable

1 year shall be increased. Such increase shall be determined
2 by (i) recomputing the investment credit which would have
3 been allowed for the year in which credit for such property
4 was originally allowed by eliminating such property from
5 such computation, and (ii) subtracting such recomputed
6 credit from the amount of credit previously allowed. For
7 the purposes of this paragraph (6), a reduction of the
8 basis of qualified property resulting from a
9 redetermination of the purchase price shall be deemed a
10 disposition of qualified property to the extent of such
11 reduction.

12 (7) Beginning with tax years ending after December 31,
13 1996, if a taxpayer qualifies for the credit under this
14 subsection (h) and thereby is granted a tax abatement and
15 the taxpayer relocates its entire facility in violation of
16 the explicit terms and length of the contract under Section
17 18-183 of the Property Tax Code, the tax imposed under
18 subsections (a) and (b) of this Section shall be increased
19 for the taxable year in which the taxpayer relocated its
20 facility by an amount equal to the amount of credit
21 received by the taxpayer under this subsection (h).

22 (i) Credit for Personal Property Tax Replacement Income
23 Tax. For tax years ending prior to December 31, 2003, a credit
24 shall be allowed against the tax imposed by subsections (a) and
25 (b) of this Section for the tax imposed by subsections (c) and
26 (d) of this Section. This credit shall be computed by

1 multiplying the tax imposed by subsections (c) and (d) of this
2 Section by a fraction, the numerator of which is base income
3 allocable to Illinois and the denominator of which is Illinois
4 base income, and further multiplying the product by the tax
5 rate imposed by subsections (a) and (b) of this Section.

6 Any credit earned on or after December 31, 1986 under this
7 subsection which is unused in the year the credit is computed
8 because it exceeds the tax liability imposed by subsections (a)
9 and (b) for that year (whether it exceeds the original
10 liability or the liability as later amended) may be carried
11 forward and applied to the tax liability imposed by subsections
12 (a) and (b) of the 5 taxable years following the excess credit
13 year, provided that no credit may be carried forward to any
14 year ending on or after December 31, 2003. This credit shall be
15 applied first to the earliest year for which there is a
16 liability. If there is a credit under this subsection from more
17 than one tax year that is available to offset a liability the
18 earliest credit arising under this subsection shall be applied
19 first.

20 If, during any taxable year ending on or after December 31,
21 1986, the tax imposed by subsections (c) and (d) of this
22 Section for which a taxpayer has claimed a credit under this
23 subsection (i) is reduced, the amount of credit for such tax
24 shall also be reduced. Such reduction shall be determined by
25 recomputing the credit to take into account the reduced tax
26 imposed by subsections (c) and (d). If any portion of the

1 reduced amount of credit has been carried to a different
2 taxable year, an amended return shall be filed for such taxable
3 year to reduce the amount of credit claimed.

4 (j) Training expense credit. Beginning with tax years
5 ending on or after December 31, 1986 and prior to December 31,
6 2003, a taxpayer shall be allowed a credit against the tax
7 imposed by subsections (a) and (b) under this Section for all
8 amounts paid or accrued, on behalf of all persons employed by
9 the taxpayer in Illinois or Illinois residents employed outside
10 of Illinois by a taxpayer, for educational or vocational
11 training in semi-technical or technical fields or semi-skilled
12 or skilled fields, which were deducted from gross income in the
13 computation of taxable income. The credit against the tax
14 imposed by subsections (a) and (b) shall be 1.6% of such
15 training expenses. For partners, shareholders of subchapter S
16 corporations, and owners of limited liability companies, if the
17 liability company is treated as a partnership for purposes of
18 federal and State income taxation, there shall be allowed a
19 credit under this subsection (j) to be determined in accordance
20 with the determination of income and distributive share of
21 income under Sections 702 and 704 and subchapter S of the
22 Internal Revenue Code.

23 Any credit allowed under this subsection which is unused in
24 the year the credit is earned may be carried forward to each of
25 the 5 taxable years following the year for which the credit is
26 first computed until it is used. This credit shall be applied

1 first to the earliest year for which there is a liability. If
2 there is a credit under this subsection from more than one tax
3 year that is available to offset a liability the earliest
4 credit arising under this subsection shall be applied first. No
5 carryforward credit may be claimed in any tax year ending on or
6 after December 31, 2003.

7 (k) Research and development credit.

8 For tax years ending after July 1, 1990 and prior to
9 December 31, 2003, and beginning again for tax years ending on
10 or after December 31, 2004, a taxpayer shall be allowed a
11 credit against the tax imposed by subsections (a) and (b) of
12 this Section for increasing research activities in this State.
13 The credit allowed against the tax imposed by subsections (a)
14 and (b) shall be equal to 6 1/2% of the qualifying expenditures
15 for increasing research activities in this State. For partners,
16 shareholders of subchapter S corporations, and owners of
17 limited liability companies, if the liability company is
18 treated as a partnership for purposes of federal and State
19 income taxation, there shall be allowed a credit under this
20 subsection to be determined in accordance with the
21 determination of income and distributive share of income under
22 Sections 702 and 704 and subchapter S of the Internal Revenue
23 Code.

24 For purposes of this subsection, "qualifying expenditures"
25 means the qualifying expenditures as defined for the federal
26 credit for increasing research activities which would be

1 allowable under Section 41 of the Internal Revenue Code and
2 which are conducted in this State, "qualifying expenditures for
3 increasing research activities in this State" means the excess
4 of qualifying expenditures for the taxable year in which
5 incurred over qualifying expenditures for the base period,
6 "qualifying expenditures for the base period" means the average
7 of the qualifying expenditures for each year in the base
8 period, and "base period" means the 3 taxable years immediately
9 preceding the taxable year for which the determination is being
10 made.

11 Any credit in excess of the tax liability for the taxable
12 year may be carried forward. A taxpayer may elect to have the
13 unused credit shown on its final completed return carried over
14 as a credit against the tax liability for the following 5
15 taxable years or until it has been fully used, whichever occurs
16 first; provided that no credit earned in a tax year ending
17 prior to December 31, 2003 may be carried forward to any year
18 ending on or after December 31, 2003.

19 If an unused credit is carried forward to a given year from
20 2 or more earlier years, that credit arising in the earliest
21 year will be applied first against the tax liability for the
22 given year. If a tax liability for the given year still
23 remains, the credit from the next earliest year will then be
24 applied, and so on, until all credits have been used or no tax
25 liability for the given year remains. Any remaining unused
26 credit or credits then will be carried forward to the next

1 following year in which a tax liability is incurred, except
2 that no credit can be carried forward to a year which is more
3 than 5 years after the year in which the expense for which the
4 credit is given was incurred.

5 No inference shall be drawn from this amendatory Act of the
6 91st General Assembly in construing this Section for taxable
7 years beginning before January 1, 1999.

8 (1) Environmental Remediation Tax Credit.

9 (i) For tax years ending after December 31, 1997 and on
10 or before December 31, 2001, a taxpayer shall be allowed a
11 credit against the tax imposed by subsections (a) and (b)
12 of this Section for certain amounts paid for unreimbursed
13 eligible remediation costs, as specified in this
14 subsection. For purposes of this Section, "unreimbursed
15 eligible remediation costs" means costs approved by the
16 Illinois Environmental Protection Agency ("Agency") under
17 Section 58.14 of the Environmental Protection Act that were
18 paid in performing environmental remediation at a site for
19 which a No Further Remediation Letter was issued by the
20 Agency and recorded under Section 58.10 of the
21 Environmental Protection Act. The credit must be claimed
22 for the taxable year in which Agency approval of the
23 eligible remediation costs is granted. The credit is not
24 available to any taxpayer if the taxpayer or any related
25 party caused or contributed to, in any material respect, a
26 release of regulated substances on, in, or under the site

1 that was identified and addressed by the remedial action
2 pursuant to the Site Remediation Program of the
3 Environmental Protection Act. After the Pollution Control
4 Board rules are adopted pursuant to the Illinois
5 Administrative Procedure Act for the administration and
6 enforcement of Section 58.9 of the Environmental
7 Protection Act, determinations as to credit availability
8 for purposes of this Section shall be made consistent with
9 those rules. For purposes of this Section, "taxpayer"
10 includes a person whose tax attributes the taxpayer has
11 succeeded to under Section 381 of the Internal Revenue Code
12 and "related party" includes the persons disallowed a
13 deduction for losses by paragraphs (b), (c), and (f)(1) of
14 Section 267 of the Internal Revenue Code by virtue of being
15 a related taxpayer, as well as any of its partners. The
16 credit allowed against the tax imposed by subsections (a)
17 and (b) shall be equal to 25% of the unreimbursed eligible
18 remediation costs in excess of \$100,000 per site, except
19 that the \$100,000 threshold shall not apply to any site
20 contained in an enterprise zone as determined by the
21 Department of Commerce and Community Affairs (now
22 Department of Commerce and Economic Opportunity). The
23 total credit allowed shall not exceed \$40,000 per year with
24 a maximum total of \$150,000 per site. For partners and
25 shareholders of subchapter S corporations, there shall be
26 allowed a credit under this subsection to be determined in

1 accordance with the determination of income and
2 distributive share of income under Sections 702 and 704 and
3 subchapter S of the Internal Revenue Code.

4 (ii) A credit allowed under this subsection that is
5 unused in the year the credit is earned may be carried
6 forward to each of the 5 taxable years following the year
7 for which the credit is first earned until it is used. The
8 term "unused credit" does not include any amounts of
9 unreimbursed eligible remediation costs in excess of the
10 maximum credit per site authorized under paragraph (i).
11 This credit shall be applied first to the earliest year for
12 which there is a liability. If there is a credit under this
13 subsection from more than one tax year that is available to
14 offset a liability, the earliest credit arising under this
15 subsection shall be applied first. A credit allowed under
16 this subsection may be sold to a buyer as part of a sale of
17 all or part of the remediation site for which the credit
18 was granted. The purchaser of a remediation site and the
19 tax credit shall succeed to the unused credit and remaining
20 carry-forward period of the seller. To perfect the
21 transfer, the assignor shall record the transfer in the
22 chain of title for the site and provide written notice to
23 the Director of the Illinois Department of Revenue of the
24 assignor's intent to sell the remediation site and the
25 amount of the tax credit to be transferred as a portion of
26 the sale. In no event may a credit be transferred to any

1 taxpayer if the taxpayer or a related party would not be
2 eligible under the provisions of subsection (i).

3 (iii) For purposes of this Section, the term "site"
4 shall have the same meaning as under Section 58.2 of the
5 Environmental Protection Act.

6 (m) Education expense credit. Beginning with tax years
7 ending after December 31, 1999, a taxpayer who is the custodian
8 of one or more qualifying pupils shall be allowed a credit
9 against the tax imposed by subsections (a) and (b) of this
10 Section for qualified education expenses incurred on behalf of
11 the qualifying pupils. The credit shall be equal to 25% of
12 qualified education expenses, but in no event may the total
13 credit under this subsection claimed by a family that is the
14 custodian of qualifying pupils exceed \$500 for taxable years
15 ending on or before December 30, 2007 and \$1,000 for taxable
16 years ending on or after December 31, 2007. In no event shall a
17 credit under this subsection reduce the taxpayer's liability
18 under this Act to less than zero. This subsection is exempt
19 from the provisions of Section 250 of this Act.

20 For purposes of this subsection:

21 "Qualifying pupils" means individuals who (i) are
22 residents of the State of Illinois, (ii) are under the age of
23 21 at the close of the school year for which a credit is
24 sought, and (iii) during the school year for which a credit is
25 sought were full-time pupils enrolled in a kindergarten through
26 twelfth grade education program at any school, as defined in

1 this subsection.

2 "Qualified education expense" means the amount incurred on
3 behalf of a qualifying pupil in excess of \$250 for tuition,
4 book fees, and lab fees at the school in which the pupil is
5 enrolled during the regular school year.

6 "School" means any public or nonpublic elementary or
7 secondary school in Illinois that is in compliance with Title
8 VI of the Civil Rights Act of 1964 and attendance at which
9 satisfies the requirements of Section 26-1 of the School Code,
10 except that nothing shall be construed to require a child to
11 attend any particular public or nonpublic school to qualify for
12 the credit under this Section.

13 "Custodian" means, with respect to qualifying pupils, an
14 Illinois resident who is a parent, the parents, a legal
15 guardian, or the legal guardians of the qualifying pupils.

16 (n) River Edge Redevelopment Zone site remediation tax
17 credit.

18 (i) For tax years ending on or after December 31, 2006,
19 a taxpayer shall be allowed a credit against the tax
20 imposed by subsections (a) and (b) of this Section for
21 certain amounts paid for unreimbursed eligible remediation
22 costs, as specified in this subsection. For purposes of
23 this Section, "unreimbursed eligible remediation costs"
24 means costs approved by the Illinois Environmental
25 Protection Agency ("Agency") under Section 58.14 of the
26 Environmental Protection Act that were paid in performing

1 environmental remediation at a site within a River Edge
2 Redevelopment Zone for which a No Further Remediation
3 Letter was issued by the Agency and recorded under Section
4 58.10 of the Environmental Protection Act. The credit must
5 be claimed for the taxable year in which Agency approval of
6 the eligible remediation costs is granted. The credit is
7 not available to any taxpayer if the taxpayer or any
8 related party caused or contributed to, in any material
9 respect, a release of regulated substances on, in, or under
10 the site that was identified and addressed by the remedial
11 action pursuant to the Site Remediation Program of the
12 Environmental Protection Act. Determinations as to credit
13 availability for purposes of this Section shall be made
14 consistent with rules adopted by the Pollution Control
15 Board pursuant to the Illinois Administrative Procedure
16 Act for the administration and enforcement of Section 58.9
17 of the Environmental Protection Act. For purposes of this
18 Section, "taxpayer" includes a person whose tax attributes
19 the taxpayer has succeeded to under Section 381 of the
20 Internal Revenue Code and "related party" includes the
21 persons disallowed a deduction for losses by paragraphs
22 (b), (c), and (f) (1) of Section 267 of the Internal Revenue
23 Code by virtue of being a related taxpayer, as well as any
24 of its partners. The credit allowed against the tax imposed
25 by subsections (a) and (b) shall be equal to 25% of the
26 unreimbursed eligible remediation costs in excess of

1 \$100,000 per site.

2 (ii) A credit allowed under this subsection that is
3 unused in the year the credit is earned may be carried
4 forward to each of the 5 taxable years following the year
5 for which the credit is first earned until it is used. This
6 credit shall be applied first to the earliest year for
7 which there is a liability. If there is a credit under this
8 subsection from more than one tax year that is available to
9 offset a liability, the earliest credit arising under this
10 subsection shall be applied first. A credit allowed under
11 this subsection may be sold to a buyer as part of a sale of
12 all or part of the remediation site for which the credit
13 was granted. The purchaser of a remediation site and the
14 tax credit shall succeed to the unused credit and remaining
15 carry-forward period of the seller. To perfect the
16 transfer, the assignor shall record the transfer in the
17 chain of title for the site and provide written notice to
18 the Director of the Illinois Department of Revenue of the
19 assignor's intent to sell the remediation site and the
20 amount of the tax credit to be transferred as a portion of
21 the sale. In no event may a credit be transferred to any
22 taxpayer if the taxpayer or a related party would not be
23 eligible under the provisions of subsection (i).

24 (iii) For purposes of this Section, the term "site"
25 shall have the same meaning as under Section 58.2 of the
26 Environmental Protection Act.

1 (iv) This subsection is exempt from the provisions of
2 Section 250.

3 (Source: P.A. 93-29, eff. 6-20-03; 93-840, eff. 7-30-04;
4 93-871, eff. 8-6-04; 94-1021, eff. 7-12-06.)

5 Section 15. The Use Tax Act is amended by changing Section
6 9 as follows:

7 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

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

1 extent that he is required to remit and does remit the tax
2 imposed by the Retailers' Occupation Tax Act, with respect to
3 the sale of the same property.

4 Where such tangible personal property is sold under a
5 conditional sales contract, or under any other form of sale
6 wherein the payment of the principal sum, or a part thereof, is
7 extended beyond the close of the period for which the return is
8 filed, the retailer, in collecting the tax (except as to motor
9 vehicles, watercraft, aircraft, and trailers that are required
10 to be registered with an agency of this State), may collect for
11 each tax return period, only the tax applicable to that part of
12 the selling price actually received during such tax return
13 period.

14 Except as provided in this Section, on or before the
15 twentieth day of each calendar month, such retailer shall file
16 a return for the preceding calendar month. Such return shall be
17 filed on forms prescribed by the Department and shall furnish
18 such information as the Department may reasonably require.

19 The Department may require returns to be filed on a
20 quarterly basis. If so required, a return for each calendar
21 quarter shall be filed on or before the twentieth day of the
22 calendar month following the end of such calendar quarter. The
23 taxpayer shall also file a return with the Department for each
24 of the first two months of each calendar quarter, on or before
25 the twentieth day of the following calendar month, stating:

26 1. The name of the seller;

1 2. The address of the principal place of business from
2 which he engages in the business of selling tangible
3 personal property at retail in this State;

4 3. The total amount of taxable receipts received by him
5 during the preceding calendar month from sales of tangible
6 personal property by him during such preceding calendar
7 month, including receipts from charge and time sales, but
8 less all deductions allowed by law;

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

11 5. The amount of tax due;

12 5-5. The signature of the taxpayer; and

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

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

19 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

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

18 Before August 1 of each year beginning in 1993, the
19 Department shall notify all taxpayers required to make payments
20 by electronic funds transfer. All taxpayers required to make
21 payments by electronic funds transfer shall make those payments
22 for a minimum of one year beginning on October 1.

23 Any taxpayer not required to make payments by electronic
24 funds transfer may make payments by electronic funds transfer
25 with the permission of the Department.

26 All taxpayers required to make payment by electronic funds

1 transfer and any taxpayers authorized to voluntarily make
2 payments by electronic funds transfer shall make those payments
3 in the manner authorized by the Department.

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

7 Before October 1, 2000, if the taxpayer's average monthly
8 tax liability to the Department under this Act, the Retailers'
9 Occupation Tax Act, the Service Occupation Tax Act, the Service
10 Use Tax Act was \$10,000 or more during the preceding 4 complete
11 calendar quarters, he shall file a return with the Department
12 each month by the 20th day of the month next following the
13 month during which such tax liability is incurred and shall
14 make payments to the Department on or before the 7th, 15th,
15 22nd and last day of the month during which such liability is
16 incurred. On and after October 1, 2000, if the taxpayer's
17 average monthly tax liability to the Department under this Act,
18 the Retailers' Occupation Tax Act, the Service Occupation Tax
19 Act, and the Service Use Tax Act was \$20,000 or more during the
20 preceding 4 complete calendar quarters, he shall file a return
21 with the Department each month by the 20th day of the month
22 next following the month during which such tax liability is
23 incurred and shall make payment to the Department on or before
24 the 7th, 15th, 22nd and last day of the month during which such
25 liability is incurred. If the month during which such tax
26 liability is incurred began prior to January 1, 1985, each

1 payment shall be in an amount equal to 1/4 of the taxpayer's
2 actual liability for the month or an amount set by the
3 Department not to exceed 1/4 of the average monthly liability
4 of the taxpayer to the Department for the preceding 4 complete
5 calendar quarters (excluding the month of highest liability and
6 the month of lowest liability in such 4 quarter period). If the
7 month during which such tax liability is incurred begins on or
8 after January 1, 1985, and prior to 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 27.5% of the taxpayer's
11 liability for the same calendar month of the preceding year. If
12 the month during which such tax liability is incurred begins on
13 or after January 1, 1987, and prior to January 1, 1988, each
14 payment shall be in an amount equal to 22.5% of the taxpayer's
15 actual liability for the month or 26.25% of the taxpayer's
16 liability for the same calendar month of the preceding year. If
17 the month during which such tax liability is incurred begins on
18 or after January 1, 1988, and prior to January 1, 1989, or
19 begins on or after January 1, 1996, each payment shall be in an
20 amount equal to 22.5% of the taxpayer's actual liability for
21 the month or 25% of the taxpayer's liability for the same
22 calendar month of the preceding year. If the month during which
23 such tax liability is incurred begins on or after January 1,
24 1989, and prior to January 1, 1996, each payment shall be in an
25 amount equal to 22.5% of the taxpayer's actual liability for
26 the month or 25% of the taxpayer's liability for the same

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

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

23 If any such payment provided for in this Section exceeds
24 the taxpayer's liabilities under this Act, the Retailers'
25 Occupation Tax Act, the Service Occupation Tax Act and the
26 Service Use Tax Act, as shown by an original monthly return,

1 the Department shall issue to the taxpayer a credit memorandum
2 no later than 30 days after the date of payment, which
3 memorandum may be submitted by the taxpayer to the Department
4 in payment of tax liability subsequently to be remitted by the
5 taxpayer to the Department or be assigned by the taxpayer to a
6 similar taxpayer under this Act, the Retailers' Occupation Tax
7 Act, the Service Occupation Tax Act or the Service Use Tax Act,
8 in accordance with reasonable rules and regulations to be
9 prescribed by the Department, except that if such excess
10 payment is shown on an original monthly return and is made
11 after December 31, 1986, no credit memorandum shall be issued,
12 unless requested by the taxpayer. If no such request is made,
13 the taxpayer may credit such excess payment against tax
14 liability subsequently to be remitted by the taxpayer to the
15 Department under this Act, the Retailers' Occupation Tax Act,
16 the Service Occupation Tax Act or the Service Use Tax Act, in
17 accordance with reasonable rules and regulations prescribed by
18 the Department. If the Department subsequently determines that
19 all or any part of the credit taken was not actually due to the
20 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
21 be reduced by 2.1% or 1.75% of the difference between the
22 credit taken and that actually due, and the taxpayer shall be
23 liable for penalties and interest on such difference.

24 If the retailer is otherwise required to file a monthly
25 return and if the retailer's average monthly tax liability to
26 the Department does not exceed \$200, the Department may

1 authorize his returns to be filed on a quarter annual basis,
2 with the return for January, February, and March of a given
3 year being due by April 20 of such year; with the return for
4 April, May and June of a given year being due by July 20 of such
5 year; with the return for July, August and September of a given
6 year being due by October 20 of such year, and with the return
7 for October, November and December of a given year being due by
8 January 20 of the following year.

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

15 Such quarter annual and annual returns, as to form and
16 substance, shall be subject to the same requirements as monthly
17 returns.

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

25 In addition, with respect to motor vehicles, watercraft,
26 aircraft, and trailers that are required to be registered with

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

22 The transaction reporting return in the case of motor
23 vehicles or trailers that are required to be registered with an
24 agency of this State, shall be the same document as the Uniform
25 Invoice referred to in Section 5-402 of the Illinois Vehicle
26 Code and must show the name and address of the seller; the name

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

17 The transaction reporting return in the case of watercraft
18 and aircraft must show the name and address of the seller; the
19 name and address of the purchaser; the amount of the selling
20 price including the amount allowed by the retailer for
21 traded-in property, if any; the amount allowed by the retailer
22 for the traded-in tangible personal property, if any, to the
23 extent to which Section 2 of this Act allows an exemption for
24 the value of traded-in property; the balance payable after
25 deducting such trade-in allowance from the total selling price;
26 the amount of tax due from the retailer with respect to such

1 transaction; the amount of tax collected from the purchaser by
2 the retailer on such transaction (or satisfactory evidence that
3 such tax is not due in that particular instance, if that is
4 claimed to be the fact); the place and date of the sale, a
5 sufficient identification of the property sold, and such other
6 information as the Department may reasonably require.

7 Such transaction reporting return shall be filed not later
8 than 20 days after the date of delivery of the item that is
9 being sold, but may be filed by the retailer at any time sooner
10 than that if he chooses to do so. The transaction reporting
11 return and tax remittance or proof of exemption from the tax
12 that is imposed by this Act may be transmitted to the
13 Department by way of the State agency with which, or State
14 officer with whom, the tangible personal property must be
15 titled or registered (if titling or registration is required)
16 if the Department and such agency or State officer determine
17 that this procedure will expedite the processing of
18 applications for title or registration.

19 With each such transaction reporting return, the retailer
20 shall remit the proper amount of tax due (or shall submit
21 satisfactory evidence that the sale is not taxable if that is
22 the case), to the Department or its agents, whereupon the
23 Department shall issue, in the purchaser's name, a tax receipt
24 (or a certificate of exemption if the Department is satisfied
25 that the particular sale is tax exempt) which such purchaser
26 may submit to the agency with which, or State officer with

1 whom, he must title or register the tangible personal property
2 that is involved (if titling or registration is required) in
3 support of such purchaser's application for an Illinois
4 certificate or other evidence of title or registration to such
5 tangible personal property.

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

14 If the user who would otherwise pay tax to the retailer
15 wants the transaction reporting return filed and the payment of
16 tax or proof of exemption made to the Department before the
17 retailer is willing to take these actions and such user has not
18 paid the tax to the retailer, such user may certify to the fact
19 of such delay by the retailer, and may (upon the Department
20 being satisfied of the truth of such certification) transmit
21 the information required by the transaction reporting return
22 and the remittance for tax or proof of exemption directly to
23 the Department and obtain his tax receipt or exemption
24 determination, in which event the transaction reporting return
25 and tax remittance (if a tax payment was required) shall be
26 credited by the Department to the proper retailer's account

1 with the Department, but without the 2.1% or 1.75% discount
2 provided for in this Section being allowed. When the user pays
3 the tax directly to the Department, he shall pay the tax in the
4 same amount and in the same form in which it would be remitted
5 if the tax had been remitted to the Department by the retailer.

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

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

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

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

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

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

25 Beginning January 1, 1990, each month the Department shall
26 pay into the County and Mass Transit District Fund 4% of the

1 net revenue realized for the preceding month from the 6.25%
2 general rate on the selling price of tangible personal property
3 which is purchased outside Illinois at retail from a retailer
4 and which is titled or registered by an agency of this State's
5 government.

6 Beginning January 1, 1990, each month the Department shall
7 pay into the State and Local Sales Tax Reform Fund, a special
8 fund in the State Treasury, 20% of the net revenue realized for
9 the preceding month from the 6.25% general rate on the selling
10 price of tangible personal property, other than tangible
11 personal property which is purchased outside Illinois at retail
12 from a retailer and which is titled or registered by an agency
13 of this State's government.

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

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

25 Beginning on August 1, 2007, each month the Department
26 shall pay into the Common School Fund 80% of the revenue

1 realized for the preceding month from the 6.25% general rate
2 from transactions of tangible personal property purchased at
3 retail at a sale conducted over the Internet, which: (i) must
4 be used to increase the foundation level under Section 18-8.05
5 of the School Code; and (ii) must be identified as a separate
6 funding source for education, in order to ensure that these
7 moneys are an addition to the annual appropriation and not a
8 substitute for other established funding sources.

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

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

1 thereto, all as certified by the Director of the Bureau of the
2 Budget (now Governor's Office of Management and Budget). If on
3 the last business day of any month in which Bonds are
4 outstanding pursuant to the Build Illinois Bond Act, the
5 aggregate of the moneys deposited in the Build Illinois Bond
6 Account in the Build Illinois Fund in such month shall be less
7 than the amount required to be transferred in such month from
8 the Build Illinois Bond Account to the Build Illinois Bond
9 Retirement and Interest Fund pursuant to Section 13 of the
10 Build Illinois Bond Act, an amount equal to such deficiency
11 shall be immediately paid from other moneys received by the
12 Department pursuant to the Tax Acts to the Build Illinois Fund;
13 provided, however, that any amounts paid to the Build Illinois
14 Fund in any fiscal year pursuant to this sentence shall be
15 deemed to constitute payments pursuant to clause (b) of the
16 preceding sentence and shall reduce the amount otherwise
17 payable for such fiscal year pursuant to clause (b) of the
18 preceding sentence. The moneys received by the Department
19 pursuant to this Act and required to be deposited into the
20 Build Illinois Fund are subject to the pledge, claim and charge
21 set forth in Section 12 of the Build Illinois Bond Act.

22 Subject to payment of amounts into the Build Illinois Fund
23 as provided in the preceding paragraph or in any amendment
24 thereto hereafter enacted, the following specified monthly
25 installment of the amount requested in the certificate of the
26 Chairman of the Metropolitan Pier and Exposition Authority

1 provided under Section 8.25f of the State Finance Act, but not
2 in excess of the sums designated as "Total Deposit", shall be
3 deposited in the aggregate from collections under Section 9 of
4 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
5 9 of the Service Occupation Tax Act, and Section 3 of the
6 Retailers' Occupation Tax Act into the McCormick Place
7 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
8		
9	1993	\$0
10	1994	53,000,000
11	1995	58,000,000
12	1996	61,000,000
13	1997	64,000,000
14	1998	68,000,000
15	1999	71,000,000
16	2000	75,000,000
17	2001	80,000,000
18	2002	93,000,000
19	2003	99,000,000
20	2004	103,000,000
21	2005	108,000,000
22	2006	113,000,000
23	2007	119,000,000
24	2008	126,000,000
25	2009	132,000,000

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

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

22 Beginning July 20, 1993 and in each month of each fiscal
23 year thereafter, one-eighth of the amount requested in the
24 certificate of the Chairman of the Metropolitan Pier and
25 Exposition Authority for that fiscal year, less the amount
26 deposited into the McCormick Place Expansion Project Fund by

1 the State Treasurer in the respective month under subsection
2 (g) of Section 13 of the Metropolitan Pier and Exposition
3 Authority Act, plus cumulative deficiencies in the deposits
4 required under this Section for previous months and years,
5 shall be deposited into the McCormick Place Expansion Project
6 Fund, until the full amount requested for the fiscal year, but
7 not in excess of the amount specified above as "Total Deposit",
8 has been deposited.

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

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

1 generating facility certified pursuant to Section 605-332 of
2 the Department of Commerce and Economic Opportunity Law of the
3 Civil Administrative Code of Illinois.

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

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

1 objection to the Department to this arrangement.

2 (Source: P.A. 94-793, eff. 5-19-06; 94-1074, eff. 12-26-06.)

3 Section 20. The Retailers' Occupation Tax Act is amended by
4 changing Section 3 as follows:

5 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

11 1. The name of the seller;

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

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

22 4. Total amount received by him during the preceding
23 calendar month or quarter on charge and time sales of
24 tangible personal property, and from services furnished,

1 by him prior to the month or quarter for which the return
2 is filed;

3 5. Deductions allowed by law;

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

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

9 8. The amount of tax due;

10 9. The signature of the taxpayer; and

11 10. Such other reasonable information as the
12 Department may require.

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

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

20 Prior to October 1, 2003, and on and after September 1,
21 2004 a retailer may accept a Manufacturer's Purchase Credit
22 certification from a purchaser in satisfaction of Use Tax as
23 provided in Section 3-85 of the Use Tax Act if the purchaser
24 provides the appropriate documentation as required by Section
25 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
26 certification, accepted by a retailer prior to October 1, 2003

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

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

22 1. The name of the seller;

23 2. The address of the principal place of business from
24 which he engages in the business of selling tangible
25 personal property at retail in this State;

26 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

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

26 If a total amount of less than \$1 is payable, refundable or

1 creditable, such amount shall be disregarded if it is less than
2 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

1 funds transfer.

2 Before August 1 of each year beginning in 1993, the
3 Department shall notify all taxpayers required to make payments
4 by electronic funds transfer. All taxpayers required to make
5 payments by electronic funds transfer shall make those payments
6 for a minimum of one year beginning on October 1.

7 Any taxpayer not required to make payments by electronic
8 funds transfer may make payments by electronic funds transfer
9 with the permission of the Department.

10 All taxpayers required to make payment by electronic funds
11 transfer and any taxpayers authorized to voluntarily make
12 payments by electronic funds transfer shall make those payments
13 in the manner authorized by the Department.

14 The Department shall adopt such rules as are necessary to
15 effectuate a program of electronic funds transfer and the
16 requirements of this Section.

17 Any amount which is required to be shown or reported on any
18 return or other document under this Act shall, if such amount
19 is not a whole-dollar amount, be increased to the nearest
20 whole-dollar amount in any case where the fractional part of a
21 dollar is 50 cents or more, and decreased to the nearest
22 whole-dollar amount where the fractional part of a dollar is
23 less than 50 cents.

24 If the retailer is otherwise required to file a monthly
25 return and if the retailer's average monthly tax liability to
26 the Department does not exceed \$200, the Department may

1 authorize his returns to be filed on a quarter annual basis,
2 with the return for January, February and March of a given year
3 being due by April 20 of such year; with the return for April,
4 May and June of a given year being due by July 20 of such year;
5 with the return for July, August and September of a given year
6 being due by October 20 of such year, and with the return for
7 October, November and December of a given year being due by
8 January 20 of the following year.

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

15 Such quarter annual and annual returns, as to form and
16 substance, shall be subject to the same requirements as monthly
17 returns.

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

25 Where the same person has more than one business registered
26 with the Department under separate registrations under this

1 Act, such person may not file each return that is due as a
2 single return covering all such registered businesses, but
3 shall file separate returns for each such registered business.

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

1 Any retailer who sells only motor vehicles, watercraft,
2 aircraft, or trailers that are required to be registered with
3 an agency of this State, so that all retailers' occupation tax
4 liability is required to be reported, and is reported, on such
5 transaction reporting returns and who is not otherwise required
6 to file monthly or quarterly returns, need not file monthly or
7 quarterly returns. However, those retailers shall be required
8 to file returns on an annual basis.

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

1 is required in Section 5-402 of The Illinois Vehicle Code, and
2 such other information as the Department may reasonably
3 require.

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

20 Such transaction reporting return shall be filed not later
21 than 20 days after the day of delivery of the item that is
22 being sold, but may be filed by the retailer at any time sooner
23 than that if he chooses to do so. The transaction reporting
24 return and tax remittance or proof of exemption from the
25 Illinois use tax may be transmitted to the Department by way of
26 the State agency with which, or State officer with whom the

1 tangible personal property must be titled or registered (if
2 titling or registration is required) if the Department and such
3 agency or State officer determine that this procedure will
4 expedite the processing of applications for title or
5 registration.

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

19 No retailer's failure or refusal to remit tax under this
20 Act precludes a user, who has paid the proper tax to the
21 retailer, from obtaining his certificate of title or other
22 evidence of title or registration (if titling or registration
23 is required) upon satisfying the Department that such user has
24 paid the proper tax (if tax is due) to the retailer. The
25 Department shall adopt appropriate rules to carry out the
26 mandate of this paragraph.

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

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

1 Where the seller is a corporation, the return filed on
2 behalf of such corporation shall be signed by the president,
3 vice-president, secretary or treasurer or by the properly
4 accredited agent of such corporation.

5 Where the seller is a limited liability company, the return
6 filed on behalf of the limited liability company shall be
7 signed by a manager, member, or properly accredited agent of
8 the limited liability company.

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

24 Before October 1, 2000, if the taxpayer's average monthly
25 tax liability to the Department under this Act, the Use Tax
26 Act, the Service Occupation Tax Act, and the Service Use Tax

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

1 month during which such tax liability is incurred begins on or
2 after January 1, 1985 and prior to January 1, 1987, each
3 payment shall be in an amount equal to 22.5% of the taxpayer's
4 actual liability for the month or 27.5% of the taxpayer's
5 liability for the same calendar month of the preceding year. If
6 the month during which such tax liability is incurred begins on
7 or after January 1, 1987 and prior to January 1, 1988, each
8 payment shall be in an amount equal to 22.5% of the taxpayer's
9 actual liability for the month or 26.25% of the taxpayer's
10 liability for the same calendar month of the preceding year. If
11 the month during which such tax liability is incurred begins on
12 or after January 1, 1988, and prior to January 1, 1989, or
13 begins on or after January 1, 1996, each payment shall be in an
14 amount equal to 22.5% of the taxpayer's actual liability for
15 the month or 25% of the taxpayer's liability for the same
16 calendar month of the preceding year. If the month during which
17 such tax liability is incurred begins on or after January 1,
18 1989, and prior to January 1, 1996, each payment shall be in an
19 amount equal to 22.5% of the taxpayer's actual liability for
20 the month or 25% of the taxpayer's liability for the same
21 calendar month of the preceding year or 100% of the taxpayer's
22 actual liability for the quarter monthly reporting period. The
23 amount of such quarter monthly payments shall be credited
24 against the final tax liability of the taxpayer's return for
25 that month. Before October 1, 2000, once applicable, the
26 requirement of the making of quarter monthly payments to the

1 Department by taxpayers having an average monthly tax liability
2 of \$10,000 or more as determined in the manner provided above
3 shall continue until such taxpayer's average monthly liability
4 to the Department during the preceding 4 complete calendar
5 quarters (excluding the month of highest liability and the
6 month of lowest liability) is less than \$9,000, or until such
7 taxpayer's average monthly liability to the Department as
8 computed for each calendar quarter of the 4 preceding complete
9 calendar quarter period is less than \$10,000. However, if a
10 taxpayer can show the Department that a substantial change in
11 the taxpayer's business has occurred which causes the taxpayer
12 to anticipate that his average monthly tax liability for the
13 reasonably foreseeable future will fall below the \$10,000
14 threshold stated above, then such taxpayer may petition the
15 Department for a change in such taxpayer's reporting status. On
16 and after October 1, 2000, once applicable, the requirement of
17 the making of quarter monthly payments to the Department by
18 taxpayers having an average monthly tax liability of \$20,000 or
19 more as determined in the manner provided above shall continue
20 until such taxpayer's average monthly liability to the
21 Department during the preceding 4 complete calendar quarters
22 (excluding the month of highest liability and the month of
23 lowest liability) is less than \$19,000 or until such taxpayer's
24 average monthly liability to the Department as computed for
25 each calendar quarter of the 4 preceding complete calendar
26 quarter period is less than \$20,000. However, if a taxpayer can

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

21 The provisions of this paragraph apply before October 1,
22 2001. Without regard to whether a taxpayer is required to make
23 quarter monthly payments as specified above, any taxpayer who
24 is required by Section 2d of this Act to collect and remit
25 prepaid taxes and has collected prepaid taxes which average in
26 excess of \$25,000 per month during the preceding 2 complete

1 calendar quarters, shall file a return with the Department as
2 required by Section 2f and shall make payments to the
3 Department on or before the 7th, 15th, 22nd and last day of the
4 month during which such liability is incurred. If the month
5 during which such tax liability is incurred began prior to the
6 effective date of this amendatory Act of 1985, each payment
7 shall be in an amount not less than 22.5% of the taxpayer's
8 actual liability under Section 2d. If the month during which
9 such tax liability is incurred begins on or after January 1,
10 1986, each payment shall be in an amount equal to 22.5% of the
11 taxpayer's actual liability for the month or 27.5% of the
12 taxpayer's liability for the same calendar month of the
13 preceding calendar year. If the month during which such tax
14 liability is incurred begins on or after January 1, 1987, each
15 payment shall be in an amount equal to 22.5% of the taxpayer's
16 actual liability for the month or 26.25% of the taxpayer's
17 liability for the same calendar month of the preceding year.
18 The amount of such quarter monthly payments shall be credited
19 against the final tax liability of the taxpayer's return for
20 that month filed under this Section or Section 2f, as the case
21 may be. Once applicable, the requirement of the making of
22 quarter monthly payments to the Department pursuant to this
23 paragraph shall continue until such taxpayer's average monthly
24 prepaid tax collections during the preceding 2 complete
25 calendar quarters is \$25,000 or less. If any such quarter
26 monthly payment is not paid at the time or in the amount

1 required, the taxpayer shall be liable for penalties and
2 interest on such difference, except insofar as the taxpayer has
3 previously made payments for that month in excess of the
4 minimum payments previously due.

5 The provisions of this paragraph apply on and after October
6 1, 2001. Without regard to whether a taxpayer is required to
7 make quarter monthly payments as specified above, any taxpayer
8 who is required by Section 2d of this Act to collect and remit
9 prepaid taxes and has collected prepaid taxes that average in
10 excess of \$20,000 per month during the preceding 4 complete
11 calendar quarters shall file a return with the Department as
12 required by Section 2f and shall make payments to the
13 Department on or before the 7th, 15th, 22nd and last day of the
14 month during which the liability is incurred. Each payment
15 shall be in an amount equal to 22.5% of the taxpayer's actual
16 liability for the month or 25% of the taxpayer's liability for
17 the same calendar month of the preceding year. The amount of
18 the quarter monthly payments shall be credited against the
19 final tax liability of the taxpayer's return for that month
20 filed under this Section or Section 2f, as the case may be.
21 Once applicable, the requirement of the making of quarter
22 monthly payments to the Department pursuant to this paragraph
23 shall continue until the taxpayer's average monthly prepaid tax
24 collections during the preceding 4 complete calendar quarters
25 (excluding the month of highest liability and the month of
26 lowest liability) is less than \$19,000 or until such taxpayer's

1 average monthly liability to the Department as computed for
2 each calendar quarter of the 4 preceding complete calendar
3 quarters is less than \$20,000. If any such quarter monthly
4 payment is not paid at the time or in the amount required, the
5 taxpayer shall be liable for penalties and interest on such
6 difference, except insofar as the taxpayer has previously made
7 payments for that month in excess of the minimum payments
8 previously due.

9 If any payment provided for in this Section exceeds the
10 taxpayer's liabilities under this Act, the Use Tax Act, the
11 Service Occupation Tax Act and the Service Use Tax Act, as
12 shown on an original monthly return, the Department shall, if
13 requested by the taxpayer, issue to the taxpayer a credit
14 memorandum no later than 30 days after the date of payment. The
15 credit evidenced by such credit memorandum may be assigned by
16 the taxpayer to a similar taxpayer under this Act, the Use Tax
17 Act, the Service Occupation Tax Act or the Service Use Tax Act,
18 in accordance with reasonable rules and regulations to be
19 prescribed by the Department. If no such request is made, the
20 taxpayer may credit such excess payment against tax liability
21 subsequently to be remitted to the Department under this Act,
22 the Use Tax Act, the Service Occupation Tax Act or the Service
23 Use Tax Act, in accordance with reasonable rules and
24 regulations prescribed by the Department. If the Department
25 subsequently determined that all or any part of the credit
26 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

1 net revenue realized for the preceding month from the 1.25%
2 rate on the selling price of motor fuel and gasohol.

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

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

11 Beginning on August 1, 2007, each month the Department
12 shall pay into the Common School Fund 80% of the revenue
13 realized for the preceding month from the 6.25% general rate
14 from transactions of tangible personal property purchased at
15 retail at a sale conducted over the Internet, which: (i) must
16 be used to increase the foundation level under Section 18-8.05
17 of the School Code; and (ii) must be identified as a separate
18 funding source for education, in order to ensure that these
19 moneys are an addition to the annual appropriation and not a
20 substitute for other established funding sources.

21 Of the remainder of the moneys received by the Department
22 pursuant to this Act, (a) 1.75% thereof shall be paid into the
23 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
24 and after July 1, 1989, 3.8% thereof shall be paid into the
25 Build Illinois Fund; provided, however, that if in any fiscal
26 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case

1 may be, of the moneys received by the Department and required
2 to be paid into the Build Illinois Fund pursuant to this Act,
3 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
4 Act, and Section 9 of the Service Occupation Tax Act, such Acts
5 being hereinafter called the "Tax Acts" and such aggregate of
6 2.2% or 3.8%, as the case may be, of moneys being hereinafter
7 called the "Tax Act Amount", and (2) the amount transferred to
8 the Build Illinois Fund from the State and Local Sales Tax
9 Reform Fund shall be less than the Annual Specified Amount (as
10 hereinafter defined), an amount equal to the difference shall
11 be immediately paid into the Build Illinois Fund from other
12 moneys received by the Department pursuant to the Tax Acts; the
13 "Annual Specified Amount" means the amounts specified below for
14 fiscal years 1986 through 1993:

15	Fiscal Year	Annual Specified Amount
16	1986	\$54,800,000
17	1987	\$76,650,000
18	1988	\$80,480,000
19	1989	\$88,510,000
20	1990	\$115,330,000
21	1991	\$145,470,000
22	1992	\$182,730,000
23	1993	\$206,520,000;

24 and means the Certified Annual Debt Service Requirement (as
25 defined in Section 13 of the Build Illinois Bond Act) or the
26 Tax Act Amount, whichever is greater, for fiscal year 1994 and

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

1 Management and Budget). If on the last business day of any
2 month in which Bonds are outstanding pursuant to the Build
3 Illinois Bond Act, the aggregate of moneys deposited in the
4 Build Illinois Bond Account in the Build Illinois Fund in such
5 month shall be less than the amount required to be transferred
6 in such month from the Build Illinois Bond Account to the Build
7 Illinois Bond Retirement and Interest Fund pursuant to Section
8 13 of the Build Illinois Bond Act, an amount equal to such
9 deficiency shall be immediately paid from other moneys received
10 by the Department pursuant to the Tax Acts to the Build
11 Illinois Fund; provided, however, that any amounts paid to the
12 Build Illinois Fund in any fiscal year pursuant to this
13 sentence shall be deemed to constitute payments pursuant to
14 clause (b) of the first sentence of this paragraph and shall
15 reduce the amount otherwise payable for such fiscal year
16 pursuant to that clause (b). The moneys received by the
17 Department pursuant to this Act and required to be deposited
18 into the Build Illinois Fund are subject to the pledge, claim
19 and charge set forth in Section 12 of the Build Illinois Bond
20 Act.

21 Subject to payment of amounts into the Build Illinois Fund
22 as provided in the preceding paragraph or in any amendment
23 thereto hereafter enacted, the following specified monthly
24 installment of the amount requested in the certificate of the
25 Chairman of the Metropolitan Pier and Exposition Authority
26 provided under Section 8.25f of the State Finance Act, but not

1 in excess of sums designated as "Total Deposit", shall be
2 deposited in the aggregate from collections under Section 9 of
3 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
4 9 of the Service Occupation Tax Act, and Section 3 of the
5 Retailers' Occupation Tax Act into the McCormick Place
6 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
8	1993	\$0
9	1994	53,000,000
10	1995	58,000,000
11	1996	61,000,000
12	1997	64,000,000
13	1998	68,000,000
14	1999	71,000,000
15	2000	75,000,000
16	2001	80,000,000
17	2002	93,000,000
18	2003	99,000,000
19	2004	103,000,000
20	2005	108,000,000
21	2006	113,000,000
22	2007	119,000,000
23	2008	126,000,000
24	2009	132,000,000
25	2010	139,000,000

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

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

21 Beginning July 20, 1993 and in each month of each fiscal
22 year thereafter, one-eighth of the amount requested in the
23 certificate of the Chairman of the Metropolitan Pier and
24 Exposition Authority for that fiscal year, less the amount
25 deposited into the McCormick Place Expansion Project Fund by
26 the State Treasurer in the respective month under subsection

1 (g) of Section 13 of the Metropolitan Pier and Exposition
2 Authority Act, plus cumulative deficiencies in the deposits
3 required under this Section for previous months and years,
4 shall be deposited into the McCormick Place Expansion Project
5 Fund, until the full amount requested for the fiscal year, but
6 not in excess of the amount specified above as "Total Deposit",
7 has been deposited.

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

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

1 the Department of Commerce and Economic Opportunity Law of the
2 Civil Administrative Code of Illinois.

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

9 The Department may, upon separate written notice to a
10 taxpayer, require the taxpayer to prepare and file with the
11 Department on a form prescribed by the Department within not
12 less than 60 days after receipt of the notice an annual
13 information return for the tax year specified in the notice.
14 Such annual return to the Department shall include a statement
15 of gross receipts as shown by the retailer's last Federal
16 income tax return. If the total receipts of the business as
17 reported in the Federal income tax return do not agree with the
18 gross receipts reported to the Department of Revenue for the
19 same period, the retailer shall attach to his annual return a
20 schedule showing a reconciliation of the 2 amounts and the
21 reasons for the difference. The retailer's annual return to the
22 Department shall also disclose the cost of goods sold by the
23 retailer during the year covered by such return, opening and
24 closing inventories of such goods for such year, costs of goods
25 used from stock or taken from stock and given away by the
26 retailer during such year, payroll information of the

1 retailer's business during such year and any additional
2 reasonable information which the Department deems would be
3 helpful in determining the accuracy of the monthly, quarterly
4 or annual returns filed by such retailer as provided for in
5 this Section.

6 If the annual information return required by this Section
7 is not filed when and as required, the taxpayer shall be liable
8 as follows:

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

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

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

1 The provisions of this Section concerning the filing of an
2 annual information return do not apply to a retailer who is not
3 required to file an income tax return with the United States
4 Government.

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

12 Net revenue realized for a month shall be the revenue
13 collected by the State pursuant to this Act, less the amount
14 paid out during that month as refunds to taxpayers for
15 overpayment of liability.

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

23 Any person who promotes, organizes, provides retail
24 selling space for concessionaires or other types of sellers at
25 the Illinois State Fair, DuQuoin State Fair, county fairs,
26 local fairs, art shows, flea markets and similar exhibitions or

1 events, including any transient merchant as defined by Section
2 of the Transient Merchant Act of 1987, is required to file a
3 report with the Department providing the name of the merchant's
4 business, the name of the person or persons engaged in
5 merchant's business, the permanent address and Illinois
6 Retailers Occupation Tax Registration Number of the merchant,
7 the dates and location of the event and other reasonable
8 information that the Department may require. The report must be
9 filed not later than the 20th day of the month next following
10 the month during which the event with retail sales was held.
11 Any person who fails to file a report required by this Section
12 commits a business offense and is subject to a fine not to
13 exceed \$250.

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

1 business of selling tangible personal property at retail at the
2 exhibition or event, or other evidence of a significant risk of
3 loss of revenue to the State. The Department shall notify
4 concessionaires and other sellers affected by the imposition of
5 this requirement. In the absence of notification by the
6 Department, the concessionaires and other sellers shall file
7 their returns as otherwise required in this Section.

8 (Source: P.A. 93-22, eff. 6-20-03; 93-24, eff. 6-20-03; 93-840,
9 eff. 7-30-04; 93-926, eff. 8-12-04; 93-1057, eff. 12-2-04;
10 94-1074, eff. 12-26-06.)

11 Section 25. The Telecommunications Excise Tax Act is
12 amended by changing Sections 2, 3, and 4 as follows:

13 (35 ILCS 630/2) (from Ch. 120, par. 2002)

14 Sec. 2. As used in this Article, unless the context clearly
15 requires otherwise:

16 (a) "Gross charge" means the amount paid for the act or
17 privilege of originating or receiving telecommunications in
18 this State and for all services and equipment provided in
19 connection therewith by a retailer, valued in money whether
20 paid in money or otherwise, including cash, credits, services
21 and property of every kind or nature, and shall be determined
22 without any deduction on account of the cost of such
23 telecommunications, the cost of materials used, labor or
24 service costs or any other expense whatsoever. In case credit

1 is extended, the amount thereof shall be included only as and
2 when paid. "Gross charges" for private line service shall
3 include charges imposed at each channel termination point
4 within this State, charges for the channel mileage between each
5 channel termination point within this State, and charges for
6 that portion of the interstate inter-office channel provided
7 within Illinois. Charges for that portion of the interstate
8 inter-office channel provided in Illinois shall be determined
9 by the retailer as follows: (i) for interstate inter-office
10 channels having 2 channel termination points, only one of which
11 is in Illinois, 50% of the total charge imposed; or (ii) for
12 interstate inter-office channels having more than 2 channel
13 termination points, one or more of which are in Illinois, an
14 amount equal to the total charge multiplied by a fraction, the
15 numerator of which is the number of channel termination points
16 within Illinois and the denominator of which is the total
17 number of channel termination points. Prior to January 1, 2004,
18 any method consistent with this paragraph or other method that
19 reasonably apportions the total charges for interstate
20 inter-office channels among the states in which channel
21 terminations points are located shall be accepted as a
22 reasonable method to determine the charges for that portion of
23 the interstate inter-office channel provided within Illinois
24 for that period. However, "gross charges" shall not include any
25 of the following:

- 26 (1) Any amounts added to a purchaser's bill because of

1 a charge made pursuant to (i) the tax imposed by this
2 Article; (ii) charges added to customers' bills pursuant to
3 the provisions of Sections 9-221 or 9-222 of the Public
4 Utilities Act, as amended, or any similar charges added to
5 customers' bills by retailers who are not subject to rate
6 regulation by the Illinois Commerce Commission for the
7 purpose of recovering any of the tax liabilities or other
8 amounts specified in such provisions of such Act; (iii) the
9 tax imposed by Section 4251 of the Internal Revenue Code;
10 (iv) 911 surcharges; or (v) the tax imposed by the
11 Simplified Municipal Telecommunications Tax Act.

12 (2) Charges for a sent collect telecommunication
13 received outside of the State.

14 (3) Charges for leased time on equipment or charges for
15 the storage of data or information for subsequent retrieval
16 or the processing of data or information intended to change
17 its form or content. Such equipment includes, but is not
18 limited to, the use of calculators, computers, data
19 processing equipment, tabulating equipment or accounting
20 equipment and also includes the usage of computers under a
21 time-sharing agreement.

22 (4) Charges for customer equipment, including such
23 equipment that is leased or rented by the customer from any
24 source, wherein such charges are disaggregated and
25 separately identified from other charges.

26 (5) Charges to business enterprises certified under

1 Section 9-222.1 of the Public Utilities Act, as amended, to
2 the extent of such exemption and during the period of time
3 specified by the Department of Commerce and Economic
4 Opportunity.

5 (6) Charges for telecommunications and all services
6 and equipment provided in connection therewith between a
7 parent corporation and its wholly owned subsidiaries or
8 between wholly owned subsidiaries when the tax imposed
9 under this Article has already been paid to a retailer and
10 only to the extent that the charges between the parent
11 corporation and wholly owned subsidiaries or between
12 wholly owned subsidiaries represent expense allocation
13 between the corporations and not the generation of profit
14 for the corporation rendering such service.

15 (7) Bad debts. Bad debt means any portion of a debt
16 that is related to a sale at retail for which gross charges
17 are not otherwise deductible or excludable that has become
18 worthless or uncollectable, as determined under applicable
19 federal income tax standards. If the portion of the debt
20 deemed to be bad is subsequently paid, the retailer shall
21 report and pay the tax on that portion during the reporting
22 period in which the payment is made.

23 (8) Charges paid by inserting coins in coin-operated
24 telecommunication devices.

25 (9) Amounts paid by telecommunications retailers under
26 the Telecommunications Municipal Infrastructure

1 Maintenance Fee Act.

2 (10) Charges for nontaxable services or
3 telecommunications if (i) those charges are aggregated
4 with other charges for telecommunications that are
5 taxable, (ii) those charges are not separately stated on
6 the customer bill or invoice, and (iii) the retailer can
7 reasonably identify the nontaxable charges on the
8 retailer's books and records kept in the regular course of
9 business. If the nontaxable charges cannot reasonably be
10 identified, the gross charge from the sale of both taxable
11 and nontaxable services or telecommunications billed on a
12 combined basis shall be attributed to the taxable services
13 or telecommunications. The burden of proving nontaxable
14 charges shall be on the retailer of the telecommunications.

15 (b) "Amount paid" means the amount charged to the
16 taxpayer's service address in this State regardless of where
17 such amount is billed or paid.

18 (c) "Telecommunications", in addition to the meaning
19 ordinarily and popularly ascribed to it, includes, without
20 limitation, messages or information transmitted through use of
21 local, toll and wide area telephone service; private line
22 services; channel services; telegraph services;
23 teletypewriter; computer exchange services; cellular mobile
24 telecommunications service; specialized mobile radio;
25 stationary two way radio; paging service; or any other form of
26 mobile and portable one-way or two-way communications; or any

1 other transmission of messages or information by electronic or
2 similar means, between or among points by wire, cable,
3 fiber-optics, laser, microwave, radio, satellite or similar
4 facilities. As used in this Act, "private line" means a
5 dedicated non-traffic sensitive service for a single customer,
6 that entitles the customer to exclusive or priority use of a
7 communications channel or group of channels, from one or more
8 specified locations to one or more other specified locations.
9 The definition of "telecommunications" shall not include value
10 added services in which computer processing applications are
11 used to act on the form, content, code and protocol of the
12 information for purposes other than transmission.
13 "Telecommunications" shall not include purchases of
14 telecommunications by a telecommunications service provider
15 for use as a component part of the service provided by him to
16 the ultimate retail consumer who originates or terminates the
17 taxable end-to-end communications. Carrier access charges,
18 right of access charges, charges for use of inter-company
19 facilities, and all telecommunications resold in the
20 subsequent provision of, used as a component of, or integrated
21 into end-to-end telecommunications service shall be
22 non-taxable as sales for resale.

23 (d) "Interstate telecommunications" means all
24 telecommunications that either originate or terminate outside
25 this State.

26 (e) "Intrastate telecommunications" means all

1 telecommunications that originate and terminate within this
2 State.

3 (f) "Department" means the Department of Revenue of the
4 State of Illinois.

5 (g) "Director" means the Director of Revenue for the
6 Department of Revenue of the State of Illinois.

7 (h) "Taxpayer" means a person who individually or through
8 his agents, employees or permittees engages in the act or
9 privilege of originating or receiving telecommunications in
10 this State and who incurs a tax liability under this Article.

11 (i) "Person" means any natural individual, firm, trust,
12 estate, partnership, association, joint stock company, joint
13 venture, corporation, limited liability company, or a
14 receiver, trustee, guardian or other representative appointed
15 by order of any court, the Federal and State governments,
16 including State universities created by statute or any city,
17 town, county or other political subdivision of this State.

18 (j) "Purchase at retail" means the acquisition,
19 consumption or use of telecommunication through a sale at
20 retail.

21 (k) "Sale at retail" means the transmitting, supplying or
22 furnishing of telecommunications and all services and
23 equipment provided in connection therewith for a consideration
24 to persons other than the Federal and State governments, and
25 State universities created by statute and other than between a
26 parent corporation and its wholly owned subsidiaries or between

1 wholly owned subsidiaries for their use or consumption and not
2 for resale.

3 (l) "Retailer" means and includes every person engaged in
4 the business of making sales at retail as defined in this
5 Article. The Department may, in its discretion, upon
6 application, authorize the collection of the tax hereby imposed
7 by any retailer not maintaining a place of business within this
8 State, who, to the satisfaction of the Department, furnishes
9 adequate security to insure collection and payment of the tax.
10 Such retailer shall be issued, without charge, a permit to
11 collect such tax. When so authorized, it shall be the duty of
12 such retailer to collect the tax upon all of the gross charges
13 for telecommunications in this State in the same manner and
14 subject to the same requirements as a retailer maintaining a
15 place of business within this State. The permit may be revoked
16 by the Department at its discretion.

17 (m) "Retailer maintaining a place of business in this
18 State", or any like term, means and includes any retailer
19 having or maintaining within this State, directly or by a
20 subsidiary, an office, distribution facilities, transmission
21 facilities, sales office, warehouse or other place of business,
22 or any agent or other representative operating within this
23 State under the authority of the retailer or its subsidiary,
24 irrespective of whether such place of business or agent or
25 other representative is located here permanently or
26 temporarily, or whether such retailer or subsidiary is licensed

1 to do business in this State.

2 (n) "Service address" means the location of
3 telecommunications equipment from which the telecommunications
4 services are originated or at which telecommunications
5 services are received by a taxpayer. In the event this may not
6 be a defined location, as in the case of mobile phones, paging
7 systems, maritime systems, service address means the
8 customer's place of primary use as defined in the Mobile
9 Telecommunications Sourcing Conformity Act. For air-to-ground
10 systems and the like, service address shall mean the location
11 of a taxpayer's primary use of the telecommunications equipment
12 as defined by telephone number, authorization code, or location
13 in Illinois where bills are sent.

14 (o) "Prepaid telephone calling arrangements" mean the
15 right to exclusively purchase telephone or telecommunications
16 services that must be paid for in advance and enable the
17 origination of one or more intrastate, interstate, or
18 international telephone calls or other telecommunications
19 using an access number, an authorization code, or both, whether
20 manually or electronically dialed, for which payment to a
21 retailer must be made in advance, provided that, unless
22 recharged, no further service is provided once that prepaid
23 amount of service has been consumed. Prepaid telephone calling
24 arrangements include the recharge of a prepaid calling
25 arrangement. For purposes of this subsection, "recharge" means
26 the purchase of additional prepaid telephone or

1 telecommunications services whether or not the purchaser
2 acquires a different access number or authorization code.
3 "Prepaid telephone calling arrangement" does not include an
4 arrangement whereby a customer purchases a payment card and
5 pursuant to which the service provider reflects the amount of
6 such purchase as a credit on an invoice issued to that customer
7 under an existing subscription plan.

8 (p) "Digital subscriber line services" means services
9 concerning a local loop access technology that provides
10 high-speed connections over copper wire to deliver data, voice,
11 and video information over a dedicated digital network.

12 (Source: P.A. 93-286, 1-1-04; 94-793, eff. 5-19-06.)

13 (35 ILCS 630/3) (from Ch. 120, par. 2003)

14 Sec. 3. Until December 31, 1997, a tax is imposed upon the
15 act or privilege of originating or receiving intrastate
16 telecommunications by a person in this State at the rate of 5%
17 of the gross charge for such telecommunications purchased at
18 retail from a retailer by such person. Beginning January 1,
19 1998, a tax is imposed upon the act or privilege of originating
20 in this State or receiving in this State intrastate
21 telecommunications by a person in this State at the rate of 7%
22 of the gross charge for such telecommunications purchased at
23 retail from a retailer by such person. However, such tax is not
24 imposed on the act or privilege to the extent such act or
25 privilege may not, under the Constitution and statutes of the

1 United States, be made the subject of taxation by the State.
2 Beginning January 1, 2001, prepaid telephone calling
3 arrangements shall not be considered telecommunications
4 subject to the tax imposed under this Act. Beginning July 1,
5 2007, digital subscriber line services are not considered
6 telecommunications that are subject to this Act.

7 (Source: P.A. 90-548, eff. 12-4-97; 91-870, eff. 6-22-00.)

8 (35 ILCS 630/4) (from Ch. 120, par. 2004)

9 Sec. 4. Until December 31, 1997, a tax is imposed upon the
10 act or privilege of originating in this State or receiving in
11 this State interstate telecommunications by a person in this
12 State at the rate of 5% of the gross charge for such
13 telecommunications purchased at retail from a retailer by such
14 person. Beginning January 1, 1998, a tax is imposed upon the
15 act or privilege of originating in this State or receiving in
16 this State interstate telecommunications by a person in this
17 State at the rate of 7% of the gross charge for such
18 telecommunications purchased at retail from a retailer by such
19 person. To prevent actual multi-state taxation of the act or
20 privilege that is subject to taxation under this paragraph, any
21 taxpayer, upon proof that that taxpayer has paid a tax in
22 another state on such event, shall be allowed a credit against
23 the tax imposed in this Section 4 to the extent of the amount
24 of such tax properly due and paid in such other state. However,
25 such tax is not imposed on the act or privilege to the extent

1 such act or privilege may not, under the Constitution and
2 statutes of the United States, be made the subject of taxation
3 by the State. Beginning on January 1, 2001, prepaid telephone
4 calling arrangements shall not be considered
5 telecommunications subject to the tax imposed under this Act.
6 Beginning July 1, 2007, digital subscriber line services are
7 not considered telecommunications that are subject to this Act.
8 (Source: P.A. 90-548, eff. 12-4-97; 91-870, eff. 6-22-00.)

9 Section 30. The School Code is amended by adding Sections
10 1-5, 2-3.142, 2-3.143, 3-15.17, 10-20.40, 10-20.41, 21-29, and
11 27-22.03 and by changing Sections 14-13.01, 18-8.05, and 27A-4
12 as follows:

13 (105 ILCS 5/1-5 new)

14 Sec. 1-5. Elimination of unfunded mandates. There shall be
15 no mandated programs placed upon school districts without the
16 necessary and appropriate funding to carry out the mandate.

17 (105 ILCS 5/2-3.142 new)

18 Sec. 2-3.142. Alternative school development grants. The
19 State Board of Education, in conjunction with the regional
20 offices of education, shall establish a pilot program to award
21 5 grants to develop alternative schools that model themselves
22 after the Lincoln's Challenge Academy in Rantoul, Illinois.

1 (105 ILCS 5/2-3.143 new)

2 Sec. 2-3.143. Education Venture Partnership Pool.

3 (a) There is created the Education Venture Partnership Pool
4 to provide grant funds to school districts that are not
5 achieving adequate yearly progress or are not meeting
6 improvement targets to use proven initiatives to aid them in
7 attaining student achievement. The State Board of Education
8 shall implement and administer the program. Such initiatives
9 may include without limitation school-wide training for
10 literacy development, literacy interventions for adolescents,
11 standards-aligned classroom professional training, after
12 school, summer school, and extended school year programs and
13 services, parent engagement and family literacy initiatives,
14 and class-size reduction in the early grades.

15 (b) To access education venture partnership grant funds, a
16 school district must do all of the following:

17 (1) Submit a 3-year business plan demonstrating how the
18 intervention is the best one to meet local needs.

19 (2) Agree to monitoring by and interim reporting to the
20 State Board of Education.

21 (3) Work with an assigned leadership coach.

22 (4) Demonstrate evidence of partnerships to support
23 the initiative.

24 (5) Set aside a local match that will be determined by
25 the percentage of low-income students.

1 (105 ILCS 5/3-15.17 new)

2 Sec. 3-15.17. Oversight over school board contracts. In an
3 effort to provide transparency to the taxpayers on school
4 district expenditures, regional superintendents of schools are
5 authorized to have oversight of all contracts school districts
6 authorize that are over \$10,000 and any contracts that school
7 boards enter into with an exclusive bargaining representative.

8 (105 ILCS 5/10-20.40 new)

9 Sec. 10-20.40. Pay for performance.

10 (a) Beginning with all newly-negotiated collective
11 bargaining agreements entered into after the effective date of
12 this amendatory Act of the 95th General Assembly, a school
13 board and the exclusive bargaining representative, if any, may
14 include a performance-based teacher compensation plan in the
15 subject of its collective bargaining agreement. Nothing in this
16 Section shall preclude the school board and the exclusive
17 bargaining representative from agreeing to and implementing a
18 new performance-based teacher compensation plan prior to the
19 termination of the current collective bargaining agreement.

20 (b) The new teacher compensation plan bargained and agreed
21 to by the school board and the exclusive bargaining
22 representative under subsection (a) of this Section shall
23 provide certificated personnel with base salaries and shall
24 also provide that any increases in the compensation of
25 individual teachers or groups of teachers beyond base salaries

1 shall be pursuant, but not limited to, any of the following
2 elements:

3 (1) Superior teacher evaluations based on multiple
4 evaluations of their classroom teaching.

5 (2) Evaluation of a teacher's student classroom-level
6 achievement growth as measured using a value-added model.
7 "Value-added" means the improvement gains in student
8 achievement that are made each year based on pre-test and
9 post-test outcomes.

10 (3) Evaluation of school-level achievement growth as
11 measured using a value-added model. "Value-added" means
12 the improvement gains in student achievement that are made
13 each year based on pre-test and post-test outcomes.

14 (4) Demonstration of superior, outstanding performance
15 by an individual teacher or groups of teachers through the
16 meeting of unique and specific teaching practice
17 objectives defined and agreed to in advance in any given
18 school year.

19 (5) Preparation for meeting and contribution to the
20 broader needs of the school organization (e.g., curriculum
21 development, family liaison and community outreach,
22 implementation of a professional development program for
23 faculty, and participation in school management).

24 (c) A school board and exclusive bargaining representative
25 that initiate their own performance-based teacher compensation
26 program shall submit the new plan to the district's regional

1 superintendent of schools for review not later than 150 days
2 before the plan is to become effective. The regional
3 superintendent shall certify the plan's conformity with this
4 Section to the State Board of Education. If the plan does not
5 conform to this Section, the regional superintendent shall
6 return the plan to the school board and the exclusive
7 bargaining representative for modification. The school board
8 and the exclusive bargaining representative shall then have 30
9 days after the plan is returned to them to submit to the
10 regional superintendent a modified plan.

11 (105 ILCS 5/10-20.41 new)

12 Sec. 10-20.41. Contracts on website. A school board must
13 list on the district's Internet website, if any, all contracts
14 over \$10,000 and any contract that the school board enters into
15 with an exclusive bargaining representative.

16 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

17 Sec. 14-13.01. Reimbursement payable by State; Amounts.
18 Reimbursement for furnishing special educational facilities in
19 a recognized school to the type of children defined in Section
20 14-1.02 shall be paid to the school districts in accordance
21 with Section 14-12.01 for each school year ending June 30 by
22 the State Comptroller out of any money in the treasury
23 appropriated for such purposes on the presentation of vouchers
24 by the State Board of Education.

1 The reimbursement shall be limited to funds expended for
2 construction and maintenance of special education facilities
3 designed and utilized to house instructional programs,
4 diagnostic services, other special education services for
5 children with disabilities and reimbursement as provided in
6 Section 14-13.01. There shall be no reimbursement for
7 construction and maintenance of any administrative facility
8 separated from special education facilities designed and
9 utilized to house instructional programs, diagnostic services
10 and other special education services for children with
11 disabilities.

12 (a) (Blank). ~~For children who have not been identified as~~
13 ~~eligible for special education and for eligible children with~~
14 ~~physical disabilities, including all eligible children whose~~
15 ~~placement has been determined under Section 14-8.02 in hospital~~
16 ~~or home instruction, 1/2 of the teacher's salary but not more~~
17 ~~than \$1,000 annually per child or \$8,000 per teacher for the~~
18 ~~1985-1986 school year and thereafter, whichever is less.~~
19 ~~Children to be included in any reimbursement under this~~
20 ~~paragraph must regularly receive a minimum of one hour of~~
21 ~~instruction each school day, or in lieu thereof of a minimum of~~
22 ~~5 hours of instruction in each school week in order to qualify~~
23 ~~for full reimbursement under this Section. If the attending~~
24 ~~physician for such a child has certified that the child should~~
25 ~~not receive as many as 5 hours of instruction in a school week,~~
26 ~~however, reimbursement under this paragraph on account of that~~

1 ~~child shall be computed proportionate to the actual hours of~~
2 ~~instruction per week for that child divided by 5.~~

3 (b) For children described in Section 14-1.02, 4/5 of the
4 cost of transportation for each such child, whom the State
5 Superintendent of Education determined in advance requires
6 special transportation service in order to take advantage of
7 special educational facilities. Transportation costs shall be
8 determined in the same fashion as provided in Section 29-5. For
9 purposes of this subsection (b), the dates for processing
10 claims specified in Section 29-5 shall apply.

11 (c) (Blank). ~~For each professional worker excluding those~~
12 ~~included in subparagraphs (a), (d), (e), and (f) of this~~
13 ~~Section, the annual sum of \$8,000 for the 1985-1986 school year~~
14 ~~and thereafter.~~

15 (d) (Blank). ~~For one full time qualified director of the~~
16 ~~special education program of each school district which~~
17 ~~maintains a fully approved program of special education the~~
18 ~~annual sum of \$8,000 for the 1985-1986 school year and~~
19 ~~thereafter. Districts participating in a joint agreement~~
20 ~~special education program shall not receive such reimbursement~~
21 ~~if reimbursement is made for a director of the joint agreement~~
22 ~~program.~~

23 (e) (Blank). ~~For each school psychologist as defined in~~
24 ~~Section 14-1.09 the annual sum of \$8,000 for the 1985-1986~~
25 ~~school year and thereafter.~~

26 (f) (Blank). ~~For each qualified teacher working in a fully~~

1 ~~approved program for children of preschool age who are deaf or~~
2 ~~hard of hearing the annual sum of \$8,000 for the 1985-1986~~
3 ~~school year and thereafter.~~

4 (g) (Blank). ~~For readers, working with blind or partially~~
5 ~~seeing children 1/2 of their salary but not more than \$400~~
6 ~~annually per child. Readers may be employed to assist such~~
7 ~~children and shall not be required to be certified but prior to~~
8 ~~employment shall meet standards set up by the State Board of~~
9 ~~Education.~~

10 (g-5) For each certificated employee who works with or on
11 behalf of students with disabilities full time, \$8,000 for each
12 school year through the 2005-2006 school year; \$13,170 for the
13 2006-2007 school year; \$14,200 for the 2007-2008 school year;
14 \$15,200 for the 2008-2009 school year; \$16,200 for the
15 2009-2010 school year; for each school year beginning with the
16 2010-2011 school year through the 2014-2015 school year, the
17 amount from the previous school year increased by a percentage
18 increase equal to the percentage increase, if any, in the
19 Consumer Price Index for All Urban Consumers for all items
20 published by the United States Department of Labor for the 12
21 months ending on the previous December 31; and for the
22 2015-2016 school year and each school year thereafter, the
23 amount from the 2014-1015 school year.

24 (h) For ~~necessary~~ non-certified employees working in any
25 class or program for children defined in this Article, 1/2 of
26 the salary paid or \$2,800 annually per employee through the

1 2005-2006 school year; \$4,610 per employee for the 2006-2007
2 school year; \$4,750 per employee for the 2007-2008 school year;
3 \$4,890 per employee for the 2008-2009 school year; \$5,050 per
4 employee for the 2009-2010 school year; for each school year
5 beginning with the 2010-2011 school year through the 2014-2015
6 school year, the amount from the previous school year increased
7 by a percentage increase equal to the percentage increase, if
8 any, in the Consumer Price Index for All Urban Consumers for
9 all items published by the United States Department of Labor
10 for the 12 months ending on the previous December 31, per
11 employee; and for the 2015-2016 school year and each school
12 year thereafter, the amount from the 2014-1015 school year, per
13 employee, ~~whichever is less.~~

14 The State Board of Education shall set standards and
15 prescribe rules for determining the allocation of
16 reimbursement under this section on less than a full time basis
17 and for less than a school year.

18 When any school district eligible for reimbursement under
19 this Section operates a school or program approved by the State
20 Superintendent of Education for a number of days in excess of
21 the adopted school calendar but not to exceed 235 school days,
22 such reimbursement shall be increased by 1/185 of the amount or
23 rate paid hereunder for each day such school is operated in
24 excess of 185 days per calendar year.

25 Notwithstanding any other provision of law, any school
26 district receiving a payment under this Section or under

1 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify
2 all or a portion of the funds that it receives in a particular
3 fiscal year or from general State aid pursuant to Section
4 18-8.05 of this Code as funds received in connection with any
5 funding program for which it is entitled to receive funds from
6 the State in that fiscal year (including, without limitation,
7 any funding program referenced in this Section), regardless of
8 the source or timing of the receipt. The district may not
9 classify more funds as funds received in connection with the
10 funding program than the district is entitled to receive in
11 that fiscal year for that program. Any classification by a
12 district must be made by a resolution of its board of
13 education. The resolution must identify the amount of any
14 payments or general State aid to be classified under this
15 paragraph and must specify the funding program to which the
16 funds are to be treated as received in connection therewith.
17 This resolution is controlling as to the classification of
18 funds referenced therein. A certified copy of the resolution
19 must be sent to the State Superintendent of Education. The
20 resolution shall still take effect even though a copy of the
21 resolution has not been sent to the State Superintendent of
22 Education in a timely manner. No classification under this
23 paragraph by a district shall affect the total amount or timing
24 of money the district is entitled to receive under this Code.
25 No classification under this paragraph by a district shall in
26 any way relieve the district from or affect any requirements

1 that otherwise would apply with respect to that funding
2 program, including any accounting of funds by source, reporting
3 expenditures by original source and purpose, reporting
4 requirements, or requirements of providing services.

5 (Source: P.A. 92-568, eff. 6-26-02; 93-1022, eff. 8-24-04.)

6 (105 ILCS 5/18-8.05)

7 Sec. 18-8.05. Basis for apportionment of general State
8 financial aid and supplemental general State aid to the common
9 schools for the 1998-1999 and subsequent school years.

10 (A) General Provisions.

11 (1) The provisions of this Section apply to the 1998-1999
12 and subsequent school years. The system of general State
13 financial aid provided for in this Section is designed to
14 assure that, through a combination of State financial aid and
15 required local resources, the financial support provided each
16 pupil in Average Daily Attendance equals or exceeds a
17 prescribed per pupil Foundation Level. This formula approach
18 imputes a level of per pupil Available Local Resources and
19 provides for the basis to calculate a per pupil level of
20 general State financial aid that, when added to Available Local
21 Resources, equals or exceeds the Foundation Level. The amount
22 of per pupil general State financial aid for school districts,
23 in general, varies in inverse relation to Available Local
24 Resources. Per pupil amounts are based upon each school

1 district's Average Daily Attendance as that term is defined in
2 this Section.

3 (2) In addition to general State financial aid, school
4 districts with specified levels or concentrations of pupils
5 from low income households are eligible to receive supplemental
6 general State financial aid grants as provided pursuant to
7 subsection (H). The supplemental State aid grants provided for
8 school districts under subsection (H) shall be appropriated for
9 distribution to school districts as part of the same line item
10 in which the general State financial aid of school districts is
11 appropriated under this Section.

12 (3) To receive financial assistance under this Section,
13 school districts are required to file claims with the State
14 Board of Education, subject to the following requirements:

15 (a) Any school district which fails for any given
16 school year to maintain school as required by law, or to
17 maintain a recognized school is not eligible to file for
18 such school year any claim upon the Common School Fund. In
19 case of nonrecognition of one or more attendance centers in
20 a school district otherwise operating recognized schools,
21 the claim of the district shall be reduced in the
22 proportion which the Average Daily Attendance in the
23 attendance center or centers bear to the Average Daily
24 Attendance in the school district. A "recognized school"
25 means any public school which meets the standards as
26 established for recognition by the State Board of

1 Education. A school district or attendance center not
2 having recognition status at the end of a school term is
3 entitled to receive State aid payments due upon a legal
4 claim which was filed while it was recognized.

5 (b) School district claims filed under this Section are
6 subject to Sections 18-9, 18-10, and 18-12, except as
7 otherwise provided in this Section.

8 (c) If a school district operates a full year school
9 under Section 10-19.1, the general State aid to the school
10 district shall be determined by the State Board of
11 Education in accordance with this Section as near as may be
12 applicable.

13 (d) (Blank).

14 (4) Except as provided in subsections (H) and (L), the
15 board of any district receiving any of the grants provided for
16 in this Section may apply those funds to any fund so received
17 for which that board is authorized to make expenditures by law.

18 School districts are not required to exert a minimum
19 Operating Tax Rate in order to qualify for assistance under
20 this Section.

21 (5) As used in this Section the following terms, when
22 capitalized, shall have the meaning ascribed herein:

23 (a) "Average Daily Attendance": A count of pupil
24 attendance in school, averaged as provided for in
25 subsection (C) and utilized in deriving per pupil financial
26 support levels.

1 (b) "Available Local Resources": A computation of
2 local financial support, calculated on the basis of Average
3 Daily Attendance and derived as provided pursuant to
4 subsection (D).

5 (c) "Corporate Personal Property Replacement Taxes":
6 Funds paid to local school districts pursuant to "An Act in
7 relation to the abolition of ad valorem personal property
8 tax and the replacement of revenues lost thereby, and
9 amending and repealing certain Acts and parts of Acts in
10 connection therewith", certified August 14, 1979, as
11 amended (Public Act 81-1st S.S.-1).

12 (d) "Foundation Level": A prescribed level of per pupil
13 financial support as provided for in subsection (B).

14 (e) "Operating Tax Rate": All school district property
15 taxes extended for all purposes, except Bond and Interest,
16 Summer School, Rent, Capital Improvement, and Vocational
17 Education Building purposes.

18 (B) Foundation Level.

19 (1) The Foundation Level is a figure established by the
20 State representing the minimum level of per pupil financial
21 support that should be available to provide for the basic
22 education of each pupil in Average Daily Attendance. As set
23 forth in this Section, each school district is assumed to exert
24 a sufficient local taxing effort such that, in combination with
25 the aggregate of general State financial aid provided the

1 district, an aggregate of State and local resources are
2 available to meet the basic education needs of pupils in the
3 district.

4 (2) For the 1998-1999 school year, the Foundation Level of
5 support is \$4,225. For the 1999-2000 school year, the
6 Foundation Level of support is \$4,325. For the 2000-2001 school
7 year, the Foundation Level of support is \$4,425. For the
8 2001-2002 school year and 2002-2003 school year, the Foundation
9 Level of support is \$4,560. For the 2003-2004 school year, the
10 Foundation Level of support is \$4,810. For the 2004-2005 school
11 year, the Foundation Level of support is \$4,964. For the
12 2005-2006 school year, the Foundation Level of support is
13 \$5,164. For the 2006-2007 school year, the Foundation Level of
14 support is \$5,334. For the 2007-2008 school year the Foundation
15 Level of support is \$5,989. For the 2008-2009 school year the
16 Foundation Level of support is \$6,220. For the 2009-2010 school
17 year the Foundation Level of support is \$6,450. For each school
18 year beginning with the 2010-2011 school year through the
19 2014-2015 school year, the Foundation Level of support is equal
20 to the amount from the previous school year increased by a
21 percentage increase equal to the percentage increase, if any,
22 in the Consumer Price Index for All Urban Consumers for all
23 items published by the United States Department of Labor for
24 the 12 months ending on the previous December 31.

25 (3) For the 2015-2016 ~~2006-2007~~ school year and each school
26 year thereafter, the Foundation Level of support is the amount

1 from the 2014-1015 school year \$5,334 or such greater amount as
2 may be established by law by the General Assembly.

3 (C) Average Daily Attendance.

4 (1) For purposes of calculating general State aid pursuant
5 to subsection (E), an Average Daily Attendance figure shall be
6 utilized. The Average Daily Attendance figure for formula
7 calculation purposes shall be the monthly average of the actual
8 number of pupils in attendance of each school district, as
9 further averaged for the best 3 months of pupil attendance for
10 each school district. In compiling the figures for the number
11 of pupils in attendance, school districts and the State Board
12 of Education shall, for purposes of general State aid funding,
13 conform attendance figures to the requirements of subsection
14 (F).

15 (2) The Average Daily Attendance figures utilized in
16 subsection (E) shall be the requisite attendance data for the
17 school year immediately preceding the school year for which
18 general State aid is being calculated or the average of the
19 attendance data for the 3 preceding school years, whichever is
20 greater. The Average Daily Attendance figures utilized in
21 subsection (H) shall be the requisite attendance data for the
22 school year immediately preceding the school year for which
23 general State aid is being calculated.

24 (D) Available Local Resources.

1 (1) For purposes of calculating general State aid pursuant
2 to subsection (E), a representation of Available Local
3 Resources per pupil, as that term is defined and determined in
4 this subsection, shall be utilized. Available Local Resources
5 per pupil shall include a calculated dollar amount representing
6 local school district revenues from local property taxes and
7 from Corporate Personal Property Replacement Taxes, expressed
8 on the basis of pupils in Average Daily Attendance. Calculation
9 of Available Local Resources shall exclude any tax amnesty
10 funds received as a result of Public Act 93-26.

11 (2) In determining a school district's revenue from local
12 property taxes, the State Board of Education shall utilize the
13 equalized assessed valuation of all taxable property of each
14 school district as of September 30 of the previous year. The
15 equalized assessed valuation utilized shall be obtained and
16 determined as provided in subsection (G).

17 (3) For school districts maintaining grades kindergarten
18 through 12, local property tax revenues per pupil shall be
19 calculated as the product of the applicable equalized assessed
20 valuation for the district multiplied by 3.00%, and divided by
21 the district's Average Daily Attendance figure. For school
22 districts maintaining grades kindergarten through 8, local
23 property tax revenues per pupil shall be calculated as the
24 product of the applicable equalized assessed valuation for the
25 district multiplied by 2.30%, and divided by the district's
26 Average Daily Attendance figure. For school districts

1 maintaining grades 9 through 12, local property tax revenues
2 per pupil shall be the applicable equalized assessed valuation
3 of the district multiplied by 1.05%, and divided by the
4 district's Average Daily Attendance figure.

5 For partial elementary unit districts created pursuant to
6 Article 11E of this Code, local property tax revenues per pupil
7 shall be calculated as the product of the equalized assessed
8 valuation for property within the elementary and high school
9 classification of the partial elementary unit district
10 multiplied by 2.06% and divided by the Average Daily Attendance
11 figure for grades kindergarten through 8, plus the product of
12 the equalized assessed valuation for property within the high
13 school only classification of the partial elementary unit
14 district multiplied by 0.94% and divided by the Average Daily
15 Attendance figure for grades 9 through 12.

16 (4) The Corporate Personal Property Replacement Taxes paid
17 to each school district during the calendar year 2 years before
18 the calendar year in which a school year begins, divided by the
19 Average Daily Attendance figure for that district, shall be
20 added to the local property tax revenues per pupil as derived
21 by the application of the immediately preceding paragraph (3).
22 The sum of these per pupil figures for each school district
23 shall constitute Available Local Resources as that term is
24 utilized in subsection (E) in the calculation of general State
25 aid.

1 (E) Computation of General State Aid.

2 (1) For each school year, the amount of general State aid
3 allotted to a school district shall be computed by the State
4 Board of Education as provided in this subsection.

5 (2) For any school district for which Available Local
6 Resources per pupil is less than the product of 0.93 times the
7 Foundation Level, general State aid for that district shall be
8 calculated as an amount equal to the Foundation Level minus
9 Available Local Resources, multiplied by the Average Daily
10 Attendance of the school district.

11 (3) For any school district for which Available Local
12 Resources per pupil is equal to or greater than the product of
13 0.93 times the Foundation Level and less than the product of
14 1.75 times the Foundation Level, the general State aid per
15 pupil shall be a decimal proportion of the Foundation Level
16 derived using a linear algorithm. Under this linear algorithm,
17 the calculated general State aid per pupil shall decline in
18 direct linear fashion from 0.07 times the Foundation Level for
19 a school district with Available Local Resources equal to the
20 product of 0.93 times the Foundation Level, to 0.05 times the
21 Foundation Level for a school district with Available Local
22 Resources equal to the product of 1.75 times the Foundation
23 Level. The allocation of general State aid for school districts
24 subject to this paragraph 3 shall be the calculated general
25 State aid per pupil figure multiplied by the Average Daily
26 Attendance of the school district.

1 (4) For any school district for which Available Local
2 Resources per pupil equals or exceeds the product of 1.75 times
3 the Foundation Level, the general State aid for the school
4 district shall be calculated as the product of \$218 multiplied
5 by the Average Daily Attendance of the school district.

6 (5) The amount of general State aid allocated to a school
7 district for the 1999-2000 school year meeting the requirements
8 set forth in paragraph (4) of subsection (G) shall be increased
9 by an amount equal to the general State aid that would have
10 been received by the district for the 1998-1999 school year by
11 utilizing the Extension Limitation Equalized Assessed
12 Valuation as calculated in paragraph (4) of subsection (G) less
13 the general State aid allotted for the 1998-1999 school year.
14 This amount shall be deemed a one time increase, and shall not
15 affect any future general State aid allocations.

16 (F) Compilation of Average Daily Attendance.

17 (1) Each school district shall, by July 1 of each year,
18 submit to the State Board of Education, on forms prescribed by
19 the State Board of Education, attendance figures for the school
20 year that began in the preceding calendar year. The attendance
21 information so transmitted shall identify the average daily
22 attendance figures for each month of the school year. Beginning
23 with the general State aid claim form for the 2002-2003 school
24 year, districts shall calculate Average Daily Attendance as
25 provided in subdivisions (a), (b), and (c) of this paragraph

1 (1).

2 (a) In districts that do not hold year-round classes,
3 days of attendance in August shall be added to the month of
4 September and any days of attendance in June shall be added
5 to the month of May.

6 (b) In districts in which all buildings hold year-round
7 classes, days of attendance in July and August shall be
8 added to the month of September and any days of attendance
9 in June shall be added to the month of May.

10 (c) In districts in which some buildings, but not all,
11 hold year-round classes, for the non-year-round buildings,
12 days of attendance in August shall be added to the month of
13 September and any days of attendance in June shall be added
14 to the month of May. The average daily attendance for the
15 year-round buildings shall be computed as provided in
16 subdivision (b) of this paragraph (1). To calculate the
17 Average Daily Attendance for the district, the average
18 daily attendance for the year-round buildings shall be
19 multiplied by the days in session for the non-year-round
20 buildings for each month and added to the monthly
21 attendance of the non-year-round buildings.

22 Except as otherwise provided in this Section, days of
23 attendance by pupils shall be counted only for sessions of not
24 less than 5 clock hours of school work per day under direct
25 supervision of: (i) teachers, or (ii) non-teaching personnel or
26 volunteer personnel when engaging in non-teaching duties and

1 supervising in those instances specified in subsection (a) of
2 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
3 of legal school age and in kindergarten and grades 1 through
4 12.

5 Days of attendance by tuition pupils shall be accredited
6 only to the districts that pay the tuition to a recognized
7 school.

8 (2) Days of attendance by pupils of less than 5 clock hours
9 of school shall be subject to the following provisions in the
10 compilation of Average Daily Attendance.

11 (a) Pupils regularly enrolled in a public school for
12 only a part of the school day may be counted on the basis
13 of 1/6 day for every class hour of instruction of 40
14 minutes or more attended pursuant to such enrollment,
15 unless a pupil is enrolled in a block-schedule format of 80
16 minutes or more of instruction, in which case the pupil may
17 be counted on the basis of the proportion of minutes of
18 school work completed each day to the minimum number of
19 minutes that school work is required to be held that day.

20 (b) Days of attendance may be less than 5 clock hours
21 on the opening and closing of the school term, and upon the
22 first day of pupil attendance, if preceded by a day or days
23 utilized as an institute or teachers' workshop.

24 (c) A session of 4 or more clock hours may be counted
25 as a day of attendance upon certification by the regional
26 superintendent, and approved by the State Superintendent

1 of Education to the extent that the district has been
2 forced to use daily multiple sessions.

3 (d) A session of 3 or more clock hours may be counted
4 as a day of attendance (1) when the remainder of the school
5 day or at least 2 hours in the evening of that day is
6 utilized for an in-service training program for teachers,
7 up to a maximum of 5 days per school year of which a
8 maximum of 4 days of such 5 days may be used for
9 parent-teacher conferences, provided a district conducts
10 an in-service training program for teachers which has been
11 approved by the State Superintendent of Education; or, in
12 lieu of 4 such days, 2 full days may be used, in which
13 event each such day may be counted as a day of attendance;
14 and (2) when days in addition to those provided in item (1)
15 are scheduled by a school pursuant to its school
16 improvement plan adopted under Article 34 or its revised or
17 amended school improvement plan adopted under Article 2,
18 provided that (i) such sessions of 3 or more clock hours
19 are scheduled to occur at regular intervals, (ii) the
20 remainder of the school days in which such sessions occur
21 are utilized for in-service training programs or other
22 staff development activities for teachers, and (iii) a
23 sufficient number of minutes of school work under the
24 direct supervision of teachers are added to the school days
25 between such regularly scheduled sessions to accumulate
26 not less than the number of minutes by which such sessions

1 of 3 or more clock hours fall short of 5 clock hours. Any
2 full days used for the purposes of this paragraph shall not
3 be considered for computing average daily attendance. Days
4 scheduled for in-service training programs, staff
5 development activities, or parent-teacher conferences may
6 be scheduled separately for different grade levels and
7 different attendance centers of the district.

8 (e) A session of not less than one clock hour of
9 teaching hospitalized or homebound pupils on-site or by
10 telephone to the classroom may be counted as 1/2 day of
11 attendance, however these pupils must receive 4 or more
12 clock hours of instruction to be counted for a full day of
13 attendance.

14 (f) A session of at least 4 clock hours may be counted
15 as a day of attendance for first grade pupils, and pupils
16 in full day kindergartens, and a session of 2 or more hours
17 may be counted as 1/2 day of attendance by pupils in
18 kindergartens which provide only 1/2 day of attendance.

19 (g) For children with disabilities who are below the
20 age of 6 years and who cannot attend 2 or more clock hours
21 because of their disability or immaturity, a session of not
22 less than one clock hour may be counted as 1/2 day of
23 attendance; however for such children whose educational
24 needs so require a session of 4 or more clock hours may be
25 counted as a full day of attendance.

26 (h) A recognized kindergarten which provides for only

1 1/2 day of attendance by each pupil shall not have more
2 than 1/2 day of attendance counted in any one day. However,
3 kindergartens may count 2 1/2 days of attendance in any 5
4 consecutive school days. When a pupil attends such a
5 kindergarten for 2 half days on any one school day, the
6 pupil shall have the following day as a day absent from
7 school, unless the school district obtains permission in
8 writing from the State Superintendent of Education.
9 Attendance at kindergartens which provide for a full day of
10 attendance by each pupil shall be counted the same as
11 attendance by first grade pupils. Only the first year of
12 attendance in one kindergarten shall be counted, except in
13 case of children who entered the kindergarten in their
14 fifth year whose educational development requires a second
15 year of kindergarten as determined under the rules and
16 regulations of the State Board of Education.

17 (i) On the days when the Prairie State Achievement
18 Examination is administered under subsection (c) of
19 Section 2-3.64 of this Code, the day of attendance for a
20 pupil whose school day must be shortened to accommodate
21 required testing procedures may be less than 5 clock hours
22 and shall be counted towards the 176 days of actual pupil
23 attendance required under Section 10-19 of this Code,
24 provided that a sufficient number of minutes of school work
25 in excess of 5 clock hours are first completed on other
26 school days to compensate for the loss of school work on

1 the examination days.

2 (G) Equalized Assessed Valuation Data.

3 (1) For purposes of the calculation of Available Local
4 Resources required pursuant to subsection (D), the State Board
5 of Education shall secure from the Department of Revenue the
6 value as equalized or assessed by the Department of Revenue of
7 all taxable property of every school district, together with
8 (i) the applicable tax rate used in extending taxes for the
9 funds of the district as of September 30 of the previous year
10 and (ii) the limiting rate for all school districts subject to
11 property tax extension limitations as imposed under the
12 Property Tax Extension Limitation Law.

13 The Department of Revenue shall add to the equalized
14 assessed value of all taxable property of each school district
15 situated entirely or partially within a county that is or was
16 subject to the alternative general homestead exemption
17 provisions of Section 15-176 of the Property Tax Code (a) an
18 amount equal to the total amount by which the homestead
19 exemption allowed under Section 15-176 of the Property Tax Code
20 for real property situated in that school district exceeds the
21 total amount that would have been allowed in that school
22 district if the maximum reduction under Section 15-176 was (i)
23 \$4,500 in Cook County or \$3,500 in all other counties in tax
24 year 2003 or (ii) \$5,000 in all counties in tax year 2004 and
25 thereafter and (b) an amount equal to the aggregate amount for

1 the taxable year of all additional exemptions under Section
2 15-175 of the Property Tax Code for owners with a household
3 income of \$30,000 or less. The county clerk of any county that
4 is or was subject to the alternative general homestead
5 exemption provisions of Section 15-176 of the Property Tax Code
6 shall annually calculate and certify to the Department of
7 Revenue for each school district all homestead exemption
8 amounts under Section 15-176 of the Property Tax Code and all
9 amounts of additional exemptions under Section 15-175 of the
10 Property Tax Code for owners with a household income of \$30,000
11 or less. It is the intent of this paragraph that if the general
12 homestead exemption for a parcel of property is determined
13 under Section 15-176 of the Property Tax Code rather than
14 Section 15-175, then the calculation of Available Local
15 Resources shall not be affected by the difference, if any,
16 between the amount of the general homestead exemption allowed
17 for that parcel of property under Section 15-176 of the
18 Property Tax Code and the amount that would have been allowed
19 had the general homestead exemption for that parcel of property
20 been determined under Section 15-175 of the Property Tax Code.
21 It is further the intent of this paragraph that if additional
22 exemptions are allowed under Section 15-175 of the Property Tax
23 Code for owners with a household income of less than \$30,000,
24 then the calculation of Available Local Resources shall not be
25 affected by the difference, if any, because of those additional
26 exemptions.

1 This equalized assessed valuation, as adjusted further by
2 the requirements of this subsection, shall be utilized in the
3 calculation of Available Local Resources.

4 (2) The equalized assessed valuation in paragraph (1) shall
5 be adjusted, as applicable, in the following manner:

6 (a) For the purposes of calculating State aid under
7 this Section, with respect to any part of a school district
8 within a redevelopment project area in respect to which a
9 municipality has adopted tax increment allocation
10 financing pursuant to the Tax Increment Allocation
11 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
12 of the Illinois Municipal Code or the Industrial Jobs
13 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
14 Illinois Municipal Code, no part of the current equalized
15 assessed valuation of real property located in any such
16 project area which is attributable to an increase above the
17 total initial equalized assessed valuation of such
18 property shall be used as part of the equalized assessed
19 valuation of the district, until such time as all
20 redevelopment project costs have been paid, as provided in
21 Section 11-74.4-8 of the Tax Increment Allocation
22 Redevelopment Act or in Section 11-74.6-35 of the
23 Industrial Jobs Recovery Law. For the purpose of the
24 equalized assessed valuation of the district, the total
25 initial equalized assessed valuation or the current
26 equalized assessed valuation, whichever is lower, shall be

1 used until such time as all redevelopment project costs
2 have been paid.

3 (b) The real property equalized assessed valuation for
4 a school district shall be adjusted by subtracting from the
5 real property value as equalized or assessed by the
6 Department of Revenue for the district an amount computed
7 by dividing the amount of any abatement of taxes under
8 Section 18-170 of the Property Tax Code by 3.00% for a
9 district maintaining grades kindergarten through 12, by
10 2.30% for a district maintaining grades kindergarten
11 through 8, or by 1.05% for a district maintaining grades 9
12 through 12 and adjusted by an amount computed by dividing
13 the amount of any abatement of taxes under subsection (a)
14 of Section 18-165 of the Property Tax Code by the same
15 percentage rates for district type as specified in this
16 subparagraph (b).

17 (3) For the 1999-2000 school year and each school year
18 thereafter, if a school district meets all of the criteria of
19 this subsection (G) (3), the school district's Available Local
20 Resources shall be calculated under subsection (D) using the
21 district's Extension Limitation Equalized Assessed Valuation
22 as calculated under this subsection (G) (3).

23 For purposes of this subsection (G) (3) the following terms
24 shall have the following meanings:

25 "Budget Year": The school year for which general State
26 aid is calculated and awarded under subsection (E).

1 "Base Tax Year": The property tax levy year used to
2 calculate the Budget Year allocation of general State aid.

3 "Preceding Tax Year": The property tax levy year
4 immediately preceding the Base Tax Year.

5 "Base Tax Year's Tax Extension": The product of the
6 equalized assessed valuation utilized by the County Clerk
7 in the Base Tax Year multiplied by the limiting rate as
8 calculated by the County Clerk and defined in the Property
9 Tax Extension Limitation Law.

10 "Preceding Tax Year's Tax Extension": The product of
11 the equalized assessed valuation utilized by the County
12 Clerk in the Preceding Tax Year multiplied by the Operating
13 Tax Rate as defined in subsection (A).

14 "Extension Limitation Ratio": A numerical ratio,
15 certified by the County Clerk, in which the numerator is
16 the Base Tax Year's Tax Extension and the denominator is
17 the Preceding Tax Year's Tax Extension.

18 "Operating Tax Rate": The operating tax rate as defined
19 in subsection (A).

20 If a school district is subject to property tax extension
21 limitations as imposed under the Property Tax Extension
22 Limitation Law, the State Board of Education shall calculate
23 the Extension Limitation Equalized Assessed Valuation of that
24 district. For the 1999-2000 school year, the Extension
25 Limitation Equalized Assessed Valuation of a school district as
26 calculated by the State Board of Education shall be equal to

1 the product of the district's 1996 Equalized Assessed Valuation
2 and the district's Extension Limitation Ratio. For the
3 2000-2001 school year and each school year thereafter, the
4 Extension Limitation Equalized Assessed Valuation of a school
5 district as calculated by the State Board of Education shall be
6 equal to the product of the Equalized Assessed Valuation last
7 used in the calculation of general State aid and the district's
8 Extension Limitation Ratio. If the Extension Limitation
9 Equalized Assessed Valuation of a school district as calculated
10 under this subsection (G)(3) is less than the district's
11 equalized assessed valuation as calculated pursuant to
12 subsections (G)(1) and (G)(2), then for purposes of calculating
13 the district's general State aid for the Budget Year pursuant
14 to subsection (E), that Extension Limitation Equalized
15 Assessed Valuation shall be utilized to calculate the
16 district's Available Local Resources under subsection (D).

17 Partial elementary unit districts created in accordance
18 with Article 11E of this Code shall not be eligible for the
19 adjustment in this subsection (G)(3) until the fifth year
20 following the effective date of the reorganization.

21 (4) For the purposes of calculating general State aid for
22 the 1999-2000 school year only, if a school district
23 experienced a triennial reassessment on the equalized assessed
24 valuation used in calculating its general State financial aid
25 apportionment for the 1998-1999 school year, the State Board of
26 Education shall calculate the Extension Limitation Equalized

1 Assessed Valuation that would have been used to calculate the
2 district's 1998-1999 general State aid. This amount shall equal
3 the product of the equalized assessed valuation used to
4 calculate general State aid for the 1997-1998 school year and
5 the district's Extension Limitation Ratio. If the Extension
6 Limitation Equalized Assessed Valuation of the school district
7 as calculated under this paragraph (4) is less than the
8 district's equalized assessed valuation utilized in
9 calculating the district's 1998-1999 general State aid
10 allocation, then for purposes of calculating the district's
11 general State aid pursuant to paragraph (5) of subsection (E),
12 that Extension Limitation Equalized Assessed Valuation shall
13 be utilized to calculate the district's Available Local
14 Resources.

15 (5) For school districts having a majority of their
16 equalized assessed valuation in any county except Cook, DuPage,
17 Kane, Lake, McHenry, or Will, if the amount of general State
18 aid allocated to the school district for the 1999-2000 school
19 year under the provisions of subsection (E), (H), and (J) of
20 this Section is less than the amount of general State aid
21 allocated to the district for the 1998-1999 school year under
22 these subsections, then the general State aid of the district
23 for the 1999-2000 school year only shall be increased by the
24 difference between these amounts. The total payments made under
25 this paragraph (5) shall not exceed \$14,000,000. Claims shall
26 be prorated if they exceed \$14,000,000.

1 (H) Supplemental General State Aid.

2 (1) In addition to the general State aid a school district
3 is allotted pursuant to subsection (E), qualifying school
4 districts shall receive a grant, paid in conjunction with a
5 district's payments of general State aid, for supplemental
6 general State aid based upon the concentration level of
7 children from low-income households within the school
8 district. Supplemental State aid grants provided for school
9 districts under this subsection shall be appropriated for
10 distribution to school districts as part of the same line item
11 in which the general State financial aid of school districts is
12 appropriated under this Section. If the appropriation in any
13 fiscal year for general State aid and supplemental general
14 State aid is insufficient to pay the amounts required under the
15 general State aid and supplemental general State aid
16 calculations, then the State Board of Education shall ensure
17 that each school district receives the full amount due for
18 general State aid and the remainder of the appropriation shall
19 be used for supplemental general State aid, which the State
20 Board of Education shall calculate and pay to eligible
21 districts on a prorated basis.

22 (1.5) This paragraph (1.5) applies only to those school
23 years preceding the 2003-2004 school year. For purposes of this
24 subsection (H), the term "Low-Income Concentration Level"
25 shall be the low-income eligible pupil count from the most

1 recently available federal census divided by the Average Daily
2 Attendance of the school district. If, however, (i) the
3 percentage decrease from the 2 most recent federal censuses in
4 the low-income eligible pupil count of a high school district
5 with fewer than 400 students exceeds by 75% or more the
6 percentage change in the total low-income eligible pupil count
7 of contiguous elementary school districts, whose boundaries
8 are coterminous with the high school district, or (ii) a high
9 school district within 2 counties and serving 5 elementary
10 school districts, whose boundaries are coterminous with the
11 high school district, has a percentage decrease from the 2 most
12 recent federal censuses in the low-income eligible pupil count
13 and there is a percentage increase in the total low-income
14 eligible pupil count of a majority of the elementary school
15 districts in excess of 50% from the 2 most recent federal
16 censuses, then the high school district's low-income eligible
17 pupil count from the earlier federal census shall be the number
18 used as the low-income eligible pupil count for the high school
19 district, for purposes of this subsection (H). The changes made
20 to this paragraph (1) by Public Act 92-28 shall apply to
21 supplemental general State aid grants for school years
22 preceding the 2003-2004 school year that are paid in fiscal
23 year 1999 or thereafter and to any State aid payments made in
24 fiscal year 1994 through fiscal year 1998 pursuant to
25 subsection 1(n) of Section 18-8 of this Code (which was
26 repealed on July 1, 1998), and any high school district that is

1 affected by Public Act 92-28 is entitled to a recomputation of
2 its supplemental general State aid grant or State aid paid in
3 any of those fiscal years. This recomputation shall not be
4 affected by any other funding.

5 (1.10) This paragraph (1.10) applies to the 2003-2004
6 school year and each school year thereafter. For purposes of
7 this subsection (H), the term "Low-Income Concentration Level"
8 shall, for each fiscal year, be the low-income eligible pupil
9 count as of July 1 of the immediately preceding fiscal year (as
10 determined by the Department of Human Services based on the
11 number of pupils who are eligible for at least one of the
12 following low income programs: Medicaid, KidCare, TANF, or Food
13 Stamps, excluding pupils who are eligible for services provided
14 by the Department of Children and Family Services, averaged
15 over the 2 immediately preceding fiscal years for fiscal year
16 2004 and over the 3 immediately preceding fiscal years for each
17 fiscal year thereafter) divided by the Average Daily Attendance
18 of the school district.

19 (2) Supplemental general State aid pursuant to this
20 subsection (H) shall be provided as follows for the 1998-1999,
21 1999-2000, and 2000-2001 school years only:

22 (a) For any school district with a Low Income
23 Concentration Level of at least 20% and less than 35%, the
24 grant for any school year shall be \$800 multiplied by the
25 low income eligible pupil count.

26 (b) For any school district with a Low Income

1 Concentration Level of at least 35% and less than 50%, the
2 grant for the 1998-1999 school year shall be \$1,100
3 multiplied by the low income eligible pupil count.

4 (c) For any school district with a Low Income
5 Concentration Level of at least 50% and less than 60%, the
6 grant for the 1998-99 school year shall be \$1,500
7 multiplied by the low income eligible pupil count.

8 (d) For any school district with a Low Income
9 Concentration Level of 60% or more, the grant for the
10 1998-99 school year shall be \$1,900 multiplied by the low
11 income eligible pupil count.

12 (e) For the 1999-2000 school year, the per pupil amount
13 specified in subparagraphs (b), (c), and (d) immediately
14 above shall be increased to \$1,243, \$1,600, and \$2,000,
15 respectively.

16 (f) For the 2000-2001 school year, the per pupil
17 amounts specified in subparagraphs (b), (c), and (d)
18 immediately above shall be \$1,273, \$1,640, and \$2,050,
19 respectively.

20 (2.5) Supplemental general State aid pursuant to this
21 subsection (H) shall be provided as follows for the 2002-2003
22 school year:

23 (a) For any school district with a Low Income
24 Concentration Level of less than 10%, the grant for each
25 school year shall be \$355 multiplied by the low income
26 eligible pupil count.

1 (b) For any school district with a Low Income
2 Concentration Level of at least 10% and less than 20%, the
3 grant for each school year shall be \$675 multiplied by the
4 low income eligible pupil count.

5 (c) For any school district with a Low Income
6 Concentration Level of at least 20% and less than 35%, the
7 grant for each school year shall be \$1,330 multiplied by
8 the low income eligible pupil count.

9 (d) For any school district with a Low Income
10 Concentration Level of at least 35% and less than 50%, the
11 grant for each school year shall be \$1,362 multiplied by
12 the low income eligible pupil count.

13 (e) For any school district with a Low Income
14 Concentration Level of at least 50% and less than 60%, the
15 grant for each school year shall be \$1,680 multiplied by
16 the low income eligible pupil count.

17 (f) For any school district with a Low Income
18 Concentration Level of 60% or more, the grant for each
19 school year shall be \$2,080 multiplied by the low income
20 eligible pupil count.

21 (2.10) Except as otherwise provided, supplemental general
22 State aid pursuant to this subsection (H) shall be provided as
23 follows for the 2003-2004 school year and each school year
24 thereafter:

25 (a) For any school district with a Low Income
26 Concentration Level of 15% or less, the grant for each

1 school year shall be \$355 multiplied by the low income
2 eligible pupil count.

3 (b) For any school district with a Low Income
4 Concentration Level greater than 15%, the grant for each
5 school year shall be \$294.25 added to the product of \$2,700
6 and the square of the Low Income Concentration Level, all
7 multiplied by the low income eligible pupil count.

8 For the 2003-2004 school year, 2004-2005 school year,
9 2005-2006 school year, and 2006-2007 school year only, the
10 grant shall be no less than the grant for the 2002-2003 school
11 year. For the 2007-2008 school year only, the grant shall be no
12 less than the grant for the 2002-2003 school year multiplied by
13 0.66. For the 2008-2009 school year only, the grant shall be no
14 less than the grant for the 2002-2003 school year multiplied by
15 0.33. Notwithstanding the provisions of this paragraph to the
16 contrary, if for any school year supplemental general State aid
17 grants are prorated as provided in paragraph (1) of this
18 subsection (H), then the grants under this paragraph shall be
19 prorated.

20 For the 2003-2004 school year only, the grant shall be no
21 greater than the grant received during the 2002-2003 school
22 year added to the product of 0.25 multiplied by the difference
23 between the grant amount calculated under subsection (a) or (b)
24 of this paragraph (2.10), whichever is applicable, and the
25 grant received during the 2002-2003 school year. For the
26 2004-2005 school year only, the grant shall be no greater than

1 the grant received during the 2002-2003 school year added to
2 the product of 0.50 multiplied by the difference between the
3 grant amount calculated under subsection (a) or (b) of this
4 paragraph (2.10), whichever is applicable, and the grant
5 received during the 2002-2003 school year. For the 2005-2006
6 school year only, the grant shall be no greater than the grant
7 received during the 2002-2003 school year added to the product
8 of 0.75 multiplied by the difference between the grant amount
9 calculated under subsection (a) or (b) of this paragraph
10 (2.10), whichever is applicable, and the grant received during
11 the 2002-2003 school year.

12 (3) School districts with an Average Daily Attendance of
13 more than 1,000 and less than 50,000 that qualify for
14 supplemental general State aid pursuant to this subsection
15 shall submit a plan to the State Board of Education prior to
16 October 30 of each year for the use of the funds resulting from
17 this grant of supplemental general State aid for the
18 improvement of instruction in which priority is given to
19 meeting the education needs of disadvantaged children. Such
20 plan shall be submitted in accordance with rules and
21 regulations promulgated by the State Board of Education.

22 (4) School districts with an Average Daily Attendance of
23 50,000 or more that qualify for supplemental general State aid
24 pursuant to this subsection shall be required to distribute
25 from funds available pursuant to this Section, no less than
26 \$261,000,000 in accordance with the following requirements:

1 (a) The required amounts shall be distributed to the
2 attendance centers within the district in proportion to the
3 number of pupils enrolled at each attendance center who are
4 eligible to receive free or reduced-price lunches or
5 breakfasts under the federal Child Nutrition Act of 1966
6 and under the National School Lunch Act during the
7 immediately preceding school year.

8 (b) The distribution of these portions of supplemental
9 and general State aid among attendance centers according to
10 these requirements shall not be compensated for or
11 contravened by adjustments of the total of other funds
12 appropriated to any attendance centers, and the Board of
13 Education shall utilize funding from one or several sources
14 in order to fully implement this provision annually prior
15 to the opening of school.

16 (c) Each attendance center shall be provided by the
17 school district a distribution of noncategorical funds and
18 other categorical funds to which an attendance center is
19 entitled under law in order that the general State aid and
20 supplemental general State aid provided by application of
21 this subsection supplements rather than supplants the
22 noncategorical funds and other categorical funds provided
23 by the school district to the attendance centers.

24 (d) Any funds made available under this subsection that
25 by reason of the provisions of this subsection are not
26 required to be allocated and provided to attendance centers

1 may be used and appropriated by the board of the district
2 for any lawful school purpose.

3 (e) Funds received by an attendance center pursuant to
4 this subsection shall be used by the attendance center at
5 the discretion of the principal and local school council
6 for programs to improve educational opportunities at
7 qualifying schools through the following programs and
8 services: early childhood education, reduced class size or
9 improved adult to student classroom ratio, enrichment
10 programs, remedial assistance, attendance improvement, and
11 other educationally beneficial expenditures which
12 supplement the regular and basic programs as determined by
13 the State Board of Education. Funds provided shall not be
14 expended for any political or lobbying purposes as defined
15 by board rule.

16 (f) Each district subject to the provisions of this
17 subdivision (H) (4) shall submit an acceptable plan to meet
18 the educational needs of disadvantaged children, in
19 compliance with the requirements of this paragraph, to the
20 State Board of Education prior to July 15 of each year.
21 This plan shall be consistent with the decisions of local
22 school councils concerning the school expenditure plans
23 developed in accordance with part 4 of Section 34-2.3. The
24 State Board shall approve or reject the plan within 60 days
25 after its submission. If the plan is rejected, the district
26 shall give written notice of intent to modify the plan

1 within 15 days of the notification of rejection and then
2 submit a modified plan within 30 days after the date of the
3 written notice of intent to modify. Districts may amend
4 approved plans pursuant to rules promulgated by the State
5 Board of Education.

6 Upon notification by the State Board of Education that
7 the district has not submitted a plan prior to July 15 or a
8 modified plan within the time period specified herein, the
9 State aid funds affected by that plan or modified plan
10 shall be withheld by the State Board of Education until a
11 plan or modified plan is submitted.

12 If the district fails to distribute State aid to
13 attendance centers in accordance with an approved plan, the
14 plan for the following year shall allocate funds, in
15 addition to the funds otherwise required by this
16 subsection, to those attendance centers which were
17 underfunded during the previous year in amounts equal to
18 such underfunding.

19 For purposes of determining compliance with this
20 subsection in relation to the requirements of attendance
21 center funding, each district subject to the provisions of
22 this subsection shall submit as a separate document by
23 December 1 of each year a report of expenditure data for
24 the prior year in addition to any modification of its
25 current plan. If it is determined that there has been a
26 failure to comply with the expenditure provisions of this

1 subsection regarding contravention or supplanting, the
2 State Superintendent of Education shall, within 60 days of
3 receipt of the report, notify the district and any affected
4 local school council. The district shall within 45 days of
5 receipt of that notification inform the State
6 Superintendent of Education of the remedial or corrective
7 action to be taken, whether by amendment of the current
8 plan, if feasible, or by adjustment in the plan for the
9 following year. Failure to provide the expenditure report
10 or the notification of remedial or corrective action in a
11 timely manner shall result in a withholding of the affected
12 funds.

13 The State Board of Education shall promulgate rules and
14 regulations to implement the provisions of this
15 subsection. No funds shall be released under this
16 subdivision (H) (4) to any district that has not submitted a
17 plan that has been approved by the State Board of
18 Education.

19 (I) (Blank).

20 (J) Supplementary Grants in Aid.

21 (1) Notwithstanding any other provisions of this Section,
22 the amount of the aggregate general State aid in combination
23 with supplemental general State aid under this Section for
24 which each school district is eligible shall be no less than

1 the amount of the aggregate general State aid entitlement that
2 was received by the district under Section 18-8 (exclusive of
3 amounts received under subsections 5(p) and 5(p-5) of that
4 Section) for the 1997-98 school year, pursuant to the
5 provisions of that Section as it was then in effect. If a
6 school district qualifies to receive a supplementary payment
7 made under this subsection (J), the amount of the aggregate
8 general State aid in combination with supplemental general
9 State aid under this Section which that district is eligible to
10 receive for each school year shall be no less than the amount
11 of the aggregate general State aid entitlement that was
12 received by the district under Section 18-8 (exclusive of
13 amounts received under subsections 5(p) and 5(p-5) of that
14 Section) for the 1997-1998 school year, pursuant to the
15 provisions of that Section as it was then in effect.

16 (2) If, as provided in paragraph (1) of this subsection
17 (J), a school district is to receive aggregate general State
18 aid in combination with supplemental general State aid under
19 this Section for the 1998-99 school year and any subsequent
20 school year that in any such school year is less than the
21 amount of the aggregate general State aid entitlement that the
22 district received for the 1997-98 school year, the school
23 district shall also receive, from a separate appropriation made
24 for purposes of this subsection (J), a supplementary payment
25 that is equal to the amount of the difference in the aggregate
26 State aid figures as described in paragraph (1).

1 (3) (Blank).

2 (K) Grants to Laboratory and Alternative Schools.

3 In calculating the amount to be paid to the governing board
4 of a public university that operates a laboratory school under
5 this Section or to any alternative school that is operated by a
6 regional superintendent of schools, the State Board of
7 Education shall require by rule such reporting requirements as
8 it deems necessary.

9 As used in this Section, "laboratory school" means a public
10 school which is created and operated by a public university and
11 approved by the State Board of Education. The governing board
12 of a public university which receives funds from the State
13 Board under this subsection (K) may not increase the number of
14 students enrolled in its laboratory school from a single
15 district, if that district is already sending 50 or more
16 students, except under a mutual agreement between the school
17 board of a student's district of residence and the university
18 which operates the laboratory school. A laboratory school may
19 not have more than 1,000 students, excluding students with
20 disabilities in a special education program.

21 As used in this Section, "alternative school" means a
22 public school which is created and operated by a Regional
23 Superintendent of Schools and approved by the State Board of
24 Education. Such alternative schools may offer courses of
25 instruction for which credit is given in regular school

1 programs, courses to prepare students for the high school
2 equivalency testing program or vocational and occupational
3 training. A regional superintendent of schools may contract
4 with a school district or a public community college district
5 to operate an alternative school. An alternative school serving
6 more than one educational service region may be established by
7 the regional superintendents of schools of the affected
8 educational service regions. An alternative school serving
9 more than one educational service region may be operated under
10 such terms as the regional superintendents of schools of those
11 educational service regions may agree.

12 Each laboratory and alternative school shall file, on forms
13 provided by the State Superintendent of Education, an annual
14 State aid claim which states the Average Daily Attendance of
15 the school's students by month. The best 3 months' Average
16 Daily Attendance shall be computed for each school. The general
17 State aid entitlement shall be computed by multiplying the
18 applicable Average Daily Attendance by the Foundation Level as
19 determined under this Section.

20 (L) Payments, Additional Grants in Aid and Other Requirements.

21 (1) For a school district operating under the financial
22 supervision of an Authority created under Article 34A, the
23 general State aid otherwise payable to that district under this
24 Section, but not the supplemental general State aid, shall be
25 reduced by an amount equal to the budget for the operations of

1 the Authority as certified by the Authority to the State Board
2 of Education, and an amount equal to such reduction shall be
3 paid to the Authority created for such district for its
4 operating expenses in the manner provided in Section 18-11. The
5 remainder of general State school aid for any such district
6 shall be paid in accordance with Article 34A when that Article
7 provides for a disposition other than that provided by this
8 Article.

9 (2) (Blank).

10 (3) Summer school. Summer school payments shall be made as
11 provided in Section 18-4.3.

12 (M) Education Funding Advisory Board.

13 The Education Funding Advisory Board, hereinafter in this
14 subsection (M) referred to as the "Board", is hereby created.
15 The Board shall consist of 5 members who are appointed by the
16 Governor, by and with the advice and consent of the Senate. The
17 members appointed shall include representatives of education,
18 business, and the general public. One of the members so
19 appointed shall be designated by the Governor at the time the
20 appointment is made as the chairperson of the Board. The
21 initial members of the Board may be appointed any time after
22 the effective date of this amendatory Act of 1997. The regular
23 term of each member of the Board shall be for 4 years from the
24 third Monday of January of the year in which the term of the
25 member's appointment is to commence, except that of the 5

1 initial members appointed to serve on the Board, the member who
2 is appointed as the chairperson shall serve for a term that
3 commences on the date of his or her appointment and expires on
4 the third Monday of January, 2002, and the remaining 4 members,
5 by lots drawn at the first meeting of the Board that is held
6 after all 5 members are appointed, shall determine 2 of their
7 number to serve for terms that commence on the date of their
8 respective appointments and expire on the third Monday of
9 January, 2001, and 2 of their number to serve for terms that
10 commence on the date of their respective appointments and
11 expire on the third Monday of January, 2000. All members
12 appointed to serve on the Board shall serve until their
13 respective successors are appointed and confirmed. Vacancies
14 shall be filled in the same manner as original appointments. If
15 a vacancy in membership occurs at a time when the Senate is not
16 in session, the Governor shall make a temporary appointment
17 until the next meeting of the Senate, when he or she shall
18 appoint, by and with the advice and consent of the Senate, a
19 person to fill that membership for the unexpired term. If the
20 Senate is not in session when the initial appointments are
21 made, those appointments shall be made as in the case of
22 vacancies.

23 The Education Funding Advisory Board shall be deemed
24 established, and the initial members appointed by the Governor
25 to serve as members of the Board shall take office, on the date
26 that the Governor makes his or her appointment of the fifth

1 initial member of the Board, whether those initial members are
2 then serving pursuant to appointment and confirmation or
3 pursuant to temporary appointments that are made by the
4 Governor as in the case of vacancies.

5 The State Board of Education shall provide such staff
6 assistance to the Education Funding Advisory Board as is
7 reasonably required for the proper performance by the Board of
8 its responsibilities.

9 For school years after the 2000-2001 school year, the
10 Education Funding Advisory Board, in consultation with the
11 State Board of Education, shall make recommendations as
12 provided in this subsection (M) to the General Assembly for the
13 foundation level under subdivision (B)(3) of this Section and
14 for the supplemental general State aid grant level under
15 subsection (H) of this Section for districts with high
16 concentrations of children from poverty. The recommended
17 foundation level shall be determined based on a methodology
18 which incorporates the basic education expenditures of
19 low-spending schools exhibiting high academic performance. The
20 Education Funding Advisory Board shall make such
21 recommendations to the General Assembly on January 1 of odd
22 numbered years, beginning January 1, 2001.

23 (N) (Blank).

24 (O) References.

1 (1) References in other laws to the various subdivisions of
2 Section 18-8 as that Section existed before its repeal and
3 replacement by this Section 18-8.05 shall be deemed to refer to
4 the corresponding provisions of this Section 18-8.05, to the
5 extent that those references remain applicable.

6 (2) References in other laws to State Chapter 1 funds shall
7 be deemed to refer to the supplemental general State aid
8 provided under subsection (H) of this Section.

9 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
10 changes to this Section. Under Section 6 of the Statute on
11 Statutes there is an irreconcilable conflict between Public Act
12 93-808 and Public Act 93-838. Public Act 93-838, being the last
13 acted upon, is controlling. The text of Public Act 93-838 is
14 the law regardless of the text of Public Act 93-808.

15 (Source: P.A. 93-21, eff. 7-1-03; 93-715, eff. 7-12-04; 93-808,
16 eff. 7-26-04; 93-838, eff. 7-30-04; 93-875, eff. 8-6-04; 94-69,
17 eff. 7-1-05; 94-438, eff. 8-4-05; 94-835, eff. 6-6-06; 94-1019,
18 eff. 7-10-06; revised 8-3-06.)

19 (105 ILCS 5/21-29 new)

20 Sec. 21-29. Salary Incentive Program for Hard-to-Staff
21 Schools.

22 (a) The Salary Incentive Program for Hard-to-Staff Schools
23 is established to provide categorical funding for monetary
24 incentives and bonuses for teachers and school administrators

1 who are employed by school districts designated as
2 hard-to-staff by the State Board of Education. The State Board
3 of Education shall allocate and distribute to qualifying school
4 districts an amount as annually appropriated by the General
5 Assembly for the Salary Incentive Program for Hard-to-Staff
6 Schools. The State Board of Education's annual budget must set
7 out by separate line item the appropriation for the program.

8 (b) Unless otherwise provided by appropriation, each
9 school district's annual allocation under the Salary Incentive
10 Program for Hard-to-Staff Schools shall be the sum of the
11 following incentives and bonuses:

12 (1) An annual payment of \$3,000 to be paid to each
13 certificated teacher employed as a school teacher by a
14 school district. The school district shall distribute this
15 payment to each eligible teacher as a single payment or in
16 not more than 3 payments.

17 (2) An annual payment of \$5,000 to each certificated
18 principal that is employed as a school principal by a
19 school district. The school district shall distribute this
20 payment to each eligible principal as a single payment or
21 in not more than 3 payments.

22 (c) Each regional superintendent of schools shall provide
23 information about the Salary Incentive Program for
24 Hard-to-Staff Schools to each individual seeking to register or
25 renew a certificate.

1 (105 ILCS 5/27-22.03 new)

2 Sec. 27-22.03. Completion of high school graduation
3 requirements.

4 (a) For the 2007-2008 school year and each school year
5 thereafter, a school board shall ensure that each student
6 enrolled in grade 8, along with the school counselor or other
7 designated certificated school personnel, develop a curriculum
8 plan to guide the student toward the goal of successfully
9 completing, at a minimum, the high school graduation
10 requirements under Section 27-22 of this Code by the time the
11 student graduates from high school.

12 (b) For the 2007-2008 school year and each school year
13 thereafter, the school board shall annually report to each
14 student enrolled in any of grades 9 through 12 in the school
15 district and to each student's parent or guardian the student's
16 progress toward meeting the goal of successfully completing the
17 high school graduation requirements contained in Section 27-22
18 of this Code.

19 (105 ILCS 5/27A-4)

20 Sec. 27A-4. General Provisions.

21 (a) The General Assembly does not intend to alter or amend
22 the provisions of any court-ordered desegregation plan in
23 effect for any school district. A charter school shall be
24 subject to all federal and State laws and constitutional
25 provisions prohibiting discrimination on the basis of

1 disability, race, creed, color, gender, national origin,
2 religion, ancestry, marital status, or need for special
3 education services.

4 (b) (Blank). ~~The total number of charter schools operating~~
5 ~~under this Article at any one time shall not exceed 60. Not~~
6 ~~more than 30 charter schools shall operate at any one time in~~
7 ~~any city having a population exceeding 500,000; not more than~~
8 ~~15 charter schools shall operate at any one time in the~~
9 ~~counties of DuPage, Kane, Lake, McHenry, Will, and that portion~~
10 ~~of Cook County that is located outside a city having a~~
11 ~~population exceeding 500,000, with not more than one charter~~
12 ~~school that has been initiated by a board of education, or by~~
13 ~~an intergovernmental agreement between or among boards of~~
14 ~~education, operating at any one time in the school district~~
15 ~~where the charter school is located; and not more than 15~~
16 ~~charter schools shall operate at any one time in the remainder~~
17 ~~of the State, with not more than one charter school that has~~
18 ~~been initiated by a board of education, or by an~~
19 ~~intergovernmental agreement between or among boards of~~
20 ~~education, operating at any one time in the school district~~
21 ~~where the charter school is located.~~

22 ~~For purposes of implementing this Section, the State Board~~
23 ~~shall assign a number to each charter submission it receives~~
24 ~~under Section 27A-6 for its review and certification, based on~~
25 ~~the chronological order in which the submission is received by~~
26 ~~it. The State Board shall promptly notify local school boards~~

1 ~~when the maximum numbers of certified charter schools~~
2 ~~authorized to operate have been reached.~~

3 (c) No charter shall be granted under this Article that
4 would convert any existing private, parochial, or non-public
5 school to a charter school.

6 (d) Enrollment in a charter school shall be open to any
7 pupil who resides within the geographic boundaries of the area
8 served by the local school board, provided that the board of
9 education in a city having a population exceeding 500,000 may
10 designate attendance boundaries for no more than one-third of
11 the charter schools permitted in the city if the board of
12 education determines that attendance boundaries are needed to
13 relieve overcrowding or to better serve low-income and at-risk
14 students. Students residing within an attendance boundary may
15 be given priority for enrollment, but must not be required to
16 attend the charter school.

17 (e) Nothing in this Article shall prevent 2 or more local
18 school boards from jointly issuing a charter to a single shared
19 charter school, provided that all of the provisions of this
20 Article are met as to those local school boards.

21 (f) No local school board shall require any employee of the
22 school district to be employed in a charter school.

23 (g) No local school board shall require any pupil residing
24 within the geographic boundary of its district to enroll in a
25 charter school.

26 (h) If there are more eligible applicants for enrollment in

1 a charter school than there are spaces available, successful
2 applicants shall be selected by lottery. However, priority
3 shall be given to siblings of pupils enrolled in the charter
4 school and to pupils who were enrolled in the charter school
5 the previous school year, unless expelled for cause, and
6 priority may be given to pupils residing within the charter
7 school's attendance boundary, if a boundary has been designated
8 by the board of education in a city having a population
9 exceeding 500,000. Dual enrollment at both a charter school and
10 a public school or non-public school shall not be allowed. A
11 pupil who is suspended or expelled from a charter school shall
12 be deemed to be suspended or expelled from the public schools
13 of the school district in which the pupil resides.

14 (i) (Blank).

15 (j) Notwithstanding any other provision of law to the
16 contrary, a school district in a city having a population
17 exceeding 500,000 shall not have a duty to collectively bargain
18 with an exclusive representative of its employees over
19 decisions to grant or deny a charter school proposal under
20 Section 27A-8 of this Code, decisions to renew or revoke a
21 charter under Section 27A-9 of this Code, and the impact of
22 these decisions, provided that nothing in this Section shall
23 have the effect of negating, abrogating, replacing, reducing,
24 diminishing, or limiting in any way employee rights,
25 guarantees, or privileges granted in Sections 2, 3, 7, 8, 10,
26 14, and 15 of the Illinois Educational Labor Relations Act.

1 (Source: P.A. 92-16, eff. 6-28-01; 93-3, eff. 4-16-03; 93-861,
2 eff. 1-1-05.)

3 Section 35. The Board of Higher Education Act is amended by
4 adding Section 9.33 as follows:

5 (110 ILCS 205/9.33 new)

6 Sec. 9.33. Teacher and principal preparation programs.

7 (a) Approval of a teacher preparation program is contingent
8 on the institutions of higher learning teacher preparation
9 program assessment processes, the findings of the assessment,
10 and action plans for making program improvements and ensuring
11 that teachers are well-prepared for the realities of the
12 classroom by providing practical hands-on classroom
13 experience. Programs may choose different approaches to their
14 assessment plans, but all 3 elements must be clearly detailed
15 in program assessment design if a program is to receive Board
16 approval.

17 (b) Approval of a principal preparation program is
18 contingent on the submission of copies of the program's
19 assessment processes, the findings of the assessment, and
20 action plans for making program improvements. Programs may
21 choose different approaches to their assessment plans, but all
22 3 elements must be clearly detailed in program assessment
23 design if a program is to receive Board approval.

24 Section 99. Effective date. This Act takes effect July 1,

SB1500

- 158 -

LRB095 10942 NHT 31375 b

1 2007.

1	INDEX	
2	Statutes amended in order of appearance	
3	20 ILCS 2505/2505-455 new	
4	35 ILCS 5/201	from Ch. 120, par. 2-201
5	35 ILCS 105/9	from Ch. 120, par. 439.9
6	35 ILCS 120/3	from Ch. 120, par. 442
7	35 ILCS 630/2	from Ch. 120, par. 2002
8	35 ILCS 630/3	from Ch. 120, par. 2003
9	35 ILCS 630/4	from Ch. 120, par. 2004
10	105 ILCS 5/1-5 new	
11	105 ILCS 5/2-3.142 new	
12	105 ILCS 5/2-3.143 new	
13	105 ILCS 5/3-15.17 new	
14	105 ILCS 5/10-20.40 new	
15	105 ILCS 5/10-20.41 new	
16	105 ILCS 5/14-13.01	from Ch. 122, par. 14-13.01
17	105 ILCS 5/18-8.05	
18	105 ILCS 5/21-29 new	
19	105 ILCS 5/27-22.03 new	
20	105 ILCS 5/27A-4	
21	110 ILCS 205/9.33 new	